

6. NOTICES OF MOTION

6.1. NOTICE TO REPEAL MOTION - MOSSMAN GOLF COURSE LEASE

REPORT AUTHOR People and Community Services

MANAGER Terry Farrelly, Manager People and Community Services

DEPARTMENT People and Community Services

RECOMMENDATION

That Council:

1. Repeal Resolution 5.7 - 2 of its Ordinary Meeting on 28 July 2020, which resolved:

That Council:

After purchase approves a trustee permit for Lot 263 SR540 and freehold leases on Lots 20 and 21 SP212664 with Mossman Memorial Bowls Club for twelve (12) months with an option agreeable to both parties to extend into a trustee permit or management rights options on Council freehold land up to a further two (2) years, to manage operations of the Mossman Golf Course;

2. Continues with the purchase of Lot 21 on SP212664 and associated buildings on the land and on adjacent land on Lot 20 SP212664 from the Douglas Community & Sports Club Inc as per the Council resolution on 28 July 2020.
3. Approves a management agreement (lease simple) for Lot 263 SR540, Lot 20 and Lot 21 SP212664 with Mossman Golf Club Incorporation for twelve (12) months with an option to extend into a management agreement up to a further two (2) years, to manage operations of the Mossman Golf Course;
 - a. terms and conditions of Standard Terms Document register under dealing number 713488911 and 717940168 and also the State's Mandatory Standard Terms Document registered under dealing number 711932933.
 - b. associated costs of the management agreement (lease simple), including survey plans to be met by the lessee.
 - c. lessee will be responsible for the grounds and general maintenance of buildings and facilities.
4. Permit and lease payments as per the financial section of the report, noting Council will receive an annual return on investment; and
5. Delegates authority under Section 257 of the *Local Government Act 2009* to the Chief Executive Officer to finalise any and all matters associated with the above matter.

EXECUTIVE SUMMARY

Mossman Memorial Bowls Club was approved as a lessee for Mossman Golf Course in an Ordinary Council Meeting 28 July 2020 – Closed Session. Mossman Memorial Bowls Club

have declined the offer from Council of a lease or management hence the conditions of the resolution have not been met.

Mossman Golf Club Incorporated a not for profit organisation have expressed an interest in leasing or ongoing management of Mossman Golf Club on Council's behalf. This option would be beneficial to ensure Mossman Golf Club continues operating within the community.

As Mossman Golf Club Incorporated is classed as Other Incorporated Organisation Council can negotiate directly without contravening the Local Government Regulations. This club is a "*community organisation*" as defined in Schedule 8 of the Local Government Regulations (LGR). Consequently, Council can use the exception in s236(1)(b)(ii) of the LGR to avoid the need to invite tenders for the lease to the Mossman Golf Club.

BACKGROUND

A proposal by the Mossman Memorial Bowls Club to lease Lot 263 SR540 and Lots 20 and 21 SP212664, and manage operations at Mossman Golf Club was approved during the Ordinary Meeting of Council held on 28 July 2020, at which Council resolved;

1. Approves a trustee permit for Lot 263 SR540 and freehold leases on Lots 20 and 21 SP212664 with Mossman Memorial Bowls Club for twelve (12) months with an option agreeable to both parties to extend into a trustee permit or management rights options on Council freehold land up to a further two (2) years, to manage operations of the Mossman Golf Course;
 - a. terms and conditions of Standard Terms Document register under dealing number 713488911 and 717940168 and also the State's Mandatory Standard Terms Document registered under dealing number 711932933.
 - b. associated costs of the trustee permit and council leases, including survey plans to be met by the lessee.
 - c. lessee will be responsible for the grounds and general maintenance of buildings and facilities.

Mossman Memorial Bowls Club have declined Council's offer of a lease or management of Mossman Golf Club, however, have been supporting the newly established Mossman Golf Club Incorporation in advice, policy development and in-kind support of operating the Mossman Golf Club in the future.

Mossman Golf Club Incorporation has expressed an interest in a management agreement of the golf course from Council to operate the Mossman Golf Club. Mossman Golf Club Incorporation is willing to undertake a three (3) year management agreement (lease) with Council that will be responsible for operating the golf course, minor repairs and maintenance, upkeep of lawns, gardens and greens of the Golf Club. The terms of the management agreement would initially be for twelve (12) months with an option of extending to a further two (2) years upon agreement of both parties, with the rent of.

- Nil in year one
- \$10,000 in year two
- \$20,000 in year three

The Mossman Golf Club Incorporation and Douglas Community & Sports Club Incorporation have negotiated terms of the transition of staffing arrangements, liabilities and golf buggies to ensure that the existing staff are retained, and the leased equipment is maintained. The Mossman Golf Club Incorporation is well represented through a proactive board and

members in the community that will continue to operate the golf course so it remains within the community.

COMMENT

To finalise the sale Council will engage Preston Law to negotiate and finalise the matter on our behalf.

Council Officers will implement a management agreement (lease) directly with Mossman Golf Club Incorporation for a period of up to three (3) years.

The agreement will set out the requirements for the Mossman Golf Club Incorporated to effectively operate the golf course and clubhouse and maintain grounds and facilities.

PROPOSAL

The proposal is for Council to

1. Repeal Resolution 5.7 - 2 of its Ordinary Meeting on 28 July 2020, which resolved to:

That Council:

After purchase approves a trustee permit for Lot 263 SR540 and freehold leases on Lots 20 and 21 SP212664 with Mossman Memorial Bowls Club for twelve (12) months with an option agreeable to both parties to extend into a trustee permit or management rights options on Council freehold land up to a further two (2) years, to manage operations of the Mossman Golf Course;

1. Continues with the purchase of Lot 21 on SP212664 and associated buildings on the land and on adjacent land on Lot 20 SP212664 from the Douglas Community & Sports Club Inc as per the resolution on 28 July 2020.
2. Approves a management agreement (lease simple) for Lot 263 SR540, Lot 20 and Lot 21 SP212664 with Mossman Golf Club Incorporation for twelve (12) months with an option to extend into a management agreement up to a further two (2) years, to manage operations of the Mossman Golf Course;
 - d. terms and conditions of Standard Terms Document register under dealing number 713488911 and 717940168 and also the State's Mandatory Standard Terms Document registered under dealing number 711932933.
 - e. associated costs of the management agreement (lease simple), including survey plans to be met by the lessee.
 - f. lessee will be responsible for the grounds and general maintenance of buildings and facilities.
3. Permit and lease payments as per the financial section of the report, noting Council will receive an annual return on investment; and
4. Delegates authority under Section 257 of the *Local Government Act 2009* to the Chief Executive Officer to finalise any and all matters associated with the above matter.

FINANCIAL/RESOURCE IMPLICATIONS

There will be no financial resource implications should Council rescind the resolution and approve a management agreement for Lot 263 SR540 and Lots 20 and 21 SP212664 directly with Mossman Golf Club Incorporated.

The management agreement for Lot 263 SR540 and on Lots 20 and 21 SP212664 with Mossman Golf Club Incorporated for up to three (3) years, with rental amounts being.

- Nil in year one
- \$10,000 in year two
- \$20,000 in year three

RISK MANAGEMENT IMPLICATIONS

There will be no risk management implications should Council rescind the resolution and approve a management agreement for Lot 263 SR540, Lots 20 and 21 SP212664 with Mossman Golf Club Incorporated. The Mossman Golf Club Incorporated will take on all operations including licenses, grounds maintenance and staffing requirements. Following purchase Council will be lessor of the property that will ensure the Mossman Golf Club remains as a golf course and accessible to the community in the Shire.

SUSTAINABILITY IMPLICATIONS

Economic: The Mossman Golf Club employs four staff and provides junior and senior development programs that generate coaching opportunities within the community. The prospect of a future RV park will also generate direct economic outcomes with additional visitors and more employment opportunities.

Environmental: Nil

Social: The prospect of retaining the Mossman Golf Course as a community asset will contribute to building social capital and will support other organisations associated with the Mossman Golf Club.

CORPORATE/OPERATIONAL PLAN, POLICY REFERENCE

This report has been prepared in accordance with the following:

Corporate Plan 2019-2024 Initiatives:

Theme 1 - Celebrating Our Communities

Douglas Shire Council embraces the diversity of our communities and values the contribution that all people make to the Shire. We recognise that it is a core strength of the region. We acknowledge our past so that it may guide us in the future. We recognise the wrongs done to our Indigenous community and we actively seek to reconcile so that we may all benefit from and enjoy our Shire. We acknowledge early European settlers who forged an agricultural base for our economy, and we welcome all new arrivals as part of our broader community.

Goal 1 - We will celebrate the diversity of our community and ensure that all infrastructure, programs, and services are underpinned with inclusiveness and accessibility.

Goal 2 - We will deliver programs and services that protect and enhance the livability of our beautiful Shire.

Goal 3 - We will develop programs that promote health, well-being and safety in the community.

Goal 4 - We will promote arts and cultural programs and events that bring vibrancy to the community and compliment the tourist experience.

Theme 2 - Fostering Sustainable Economic Growth

A robust economy is at the heart of a thriving community and enables investment in environmental protection. While our remoteness is a key attribute, it also presents challenges for attracting new business and investment. We must also meet the challenges of fierce competition in the tourism sector. Council will partner with industry to build, diversify and promote the Douglas economy. Council will design and deliver infrastructure, strategies and services that support the local economy and businesses.

Goal 1 - We will build appropriate infrastructure and deliver services that connect and support businesses.

Goal 3 - We will develop strategies that seek to diversify the Shire's economic base.

COUNCIL'S ROLE

Council can play a number of different roles in certain circumstances and it is important to be clear about which role is appropriate for a specific purpose or circumstance. The implementation of actions will be a collective effort and Council's involvement will vary from information only through to full responsibility for delivery.

The following areas outline where Council has a clear responsibility to act:

Custodian Council owns and manages infrastructure, facilities, reserves, resources and natural areas. In fulfilling its role as custodian, Council will be mindful of the community, the economy, the environment, and good governance.

CONSULTATION

Internal: Property Services

External: Mossman Memorial Bowls Club Inc.
Mossman Golf Club Inc

COMMUNITY ENGAGEMENT

Nil

ATTACHMENTS

Nil