



**29 JANUARY 2001
and 30 JANUARY 2001**

Meeting No 1323

MINUTES of an Extraordinary Meeting of the Council of the City of Sydney held in the Finance Committee Room at the Sydney Town Hall, commencing at 4.55 pm on 29 January 2001 pursuant to Notice 1/1323 dated 25 January 2001.

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PRESENT

The Right Hon The Lord Mayor Councillor Frank Sartor
(Chairman)

Councillors - Dixie Coulton, Nick Farr-Jones, Kathryn Greiner, Robert Ho, Fabian Marsden and Lucy Turnbull.

At the commencement of business at 4.55 pm on Monday 29 January 2001 those present were:-

The Lord Mayor, Councillors Coulton, Farr-Jones, Greiner, Ho, Marsden and Turnbull.

The Acting General Manager, Director Legal and Secretariat, Acting Director Corporate Resources and Acting Director City Projects were also present.

ITEM 1. POWER OF ATTORNEY (S000107)

FILE NO: S000107

DATE: 24/1/01

MEMORANDUM BY THE GENERAL MANAGER

To Council:

Summary

A Resolution of Council is sought to revoke an existing power of attorney granted to Mr Greg Maddock, former General Manager, and to grant a power of attorney to Mr Murray Douglas, Council's new General Manager, as set out in the attachment to this report.

Background

On 12 February 1996, by Resolution of Council, Council appointed the General Manager, Mr Greg Maddock, as an attorney of Council and a formal power of attorney was executed under the seal of Council on 7 May 1996. The Deputy General Manager and the Director - Legal and Secretariat have also been appointed as attorneys by separate Council resolutions.

1. Mr Maddock has resigned from Council with effect from 31 January 2001. It is necessary to formally revoke the power of attorney. A formal deed of revocation has been prepared and a copy is set out as Attachment "A".
2. Mr Murray Douglas has been appointed General Manager with effect from 12 February 2001. It is considered appropriate to appoint Mr Douglas with effect from that date. A draft power of attorney has been prepared and a copy is set out as Attachment "B".
3. The powers of attorney granted to the Deputy General Manager and the Director - Legal and Secretariat continue to have effect.

RECOMMENDATION:

That arising from consideration of a Memorandum by the General Manager to the Extraordinary Meeting of Council on 29 January 2001, on Power of Attorney, it be resolved that:

- (A) The power of attorney granted to Mr Greg Maddock, former General Manager, dated 7 May 1996 be revoked with effect from 31 January 2001;
- (B) A deed of revocation of the power of attorney in the form of Attachment "A" to the subject Memorandum by the General Manager be executed under the common seal of the Council;
- (C) A power of attorney to execute documents be granted to Mr Murray Douglas, in the form of Attachment "B" to the subject Memorandum by the General Manager with effect from 12 February 2001;
- (D) The power of attorney granted to Mr Murray Douglas be executed under the common seal of Council.

(SGD) CLIFF HAYNES
Acting General Manager

Moved by Councillor Greiner, seconded by Councillor Turnbull -

That arising from consideration of a Memorandum by the General Manager to the Extraordinary Meeting of Council on 29 January 2001 and 30 January 2001, on Power of Attorney, it be resolved that:

- (A) The power of attorney granted to Mr Greg Maddock, former General Manager, dated 7 May 1996 be revoked with effect from 31 January 2001;
- (B) A deed of revocation of the power of attorney in the form of Attachment "A" to the subject Memorandum by the General Manager be executed under the common seal of the Council;
- (C) A power of attorney to execute documents be granted to Mr Murray Douglas, in the form of Attachment "B" to the subject Memorandum by the General Manager with effect from 12 February 2001;

- (D) The power of attorney granted to Mr Murray Douglas be executed under the common seal of Council.

Carried.

Closed Meeting

At 4.57 pm the Council resolved -

That, due notice of the intention to close the meeting having been given, the meeting be closed in accordance with the provisions of Section 10A (2)(d)(i) of the Local Government Act 1993 to discuss Item 2 on the agenda as this matter comprised discussion of commercial information of a confidential nature that would, if disclosed, prejudice the commercial position of the persons who supplied it;

and it was further resolved that the meeting be closed for this item on the basis that discussion of this matter in open session would, on balance, be contrary to the public interest, specifically, there is a need to preserve confidentiality having regard to the subject matter and the circumstances of communications.

Item 2 was then dealt with by Council while the meeting was closed to the public.

ITEM 2. ANDREW 'BOY' CHARLTON (ABC) POOL - TENDER NO. 2023: ABC POOL CONSTRUCTION WORKS (S006461)

Moved by the Chairman (the Lord Mayor), seconded by Councillor Turnbull -

The arising from consideration of a report by the Project Manager, City Projects to the Extraordinary Meeting of Council on 29 January 2001 and 30 January 2001, on Andrew 'Boy' Charlton (ABC) Pool - Tender No 2023 - ABC Pool Construction Works, it be resolved that:-

- (A) Council reject all tenders;
- (B) Council's consultants be instructed to prepare revised documents for a reduced scope of works for the project as outlined in paragraphs 17 and 18 of the subject report;
- (C) Council allocate additional funding to the project as outlined in paragraph 18 of the subject report in accordance with the recommended project budget in paragraph 26 of the subject report;
- (D) Council decline to invite fresh tenders as it is not considered that doing so would produce a more satisfactory result than the process outlined in the subject report;
- (E) authority be delegated to the General Manager to enter into negotiations with the parties named in paragraph 19 of the subject report;

- (F) authority be delegated to the General Manager to enter into a contract following negotiations, and after consultation with the Lord Mayor, if the contract sum is in accordance with the project budget as detailed in paragraph 26 of the subject report;
- (G) authority be delegated to the General Manager to invite open tenders on the reduced scope of works if negotiations do not result in entry into a contract for a contract sum in accordance with the project budget as detailed in paragraph 26 of the subject report.

Carried.

At this stage of the meeting the Chairman (the Lord Mayor) introduced a Minute by the Lord Mayor as follows -

ITEM 3. NEW YEARS EVE PROCESSES

FILE NO: S014471

DATE:

MINUTE BY THE LORD MAYOR

To Council:

The City of Sydney proposes to enter new agreements to cover New Years Eve celebrations for the next five years being December 2001 through to December 2005. Such agreements would cover government agencies in terms of access to sites as well as media partners and private sponsors.

There are a number of issues that relate to the Local Government Act provisions concerning tender processes which need to be considered. It is important that the process of acquiring media partners and sponsors be commenced immediately, as they need to be in place by the middle of the year so that the creative concept for the coming New Years Eve can be settled and production take place.

I propose that Council endorse a process relating to this matter.

As the report involves complex legal issues and has not yet been finalised, I recommend that this Council meeting be adjourned to 5.00 pm on Tuesday 30 January when I will introduce a more comprehensive report and detailed recommendation on this matter.

(SGD) COUNCILLOR FRANK SARTOR
Lord Mayor

Closed Meeting

At 5.26 pm the Council resolved -

That the meeting be closed in accordance with the provisions of Section 10A (2)(c) and 10A (2)(d)(i) of the Local Government Act 1993 to discuss Item 3 on the agenda as this matter comprised discussion of information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business and discussion of commercial information of a confidential nature;

and it was further resolved that the meeting be closed for this item on the basis that discussion of this matter in open session would, on balance, be contrary to the public interest, specifically, there is a need to preserve confidentiality having regard to the subject matter and the circumstances of communications.

Item 3 was then dealt with by Council while the meeting was closed to the public.

Note - At this stage of the meeting, at 5.27 pm, all Council staff, except the Acting General Manager and the Director Legal and Secretariat, left the meeting.

Adjournment

Following discussion, it was moved by the Chairman (the Lord Mayor), seconded by Councillor Turnbull -

That the Extraordinary Meeting of Council be adjourned until 5.15 pm on Tuesday 30 January 2001 to deal with the subject matter of the Minute by the Lord Mayor.

Carried.

At 5.55 pm the Extraordinary Meeting of Council adjourned.

Resumption

At the resumption of the Extraordinary Meeting of Council at 5.33 pm on Tuesday 30 January 2001 those present were -

The Lord Mayor, Councillors Coulton, Farr-Jones, Greiner, Ho, Marsden and Turnbull.

The Acting General Manager and Director Legal and Secretariat were also present.

The Chairman (the Lord Mayor) welcomed the newly appointed Manager Cultural Affairs and Events, Ms Cathy Robinson, to the meeting.

Note - At the resumption of the meeting Council met in open session.

At this stage of the meeting the Chairman (the Lord Mayor) introduced a further Minute by the Lord Mayor as follows -

**ITEM 3 AGREEMENT TO CONDUCT NEW YEARS EVE
(continued) CELEBRATIONS 2001-2005**

FILE NO: S014471

DATE: 30/1/01

MINUTE BY THE LORD MAYORTo Council:

Over the last five years the City of Sydney has conducted the New Years Eve celebrations. Initially in 1996 it was under a one year arrangement involving the production company Spectak. We then entered a four year agreement with our media partners and sponsors from 1997-2000. That four year agreement now has been completed.

There is no doubt that we have managed to build up the New Years Eve celebrations to a point where it has become known as the premier international celebration of its kind around the world. In fact, it could be described as an icon event for Sydney.

It has had enormous benefits for the City of Sydney, most obviously the international exposure, closely followed by the enjoyment and engagement of the people of Sydney and our visitors. It has also filled the city's hotel rooms at what was a quiet time of the year. In my view, its promotional value exceeds that of the entire State and Federal Tourism budgets. What we have here is prime time positive television exposure repeated for 24 hours around the world. This was particularly evident at the millennium celebrations of 31 December 1999, this was again equally evident last December.

The event has been made financially possible by the generosity of our major sponsors namely Toyota, American Express, and Harvey Norman. It has been carried out with enormous cooperation from various State agencies as well as with the strong support of our media partners Channel 9, Daily Telegraph and 2UE.

I believe that we should commit to the event for a further five years, that is, 2001 through to 2005. To do so we need to carry out three tasks:

- (1) Enter five year agreements and commitments with key government agencies such as the Road and Traffic Authority, Waterways and Sydney Ports;
- (2) Enter five year contracts with media partners;
- (3) Secure sponsorship over the period.

Only when this process is complete can we set budgets, develop the creative concept, and produce the 2001 event.

The Director of Legal Services has provided a separate paper to Council which outlines the processes that the City is to follow to achieve its objective of securing media partners and sponsors and contains specific recommendations in that regard.

RECOMMENDATION:

That arising from the report by the Director, Legal and Secretariat dated 30 January 2001, it be resolved that:

- (a) The City of Sydney undertake the New Years Eve celebrations for the next five years namely 2001 to 2005 and take all necessary steps to secure agreements from State agencies, media partners, and sponsors.
- (b) Authority be delegated to the Lord Mayor to negotiate agreements with all the relevant State agencies to secure the City's rights.

(SGD) COUNCILLOR FRANK SARTOR
Lord Mayor

Moved by Councillor Turnbull, seconded by Councillor Farr-Jones -

That arising from consideration of a Minute by the Lord Mayor to the Extraordinary Meeting of Council on 29 January 2001 and 30 January 2001, on Agreement to Conduct New Years Eve Celebrations 2001-2005, it be resolved that -

- (A) the City of Sydney undertake the New Years Eve celebrations for the next five years namely 2001 to 2005 and take all necessary steps to secure agreements from State agencies, media partners, and sponsors;
- (B) authority be delegated to the Lord Mayor to negotiate agreements with all the relevant State agencies to secure the City's rights.

Carried unanimously.

Closed Meeting

Note - At this stage of the meeting, a confidential report by the Director Legal and Secretariat, as referred to in, and introduced by, the Minute by the Lord Mayor was circulated, with relevant attachments, to Councillors at the meeting.

At 5.52 pm, the Council resolved -

That the meeting be closed in accordance with the provisions of Section 10A (2)(c) and 10A (2)(d)(i) of the Local Government Act 1993 to discuss the confidential report by the Director Legal and Secretariat as this matter comprised discussion of information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business and discussion of commercial information of a confidential nature;

and it was further resolved that the meeting be closed for this item on the basis that discussion of this matter in open session would, on balance, be contrary to the public interest, specifically, there is a need to preserve confidentiality having regard to the subject matter and the circumstances of communications.

The following matter was then dealt with by Council while the meeting was closed to the public.

ITEM 3. NEW YEARS EVE PROCESSES (S014471)
(continued)

Moved by Councillor Turnbull, seconded by Councillor Greiner -

That arising from consideration of a report by the Director Legal and Secretariat to the Extraordinary Meeting of Council on 29 January 2001 and 30 January 2001, on New Years Eve Processes, it be resolved that -

- (A) the City of Sydney not undertake a tender process for the selection of media partners and sponsors, as a satisfactory result would not be achieved by inviting tenders because of the following extenuating circumstances:
 - (i) the difficulty in prescribing the benefits to be provided by media sponsors as would be required in a tender;
 - (ii) the likelihood that some prospective media partners and/or sponsors are less likely to express interest if a formal tender process is involved;
 - (iii) that tendering is not a practical means for attracting sponsorship, as recognised in the Independent Commission Against Corruption's publication entitled Review of the ICAC Sponsorship Principles;
 - (iv) that tendering for media partners and sponsors is unlikely to meet the City's objectives of maximising benefits from media partners and maximising sponsorship revenue;
- (B) in respect of media partners, a competitive expressions of interest (EOI) process be undertaken;
- (C) authority be delegated to the General Manager to select media partners at the end of the expression of interest process, after consideration of advice from an appropriate selection panel, and Councillors be briefed on the outcome;
- (D) in respect of sponsors, authority be delegated to the Lord Mayor to determine an appropriate process having regard to the outcome of the media partner expression of interest process, and Councillors be kept progressively informed.

Carried unanimously.

Monday 29 January 2001
and Tuesday 30 January 2001

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At 6.25 pm the meeting concluded.

Chairman of a meeting of the Council of the City
of Sydney held on 26 February 2001 at which
meeting the signature herein was subscribed.