

10.1 Tourist Park Update

This report seeks Council endorsement in relation to the Moana Beach Tourist Park Master Plan.

This is an update on a previously reported project, concept or issue.

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Attachments: 1. Management Agreement (16 pages)
2. Selection Criteria (1 page)

1 Executive Summary

1.1 Topic

This report seeks Council endorsement to go to the market to secure the short-term management for Moana Beach Tourist Park.

1.2 Context

At the 19 June 2007 meeting of Council an update report on the master planning for the Moana Beach Tourist Park was provided to Elected Members. That report stated that:

“Should council endorse the releasing of an expression of interest for the long term lease of the (Moana Beach Tourist) Park the management of the Park in the short term will need to be resolved with either the release of a similar EOI for the short term Park management or support for the continued interim management arrangement.”

At this meeting it was resolved that:

“Items 2 and 3 of Report 10.2 Tourist Park Update (in relation to Moana Beach Tourist Park) be adjourned until the briefing has been held.”

The effect of the resolution is that consideration of an Expression of Interest being released for the sale of leasehold interest in the Moana Beach Tourist Park for a term of up to 21 years following development of a communication plan that includes advice to existing tenants has been delayed until after the briefing scheduled to occur on 7 August 2007.

Given the likely time required for Elected Members to review the future direction of the Master Plan, this report seeks to formalise a short term management arrangement for the Moana Beach Tourist Park.

1.3 Suggested Outcome

That Council endorse the selection criteria and going to the market to secure the short term management of the Moana Beach Tourist Park.

2 Recommendation(s)

1. (a) **That under the provisions of Section 90(2) of the Local Government Act 1999 an order be made that the public be excluded from attendance at the meeting in order to consider in confidence this item.**
- (b) **That the Council is satisfied that it is necessary that the public be excluded to enable the Council to consider the report at the meeting on the following grounds:**
 - **Section 90(3)(b)(i)(ii) information the disclosure of which -**
 - (i) **could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business or to prejudice the commercial position of the council; and**
 - (ii) **would, on balance, be contrary to the public interest;**
 - (c) **That accordingly, on this basis the principle that meetings of the Council should be conducted in a place open to the public has been outweighed by the need to keep the information or discussion confidential.**
2. **That the selection criteria included with this report as Attachment 2 be endorsed for the securing of the management of the Moana Beach Tourist Park.**
3. **That expressions of interest be invited to secure the short term management of the Moana Beach Tourist Park for a term of one year with the option of a further one year term to be exercised by mutual agreement between Council and the lessee.**
4. **That the Mayor and Chief Executive Officer be authorised to finalise negotiations for the short term management of the Moana Beach Tourist Park in accordance with the selection criteria as included with this report as Attachment 2.**
5. **That the Mayor and Chief Executive Officer be authorised to sign all documentation in relation to the short term management of the Moana Beach Tourist Park.**
6. **That the present managers of the Moana Beach Tourist Park be advised confidentially in writing of the decision of Council to go to the market to secure the short term management of the Park.**

7. That the outcomes from the process for securing the short term management of the Moana Beach Tourist Park be advised to elected members through Weekly News.
8. That an order be made under the provisions of Section 91(7) and (9) of the Local Government Act 1999 that the abovementioned document (or part of such document) including the minutes and the report of the Council relating to discussion of the subject matter of that document, having been dealt with on a confidential basis under Section 90 of the Act, should be kept confidential on the grounds of information contained in 90(3)(b)(i)(ii) until the short term management agreement has been finalised with the successful party.

Key Factors

3 Consultation

3.1 Community

The Tourist Park is situated on community land and as the lease is to be for a period of less than five (5) years consultation with the community is not required.

3.2 Elected Members

Mayor Rosenberg has held discussions with the CEO and General Manager Organisation Services in relation to this matter.

This matter has been raised as part of an earlier report to Council on the Moana Tourist Park Master Plan.

3.3 Staff

Jeff Tate, Chief Executive Officer

Terry Crackett, General Manager Organisation Services

4 Discussion

4.1 Background

In December 2006 Council received advice from the then Managers of the Moana Beach Tourist Park of their intention to relinquish their management obligations immediately. Given the tight timeframe of their request and with only six months remaining on their management contract a short-term management approach was implemented to afford Council the opportunity to implement their longer term adopted lease model.

Subsequently the Managers of the Christies Beach Tourist Park agreed to an assignment of the Moana agreement for the balance of its term. This expired on the 30 June 2007 and will continue under a month-by-month agreement until such time as a new management agreement has been entered into.

At the 19 June 2007 meeting of Council an update report on the master planning for the Moana Beach Tourist Park was provided. At this meeting it was resolved to adjourn this item until such time as the Elected Members were provided with a briefing on the Moana Beach Tourist Park master plan process.

Given the likely time required for Elected Members to review the future direction of the Master Plan, this report seeks to formalise a short term management arrangement for the Moana Beach Tourist Park.

4.2 Short-Term Management Agreement

It is proposed for the agreement to be for one year with the option of a further one year term to be exercised by mutual agreement between Council and the Lessee. The commercial terms of agreement will comprise the Lessee being entitled to a contract fee and a negotiated commission of all income received. These terms are as per the existing agreement, provided as Attachment 1 to this report.

4.3 Process for securing short-term management

Tourist Parks are considered to be small business interests and are therefore managed and operated in most instances either directly by their owners or by sole operators as presently occurs.

It is proposed that an expression of interest be released for the management agreement, this is to occur in accordance with Council's Purchasing Policy through a Council appointed recruitment agency. The agency would seek expressions of interest by advertising, receive applications and subsequently consider these against the position description and selection criteria (Attachment 1 and 2) before making a recommendation for appointment.

This process is likely to take up to three months to finalise.

4.4 Christies Beach Tourist Park Management Agreement

In accordance with a resolution of Council on 18 April 2006 the lease for the management of the Christies Beach Tourist Park has been extended to 1 July 2011 to the present managers to enable progression of the Master Plan for the site.