

**ITEM 6. REPORT OF THE CORPORATE, FINANCE, PROPERTIES AND TENDERS COMMITTEE - 9 MAY 2016**

**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**

**2015/16 QUARTER 3 REVIEW - DELIVERY PROGRAM 2014-2017 (S096187)**

It is resolved that Council:

- (A) note the financial performance of Council for the third quarter, ending 31 March 2016, including the Quarter 3 Net Surplus of \$56.9M and a full year forecast of \$79.4M as outlined in the subject report and summarised in Attachment A to the subject report;
- (B) approve the write-off of a debt for \$112,597 for the lease and licence of a City-owned property at Oxford Street, Darlinghurst as outlined in paragraphs 14 and 15 of the subject report;
- (C) note the Quarter 3 Capital Works expenditure of \$171.2M, a revised full year forecast of \$235.7M and approve the proposed adjustments to the adopted budget, as detailed in Attachment B to the subject report;
- (D) note the Quarter 3 Plant and Assets expenditure of \$10.7M, net of disposals, and full year forecast of \$20.9M;
- (E) note the Information Services Capital Works expenditure of \$4.5M, net of disposals, and a full year forecast of \$8.0M; and
- (F) note the supplementary reports, including contracts issued over \$50,000, major legal issues and the Quick Response, Banner Pole and Reduced Rate Grant Programs in Quarter 3, as detailed in Attachment C to the subject report.

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

The Committee recommends the following:-

**ITEM 6.3**

**INTEGRATED PLANNING AND REPORTING PROGRAM AND BUDGET 2016/17 - PUBLIC EXHIBITION S124956**

It is resolved that Council endorse:

- (A) the suite of Integrated Planning and Reporting documents for public exhibition for a period of 28 days, including:
  - (i) the draft Operational Plan 2016/17 as shown at Attachment A to the subject report; and
  - (ii) the draft Resourcing Strategy (2016) as shown at Attachment B to the subject report;
- (B) the draft Operating and Capital Budgets, and future years' forward estimates, reflected in the Operational Plan for 2016/17 and draft Resourcing Strategy (2016) including:
  - (i) Operating income of \$530.8M, operating expenditure before depreciation of \$418.4M for an Operating Result of \$112.5M, and a Net Surplus of \$30.6M after allowing for interest, depreciation and capital contributions;
  - (ii) Capital Works expenditure of \$298.9M and a contingency of \$5.0M;
  - (iii) Plant and Assets net expenditure of \$20.7M; and
  - (iv) Net Property Divestments of \$18.8M; and
- (C) the proposed Rating structure and Domestic Waste Management Charges, Stormwater Charges and User Fees and Charges discussed within the subject report and included within the draft Operational Plan 2016/17.

**Speakers**

Mr Alastair Lawrie addressed the meeting of the Corporate, Finance, Properties and Tenders Committee on Item 6.3.

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

**The Committee recommends the following:-**

**ITEM 6.4**

**INVESTMENTS HELD AS AT 30 APRIL 2016 (S034147)**

It is resolved that the Investment Report as at 30 April 2016 be received and noted.

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

The Committee recommends the following:-

**ITEM 6.5**

**NAMING PROPOSAL - RESERVE ON FRANKLYN STREET, GLEBE (X004851)**

It is resolved that:

- (A) Council provide in-principle approval to name the public reserve located at 20-40 Franklyn Street, Glebe as “Robyn Kemmis Reserve”;
- (B) Council approve the public exhibition of the naming proposal for community comment for a period of 28 days; and
- (C) a further report be submitted to Council at the end of the exhibition period.

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

The Committee recommends the following:-

**ITEM 6.6**

**LAND CLASSIFICATION CHANGE - 200 GEORGE STREET, SYDNEY (S121300)**

It is resolved that Council:

- (A) classify 200 George Street, Sydney, being Lot 2 in DP 1213767, as Operational in accordance with section 31 of the Local Government Act 1993;
- (B) publicly notify that "The Council intends to acquire land at 200A George Street, Sydney, being Lot 3 in DP 1213767 as shown at Attachment B and classify the acquired land, detailed herein as operational land in accordance with Section 31 of the Local Government Act 1993"; and
- (C) note that a further report, to inform the outcomes of public notification and recommendation on land classification, will follow the notification period.

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

The Committee recommends the following:-

**ITEM 6.7**

**TENDER - SYDNEY PARK BRICK KILNS - CHIMNEY REPAIR WORKS (S097239.004)**

It is resolved that:

- (A) Council accept the tender offer of Tenderer 'A' for the Sydney Park Brick Kilns - chimney repairs; 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 Kok, 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 - RENWICK STREET PLAYGROUND UPGRADE, ALEXANDRIA (S084396)**

It is resolved that:

- (A) Council accept the tender offer of Tenderer 'A' for the construction of Renwick Street Playground upgrade; 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 Kok, 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 – LIBRARY RADIO FREQUENCY IDENTIFICATION PROJECT (RFID BUILDING WORKS) (X000404)**

It is resolved that:

- (A) Council accept the tender offer of Tenderer 'A' for the Library Radio Frequency Identification Project (RFID Building Works); 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 Kok, 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 - MAINTENANCE AND PRESERVATION WORKS CONTRACT - TIED TO TIDE ARTWORK, PYRMONT POINT PARK (S065581.001)**

It is resolved that:

- (A) Council reject the tender submission received for the maintenance and preservation work contract for the Tied to Tide artwork in Pyrmont Point Park for the reasons set out in confidential Tender Evaluation Summary, Attachment A to the subject report;
- (B) Council enter into negotiations with contractors who are suitably qualified and demonstrate a capacity to undertake the works. It is noted that:
  - (i) inviting fresh tenders may not attract additional suitable contractors over and above those that have responded to this tender; and
  - (ii) Council's reasons for determining to enter into negotiations with contractors are to ensure the best value for money outcome;
- (C) authority be delegated to the Chief Executive Officer to enter into negotiations with contractors who are suitably qualified and demonstrate a capability to undertake the scope of works;
- (D) authority be delegated to the Chief Executive Officer to enter into a contract subject to the conclusion of negotiations with suitable companies; and
- (E) Council be informed of the successful contractor by CEO Update.

(At the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Kok, 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 - DESIGN AND CONSTRUCTION OF THE GREEN SQUARE LIBRARY AND PLAZA (S105203)**

It is resolved that:

- (A) Council reject all tender offers for the design and construction of the Green Square Library and Plaza for the reasons set out in confidential Attachment A to the subject report;
- (B) authority be delegated to the Chief Executive Officer to enter into negotiations with suitably qualified parties to undertake the scope of works as detailed in the Request for Tender, execute and administer the contracts relating to the tender;
- (C) authority be delegated to the Chief Executive Officer to enter into contracts, subject to the conclusion of negotiations with the successful parties;
- (D) Council approve the additional funds sought from the Future Community and Recreational Facilities budget as outlined in confidential Attachment A to the subject report;
- (E) Council note that the unsuccessful conforming tenderer will be paid a nominal fee of \$100,000 (including GST) for their participation in the RFT process. Payment will only be made after submission of a complying tender and award to the successful tenderer; and
- (F) Council be informed of the successful parties via CEO Update.

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

The Committee recommends the following:-

**ITEM 6.12**

**TENDER - GREEN SQUARE LIBRARY AND PLAZA PUBLIC ART (S105202)**

It is resolved that:

- (A) Council accept the tender offer of Tenderer 'A' for the design, development and delivery of public artwork for Opportunity A - Public Plaza outdoor artwork and the subsequent financial implications outlined in confidential Attachment B to the subject report;
- (B) Council accept the tender offer of Tenderer 'E' for the design, development and delivery of public artwork for Opportunity B - Library Interior artwork and the subsequent financial implications outlined in confidential Attachment B to the subject report; and
- (C) authority be delegated to the Chief Executive Officer to negotiate, execute and administer the contracts relating to the tender.

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

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

That the officer's recommendation be adopted.

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 Attachments A and B in closed session.

**Closed Meeting**

At a later stage of the meeting, at 3.03pm, it was moved by Councillor Kok, 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 Attachments A and B to Item 6.12 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 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 A was then discussed while the meeting of the Corporate, Finance, Properties and Tenders Committee was closed to the public.

**Open Meeting**

At the resumption of the meeting of the Corporate, Finance, Properties and Tenders Committee in open session, at 3.10pm, the motion as previously moved by Councillor Kok, and seconded by the Chair (the Lord Mayor), was put to the vote and carried unanimously.)

The Committee recommends the following:-

**ITEM 6.13**

**TENDER - GREEN SQUARE PUBLIC ART CONNECTING PROJECT (S121114.006)**

It is resolved that:

- (A) Council reject all tenders for the Green Square public art Connecting Project;
- (B) Council not re-tender the project, as re-tendering is unlikely to attract additional suitable contractors over and above those that have responded to this tender that demonstrate a capacity to undertake the scope of works;
- (C) authority be delegated to the Chief Executive Officer to enter into negotiations with suitably qualified suppliers (respondent artists and/or artist-led multidisciplinary teams) that have the demonstrated experience and capability to undertake the scope of works;
- (D) authority be delegated to the Chief Executive Officer to enter into a contract with a preferred contractor for the Green Square public art Connecting Project up to a maximum contract value of AU\$1.7M, subject to the conclusion of negotiations with suitably qualified suppliers for the scope of works; and
- (E) Council be informed of the successful tenderer via the CEO Update.

(At the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Kok, 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**

**TENDER - ENVIRONMENTAL SUSTAINABILITY PLATFORM – PART 3 (X001499)**

It is resolved that:

- (A) Council accept the tender offer of Tenderer 'C' for the Environmental Sustainability Platform – Part 3 for a period of three years, with the option of an extension of two years;
- (B) authority be delegated to the Chief Executive Officer to negotiate, execute and administer the contracts relating to the tender;
- (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; and
- (D) Council approve an increase to the budget for the project as detailed in confidential Attachment A to the subject report.

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

The Committee recommends the following:-

**ITEM 6.15**

**TENDER - TALENT MANAGEMENT SYSTEM (S121490)**

It is resolved that:

- (A) Council accept the tender offer of Tenderer 'A' to supply, install, integrate with existing systems, commission and provide ongoing support of a Talent Management System for a period of three years; 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 Kok, seconded by the Chair (the Lord Mayor) and carried unanimously – as part of an in globo motion.)



The Committee recommends the following:-

**ITEM 6.16**

**TENDER - MANAGED WEB HOSTING (2015/417850)**

It is resolved that:

- (A) Council accept the tender offer of Tenderer 'D' for Part B, for a period of three years, with two further options of one year each, subject to satisfactory performance;
- (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 Kok, seconded by the Chair (the Lord Mayor) and carried unanimously – as part of an in globo motion.)

The Committee recommends the following:-

**ITEM 6.17**

**EXEMPTION FROM TENDER - VENUE MANAGEMENT CATERING SERVICES CONTRACT (S085074.012)**

It is resolved that:

- (A) Council approve an exemption from tender, in accordance with section 55(3)(i) of the Local Government Act 1993, for the contract catering supply arrangements that cover Sydney Town Hall and the Barnet Long Room at Customs House operations, until the completion of the Town Hall House level four upgrade period, currently forecast as 30 June 2017, noting that, because of extenuating circumstances, a satisfactory result would not be achieved by inviting tenders at this time;
- (B) Council note that the reasons why a satisfactory result would not be achieved by inviting tenders are:
  - (i) there is an increased risk of transitioning to a new catering service provider during the refurbishment period, including the impacts this will have on continuity of service to venue hirers and disruption to venue operations; and
  - (ii) there is a risk of a decreased financial offer to Council if the contract commences during the refurbishment period;
- (C) Council note the financial implications and consultants recommendations detailed in confidential Attachments A and B to the subject report;
- (D) Council approve the variation of the existing contract with Restaurant Associates (Australia) Pty Ltd; and
- (E) authority be delegated to the Chief Executive Officer to negotiate an extension of the contract to cover the period until the completion of the Town Hall House level four upgrade (noting exact dates are to be finalised once the procurement process relating to the Level 4 upgrade has been completed).

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

**ITEM 6.18****INTERNATIONAL TRAVEL - LEE KUAN YEW WORLD CITY PRIZE FORUM 2016**

Note – No report was circulated on this matter. At the meeting of the Corporate, Finance, Properties and Tenders Committee, the Chair (the Lord Mayor) advised Councillors of her inability to attend this event and thus the withdrawal of the report.

The Sub-Committee recommends the following:-

**ITEM 6.19**

**KNOWLEDGE EXCHANGE SPONSORSHIP — STARTUPWEEK SYDNEY –  
STARTUPWEEK AUSTRALIA (S119728)**

It is resolved that:

- (A) Council approve a cash sponsorship of \$35,000 (excluding GST) to StartupWeek Australia Limited as a sponsor of the StartupWeek Sydney for each year, 2016, 2017, 2018; and
- (B) authority be delegated to the Chief Executive Officer to negotiate and enter into a sponsorship agreement with StartupWeek Australia Limited.

**Speakers**

Mr Alex Scandurra addressed the meeting of the Corporate, Finance, Properties and Tenders Committee (Economic Development and Business Sub-Committee) on Item 6.19.

(At the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Vithoukias, seconded by the Chair (the Lord Mayor) and carried unanimously.)

The Sub-Committee recommends the following:-

**ITEM 6.20**

**KNOWLEDGE EXCHANGE SPONSORSHIP – SBE AUSTRALIA 2016 (\$118695)**

It is resolved that:

- (A) Council approve a cash sponsorship of \$35,000 (excluding GST) and \$2,000 value-in-kind for venue hire to SBE Australia as Cornerstone Sponsor 2016; and
- (B) authority be delegated to the Chief Executive Officer to negotiate and enter into a sponsorship agreement with SBE Australia Limited.

**Speakers**

Ms Topaz Conway addressed the meeting of the Corporate, Finance, Properties and Tenders Committee (Economic Development and Business Sub-Committee) on Item 6.20.

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

The Sub-Committee recommends the following:-

**ITEM 6.21**

**DRAFT EORA JOURNEY ECONOMIC DEVELOPMENT PLAN - PUBLIC EXHIBITION (S102922.011)**

It is resolved that:

- (A) Council approve the draft Eora Journey Economic Development Plan, as shown at Attachment A to the subject report, for public exhibition for a minimum of eight weeks;
- (B) Council establish an Eora Journey Economic Development Working Group comprising members sought via an Expression of Interest process, and endorsed by Council;
- (C) a Terms of Reference for the Eora Journey Economic Development Working Group be developed for endorsement by Council; and
- (D) authority be delegated to the Chief Executive Officer to undertake minor editorial amendments prior to the exhibition of the draft Plan.

**Speakers**

Mr Timothy Gray addressed the meeting of the Corporate, Finance, Properties and Tenders Committee (Economic Development and Business Sub-Committee) on Item 6.21.

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