



# Union Council Meeting Minutes 23 June 2017 3:30pm Teleconference

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The meeting opened at 3:46pm with Mark Sterrey in the Chair for the Union Council Meeting, Friday 23 June 2017.

## **Attendees**

Mark Sterrey  
Gerard Hayes  
Andrew Lillicrap  
Leanne Starr  
Genevieve Partridge  
Sharon Carney  
Joan Caitlin  
Leanne Burns  
Annette Jones  
Darriea Turley  
Peter Mitchell  
Alan Wilcock  
Ray Dunn  
John Chester  
John Jetty Dore  
Claire Charles

## **1. Observers/Proxies/Apologies**

**Resolution:** UC 06/2017

**Moved:** Alan Wilcock/Leanne Burns

“That the apologies, John Holgate, Patricia Reid, Shirley O’Riley and Proxies to Gerard Hayes provided by Lindy Twyford, Steven Fraser, Leigh Bush and observer Linda Zutitis be accepted and admitted to the meeting.”

**MOTION PUT AND CARRIED**

## **2. Conflict of Interest, Related Party Transaction Disclosers and other Disclosures**

No disclosures or conflicts were declared at this meeting.

## **3. AGENDA ITEMS**

### **3.1 Expenditure on refurbishing Level 9, 109 Pitt St**

The property owned by HSU at Level 9, 109 Pitt St has recently become vacant. The tenant (Randstad) occupying the premises for the last several years, gave notice at the end of March and the lease expires on 30 June 2017.

The rental paid to HSU was \$490/m, which amounted to \$305,000 for the whole floor of 623m.

The rental return was lower than current rental rates suggest that HSU can obtain for a refurbished property. The previous office fitout was a very disjointed office space, with no foyer and did not present well for commercial letting. It was not viable to continue with that fitout and therefore the outgoing tenant has been required to remove it completely and return the floorspace “back to base”, at their cost.

The HSU will therefore receive its floorspace as an empty shell, back in a condition ready to be fitted out again. Any new fitout will be at HSU cost.

The floor has two solid walls interrupting the overall floorspace (see proposed floorplan). This means it is more viable to redesign the floorspace as three separate suites, rather than one large office. The three offices would be 111m, 248m, and 166m. A 91m foyer or common area would also be created.

Creating three suites to rent also serves to minimise the risk to the HSU of having one large tenant who suddenly decides to move out. This is in fact what has just happened when we only received the minimum three months’ notice.

One tenant has already confirmed their intention (with a deposit and signed Heads of Agreement) to lease the space of the 166m suite (at \$850/m). The rental rate paid by the previous tenant for the whole floorspace was \$490/m.

HSU will need to engage a builder and project manager to provide the new fitout. Three quotes will be obtained as part of the tendering process.

The fitout will include the creation of three suites, fire safety compliance, air conditioning adjustments, dividing the electricity metering up into three units (currently the floor has only one meter), carpet/floor coverings and the creation of a foyer.

HSU policies provide that capital costs over \$100,000 must go to Union Council for approval. While the estimated cost is under \$200,000, I would like to allow for possible expenditure up to \$200,000, to allow for some contingencies that will need to be dealt with at short notice.

Given the extra rent that HSU will receive from renting it out in the current market, it can be expected that the fitout costs would be recovered with 6 months rental income.

Sharon Carney enquired about the quotes and the deadline. Andrew Lillicrap advised that the quotes will be presented by September 2017. Andrew Lillicrap also noted that the office is still testing the market on building and project managers in the marketplace.

**Resolution:** UC 07/2017  
**Moved:** Leanne Burns/Ray Dunn

“The Union Council notes the report of the need to refurbish Level 9, 109 Pitt St to enable the creation of three suites for commercial leasing.

The Union Council authorises the Assistant Secretary/Treasurer to spend up to \$200,000 on refurbishing the HSU owned property at Level 9, 109 Pitt St, Sydney.

To avoid further delay, the risk of extended vacancy and loss of income for the HSU, the Union Council also authorises the Assistant Secretary/Treasurer to conduct a selective tender by obtaining three quotes from Project Managers/Building companies.”

**MOTION PUT AND CARRIED**

### **3.2 Managers Salaries**

**Resolution:** UC 08/2017

**Moved:** Peter Mitchell/Gillian Reilly

“The Union Council endorses the incumbents of the positions of Secretary, Assistant Secretary/Treasurer, Chief of Staff, Manager MSD, Manager Industrial, Deputy Manager Industrial, Manager Public Health, Manager Aged Care, Manager Ambulance, Manager Private Health, Manager Finance receive a salary increase of 2.5% from the first pay period on or after 1 July 2017.”

**MOTION PUT AND CARRIED**

### **4. GENERAL BUSINESS**

There being no further business, the meeting closed 4:01pm.



**Chairperson**

## Resolutions List and Attachments

UC 05/2017	The apologies, proxies and observers be admitted to the meeting
UC 07/2017	The Union Council authorises the Assistant Secretary/Treasurer to spend up to \$200,000 on refurbishing the HSU owned property at Level 9, 109 Pitt St, Sydney.
UC 08/2017	The Union Council endorses the incumbents of the positions of Secretary, Assistant Secretary/Treasurer, Chief of Staff, Manager MSD, Manager Industrial, Deputy Manager Industrial, Manager Public Health, Manager Aged Care, Manager Ambulance, Manager Private Health, Manager Finance receive a salary increase of 2.5% from the first pay period on or after 1 July 2017