

8<sup>th</sup> May 2014

Mr Ross Woodward  
Chief Executive  
The Office of Local Government  
Locked Bag 3015  
NOWRA NSW 2541  
Attn: Sonja Hammond

Dear Sir

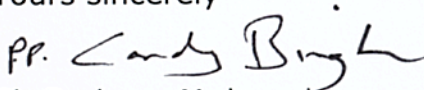
Your Reference: A362817, CapEx Submission, Manly Council

Thank you for the opportunity to respond to the issues raised in your letter of 27<sup>th</sup> March, 2014. Having considered Manly Council's response, it is our view that Council:

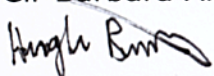
- i) Has significantly underestimated the cost per space in the construction of the Oval car park and has misrepresented that it is a "limited below ground risk" site.
- ii) Has subsequently re-jigged their financing model to include the sale of the Whistler Street site to off-set the capital cost of the new car park. This sale was previously promoted to the community as a means to pay for a new library building and that the oval car park would be self-funding.
- iii) Has used questionable modelling over a 50 year period based on interest rate scenarios of 5-7%, and revenue predictions which are inconsistent and optimistic at best.
- iv) Has completely ignored and played down substantial community objection to the project, and has misled the OLG in relation to the results of its community communications plan.
- v) Does not have the expertise to manage a project of this magnitude, particularly given that the project team is already responsible for a \$15m Leisure Centre which is currently under tender.
- vi) Has overstated the poor condition and necessity to replace the Whistler Street car park on the basis that it does not meet current Building Code of Australia compliance requirements.

Enclosed are independent expert reports to substantiate our views

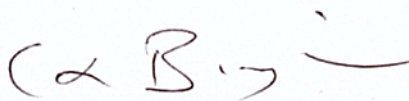
Yours sincerely

  
PP. Candy Bingham

Clr Barbara Aird



Clr Hugh Burns

  
Councillor Candy Bingham

Councillor Candy Bingham

  
Clr Cathy Griffin

Clr Cathy Griffin