

**ITEM 6. REPORT OF THE CORPORATE, FINANCE, PROPERTIES AND TENDERS COMMITTEE - 10 OCTOBER 2016****ITEM 6.1****DISCLOSURES OF INTEREST**

Councillor Christine Forster disclosed a significant, non-pecuniary interest in Item 6.4 on the agenda, in that she has recently signed an employment contract with Woodside Petroleum, a producer of oil and gas. Councillor Forster said that she would not be present for discussion or voting on this item.

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

The Committee recommends the following:-

**ITEM 6.2**

**INVESTMENTS HELD AS AT 31 AUGUST 2016 (X005605)**

It is resolved that the Investment Report as at 31 August 2016 be received and noted.

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

The Committee recommends the following:-

**ITEM 6.3**

**INVESTMENTS HELD AS AT 30 SEPTEMBER 2016 (X005604)**

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

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

The Committee recommends the following:-

**ITEM 6.4**

**REVIEW OF THE INVESTMENT POLICY AND STRATEGY FOR THE MANAGEMENT OF COUNCIL'S SURPLUS FUNDS (X005605)**

It is resolved that Council adopt the revised Investment Policy and Investment Strategy for the management and investment of Council's surplus funds, as shown in Attachments A and B to the subject report, subject to, in Attachment A, the first sentence under the heading "Environmentally and socially responsible investments" reading as follows:

Subject to compliance with legislation and investment policy objectives and parameters, the City preferences investment securities and financial institutions that meet our socially responsible investments (SRI) criteria.

**Speakers**

Ms Gillian Reffell 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 the Chair (the Lord Mayor), seconded by Councillor Scully and carried unanimously.)

The Committee recommends the following:-

**ITEM 6.5**

**PRESENTATION OF THE 2015/16 FINANCIAL STATEMENTS TO COUNCIL (S115002.002)**

It is resolved that Council:

- (A) receive the Financial Statements for City of Sydney for the year ended 30 June 2016, 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 2015/16 Annual Financial Statements; and
- (E) authorise that notice be given, by newspaper advertisement, of public presentation of the audited 2015/16 Financial Statements for the City of Sydney at the Council meeting on 21 November 2016.

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

Ms Elizabeth Crouch, Chair of the Audit Risk and Compliance Committee and Mr Dennis Banicevic from Pricewaterhouse Coopers were invited to address the meeting of the Corporate, Finance, Properties and Tenders Committee on the 2015/16 Financial Statements.

Ms Crouch and Mr Banicevic addressed the Corporate, Finance, Properties and Tenders Committee on the 2015/16 Financial Statements.

This recommendation was then moved by Councillor Phelps, seconded by the Chair (the Lord Mayor) and carried unanimously.)

The Committee recommends the following:-

**ITEM 6.6**

**DRAFT COUNCILLORS' EXPENSES AND FACILITIES POLICY 2016/17 - PUBLIC EXHIBITION (S048524)**

It is resolved that Council approve for public exhibition, for a period of at least 28 days, the draft Councillors' Expenses and Facilities Policy 2016/17, shown at Attachment A to the subject report.

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

**The Committee recommends the following:-**

**ITEM 6.7**

**NAMING PROPOSAL - ROBYN KEMMIS RESERVE (X004851)**

It is resolved that:

- (A) Council approve the name “Robyn Kemmis Reserve” for the pocket playground located on Franklyn Street, Glebe; and
- (B) an application be made to the Geographical Names Board for the naming of the Reserve as approved in clause (A), in accordance with the Geographical Names Act 1996.

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

The Committee recommends the following:-

**ITEM 6.8**

**EXEMPTION FROM TENDER – FRONTIER SOFTWARE (S122001.001)**

It is resolved that:

- (A) as a satisfactory result would not be achieved by inviting tenders because of the unavailability of competitive tenders, Council grant an exemption from tender for annual renewal over a five year period, with the option of an extension of a further five year period, if appropriate, of the maintenance and support agreement with Frontier Software;
- (B) Council accept the Software and Services Agreement, as outlined in confidential Attachment A to the subject report, for annual renewal over a five year period, with the option of an extension of a further five year period, if appropriate;
- (C) authority be delegated to the Chief Executive Officer to negotiate, execute and administer (including exercising options) the maintenance and support agreements with Frontier Software Pty Ltd; and
- (D) authority be delegated to the Chief Executive Officer to exercise the option referred to in clause (B), if appropriate, and negotiate the price to extend the maintenance and support agreements accordingly.

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

**EXEMPTION FROM TENDER - PARKING METER SERVICE AND MAINTENANCE (X006775)**

It is resolved that:

- (A) Council approve an exemption to tender in accordance with section 55(3)(i) of the *Local Government Act 1993* noting that, because of the unavailability of competitive or reliable tenderers, a satisfactory result would not be achieved by inviting tenders to provide service and maintenance of the City's ticket machines;
- (B) Council note the reasons why a satisfactory result would not be achieved by inviting tenders are:
  - (i) going to tender would not deliver a competitive process due to the inability of any other tenderer to provide service inclusive of an integrated management and reporting system using the existing hardware; and
  - (ii) the service includes provision of compliant payment gateway processing, which can only be enabled by the same provider as that providing the management system;
- (C) Council enter into a contract with the existing service and maintenance contractor for a maximum five year term (three years plus two options of one year each, subject to satisfactory performance); and
- (D) authority be delegated to the Chief Executive Officer to negotiate and approve the terms of the contract of the services agreement with the contractor provided that the contract is consistent with this resolution.

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

**EXEMPTION FROM TENDER - 343 GEORGE STREET, SYDNEY - ADDITIONAL SCOPE TO LIFT MODERNISATION CONTRACT (S121683)**

It is resolved that:

- (A) Council approve exemption from tender for additional scope to completely renew the two lifts (4 and 5) to George Street at 343 George Street, Sydney as a result of extenuating circumstances;
- (B) Council note the reasons why a satisfactory reason would not be achieved by inviting tenders are:
  - (i) due to the limited suppliers for lift works of this scale and nature, it is likely that no better result would be achieved based on the initial public tender outcome of February 2015. If the work was to be tendered, Council would face prolonged delays of up to 12 months and incur costs associated with site dis-establishment and re-establishment, as well as reputational risks associated with poor service standard of the aged lifts 4 and 5 within the delayed period; and
  - (ii) the costs of the additional scope aligns comparatively with costs of the previous tender price regardless of cost escalation since early 2015. The costs are fair and reasonable and represent good value for money in the current market. As such, value for money has been demonstrated and it is unlikely that a public tender would produce a better result;
- (C) the current head contingency be extended and funds allocated as detailed in confidential Attachment B to the subject report;
- (D) Council accept the proposal from ThyssenKrupp Elevators Australia for the additional scope of works as contained in Attachment A to the subject report; and
- (E) authority be delegated to the Chief Executive Officer to negotiate, execute and administer the contracts relating to the works.

(At the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Phelps, 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 - COMMUNITY FACILITIES SIGNAGE UPGRADE (S116794)**

It is resolved that:

- (A) Council accept the tender offer of Tenderer 'A' for the community facilities signage 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 Phelps, 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 – TOWN HALL HOUSE LEVEL 4 UPGRADE (S127167)**

It is resolved that:

- (A) Council accept the tender offer of Tenderer 'A' for Town Hall House Level 4 upgrade;
- (B) authority be delegated to the Chief Executive Officer to negotiate, execute and administer the contracts relating to the tender; and
- (C) Council approve an increase in budget costs as detailed in confidential Attachment B to the subject report.

(At the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Phelps, 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 - BENLEDI HOUSE ROOF AND STORMWATER UPGRADE (S126652)**

It is resolved that:

- (A) Council accept the tender offer of Tenderer 'A' for Benledi house roof and stormwater 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 Phelps, 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 – IRRIGATION MAINTENANCE SERVICES (S051884)**

It is resolved that:

- (A) Council accept the tender offer for schedule of rates of Tenderer 'A' for irrigation maintenance services for a period of three years, with the option of an extension of two years, subject to 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 option referred to in clause (A), if appropriate, and negotiate the price to extend the contracts accordingly.

(At the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Phelps, 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 – APPOINTMENT OF AN OPERATOR FOR THE OPERATION AND MANAGEMENT OF THE SATURDAY MARKET IN FITZROY GARDENS (X005131.002)**

It is resolved that:

- (A) Council accept the tender offer of Tenderer 'A' for the operation of the Saturday Market in Fitzroy Gardens, Potts Point for an initial term of one year, with two, additional 24 month options to be granted at the City's sole discretion (a maximum of five years total);
- (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 contracts accordingly.

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

Moved by Councillor Phelps, seconded by Councillor Scully –

That the officer's recommendation be adopted.

**Closed Meeting**

At 2.42pm, it was moved by Councillor Vithoukias, seconded by Councillor Forster –

That the meeting be closed in accordance with the provisions of sections 10A(2)(c) and (d)(i) of the Local Government Act 1993 to discuss confidential Attachment A to Item 6.15 on the agenda as this matter comprised:

- commercial 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, prejudice the commercial position of the person 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, 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 2.55pm, the motion, as previously moved by Councillor Phelps and seconded by Councillor Scully, was put to the vote and was carried unanimously.)



The Committee recommends the following:-

**ITEM 6.16**

**TENDER - RECEIPT AND PROCESSING OF RECYCLABLES, ORGANICS, BULKY WASTE, CLEANSING WASTE, E-WASTE AND METALS (2016/489737)**

It is resolved that:

- (A) Council reject the tenders received for the receipt and processing of recyclables, garden organics, bulky waste, street cleansing waste for a period of five years, with three extension options of one year each for the reasons set out in confidential Attachment A to the subject report;
- (B) Council reject the tenders received for the receipt and processing of e-waste and metals for a period of four years, with three extension options of one year each for the reasons set out in confidential Attachment A to the subject report;
- (C) Council not invite fresh tenders, as it is considered that inviting fresh tenders would be unlikely to deliver a better result;
- (D) authority be delegated to the Chief Executive Officer to enter into negotiations with contractors that are suitably qualified and demonstrate a capability to fully undertake the service specifications;
- (E) authority be delegated to the Chief Executive Officer to enter into a contract, subject to the conclusion of negotiations with suitable companies, for the receipt and processing of recyclables, garden organics, bulky waste, street cleansing waste, e-waste and metals; and
- (F) 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 Phelps, seconded by the Chair (the Lord Mayor) and carried unanimously – as part of an in globo motion.)