



THE LORD MAYOR OF SYDNEY  
**CLOVER MOORE**

24 OCT 2014

Adrian Piccoli  
Minister for Education  
Level 34, Governor Macquarie Tower  
1 Farrer Place  
SYDNEY NSW 2000

By email office@piccoli.minister.nsw.gov.au

Document tendered by
<i>Ms Clover Moore</i>
Received by
<i>Sharon Ohnesorge</i>
Date: 25/11/16
Resolved to publish <input checked="" type="radio"/> Yes <input type="radio"/> No

Dear Minister

**New Inner City School**

I am writing to seek an urgent meeting to help finalise agreement on the City of Sydney's sale of its former Fig and Wattle Street Depot to the Department of Education and Communities for a new school in Ultimo.

The City and the Department have previously reached agreement on most issues concerning the transfer. On 19 September, the City of Sydney's Acting CEO, Kim Woodbury, provided a further detailed proposal and indicated his hope to be able to seek Council endorsement of the sale at its 3 November meeting.

In response to a further letter from the Acting CEO dated 9 October, the Department advised on 10 October that it was considering its position and hoped to update the City shortly. The City has not received any further response.

However, I was told yesterday by a member of the Inner City Schools Working Party, that the Department of Education has cancelled all meetings of this group for the rest of this year. I have also been told that the Department of Works has been instructed to stop project planning work on the new school for Ultimo.

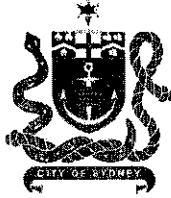
I share community concern about this information.

In my letter dated 19 September, I proposed that we meet to help reach agreement on this issue. I have not received a response.

Your staff can contact \_\_\_\_\_ in my office to arrange a suitable time or on telephone \_\_\_\_\_ or at \_\_\_\_\_

Yours sincerely

Clover Moore  
Lord Mayor of Sydney



THE LORD MAYOR OF SYDNEY  
CLOVER MOORE

05 NOV 2014

Adrian Piccoli  
Minister for Education  
Level 34, Governor Macquarie Tower  
1 Farrer Place  
SYDNEY NSW 2000

By email [office@piccoli.minister.nsw.gov.au](mailto:office@piccoli.minister.nsw.gov.au)

Dear Minister

**New Inner City School**

Thank you for meeting with me next Thursday to resolve the issues relating to the new school in Ultimo.

This week, Council resolved to approve the sale of the City's former depot site to the Department of Education and Communities, subject to fair and reasonable conditions.

I enclose a copy of my Lord Mayoral Minute, including Council's resolution and the **confidential** attachment outlining the City's proposed terms and conditions of sale.

I look forward to resolving the outstanding matters and to finalise the agreement so we can urgently progress this important project.

Yours sincerely

A handwritten signature in black ink that reads "Clover Moore".

Clover Moore  
Lord Mayor of Sydney  
Encl.

## Resolution of Council



3 NOVEMBER 2014

CM 2014/00614

**ITEM 3.3 SALE OF PROPERTY FOR NEW INNER CITY SCHOOL**

**FILE NO: S051491**

### MINUTE BY THE LORD MAYOR

#### To Council:

I welcome State Government commitment to new school infrastructure in response to the significant population growth in the inner city and the growing trend for parents to stay in the area and bring up their children.

To assist the State Government, the City is willing to sell available property to the NSW Department of Education and Communities, subject to reasonable conditions.

To this end, City staff worked collaboratively and in good faith with the Department throughout 2014, and reached substantial agreement.

The City and the Department have **agreed on the value for the land**, in line with standard government practice for valuing property.

The City and the Department have also agreed that, rather than requiring full payment for the land, the City will **accept in-kind provision of an 80 place child care facility**.

The City has told the Department that it would accept additional child care or further community facilities within the redevelopment, but has been told by the Department that only a single child care facility can be accommodated.

As the final step in reaching agreement, the City and the Department undertook **an agreed process of independent, expert advice on the remediation need for the site**.

With the assistance of environmental and technical consultants, the City and the Department have done a detailed review of remediation strategies, scope and costs. We have agreed on a scope of work that meets Environmental Protection Authority (EPA) guidelines for use of the site as an education facility.

The City has agreed to additional remediation that our experts consider would be beneficial and ***that goes beyond the scope of works required to meet EPA guidelines.***

In order to help reach agreement, the City applied its independent quantity surveyor dollar rates to that scope of works beyond EPA guidelines to identify a cost of \$9.5 million, which includes a generous contingency.

However, the Department has proposed work significantly in excess of the EPA guidelines and identified a remediation cost of \$18 million - resulting in an \$8.5 million variation between the City's and the Department's estimates that needs to be resolved.

### **City Offer of Sale**

The City's Acting CEO wrote to the Department on 19 September 2014 with an *in principle* offer to sell our former depot at 14-26 Wattle Street Ultimo, subject to Council endorsement. Staff have been in contact seeking to progress the offer.

The Acting CEO's letter stated our hope that the City would receive a response in time to seek Council endorsement at its meeting on 3 November - tonight.

I wrote to the Minister for Education on 19 September and 24 October 2014 seeking a meeting to help reach agreement. Last Friday, the Minister confirmed a meeting for 13 November.

In order to help urgently progress this important project, I seek Council's endorsement for the sale of the City's former Fig and Wattle Street Depot to the State Government on terms consistent with agreements reached with the Department and in line with State Government guidelines for sale of surplus property.

### **RECOMMENDATION**

It is resolved that Council:

- (A) approve the immediate sale of the City's former Fig and Wattle Depot site at 14-26 Wattle Street, Ultimo to the Department of Education and Communities on terms and conditions outlined in Attachment B to this Minute; and
- (B) should further negotiation be required to resolve the outstanding issues:
  - (i) authorise the Lord Mayor to negotiate with the Minister on the allowance for remediation and/or community facilities provided by the Department of Education and Communities under the terms and conditions of the sale; and
  - (ii) request the Chief Executive Officer report back to Council on any substantial variation in the terms and conditions of the sale outlined in Attachment B.

**COUNCILLOR CLOVER MOORE**  
Lord Mayor

Moved by the Chair (the Lord Mayor), seconded by Councillor Forster –

That the Minute by the Lord Mayor be endorsed and adopted.

Carried unanimously.

# FILE NOTE

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**FILE:** OLM2014/010569

**SUBJECT:** ULTIMO SCHOOL SITE – SUMMARY OF MEETING WITH  
MINISTER FOR EDUCATION - 13 NOVEMBER 2014

**DATE:** 13 NOVEMBER 2014

**PREPARED BY:** Policy Officer - Planning

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The Lord Mayor, Kim Woodbury, and met with Minister for Education, Adrian Piccoli, Peter Kiorian, Deputy Director General, and another officer from the Minister's office.

It was clear from the start of the meeting that the Minister was not open to finalising the agreement and stated that he was unable to overrule the advice that he has been given from the Department of Education staff on this matter.

Below is a summary of the key points of discussion:

- The Lord Mayor reiterated the City's willingness to sell this site to the Department and that in doing this we are foregoing the opportunity to sell via a competitive process and instead directly negotiate with the Department to help deliver a much need school in this area.
- LM noted that Council have endorsed the terms and conditions that were sent to the Minister along with the LMM that included the agreed value of the property and the in-kind contributions. The only outstanding matter was the cost of remediation and the scope of works that the Department are asking the City to pay for which are significantly higher than those required by the EPA guidelines for school sites.
- Kim Woodbury (KW) outlined what has occurred throughout the negotiations to date and issues that remain outstanding. He noted that it was the Department that walked away from the negotiations, to which the DDG responded that they didn't walk away, the City was presented an offer that was rejected.
- KW noted the \$14.6M cost for the additional soil removal was the contributing difference between the Department and the City's estimate if costs. KW also noted that this work would not provide any greater safety benefit and that the scope of works proposed by the City, including additional elements required by the Department beyond what is required provides adequate remediation for the site and its future use as a school.
- The LM noted that the City has had to remediate contaminated land for a number of our parks, community facilities and places that children are using and that we know how to manage this type of work effectively and successfully.
- The DDG noted that the scope of works required by the Department may be very conservative but that this is what the school communities expect and is the scope has been adopted as the standard approach by the Department across schools in NSW.

- acknowledged that the safety of children was paramount and is the reason that the scope of works proposed and costed by the City are above the required standards. However, the standards that the Department are asking for and costing at \$18.M are far beyond the EPA requirement and are a result of internal decisions they have made in relation to their own projects. Therefore, to expect the City to pay for works to satisfy the Departments additional requirements is not reasonable.
- It was agreed that KW would meet with the DDG, once he has had time to discuss with his staff to try and finalise the agreement next week.
- After that meeting, a briefing note will be prepared that outlines the agreed final terms and conditions for the sale of the site for the LM.

**ACTIONS:**

- The Lord Mayor has requested that we prepare a letter to go to the Minister that outlines all the facts about this negotiation process and reiterate the City's position.
- The Lord Mayor has requested that Kim Woodbury update the valuation that the City has had done on the current Ultimo School site for inclusion in the letter to the Minister.
- LM has also asked that we provide a copy of this letter to Alex Greenwich by Tuesday, 18 November to enable him to raise the issue.

OLM2014/010570



THE LORD MAYOR OF SYDNEY  
CLOVER MOORE

17 NOV 2014

Adrian Piccoli  
Minister for Education  
Level 34, Governor Macquarie Tower  
1 Farrer Place  
SYDNEY NSW 2000

By email office@piccoli.minister.nsw.gov.au

Dear Minister

#### New Inner City School - Ultimo

I write to you following our meeting on 13 November about the sale of the City's former depot site at Wattle and Fig Street to the Department of Education and Communities for a new school in Ultimo.

As discussed at the meeting, the City has been working, in good faith since the initial meeting on 8 August 2013 with the Department's senior staff. However, throughout the negotiations, a number of issues have slowed and unnecessarily complicated the finalisation of the agreement, including the remediation cost gap after an agreement had been reached on the value of the site and the in-kind contributions.

#### Remediation

The City's current allowance for remediation of \$9.5M includes several new elements, including those acknowledged by the Department as 'additional clean up works likely required by the school community'. ***This revised scope allows a significantly higher standard than needed to attain a site audit statement from an independent site auditor and is in excess of the NSW EPA guidelines.***

The principal difference is the \$14.6M for additional soil removal disposed at a solid waste category. This scope element is unsupported by any remediation methodology recommended by either the Department's or the City's environmental consultants.

The remediation of contaminated land is an issue that the City has effectively managed with a number of our parks, community facilities and residential areas. We are confident that the scope of works included in the City's allowance is to a high standard for the future use of the site for a school. We appreciate that the Department has adopted a specific remediation standard across schools in NSW. ***However it is unreasonable to expect the City of Sydney to pay for works significantly beyond the EPA requirements to satisfy the standards that are a result of internal decisions by the Department in relation to its own projects.***

Sydney Town Hall 483 George Street Sydney NSW 2000  
Phone 02 9265 9229 Fax 02 9265 9328 cmoore@cityofsydney.nsw.gov.au

O OLM2014 010570 PICCOLI MEETING FOLLOW UP - ULTIMO SCHOOL SITE FIG & WATTLE INNER CITY

The Department proposes to sell the current school site on an unconditional basis at market value and through a competitive process. We have been advised that the valuation of this property would be approximately \$54M. By contrast, the City's direct negotiation on the Wattle Street site, whilst supported by independent valuation, foregoes the benefits of a competitive process.

The City has outlined the terms and conditions of sale, as endorsed by Council. We are willing to consider additional local/council community facilities as long as they are above and beyond what the Department would normally include in a new school to finalise the agreement and help the State Government provide a new school for the growing number of families in our community.

As agreed at our meeting, the City's Chief Operating Officer, Kim Woodbury and Chief Financial Officer are meeting with Peter Riordan, Deputy Secretary and Anthony Perrau, Executive Director Asset Management on 25 November.

I look forward to the City and Department staff resolving the outstanding issues and finalising the agreement to progress this important project.

Yours sincerely



Clover Moore  
Lord Mayor of Sydney





THE LORD MAYOR OF SYDNEY  
CLOVER MOORE

09 DEC 2014

Adrian Piccoli  
Minister for Education  
Level 34, Governor Macquarie Tower  
1 Farrer Place  
SYDNEY NSW 2000

By email      office@piccoli.minister.nsw.gov.au

Dear Minister

### New Inner City School

Further to my letter of 4 December 2014, I write to confirm a revised offer for the sale of the City's Fig and Wattle Street site for use as a primary school.

At its meeting last night, Council unanimously endorsed my proposal that we further reduce the sale price for Council's Ultimo property in order to reach agreement with the Department of Education and Communities.

***In response to the proposal by Liberal Councillor Edward Mandla, which I hope represents the NSW Government's commitment to a new school for Pyrmont/Ultimo, Council unanimously agreed to the price you proposed in your letter of 19 September 2014.***

The City will sell the site to the NSW Government for the net price of \$74 million, which is the price sought by your Department before it withdrew its offer on 25 November 2014. As previously agreed, the offer is subject the Department also constructing and dedicating to the City an 80-place child care facility on the site.

I enclose a copy of my Lord Mayoral Minute, including Council's resolution.

***Council's endorsement of the Department's previous offer reflects our desire to reach an agreement with the State Government that can secure a new primary school on the Pyrmont/Ultimo peninsula by 2017, as promised to the community.***

I urge you to accept this offer and direct the Department to finalise an agreement with the City as a matter of urgency. Council's resolution requires acceptance in writing by 31 December 2014.

Yours sincerely

Clover Moore  
Lord Mayor of Sydney

## SALE OF PROPERTY FOR NEW INNER CITY SCHOOL IN ULTIMO

FILE NO: S051491

### MINUTE BY THE LORD MAYOR

#### To Council:

On 3 November, Council *unanimously* endorsed my Lord Mayoral Minute proposing the City sell the former council depot site at Fig and Wattle Street to the Department of Education and Communities (the Department), subject to specified terms and conditions.

Council authorised me to negotiate with the Minister consistent with the significant level of agreement already reached with the Department, including the value of the site and allowance for an 80 place child care centre. Issues for further negotiation included additional community facilities and allowance for remediation.

On 5 November, I wrote to the Minister with a copy of my Minute and expressing my hope that we could resolve outstanding matters to finalise an agreement.

On 13 November, along with the City's Chief Operating Officer and Chief Financial Officer, I met with Minister Piccoli. At that meeting, the Minister informed me that he was acting on advice from his Department and it was agreed that senior staff from both the Department and the City would meet again. I was optimistic that an agreement could be reached for the sale of the Fig and Wattle site for a new school.

City staff met with Departmental staff on 25 November. The meeting lasted just 10 minutes (from 2.35pm to 2.45pm).

The Department's representatives informed City staff that they had withdrawn their offer for the site and ended negotiations. City staff were told that, following a meeting with Government and NSW Treasury, the Department no longer considered purchase of the land a value proposition and they are looking at alternative options. City staff did not have the opportunity to present and discuss options to reach an agreement.

On 26 November, I wrote to the Minister asking that he detail what action he intends to take to provide a needed new local school in Ultimo by 2017. I have not received a response.

On 2 December, I sought to speak with the Minister by phone to offer a compromise. The Minister did not take my call and referred the City to the Department for any further offer. The City's CEO contacted the Department the same day and was informed by the Department on 3 December that it would not consider the further offer.

The gap between the most recent offer from the Department and the City's most recent offer is \$8.5 million.

***I therefore wrote again to the Education Minister on 4 December proposing that the City and State reach agreement by putting in \$4.25 million each to bridge the gap between the Department's last offer and the offer endorsed by Council.***

***I also proposed again that the Department could meet the remaining gap in the sale price through additional in-kind public benefit for the City of Sydney, such as a second 80-place child care centre.***

### **City of Sydney position**

The City strongly supports the development of a new primary school on our former Ultimo depot site and has worked for the past year to achieve a cooperative arrangement with the State Government to secure that outcome.

The Education Act makes the Minister for Education responsible for delivering public schools; it is not a function of local government. The City needs to account for ratepayer's resources and align its negotiations with ***the NSW Treasury Direction that State Departments realise market value in the sale or lease of government assets.***

The City has sought an outcome that enables the State Government meet its responsibility to deliver quality public schools and enables the City to deliver local community facilities.

The City told the Department throughout negotiations that we would provide additional child care or further local community facilities within the redevelopment, to offset the cost of the land for the Department.

To date, the Department has told us that it believes the site is only capable of accommodating the school and one childcare facility, but has not provided concept designs to that support this assessment.

The City also agreed to discount the value of the site for the cost of remediation needed to meet standards for an educational facility. The City has successfully managed remediation of contaminated land for many parks and community facilities.

***The City's allowance for remediation of \$9.5 million includes a scope of works that exceeds the EPA guidelines*** and accommodates a number of additional elements that the Department requested. The City of Sydney will consider the Department's claim for a scope of works costing \$18 million, subject to documentary evidence. The Department has not provided independent verification to support its claim for an additional \$8.5 million allowance for remediation.

The City's approach has been responsive and is consistent with two recent joint ventures between the Department and the City of Canada Bay Council and North Sydney Council.

***Both councils sought and obtained on behalf of their ratepayers fair value for the land provided to the State Government for schools.***

### **Canada Bay**

The City of Canada Bay Council entered into a partnership with the Department for the new school and community facilities at Powell's Creek, scheduled to open January 2015.

Canada Bay Council's contribution to the project involved an initial 30 year lease to the Department of its property at 64-66 Victoria Ave, Concord West. This parcel of unused community land was not suitable for recreation as it was affected by flooding and contamination, particularly due to previous use by the Turf Research Institute to test herbicides and pesticides. A council report in 2012 stated that the remediation cost was significant and the council was not in a position to undertake those works.

While the Department did not pay for the site, it provided at least equivalent value to council by remediating the site and providing a wide range of community facilities.

The Department has paid for a child care centre, early childhood health centre, purpose-built Out of School Hours Care (OSHC), a communal hall, landscaping and upgrading works to the existing sports facilities in Powell's Creek reserve. The project also relocated a lapidary club and, through co-location of services, freed other Council assets for new uses, as well as providing a range of traffic treatments in the precinct.

### **North Sydney**

North Sydney Council's operational land at 2 Anzac Avenue, Cammeray was leased for The Anzac Club until the end of 2010. In late 2012, the Council resolved to consider a lease to the NSW Education Department.

The report to Council in December 2012 states that the Department preferred control over the site through an outright purchase, but that it would accept a long-term lease. It states that the Department understood that "a commercial bid, one that is based on a market valuation, is required to satisfy Council that best value has been achieved."

In early 2014, North Sydney Council entered into a long-term lease with the Department, conditional on development consent for a school. The Department will make a one-off payment of \$19.5 million to council. At the end of the lease, ownership including improvements, building and land reverts to council. The school will have four floors, room for 1000 students, an associated outdoor space and new landscaping. There are no additional local community facilities included in the development.

### **Ultimo Community Meeting**

In response to the Department withdrawing its offer to the City of Sydney and ending negotiations, a public meeting was held on 26 November 2014 at Ultimo Public School.

The meeting was well attended by approximately 200 parents, residents and community members deeply concerned about the Government's response to the current shortage of public school places in the inner city.

I was joined by the Deputy Lord Mayor and the City's CEO as well as the Member of Sydney, Alex Greenwich MP, the Member for Balmain, Jamie Parker MP and Verity Firth at this meeting. The CEO and I reiterated the City's commitment and support for a new school to provide for the significant population growth in the inner city and the growing trend for parents to stay in the area and bring up their children

At this meeting, the Department's representative repeatedly stated that it is working towards a new public school in Ultimo by 2017; however, he did not provide information on alternative options or sites, or a clear process to secure an alternative site.

The Meeting resolved unanimously that *"the community call on the Minister for Education to direct the Department of Education to re-open negotiations for the Wattle Street site for the new Ultimo public school, and that this be done as a matter of urgency"*.

### **Conclusion**

It is very disappointing that the NSW State Government withdrew its offer and ended negotiations with the City to deliver a new primary school in Ultimo. I remain committed to working with the State Government to achieve a joint venture that provides the Ultimo and Pymont area with a new primary school and new child care.

I strongly endorse the resolution of the 26 November community meeting and share the concerns of parents and residents about the failure of successive NSW State Governments to plan for and provide quality new educational facilities in the inner city.

I therefore seek Councils' endorsement to reduce the sale price by \$4.25 million to share with the State Government the difference between the Department's most recent offer and the offer endorsed by Council on 3 November.

## **RESOLUTION**

It is resolved that:

- (A) Council support the resolution of the 26 November 2014 public meeting calling on the *"Minister for Education to direct the Department of Education to re-open negotiations for the Wattle Street site for the new Ultimo public school and that this be done as a matter of urgency"*;
- (B) Council note that the gap between the most recent offer from the NSW Department of Education and Communities and the offer endorsed by Council on 3 November 2014 for the sale of the former Fig and Wattle Streets depot site is \$8.5 million;
- (C) Council endorse a reduction of \$8.5 million in the sale price for a net sale price of \$74 million (excluding GST) to the NSW Department of Education and Communities, subject to the construction of a public primary school on the site, construction by the Department of Education and Communities, strata dedication to the City of an 80-place child care facility and written agreement by the Minister by 31 December 2014; and
- (D) authority be delegated to the Chief Executive Officer to negotiate and enter into an agreement for sale of the former Fig and Wattle Street depot site to the Department of Education and Communities consistent with clause (C)

**COUNCILLOR CLOVER MOORE**

Lord Mayor



**The Hon. Adrian Piccoli MP**  
Minister for Education

Ms Clover Moore  
Lord Mayor of Sydney  
GPO Box 1591  
SYDNEY NSW 2001

MT14/2110

12 DEC 2014

Dear Lord Mayor

I write in response to your offer of 9 December 2014, to sell the City of Sydney's Wattle, Fig and Jones Streets, Ultimo site to the Department of Education and Communities for a new school for the Ultimo/Pymont community.

I am pleased to advise that the Department accepts your proposed purchase price of \$74 million, subject to the following conditions:

- Council confirms its acceptance of these conditions by 5:00 pm on 19 December 2014;
- Council provides the Department clear and unfettered access to the whole site as soon as possible before 31 July 2015 to allow decontamination works to commence;
- Payment of the \$74 million (GST exclusive) is to be made in two equal instalments. The first instalment (\$37m excluding GST), is to be made on exchange on 31 July 2015. The second instalment (\$37 million excluding GST) is to be made by 5:00 pm on 31 July 2016. There will be no variation to these amounts;
- Settlement and transfer of title upon payment of the second instalment on 31 July 2016;
- As part of the school project, the Department will design and construct, to Council requirements and specification, an 80 space childcare centre for a maximum cost of \$8m. The cost will be independently verified by a third party quantity surveyor, agreed to by the Department and Council, and separately accounted for and audited as part of the construction contract. At the completion of the construction contract the childcare centre will be surveyed and transferred to Council under a strata title arrangement.

I look forward to your earliest advice.

Yours sincerely

**Adrian Piccoli MP**  
Minister for Education



THE LORD MAYOR OF SYDNEY  
**CLOVER MOORE**

18 December 2014

Adrian Piccoli  
Minister for Education  
Level 34, Governor Macquarie Tower  
1 Farrer Place  
Sydney NSW 2000  
By email [office@piccoli.minister.nsw.gov.au](mailto:office@piccoli.minister.nsw.gov.au)

Dear Minister

**Council of the City of Sydney and Minister for Education**  
**Property: Corner Fig, Wattle and Jones Streets (folio identifier 2/834973)**

I refer to your letter dated 12 December 2014 confirming acceptance of the purchase price of \$74 million exclusive of GST for the above property, subject to Council accepting certain conditions.

Council agrees to the conditions set out in your letter.

To simplify the access arrangements between the parties and ensure the Department obtains full access to the property as soon as possible, Council is prepared to allow the Department to obtain ownership of the site on payment of half the purchase price (\$37 million) on 31 July 2015 or earlier with the other half of the purchase price to be paid on 31 July 2016 as proposed by you.

If the Department wishes to take up this option, appropriate security will need to be provided in the contract for sale in relation to the balance of the purchase price to be paid on 31 July 2016.

If the Department does not wish to take up this option, access prior to settlement will need to be governed by a licence agreement including an indemnity from the Department in relation to access and any work on the site.

Consistent with Council's December 8 resolution, the sale is conditional on the land being used for a public primary school and the contract for sale will need to include a mechanism for ensuring that outcome. The contract will also detail the mechanism for securing the construction of the child care centre to Council's specifications and transfer to Council of the child care centre stratum.

To progress the finalisation of the contract, the relevant Departmental officer should contact  
General Counsel on \_\_\_\_\_ or at \_\_\_\_\_

Yours sincerely

**Clover Moore**  
Lord Mayor of Sydney



**Education &  
Communities**



Ms Clover Moore  
Lord Mayor of Sydney  
GPO Box 1591  
SYDNEY NSW 2001

RML14/5459

Dear Lord Mayor

I write in response to your letter of 18 December 2014, to the Minister for Education, the Hon Adrian Piccoli MP, regarding the City of Sydney's agreement to the conditions set out by the Department of Education and Communities for the purchase of the Wattle, Fig and Jones Streets, Ultimo site for a new school for the Ultimo/Pyrmont community. The Minister has asked me to respond on his behalf.

I acknowledge the options outlined in your correspondence for access arrangements to the site. The Department is currently considering these options and will contact your office shortly to finalise the matter.

Yours sincerely

Anthony Ferrau  
Executive Director, Asset Management Directorate

20 January 2015



2016/113942



## Education & Communities

DOC15/50045

General Counsel  
City of Sydney  
GPO Box 1591  
Sydney NSW 2001

Email:

Dear

### **Department of Education and Communities Purchase of Lot 2 DP834973, Wattle and Fig Streets, Ultimo from City of Sydney**

I write in response to the Lord Mayor's letter of 18 December 2014, to the Minister for Education, the Hon Adrian Piccoli MP, regarding the City of Sydney's agreement to sell the the Wattle, Fig and Jones Streets, Ultimo site to the Department of Education and Communities (DEC) for a new school.

The Department would like to accept Council's offer of transfer of title to the DEC upon payment of the first installment in July 2015.

The Department however, requires access to the site before July 2015 to carry out a number of investigations in preparation for design development. These will include:

- Completion of contamination investigation and preparation of audit report of the current contamination information to develop the RAP.
- Geotechnical Survey, i.e drilling.
- Heritage assessment and any required archaeological or structural stability surveys of the existing buildings etc.
- Complete the Land & Contour Survey of the site to record the missing elements i.e underground services, and the Wentworth Park edge to Wattle Street etc.
- Examination of the rock face for stability, and what vegetation can be removed to undertake a laser mapping survey of the wall.
- Site flora & fauna assessments, including of the rock face.
- Traffic re-assessment beyond the Master Plan Report.
- Stormwater assessment and survey.

DEC does not envisage any site decontamination works being carried out until August 2015.

It would be appreciated if we can meet to discuss the terms of a licence agreement. I have attached a draft agreement based on one that DEC has entered into for similar access provision.

My contact details are:

phone number

o/

Yours sincerely ,

**Director, Property and Facilities Management**  
3 February 2015

City of Sydney  
Town Hall House  
496 Kent Street  
Sydney NSW 2000

Telephone +61 2 9265 9333  
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council@cityofsydney.nsw.gov.au  
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2016/113917



05 February 2015

Our Ref: 2015/049195  
File No: S116045

NSW Department of Education and Communities  
Level 4, 35 Bridge Street  
Sydney NSW 2000

Dear

**Council of the City of Sydney and Department of Education and Communities  
Property: corner of Fig, Wattle and Jones Streets (folio Identifier 2/834973)**

Thank you for your letter dated 3 February 2015, and for confirming that the Department accepts Council's offer to transfer title to the property in July 2015.

Council will instruct its lawyers to commence drafting of the required contract documents, so that contracts can be exchanged as soon as possible. Council proposes that the requested access licence be included as part of the contract for the sale of land, with access to commence on the date contracts are exchanged.

Could you please provide the contact details of the Department's lawyers, so that we can provide the draft contract when it is ready to be issued.

Council proposes that a meeting occurs between the parties once these draft documents have been provided to the Department and its lawyers.

I look forward to progressing the sale of this property. If you would like to discuss this letter please contact me on \_\_\_\_\_ or \_\_\_\_\_

Yours faithfully

General Counsel  
Director Legal & Governance

*city of villages*

Sydney2030/Smart Global Connected



Education &  
Communities

CM2014/000724-05

Ms Monica Barone  
Chief Executive Officer  
City of Sydney  
GPO Box 1591  
SYDNEY NSW 2001

DGS15/1056

Dear Ms Barone

I regret to advise that the Department of Education and Communities has made a decision to not proceed with relocating Ultimo Public School to the City of Sydney owned site on the corner of Wattle, Jones and Fig Street.

The Department's decision has been made following a further site remediation report, which indicates significantly higher decontamination costs than anticipated.

As previously advised, the Department's approach to education provision is always focused on the health and wellbeing of its staff and students. For this reason, the Department will always err on the side of caution when faced with a contaminated site.

Following advice from the Department's project manager and engineering consultants, the Department is of the view that due to the serious soil and water contamination on the site the only way to guarantee the safety of the future school's staff, students and visitors is by fully remediating the site. The Department has advice that the costs associated with full remediation of the site could be as high as \$53 million, which will make the relocation proposal unviable.

The Department is committed to meeting the current and forecast demand for public school places in the Ultimo/Pymont area and across the inner Sydney city primary school network through the provision of new, permanent school facilities. In all of these instances, the Department will be open to working with Council to include, wherever possible and practical, ancillary community services such as early childhood and after school care.

Thank you for your continued support of public education and we look forward to working with you on a number of key education projects across the City of Sydney.

Yours sincerely

Tony McCabe  
R/Executive Director, Asset Management

12 June 2015

## Resolution of Council



**29 JUNE 2015**

**ITEM 3.3 ULTIMO PUBLIC SCHOOL BACKFLIP**

**FILE NO: S051491**

### **MINUTE BY THE LORD MAYOR**

#### To Council:

In December 2014, three months before the NSW election, Education Minister Adrian Piccoli announced that:

*"Agreement has been reached for a new public school serving the inner city to be built on a site to be purchased from the City of Sydney on the corner of Wattle, Jones and Fig Streets, Ultimo."*

This agreement was reached after this Council agreed to sell the land to the Department for \$74 million, a price that is well below the market value at \$100 million, and includes an additional \$8.5 million discount for remediation costs as well as \$8 million for a new childcare facility.

City of Sydney staff have been working in good faith since August 2013 to make sure that this land could be sold to allow for a new primary school. Since the Minister's announcement in December, our staff have tried repeatedly to finalise the sale.

I wrote to the Minister on 18 December to confirm the City's acceptance of the conditions set out by the Department for the sale. In February, the Department wrote to the City accepting our offer and a plan to pay the first instalment in July 2015.

On 2 April, City staff issued the Department's solicitors with a contract of sale. Our staff met with the Departmental staff on 9 April to progress the contract, however, the Department was unwilling to finalise.

Throughout May and June, City staff and CEO Monica Barone attempted, through emails, phone calls and requests for meetings, to finalise the sale with the Department. No response was received.

*City of Sydney*

On 12 June, the Department of Education wrote to the City of Sydney advising that they were rescinding their offer to purchase the site, and that:

*"the Department has advice that the costs associated with fill remediation of the site could be as high as \$53 million which will make the relocation proposal unviable."*

This overturning of a commitment is seen as a betrayal by Education Minister Adrian Piccoli and leaves parents and children from across the inner-city in limbo.

The Department and the Minister were always aware that the site would require remediation. That is standard practice for any inner-city building site, especially sites that have been used for commercial or industrial purposes.

The City and the Department of Education carried out contamination assessments onsite, including soil and groundwater investigations, to determine the required remediation work needed to meet current standards under the Contaminated Land Management Act.

Remediation costs were agreed to be \$9.5 million, based on a scope of work that substantially exceeds guidelines from the EPA for an educational use.

The Department of Education is now claiming the cost would be \$53 million but, up until last Friday, Department staff had refused to release any information about how this massive increase in costs had been determined – saying it is 'commercial-in-confidence'. As the only other party to the sale agreement, the City did not believe this information should be kept secret.

#### Ultimo Primary School P&C Extraordinary Meeting

Together with the Deputy Lord Mayor, CEO and Council staff, I attended the Ultimo Public School P&C extraordinary meeting on Wednesday 17 June. What was evident at this meeting was the anger and concern of parents and Ultimo/Pymont residents about the actions of the Minister and the Department of Education staff.

Of particular concern was that the Department representative could not say when the redevelopment of the school would start, where the children would be educated during the redevelopment of the existing site and he gave varying answers about how long the redevelopment would take.

At this meeting the community unanimously supported a motion that:

- 1) *"The Department of Education and City of Sydney reopen negotiations and for a proper independent survey of the Fig/Wattle Street site to be undertaken to gauge the actual level and cost for remediation necessary for this site;*
- 2) *The Department of Education make available a copy of the McLachlan Lister Remediation report, dated 12<sup>th</sup> May 2015; and*
- 3) *The Department for Education to make available demographic data relied on by the Department to project future student numbers in the Ultimo/Pymont area."*

Despite the 200 concerned parents and residents who attended this meeting, and the resolution that was sent to the Minister, it was only in response to Alan Jones that the Minister released this information.

McLachlan Lister Hill International Remediation Report

In a letter dated 15 May 2015 to the Department of Education summarising the investigations and recommendations for remediation works, McLachlan Lister states that

*"the preliminary consensus of our environmental engineer, peer reviewer and environmental auditor is that the preferred remediation solution involved the removal of approximately 3m depth of existing fill material across a substantial part of the site, replacing with clean fill as a cap and surrounding the site with a barrier wall extending to bedrock to prevent further ingress of contaminants from outside the future school boundary. This solution is recommended on the basis that it achieves the best balance of cost of treatment and likelihood of acceptance by EPA and community given the intended use of the site"*

The cost that McLachlan Lister estimated for the recommended solution is \$30 million. McLachlan Lister also considered other options to the solution the Department of Education has claimed is unavoidable.

City staff and our expert, Dr Greg Dasey, have conducted an initial review of the McLachlan Lister Hill International Remediation report that the Department of Education released via its website on Friday 25 June. They have made following comments in response:

- **No further testing has been conducted since July 2014, well before the Minister agreed to the purchase price in December 2014;**
- **McLachlan Lister have assumed that all of the material requires offsite disposal, when it is clear that this would not be required and large amounts of the existing material would be suitable to stay on site; AND**
- **The report provides no justification for the recommended 3 metre depth for excavation or that it be 'across the entire site'.**

*Auditor-General's Review*

Today, Alex Greenwich, the Independent Member for Sydney, has joined Jamie Parker, the Member for Balmain, in requesting the Auditor-General to review the Education Department's controversial plan to renege on building a new 1,000 student school in Ultimo, and instead redevelop the existing site to provide a much smaller school than that promised before the March election.

I strongly support this call for a comprehensive review into this shameful decision of the Minister for Education, and believe that the Ultimo/Pymont community deserve an explanation as to why the Minister felt it appropriate to mislead them back in November last year. I also agree with the Member for Sydney's comments that *"the department's decision sets a bad precedent for massive remediation costs making needed community infrastructure impossibly expensive"*

The Pymont/Ultimo area has the highest population density in Australia, with 14,300 people per square kilometre.

Through UrbanGrowth, the NSW Government is currently seeking to redevelop the neighbouring Bays Precinct. In November 2014, the then Treasurer Andrew Constance suggested the area would include 16,000 dwellings.

There is strong and continuing growth in the number of families with young children in the City. Forecasts indicate that, in the next four years, the number of primary-school aged children living in our Local Government Area will increase by 1,171.

The City strongly supports the development of a new primary school on our former Ultimo depot site and has worked tirelessly to achieve that outcome.

The Education Act makes the Minister for Education responsible for delivering public schools; it is not a function of local government. The City has always sought an outcome that enables the Government to meet its responsibility to deliver quality public schools and enables the City to deliver local community facilities.

This backflip raises the question: was the Minister ever serious about this purchase, or was it simply an attempt to make the issue go away in the lead up to the March election?

Stamp duty from the development boom in Pyrmont/Ultimo has already delivered the NSW Government huge contributions; it's time they delivered adequate services to this community.

#### RECOMMENDATION

It is resolved that Council:

- (A) condemn Education Minister Adrian Piccoli for his betrayal of the Ultimo-Pyrmont community;
- (B) endorse the resolutions of the Ultimo Public School P&C Extraordinary Meeting; and
- (C) support a review by the Auditor-General into the Department of Education's decision to renege on building a new school on the Fig and Wattle Street site.

#### COUNCILLOR CLOVER MOORE

Lord Mayor

Moved by the Chair (the Lord Mayor), seconded by Councillor Kemmis –

That the Minute by the Lord Mayor be endorsed and adopted.

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Note – the motion above was not adopted. The motion as follows was adopted.

It is resolved that Council:

- (A) endorse the resolutions of the Ultimo Public School P&C Extraordinary Meeting, as follows:
  - (i) The Department of Education and City of Sydney reopen negotiations and for a proper independent survey of the Fig/Wattle Street site to be

undertaken to gauge the actual level and cost for remediation necessary for this site;

- (ii) The Department of Education make available a copy of the McLachlan Lister Remediation report, dated 12<sup>th</sup> May 2015; and
  - (iii) The Department for Education to make available demographic data relied on by the Department to project future student numbers in the Ultimo/Pymont area; and
- (B) support a review by the Auditor-General into the Department of Education's decision to renege on building a new school on the Fig and Wattle Street site.

Motion carried.



**ULTIMO PUBLIC SCHOOL  
P&C ASSOCIATION INC.  
QUARRY STREET, ULTIMO NSW 2007  
PHONE: 9660 2130 FAX: 9692 8823**

**MINUTES OF EXTRAORDINARY MEETING**

**Date: 17 June 2015 Time: 6:30pm**

**Venue: School Hall**

**Apologies:** Linda Burney – Shadow Minister for Education

**Minutes:** &

- 1. OPEN MEETING /WELCOME / ACKNOWLEDGEMENT' – - UPS Principal**
  - 2. HOUSKEEPING – Janine Barrett – UPS P&C Association President**
  - 3. OUTLINE ORDER OF BUSINESS - Janine Barrett – UPS P&C Association President**
  - 4. INTRODUCTION OF SPECIAL GUESTS - Janine Barrett – UPS P&C Association President**
  - 5. BACKGROUND & TIMELINE TO DATE - Janine Barrett – UPS P&C Association President**
- See: Redevelopment of UPS Time Line to Date**

**6. GUEST SPEAKERS**

**1. Mutat Dizdar – Executive Director of Public Schools NSW**

- Department pulled out of negotiations on Friday 12<sup>th</sup> June 2015 for the Wattle, Fig & Jones site.
- Still fully committed to building a new school for the Ultimo/Pymont community.
- \$42 Million has been set-aside at the Department of Education & Communities and has been approved with budgetary processes to be a new school.
- \$74 Million acquisition on Wattle, Fig & Jones Site
- DEC realised Wattle Fig & Jones contaminated site and would cost DEC somewhere between \$24-\$25 million to decontaminate the site.
- There were protracted negotiations with Council at the time; there was disparity at the time between \$5 – 23 Million for decontamination of the site.
- DEC fully decontaminate a site; they do not cap sites where they build schools. Full decontamination is a benchmark set by the DEC and they will not deviate from them.

- To fully decontaminate a site the contaminate needs to be removed and disposed of in Queensland.
- At the time when DEC entered into negotiations they did believe that the decontamination would cost between \$24-25 Million, that lead to a decision of building a new school for 1000 students with Long Day Care & OOSH facility.
- On Friday 12<sup>th</sup> June 2015, DEC met with P&C President & School Principal to inform that they would not be proceeding with the deal to purchase the Fig, Wattle & Jones site on the basis that the extent of the contamination on the site was much more wide spread than initially thought.
- DEC received advice from their leading experts that the decontamination required for the site would cost \$53 Million.
- DEC have not had access to the site; the advice on the contamination comes from DEC Asset Management Department.
- \$53 Million decontamination fee for full removal of all contaminants on the site to give a fully clean site.
- \$74 Million negotiated price for the site.
- \$42 Million Build
- \$9 Million Child Care Facility
- It usually costs DEC between \$15-30 Million to build a new Public Primary School for 1000 students.
- DEC is realistic and understands that the cost of an inner city school will be higher but if DEC continues with the site the project becomes unviable.
- Can build new school on current site for 650-700 students, for \$42 Million based on DEC's demographic data made available for planning that figure of 650 -700 students would take the community beyond 2031 and possible longer. DEC feels that will provide for public education for the Ultimo / Pymont area for a lengthy period of time.
- DEC feel the best way to achieve a new school is to knock down the entire facility, temporarily locate the entire school community K-6 not as a fragmented school community
- They will not start work on the site until DEC has a temporary location for all students and the location is fully functional.
- Expect to deliver a new school within the current time line of Day 1, Term 1 2018.
- Do not have temporary location worked out as yet

- DEC will work with the parameters of, being in a reasonable geographic location of Ultimo/Pymont area, all school community K-6 will be kept together, for a temporary period only for a time frame of up to 18 months.
- Will know more detail when DEC have got planning and designing under way.
- Janine Barrett, Bill d'Anthes &                      will continue to stay on the planning committee.
- The build on the current school site will only be for education provision, no mixed use. The school will accommodate between 650 – 700 students and will not rule out but still explore whether they can achieve the community provision of a Long Day Care facility on the site.
- DEC will deliver on the OOSH provision.

## **2. Clover Moore – Lord Mayor - City of Sydney**

- Shares anger and disappointment of the community of the announcement made last Friday and shares concern for your children who are told that they are going to be relocated but we do not know where.
- The agreement was made before the election, after the election was very different.
- State Government receives a substantial amount of Stamp Duty from all the new developments happening in this area, and with that income they are meant to provide facilities for people that live in the area. Land is more expensive in the city and so is development, but they make much more money out of the city. The Government is going through boom time and the boom time has come from the city area.
- Over the last 12 months City of Syd approved \$3.95 billion worth of development in the city area, that is in just 1 year. Over the last 10 years approved \$24 billion worth of development.
- More people are moving into the city with families and want to stay in the inner city, those people have the right to expect to send their children to childcare, to primary school, high school and then on to university as they do in other areas of the city.
- Council have been sold absolutely short, the way it has been done is disgraceful. All details of meetings and correspondence between Department & Council are available if we would like the information.
- At the end of the day an agreement was reached, we discounted the price, because we have obligations under the local government act to provide facilities for you. The government has an obligation under its acts to provide facilities for you from the income they generate and they should be doing that here and they are failing us, and they are coming along with these weak pathetic excuses.

- Most city sites are contaminated in fact all that area in Green Square where 55,000 people are going to live and 20,000 jobs in the coming years, that area was an industrial area, and the whole area has been decontaminated. All sites have to be remediated, it just goes with the city and it is not an unusual site.
- The city and the department carried out assessments on the site including soil and groundwater investigations to determine the required remediation work needed to meet the current standards under the contaminated land management Act, a state government act, the requirements under the State Government Act, the city also prepared a remediation act plan that was reviewed and endorsed by a Site Auditor accredited by the NSW Environment and Protection Agency, a state agency. All proper work carried out.
- Totally betrayed by the department on this action.
- 250 Major projects in the inner city over the last 10 years and 105 parks and Council feel they are safe.

### **3. Monica Barone – CEO – City of Sydney**

- All sites in City of Sydney & Local Government Area are contaminated.
- The current school site was contaminated or could still be contaminated and when and if this building was to be removed there may still need to be work done on our current site to remove any contaminant.
- Council do not agree that the Fig Wattle Jones St site needs the required amount of remediation that DEC says they need, and that is DEC's decision. What the DEC have done to come to the decision on remediation is, they have measured the site
- Council believes that it is possible to take a layer of the surface of the site and cap the site
- Council want to assure the community that they have been proactive and cooperative with all dealing with DEC. When DEC agreed to purchase the site and requested access Council immediately commenced the process of issuing the license to enable them to access the site, to carry out any testing and surveys they wished to carry out. The necessary paperwork was prepared and sent to DEC solicitor and repeated asked for the paperwork to be progressed.
- A reference to a File Note was made between the City of Sydney and DEC on 14/5/15 proving that City of Sydney has worked within cooperation and provided information in a timely manner to DEC.

### **4. Alex Greenwich – MP- Independent Member for Sydney**

- Groundhog Day we have been here 3 times having a meeting where we are covering off the same thing.

- Breach of the duty of care the government have to the Ultimo Pymont area and a breakdown in trust that the Ultimo Pymont community will have with the government going forward because we have been sold promises that have been consistently broken.
- Do not buy that our community should be blamed because the city is too expensive to buy or build property, you fund through stamp duty & taxes. Ultimo Pymont is the most densely populated part of the country and you help to fuel and fund infrastructure that happened across the state.
- Need to dispute figures and you all have a right to question those figures and facts.
- We have heard there has been an increase in cost of about \$20 million for the decontamination of the site and that is why the DEC needs to withdraw. A bridge was built from the SCG to Moore Park “the bridge to nowhere” the cost of that bridge increased by \$20 million and nobody questioned that project blowout, but when it comes to your children’s education they apparently need to put a stop to it and that is appalling.
- We have been told \$42 million will be spent on a new school site and that there will be an increase of places at the school by approximately 150, so the government is now spending \$42 million on 150 new places, that sound ridiculous, compared to what they were planning at least 1000 places at the Wattle/Fig/Jones Site. We know this area needs more school spots not less school spots.
- We do not know what the cost will be of a huge relocation of students on a daily basis being transported to and from their community nor do we know the impact that that will have on your children’s development. We know when you move people in and out of their community area and have that transport and dislocation it can affect students development.
- We need to question the facts, we need to question the figures and maintain the rage.
- Jamie Parker and I will meet with the P&C and any other concerned community members in the coming week to start to mount the campaign and to work out what information it is that the community needs to challenge this.
- My advice to you is to don’t buy it, don’t believe it, keep the rage we have to fight this.

**5. Linda Scott – Councilor, City of Sydney**

- Feels for school community and the effects a temporary relocation will have on the lives of the children and the current uncertainty that parents and staff are experiencing at the moment.
- Make the point clear it is a political debate. This was a commitment made by the Liberal State Government and this is a commitment that they need to deliver on.
- I urge you as a community to take this debate to your political representatives, these are the people who are elected and have the accountability to deliver on this promise.
- This is the first major broken promise by the Liberal State Government after the election and it is on of all things education.

- Labor representatives in the inner city will stand with the Ultimo / Pyrmont community, this fight has a long way to go and we will not rest until we have a school that allows for the capacity that we know that is in the inner city the huge number of children that want a public education. We must have a school with certainty that is bigger enough.
- Labor representatives will stand side by side until we have certainty and a quality school.

**6. Robyn Kemmis – Deputy Lord Mayor, City of Sydney**

- Thanks Janine Barrett & Bill d'Anthes for their hard work dedication and commitment.

**7. Janine Barrett – UPS P&C President**

- Reads Linda Burney's press release dated Saturday 13<sup>th</sup> June 2015

See - Press Release

**8. Bill d'Anthes – UPS P&C Association Life Member**

- Would like to remind people that the representatives that are present from DEC are not people that have made the decisions, these representatives have worked closely and enthusiastically on planning a new school for years that we are now not able to build.

**8. MEETING OPENS TO QUESTIONS & COMMENTS FROM THE FLOOR**

**– Ultimo Resident**

Raised a question regarding remediation - Remediation of current school site and would like to know how decisions could be made of \$10's of millions of dollars without accurate and appropriate information on the original site the promised site that was contracted for this school versus the remediation that my have to be done on the current school site.

**Response from Murat Dizdar**

DEC have their benchmarks with remediation. A Council, Private Developer a landholder will have their own benchmarks in reference to remediation decontamination. Preliminary advice was \$24 million on further advice that the Wattle /Fig & Jones site was heavily contaminated and the cost to decontaminate the site would be \$53 million. DEC have not had access to the site to drill.

**– Parent of UPS Student** Question – Given that the Wattle Fig & Jones St site is only a few meters above sea level and a short distance from the waters edge, is it even appropriate to dig out a site like that to the level that you are describing. Can you even dig the site out?

**Response from Monica Barone**

Confirmed that the site is contaminated as it has many uses of the years. There are contaminated sites all over the city. Council feels that EPA guidelines that they refer to indicate that you could decontaminate the site for a lot less than \$53 million.

**- Parent of UPS Student**

Question – McLachlan Lister (Project Manager) prepared an initial estimate without any soil testing that came to \$24 million and then they miscalculated by 100% again without setting foot on site.

How do you expect the community to believe the numbers that you are communicating to us?

**Response from Murat Dizdar**

Does not know who did the first report. Would be happy to relay the information when he has a chance to contact the Asset Management Department. Those documents that you are requesting are commercial in confidence documents at the moment. questioned that the requested documentation are commercial in confidence.

Filip Damjanovsky – It is not a commercial transaction, the State Government & Department of Education in this case where they were testing soils for the school, is not a commercial transaction and cannot be commercial in confidence.

**- Pyrmont Action**

There was a Pyrmont /Ultimo Agreement it was a social agreement, under the agreement any needs or future needs as the population increased which was to run to 2030, would be provided by the state government with the stamp duty collected from the developments, this agreement has been cancelled by City of Sydney from bad advice from beucrats.

Has had a lot to do with the Wattle Fig site, there is a 20-meter strip along the cliff face that is contaminated and sits on Yellow Rock and was a former yellow block sandstone quarry.

More and more people moving into the inner city and the State Government will not build the infrastructure required.

**Elizabeth Elenius – Pyrmont Action**

Urges everybody to continue to request the data, and is disappointed that the department will not release these reports that these claims have been made.

Power House Primary School – Why does the government make available the Power House site. Site is larger, not as contaminated, there is a structure all ready in place, would not cost a lot to reconfigure the spaces for a school, close to public transport (bus and light rail).Do not accept of bussing children as an acceptable solution and would like the Department to reconsider the decision of selling the Powerhouse to private developers.

**- UPS Parent**

Representing his 2 children and . Quote from "Dad, I know, they lied again". We need to take from the meeting tonight, that we will not be distracted by contamination of soil, etc. We have done the homework, we know where we would like the site. "We shall not be overcome we shall not be moved".

**- UPS Grandparent**

A wonderful school, an outstanding feature of which is the parent involvement and the interaction. It is very important that the temporary site should be a local site that all parents can reach.

**- UPS Parent**

Question – You have \$42 million to build a school did the department have \$74 million to pay the Council, if you were due to settle in the last six months where was the money, are you going to pay a 10% failure fee for breaking the contract?

**Response from Murat** – The DEC will not be selling the current school site. If they need to clean the current site it will be factored into the \$42 million build.

**- UPS Parent**

Extremely disappointed in DEC.

Quoted from the dictionary the meaning of education.

*"The act or process the act or process of imparting or acquiring general knowledge, developing the powers of reasoning and judgment, and generally of preparing oneself or others intellectually for mature life."*

How can we achieve that when the DEC thinks it is acceptable to bus our children to a temporary site?

**- UPS Parent Question for DEC** – Given the reports of what happened in the refurbishment in 2003 is it the DEC position that it simply does not matter if our children miss up to two hours of schooling a day, everyday over a project that has a time frame of 18 months?

**Response from Murat Dizdar**

DEC will work with the parameters of, being in a reasonable geographic location of Ultimo/Pymont area, all school community K-6 will be kept together, for a temporary period only for a time frame of up to 18 months. Murat Dizdar & Sylvia Corish will inform the P&C Executive when they are in a position to disclose the temporary location.



**Kevin Langdon – UPS Parent**

Question - Last year Ultimo was deemed number 1 priority of the schools in NSW and yet we see other schools in NSW receiving funding. What is the decision with having Ultimo dropped down the list?

**Response from Murat Dizdar**

Ultimo/Pymont is still number one priority in the coverage of 514 coverage of schools.

**Response from Janine Barrett**

Our school was number 1 priority but that was to provide a new school of 1000 students, but now we are the number one priority to provide a school for 650 – 700 students, it looks as though we are being pushed down the priority list when we should be, this area is the most densely populated area in the country.

**Mary Mortimer – Community Member**

Mystified how the department can assert a level of remediation required on a government site, when the government makes these decisions and the government has body set up like the EPA which set a level of remediation. How can the government allow the department to over rule existing levels of remediation and existing requirements if that means that everything else the government remediates according to the DEC is unsatisfactory or unsafe for its citizens? If that isn't the case how can the DEC assert that they have standards that the rest of the state, city and citizens don't require?

**Response from Murat Dizdar**

The DEC will only adopt a full remediation process.

**- Ultimo Resident**

Save the Powerhouse Museum

**9. MOTION**

"The Department of Education and City of Sydney reopen negotiations and for a proper independent survey of the Fig/Wattle St site to be undertaken to gauge the actual level and cost of remediation necessary for this site and for the Department of Education to make available a copy of the McLachlan Lister Remediation report, dated 12 May 2015 and demographic data relied on by the Department to project future student numbers in the Ultimo / Pymont area."

Proposed: Janine Barrett. Seconded: Elizabeth Elenius. Motion Carried.

**10. MEETING CLOSED at 7:56pm**

## Resolution of Council



**14 DECEMBER 2015**

### **ITEM 16 NOTICES OF MOTION**

#### **FIG AND WATTLE STREET DEPOT (\$103133)**

**5. Moved by Councillor Scott, seconded by Councillor Forster -**

**It is resolved that:**

**(A) Council note:**

- (i) on 8 December 2014, Council resolved to sell the former Fig and Wattle Streets Depot site to the NSW Department of Education and Communities, subject to the construction of a public primary school and an 80-place child care facility on the site;**
- (ii) on 15 December 2014, the NSW Department of Education and Communities issued a press release stating that "agreement has been reached for a new public school serving the inner city to be built on a site to be purchased from the City of Sydney on the corner of Wattle, Jones and Fig Streets, Ultimo";**
- (iii) the NSW Department of Education has indicated that they will now no longer proceed with construction of a public primary school site on the former Fig and Wattle Streets Depot site, despite the long-overdue demand by the local community for primary school places in the Ultimo area; and**
- (iv) the Council has a significant surplus and, as such, is in an adequate financial position to propose the sale of the site to the NSW Department of Education to facilitate the provision of school facilities in Ultimo;**

**(B) Council rescind the section of the resolution of 8 December 2014 detailing the sale price of \$74 million (excluding GST) to the NSW Department of Education and Communities, and indicate its strong willingness to resolve and finalise the sale of the former Fig and Wattle Streets Depot site;**

**(C) the Chief Executive Officer be requested to prepare the required documentation to sell the Fig and Wattle Street Depot to the NSW State Government on the basis the site is used to build a new state primary school and childcare centre;**

- (D) the Lord Mayor be delegated to commence negotiations with the NSW Government for the sale of the Fig and Wattle Street Depot for the provision of school and childcare facilities in Ultimo, noting that the proposed final sale price would need to be brought before Council for approval; and
  - (E) the Lord Mayor report back to Councillors at the earliest opportunity on the outcome of negotiations.
- 

Note. The above motion was not carried. The resolution as follows was carried.

It is resolved that:

- (A) Council note:
  - (i) on 8 December 2014, Council resolved to sell the former Fig and Wattle Streets Depot site to the NSW Department of Education and Communities for \$74 million and strata dedication to the City of an 80 place childcare centre, a reduction from the original \$82.5 million, subject to the construction of a public primary school and an 80-place child care facility on the site;
  - (ii) on 12 December 2014, the Minister for Education wrote to the Lord Mayor confirming the Department of Education's acceptance of the proposed purchase price of \$74 million with conditions, including access arrangements; and
  - (iii) on 12 June 2015, the NSW Department of Education wrote to the City advising they were rescinding their offer and would no longer proceed with construction of a public primary school site on the former Fig and Wattle Streets Depot site, despite the long-overdue demand by the local community for primary school places in the Ultimo area;
- (B) Council reiterate its strong willingness to complete the sale of the former Fig and Wattle Streets Depot site for a new public primary school and childcare facilities, or to support a range of other uses, including childcare and education; and
- (C) the Chief Executive Officer report back to Councillors at the earliest opportunity on the outcome of the work currently underway to appoint an Environmental Protection Authority Accredited site auditor to advise on and oversee the preparation of a Remediation Action Plan that could support the sale of the Fig and Wattle Streets Depot to the NSW State Government;
- (D) the Lord Mayor be delegated to commence negotiations with the NSW Government for the sale of the Fig and Wattle Street Depot for the provision of school and childcare facilities in Ultimo, noting that the proposed final sale price would need to be brought before Council for approval;
- (E) the Lord Mayor report back to Councillors at the earliest opportunity on the outcome of negotiations; and
- (F) the Lord Mayor invite the Minister to brief Councillors on his plans to provide for the education of primary and secondary school children in the inner city area, not

only on this site, but other sites in the Local Government Area, particularly Green Square.

Carried unanimously.



THE LORD MAYOR OF SYDNEY  
CLOVER MOORE

17 DEC 2015

Adrian Piccoli MP  
Minister for Education  
Level 34, Governor Macquarie Tower  
1 Farrer Place  
Sydney NSW 2000  
By email [office@piccoli.minister.nsw.gov.au](mailto:office@piccoli.minister.nsw.gov.au)

Dear Minister

**New Inner City Primary School - Ultimo**

I write to request a further meeting to discuss securing an agreement for a new primary school in Ultimo on the City's former depot site at Fig and Wattle Streets, following discussion and a unanimous resolution at our Council meeting on 14 December 2015.

Since 2013, the City has worked in good faith to reach agreement with the Department of Education and Communities and achieve a positive result for the Ultimo/Pymont community. At the meeting this week, Council reiterated its strong willingness to complete the sale of the Fig and Wattle Street, Ultimo site and has again authorised me to meet with you to help achieve a new public primary school on this site.

A large number of concerned Ultimo Primary School parents, school children and local residents attended the Council meeting and I have also received numerous letters expressing concern about the NSW Government's decision not to purchase the site. Parents have told me how upset they are about the plans to demolish the current school, the uncertainty surrounding the location of the temporary school and the disruption to students being relocated.

Council also discussed general concern about the need for new schools to respond to the significant population growth, especially of families with children. The City of Sydney has long identified the provision of new primary and secondary schools as being critical, particularly to support high density living in areas like Ultimo as well as Green Square, but also generally across the local government area.

We therefore ask that you brief Council on the NSW Government's plans to provide for the primary and secondary educational needs of inner city students and what actions are being taken to respond to the significant population growth and subsequent demand for school spaces. I enclose a copy of Council's resolution.

To arrange a meeting to discuss the Ultimo Primary School and a briefing for the City of Sydney Council in early 2016, your staff can contact my Executive Manager, \_\_\_\_\_ on \_\_\_\_\_ or at \_\_\_\_\_

Yours sincerely

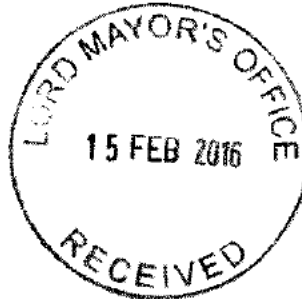
Clover Moore  
Lord Mayor of Sydney

Encl.



**The Hon. Adrian Piccoli MP**  
Minister for Education

Ms Clover Moore  
Lord Mayor of Sydney  
GPO Box 1591  
SYDNEY NSW 2001



RML16/24

Dear Lord Mayor *Clover*

I write in response to your letter of 17 December 2015, regarding the development of a new primary school in Ultimo and plans to provide for the primary and secondary educational needs of inner city students.

The Department of Education monitors enrolment requirements for public schools by reviewing population trends and enrolment forecasts. The Department consults with the Department of Planning and Environment, the Office of Local Government, Urban Growth NSW and local developers to understand where and when urban growth will occur so that the Department can appropriately plan school supply.

As you are aware, the Department's analysis indicates that significant population increases in the inner city require an increase in school provision. As part of the Department's approach, the Planning and Demography Unit is preparing cluster plans for groups of schools across metropolitan Sydney.

Director, Demography and Planning will contact your office as requested to organise a briefing for Council officers on the Department's cluster planning approach to meet the educational enrolment needs of inner city students.

To arrange a meeting to discuss the City's former depot site at Fig and Wattle Streets, please contact the office of Mr Anthony Perrau, Executive Director, Asset Management, by telephone on \_\_\_\_\_ or email at \_\_\_\_\_

Yours sincerely

**Adrian Piccoli MP**  
Minister for Education

11 FEB 2016