



I hereby give notice that a Special Meeting of Council will be held on:

Date: Tuesday, 27 April 2021
Time: 9.30am (approx.)
Location: Council Chambers
Administration Office
10 Furneaux Street, Cooktown

AGENDA AND BUSINESS PAPERS

Special Council Meeting

27 April 2021

**Linda Cardew
Chief Executive Officer**

Order Of Business

1 Attendance..... 5

2 Meeting Opened 5

3 Apologies 5

4 Acknowledgement of Country 5

5 Organisational Business Services - Reports..... 6

5.1 RFT T4220 - Waterfront Lease - Lots 1 CP889652 and 3 SP154666..... 6

- 1 ATTENDANCE**
- 2 MEETING OPENED**
- 3 APOLOGIES**
- 4 ACKNOWLEDGEMENT OF COUNTRY**

On behalf of all Councillors, the Mayor acknowledged the Waymburr Warra people, Traditional Custodians of the land on which we meet today, and paid respects to their Elders past, present and emerging.

5 ORGANISATIONAL BUSINESS SERVICES - REPORTS

5.1 RFT T4220 - WATERFRONT LEASE - LOTS 1 CP889652 AND 3 SP154666

File Number: D21/9564

Author: Procurement Coordinator

Authoriser: Heather Kelly, Director Organisational Business Services

Attachments:

- 1 Artist Impression of Cooktown Pearlers Locker [?](#)
- 2 Draft Lease [?](#)
- 3 Prescribed terms in accordance Land Act [?](#)

PRECIS

This report seeks Council's consideration of the award of a trustee lease for Lease E of Lot 1 CP889652 and sublease of Lot 3 SP154666 at the Cooktown waterfront precinct.

BACKGROUND/HISTORY

In accordance with s228 of the *Local Government Regulation 2012*, Council may invite an EOI if it decides by resolution that it would be in the public interest to do so before inviting written tenders.

In May 2016 Council advertised for Expressions of Interest ("EOI") for a term trustee lease over Lease E of Lot 1 on Plan CP889652 and sublease of Lot 3 on Plan SP154666 with these properties comprising of a combined water and land lease opportunity. That EOI did not progress to award of tender and on 11 November 2018 Council resolved (Resolution 2018/238) to readvertise that EOI.

Based on the above, RFEOI E4220 – Waterfront Lease – Lot 1 CP889652 and 3 SP154666 was prepared, advertised on Council's Tenders webpage and social media, and uploaded to Vendor Panel – Public Tenders on Wednesday 9 December 2020 with a closing date and time of 2pm Wednesday 27 January 2021.

The EOI from Minniecon Smith Family Holdings Pty Ltd as trustee for Minniecon Smith Family Trust, trading as Saltwater Club ("Saltwater Club"), Pearler's Locker and Pearl Lugger Heritage Fleet, offering iconic indigenous maritime cultural heritage adventures, experiences and hospitality in Cook Shire was reviewed and short-listed by the Executive Leadership Team ("ELT") and agreed that a Request for Tender ("RFT") was to be prepared.

RFT T4220 – Waterfront Lease – Lot 1 CP889652 and 3 SP154666 was prepared and uploaded to Vendor Panel on Wednesday 24 March 2021 with a closing date and time of 2pm Wednesday 14 April 2021.

A compliant tender submission was received from Saltwater Club on Wednesday 14 April 2021.

Consideration:

An artist's impression of the proposed Cooktown Pearlers Lockers is attached.

The Saltwater Club project team bring a range of decision making processes that will guide the operation of the Fleet and the Club throughout Cape York and the Torres Strait and lead the development in Cooktown. Their central committee provides a strategic foresight over the entire operations and across both Aboriginal and Torres Strait Islander Sea Country.

The business activities which are proposed to be developed on both lease areas are considered by the ELT to provide an activation of what is currently an underutilised area of the Cooktown

Waterfront precinct with a staged proposal to build and add experiences which are not currently available in Cooktown. The ELT considered the proposed business activities and impact they would have on currently operating businesses in the precinct and determined that the proposed experiences are different to that which is currently operating and would add to the experiences available to locals and visitors to Cooktown.

The proposed term of the leases is from 1 May 2021 to 31 January 2036.

The proposed rental for sublease of Lot 3 on plan SP154666 (water lease) for the duration of the lease is (100% cost recovery) 6% of land valuation at a fixed annual fee.

The proposed rental for trustee-lease 'Lease E' on Lot 1 on plan CP889652 (land lease) is:

- Years 1 – 2 – a nominal annual amount during the development phase
- Years 3 – 5 – 2.5% of independent land valuation as conducted for Lot 1 CP889652 or as otherwise negotiated
- Years 6 – 2036 – 6% of independent land valuation as conducted for Lot 1 CP889652 or as otherwise negotiated

The Saltwater Club further proposed a proportion of the outgoings, i.e. water, waste and rates of 50% for years 1 and 2 and 100% from year 3 onwards.

Due diligence was carried out on the tender submission and it is considered that both the non-price and price criteria have been met.

LINK TO CORPORATE PLAN

Key Strategy Priority: Governance - Accountable, responsible and appropriate governance and management reflected in responsible long-term financial sustainability and clear strategic direction built around core local government business and affordable levels of service.

Strategy 3: Develop a clear communication plan to inform the workforce, community and elected members in order to achieve greater understanding of council decision making processes, policies, legislation and compliance requirements.

Objective 3c: The community is kept informed and is generally well satisfied with the overall leadership and strategic direction undertaken by Council.

CONSULTATION

Consultation was carried out with Councillors and various Council officers.

LEGAL IMPLICATIONS (STATUTORY, BASIS, LEGAL RISKS)

In accordance with the Local Government Regulations 2012 section 228

POLICY IMPLICATIONS

This procurement activity complies with Council's Procurement Policy and Council's Leasing Policy

FINANCIAL AND RESOURCE IMPLICATIONS (BUDGETARY)

Council will receive a return on the water lease.

RECOMMENDATION

That Council:

1. Approve the award of a trustee lease for Lease E on Lot 1 CP 889652 in conjunction with a sublease of Lot 3 SP 154666 for Marine Facility Purposes, located at Webber Esplanade, Cooktown to Minniecon Smith Family Holdings Pty Ltd as trustee for Minniecon Smith Family Trust, trading as Saltwater Club, Pearler's Locker and Pearl Lugger Heritage Fleet for the period 1 May 2021 to 31 January 2036; and
2. Delegate authority to the Chief Executive Officer pursuant to s 257 of the *Local Government Act* to negotiate and finalise the trustee lease and the sublease in the Council's interest.