

ITEM 6. REPORT OF THE CORPORATE, FINANCE, PROPERTIES AND TENDERS COMMITTEE - 19 OCTOBER 2015

ITEM 6.1

DISCLOSURES OF INTEREST

No Councillors disclosed any pecuniary or non-pecuniary interests in any item on the agenda for this meeting of the Corporate, Finance, Properties and Tenders Committee.

The Committee recommends the following:-

ITEM 6.2

PRESENTATION OF THE 2014/15 FINANCIAL STATEMENTS TO COUNCIL (S115002.001)

It is resolved that Council:

- (A) receive the Financial Statements for City of Sydney for the year ended 30 June 2015, as shown at Attachment A to the subject report;
- (B) authorise the Lord Mayor, the Deputy Chair of the Corporate, Finance, Properties and Tenders Committee, Chief Executive Officer, and the Chief Financial Officer to sign the General Purpose Financial Statements;
- (C) authorise the Lord Mayor, the Deputy Chair of the Corporate, Finance, Properties and Tenders Committee, Chief Executive Officer, and the Chief Financial Officer to sign the Special Purpose Financial Statements;
- (D) receive the auditor's reports on the 2014/15 Annual Financial Statements; and
- (E) authorise that notice be given, by newspaper advertisement, of public presentation of the audited 2014/15 Financial Statements for the City of Sydney at the Council meeting on 14 December 2015.

(Note – this matter was dealt by the Corporate, Finance, Properties and Tenders Committee as follows:

Mr Dennis Banicevic and Mr Peter Buchholz from Pricewaterhouse Coopers were invited to address the meeting of the Corporate, Finance, Properties and Tenders Committee on the 2014/15 Financial Statements.

Mr Banicevic addressed the Corporate, Finance, Properties and Tenders Committee on the 2014/15 Financial Statements.

This recommendation was then moved by Councillor Kemmis, seconded by Councillor Mant and carried unanimously.)

The Committee recommends the following:-

ITEM 6.3

INVESTMENTS HELD AS AT 30 SEPTEMBER 2015 (\$106935)

It is resolved that the Investment Report as at 30 September 2015 be received and noted.

(At the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Kemmis, seconded by Councillor Mant and carried unanimously.)

The Committee recommends the following:-

ITEM 6.4

AUDIT RISK AND COMPLIANCE COMMITTEE 2014/15 ANNUAL REPORT TO COUNCIL (S100289)

It is resolved that Council note the Audit Risk and Compliance Committee's 2014/15 Annual Report, as shown at Attachment A to the subject report.

Speakers

Ms Elizabeth Crouch, Chair of the Audit Risk and Compliance Committee, addressed the meeting of the Corporate, Finance, Properties and Tenders Committee on Item 6.4.

(At the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Kemmis, seconded by Councillor Mant and carried unanimously.)

The Committee recommends the following:-

ITEM 6.5

CLASSIFICATION OF LAND AT 95C PORTMAN STREET ZETLAND (LOT 31 IN DP 1201559) (S100178 AND S100179)

It is resolved that Council classify Lot 31 in DP 1201559, as shown marked on Attachment A to the subject report, as operational land in accordance with section 31 of the NSW Local Government Act 1993.

(At the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Kemmis, seconded by Councillor Kok and carried unanimously.)

The Committee recommends the following:-

ITEM 6.6

EAST WEST RELIEF ROUTE ACQUISITION UPDATE (S100178 AND S100179)

It is resolved that Council:

- (A) note the progress on land acquisitions to date for the future East West Relief Route; and
- (B) adopt the recommendations contained within confidential Attachment B to the subject report.

(Note – this matter was dealt with by the Corporate, Finance, Properties and Tenders Committee as follows:

During discussion on this item, the Corporate, Finance, Properties and Tenders Committee agreed to defer consideration of this matter to later in the meeting to discuss confidential Attachment B in closed session.

Closed Meeting

At a later stage of the meeting, at 2.33pm, it was moved by Councillor Kemmis, seconded by the Chair (the Lord Mayor) –

That the meeting be closed in accordance with the provisions of sections 10A(2)(c) and (d)(ii) of the Local Government Act 1993 to discuss confidential Attachment B to Item 6.6 on the agenda as this matter comprised:

- information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business; and
- commercial information of a confidential nature that would, if disclosed, confer a commercial advantage on a competitor of the council; 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, compromise Council's ability to negotiate fairly and commercially to achieve the best outcome for its ratepayers.

Carried unanimously.

Confidential Attachment B was then discussed while the meeting of the Corporate, Finance, Properties and Tenders Committee was closed to the public.

At the resumption of the meeting of the Corporate, Finance, Properties and Tenders Committee in open session, at 2.40pm, it was moved by Councillor Mant, seconded by Councillor Kemmis, that the officer's recommendation be adopted.

Carried unanimously.)

The Committee recommends the following:-

ITEM 6.7

TENDER - SYDNEY TOWN HALL - LOWER HALL OPERABLE WALL (S121768)

It is resolved that:

- (A) Council accept the tender offer of Tenderer 'A' for Sydney Town Hall – Lower Hall Operable Wall; and
- (B) authority be delegated to the Chief Executive Officer to negotiate, execute and administer the contracts relating to the tender.

(At the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Kemmis, seconded by the Chair (the Lord Mayor) and carried unanimously – as part of an in globo motion.)

The Committee recommends the following:-

ITEM 6.8

TENDER – PROVISION OF QUANTITY SURVEYING AUDITS OF APPLICATIONS FOR DEVELOPMENT (S125427)

It is resolved that:

- (A) Council approve the appointment of the panel of consultants in accordance with the Quantity Surveyor Audit Panel, as described in confidential Attachment B to the subject report, and their nominated hourly rates, for a period of two years, with the option of a further one year extension;
- (B) authority be delegated to the Chief Executive Officer to negotiate, execute and administer the contacts relating to the tender; and
- (C) authority be delegated to the Chief Executive Officer to exercise the option referred to in clause (A), if appropriate, and negotiate the price to extend the contract accordingly.

(At the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Kemmis, seconded by the Chair (the Lord Mayor) and carried unanimously – as part of an in globo motion.)

The Committee recommends the following:-

ITEM 6.9

TENDER - MANAGED PUBLIC ACCESS IT FACILITIES AND SERVICES (S125430)

It is resolved that:

- (A) Council reject the tenders received for the managed public access IT facilities and services for the reasons set out in confidential Tender Evaluation Summary, Attachment A to the subject report;
- (B) Council not invite fresh tenders, as it is considered that inviting fresh tenders would not attract additional suitable contractors over and above those that have responded to this tender;
- (C) authority be delegated to the Chief Executive Officer (CEO) to enter into negotiations with service providers who are suitably qualified and demonstrate a capability to deliver the required facilities and services and execute and administer the contract relating to the facilities and services;
- (D) authority be delegated to the CEO to, upon completion of negotiations, enter into a contract with the successful service provider; and
- (E) Council to be informed of the outcome via CEO Update.

(At the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Kemmis, seconded by the Chair (the Lord Mayor) and carried unanimously – as part of an in globo motion.)

The Committee recommends the following:-

ITEM 6.10

TENDER - CLOUD HOSTING SERVICES (2015/510325)

It is resolved that:

- (A) Council accept the tender offer of Tenderer 'J' for Cloud Hosting Services for a period of three years with the option of two, one-year, extensions;
- (B) authority be delegated to the Chief Executive Officer to negotiate, execute and administer the contracts relating to the tender; and
- (C) authority be delegated to the Chief Executive Officer to exercise the option referred to in clause (A), if appropriate, and negotiate the price to extend the contract accordingly.

(At the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Kemmis, seconded by the Chair (the Lord Mayor) and carried unanimously – as part of an in globo motion.)

The Committee recommends the following:-

ITEM 6.11

TENDER – APPLICATION DEVELOPMENT AND SUPPORT SERVICES - .NET AND RELATED TECHNOLOGIES (\$125425)

It is resolved that:

- (A) Council accept the tender offer of Tenderer 'D' for the supply of professional services for the development and support of .Net and related technologies based systems for a period of three years with two optional one-year extensions;
- (B) authority be delegated to the Chief Executive Officer to negotiate, execute and administer the contracts relating to the tender; and
- (C) authority be delegated to the Chief Executive Officer to exercise the option referred to in clause (A), if appropriate, and negotiate the price to extend the contract accordingly.

(At the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Kemmis, seconded by the Chair (the Lord Mayor) and carried unanimously – as part of an in globo motion.)

The Committee recommends the following:-

ITEM 6.12

TENDER - CLOUD BASED RESOURCE BOOKING SYSTEM (S121334)

It is resolved that:

- (A) Council accept the tender offer of Tenderer 'A' for the supply of a Cloud Based Resource Booking System for a period of three years with two optional one-year extensions;
- (B) authority be delegated to the Chief Executive Officer to negotiate, execute and administer the contracts relating to the tender; and
- (C) authority be delegated to the Chief Executive Officer to exercise the option referred to in clause (A), if appropriate, and negotiate the price to extend the contract accordingly.

(At the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Kemmis, seconded by the Chair (the Lord Mayor) and carried unanimously – as part of an in globo motion.)

The Committee recommends the following:-

ITEM 6.13

TENDER - SUPPLY AND DELIVERY OF WORK WEAR (S123688)

It is resolved that:

- (A) Council accept the tender offers of Tenderers 'A' and 'B' for the supply and delivery of work wear for a period of three years with two optional 12 month periods if appropriate;
- (B) authority be delegated to the Chief Executive Officer to negotiate, execute and administer the contracts relating to the tender; and
- (C) authority be delegated to the Chief Executive Officer to exercise the options referred to in clause (A), if appropriate, and negotiate the price to extend the contract accordingly.

(At the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Kemmis, seconded by the Chair (the Lord Mayor) and carried unanimously – as part of an in globo motion.)

The Committee recommends the following:-

ITEM 6.14

EXEMPTION FROM TENDER - REGIMENTAL SQUARE UPGRADE (\$121614)

It is resolved that Council:

- (A) approve the Regimental Square Upgrade Concept Design as shown at Attachment A to the subject report;
- (B) grant an exemption from tender, under the extenuating circumstances provisions of section 55(3)(i) of the Local Government Act 1993, for the delivery of the Regimental Square Upgrade Works;
- (C) endorse the delivery of the Regimental Square Upgrade Works by Charter Hall Funds Management Pty Ltd, the adjacent developer of 333 George Street as set out in Confidential Attachment B;
- (D) delegate authority to the Chief Executive Officer to enter into an agreement between the City and Charter Hall Funds Management Pty Ltd for the delivery of the Regimental Square Upgrade Works;
- (E) endorse using the City Centre Regimental Square capital budget and the \$765,970 received from Charter Hall Funds Management Pty Ltd through the Voluntary Planning Agreement for 333 George Street to fund the Regimental Square Upgrade Works; and
- (F) note that the reason for seeking an exemption from tender is that, due to extenuating circumstances, a satisfactory result would not be achieved by inviting tenders as delivery of the Regimental Square Upgrade Works by Charter Hall Funds Management Pty Ltd will:
 - (i) enable coordination of the development works on 333 George Street with the Regimental Square Upgrade Works;
 - (ii) facilitate early completion of the Regimental Square Upgrade Works by approximately four years due to access to Regimental Square from the adjacent 333 George Street site and the work zone being utilised by Watpac Constructions in Regimental Square (the completion of the Regimental Square Upgrade Works is required prior to the commencement of major construction works in George Street associated with the delivery of light rail); and
 - (iii) provide value for money to the City as the offer by Charter Hall Funds Management Pty Ltd provides financial savings when compared to the detailed costs estimates prepared by the City's quantity surveyor (including savings through staging the project with the development make-good works and the existing knowledge, resources and experience associated with the project site).

(At the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Kemmis, seconded by the Chair (the Lord Mayor) and carried unanimously – as part of an in globo motion.)

The Sub-Committee recommends the following:-

ITEM 6.15

REVIEW OF 12 MONTH TRIAL OF THE RETAIL ACTIVATION PROGRAM FOR PITT STREET MALL (S080764)

It is resolved that Council:

- (A) approve the continuation of the Pitt Street Mall Retail Activation Program for a period of three years (commencing 26 October 2015) during the construction of the Sydney Light Rail program thereby providing a retail activation space in the public domain to encourage and support new retail activities in Pitt Street Mall and drive pedestrian footfall;
- (B) note that all activities that fall within the Retail Activation Program are subject to an approved event application;
- (C) note that the introduction of this program will not fetter the City's discretion to determine event applications; and
- (D) note that, at or near the conclusion of the three year program, a report will be presented to Council with a further evaluation of the program.

Speakers

Ms Ros Lill-Lusby addressed the meeting of the Corporate, Finance, Properties and Tenders Committee (Economic Development and Business Sub-Committee) on Item 6.15.

(At the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Vithoukas, seconded by Councillor Kemmis and carried unanimously.)