

To the Shire President,

We the undersigned Councillors wish to lodge a notice of revocation in accordance with Section 10 (1) of the Local Government (Administration) Regulations 1996.

Minute item 9.2.4, part 2, of the resolution of Ordinary Council Meeting held on 15 December 2010.

PROPOSED MOTION

That Council decision of 12 May 2011 relating to item 9.2.4, part 2 BROOME ENTERPRISE CENTRE- REQUEST FOR NEW LEASE, which reads:

That Council determines that:

"Phases in the market rental valuation over the initial three (3) year life of the new lease agreement as follows:

- *Yr 1: applies rental of \$15,280 per annum plus outgoings and GST*
- *Yr 2: applies rental of \$18,080 per annum plus CPI, outgoings and GST*
- *Yr 3: applies rental of \$20,880 per annum plus CPI, outgoings and GST*
- *Each year thereafter market rental valuation to apply per annum plus CPI, outgoings and GST "*

be revoked.

REASON:

This resolution is ambiguous and not usual practice commercially. One or the other should be adopted being either a Market Review or a CPI increase.

Similarly, the addition of CPI to a market review is unusual, because a market review already accounts for inflation and cost of living increases. So the Shire is effectively claiming the benefit of inflation twice for each rent review.

The recommendation to Council is to align with current practice by way of market rent review in the 4th year and CPI in the 5th and 6th year. This will ensure that Council achieves the goal of a gradual increase over a three year period to bring the lease payments into line with market valuations.

Mover: Cr Δ MALLÉ

Signed: 

Name: Cr LE Yu

Signed: 

Name: Cr G CAMPBELL.

Signed: 

NEW PROPOSED NOTICE OF A MOTION

That Council:

1. Rescinds the following portion of the original motion 9.2.4 of OCM 12 May 2011

"Each year thereafter market rental valuation to apply per annum plus CPI, outgoings and GST"

2. Adopts the following rent reviews to replace the rescinded portion:

Yr 1: applies rental of \$15,280 per annum plus outgoings and GST

Yr 2: applies rental of \$18,080 per annum plus CPI, outgoings and GST

Yr 3: applies rental of \$20,880 per annum plus CPI, outgoings and GST

Each year thereafter rental review summary on new three (3) year option:

(a) Yr1 1 July 2014 – Market Review

(b) Yr2 1 July 2015 – CPI Increase

(c) Yr 3 1 July 2016 – CPI Increase,

Moved: 

Seconded: