

Minutes of the Corporate, Finance, Properties and Tenders Committee - 6 May 2024

Members Lord Mayor - Councillor Clover Moore AO (Chair), Deputy Lord Mayor - Councillor Robert Kok (Deputy Chair), Councillor HY William Chan, Councillor (Waskam) Emelda Davis, Councillor Sylvie Ellsmore, Councillor Lyndon Gannon, Councillor Shauna Jarrett, Councillor Linda Scott, Councillor Yvonne Weldon AM and Councillor Adam Worling.

At the commencement of business at 2.04pm, those present were –

The Lord Mayor, Councillors Chan, Davis, Ellsmore, Gannon, Jarrett, Kok, Weldon and Worling.

Councillor Weldon arrived at the meeting of the Corporate, Finance, Properties and Tenders Committee at 2.07pm during discussion and before the vote on Item 6.3.

Apologies

Councillor Scott extended her apologies for her inability to attend the meeting of the Corporate, Finance, Properties and Tenders Committee.

The meeting of the Corporate, Finance, Properties and Tenders Committee concluded at 3.25pm.

Item 1

Confirmation of Minutes

Moved by Councillor Kok, seconded by Councillor Worling –

That the Minutes of the meeting of the Corporate, Finance, Properties and Tenders Committee of Monday 25 March 2024, as circulated to Councillors, be confirmed.

Carried unanimously.

Item 2

Statement of Ethical Obligations and Disclosures of Interest

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

The Corporate, Finance, Properties and Tenders Committee recommended the following:

Item 3**2023/24 Quarter 3 Review – Delivery Program 2022-2026**

It is resolved that:

- (A) Council note the financial performance of Council for the third quarter, ending 31 March 2024, including a Quarter 3 Net Operating Result for the year of \$80.9M and the full year forecast of \$115.0M, as outlined in the subject report and summarised in Attachment A to the subject report;
- (B) Council note the Quarter 3 Capital Works expenditure of \$128.2M and a revised full year forecast of \$196.9M, and approve the proposed adjustments to the adopted budget, including bringing forward \$2.0M of funds into the 2023/24 capital budget and \$1.0M from the capital works contingency as detailed in Attachment B to the subject report;
- (C) Council note the Technology and Digital Services Capital Works of \$12.5M, net of disposals and a full year forecast of \$16.7M;
- (D) Council note the Quarter 3 Plant and Equipment expenditure of \$5.7M, net of disposals and a revised full year forecast of \$16.2M and approve the proposed adjustments to the adopted budget as detailed in attachment B to the subject report;
- (E) Council note the Quarter 3 net Property Acquisitions of \$10.4M, and the full year forecast net Property Divestments of \$2.9M;
- (F) Council note the supplementary reports, which detail fee-waived and discounted community facilities hire, the quick response, street banner and venue hire support grants and sponsorship programs, major legal issues, international travel, property and land use matters approved under delegation and contracts over \$50,000 as detailed in Attachment C to the subject report; and
- (G) Council approve an increase of \$40,000 cash to the current year's 2023/24 Quick Response grant budget allocation to a new total of \$400,000. This increase in funds is to support the high demand in Quick Response grant applications and to be sourced from City Life's existing overall budget savings.

(Note – 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.)

X094861

Item 4**Public Exhibition - Integrated Planning and Reporting Program and Budget 2024/25**

It is resolved that:

- (A) Council endorse the suite of Integrated Planning and Reporting documents for public exhibition for a period of 28 days, including:
 - (i) the draft Operational Plan 2024/25 as shown at Attachment A to the subject report; and
 - (ii) and the draft Resourcing Strategy 2024 as shown at Attachment B to the subject report;
- (B) Council endorse the draft Operating and Capital Budget, and future years' forward estimates, as reflected in the Operational Plan 2024/2025 and draft Resourcing Strategy 2024 including:
 - (i) Operating income of \$716.4M, operating expenditure before depreciation of \$597.3M for an Operating Result of \$119.1M, and a Net Surplus of \$115.4M after allowing for interest, depreciation and capital contributions;
 - (ii) Capital Works expenditure of \$228.5M and a capital works contingency of \$8.0M;
 - (iii) Plant and Assets net expenditure of \$18.6M;
 - (iv) Capital Works (Technology and Digital Services) of \$24.0M; and
 - (v) Net Property Acquisitions of \$28.0M;
- (C) Council endorse the draft Rates, Domestic Waste Management Charges, Stormwater Charges and User Fees and Charges discussed within the subject report and included within the draft Operational Plan 2024/25; and
- (D) authority be delegated to the Chief Executive Officer to approve any minor editorial and document design corrections prior to publication.

(Note – 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.)

X101909

Item 5**Investments Held as at 31 March 2024**

It is resolved that the Investment Report as at 31 March 2024 be received and noted.

(Note – at the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Kok, seconded by Councillor Worling, and carried unanimously.)

X020701

Item 6**Investments Held as at 30 April 2024**

It is resolved that Investment Report as at 30 April 2024 be received and noted.

(Note – at the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Kok, seconded by Councillor Chan, and carried unanimously.)

X020701

Item 7**Public Exhibition - Grants and Sponsorship Policy and Guidelines**

It is resolved that:

- (A) Council note that no changes will be made to the Grants and Sponsorship Policy, as shown at Attachment A to the subject report;
- (B) Council approve for public exhibition the draft Grants and Sponsorship Guidelines, as shown at Attachment B to the subject report;
- (C) Council note that the Grants and Sponsorship Guidelines, including any recommended changes, will be reported to Council for adoption following the exhibition period; and
- (D) authority be delegated to the Chief Executive Officer to make minor editorial amendments for clarity or correction of drafting errors prior to the exhibition of the draft Grants and Sponsorship Guidelines.

(Note – at the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Kok, seconded by Councillor Worling, and carried unanimously.)

S117676

Item 8**Adoption - Archives Collection Management Policy**

It is resolved that:

- (A) Council adopt the updated Archives Collection Management Policy as shown at Attachment A to the subject report; and
- (B) authority be delegated to the Chief Executive Officer to make amendments to the Archives Collection Management Policy in order to correct any minor drafting errors and finalise design, artwork and accessible formats for publication.

(Note – at the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Kok, seconded by Councillor Worling, and carried unanimously.)

X093219

Item 9**Land Classification - 13 George Julius Avenue, Zetland**

It is resolved that Council classify 13 George Julius Avenue, Zetland (being Lot 1 in DP 1265902), which is to be transferred to Council for future public purposes, as operational land in accordance with section 31 of the Local Government Act 1993 (NSW), on the basis that:

- (A) the primary future use of the land is for park, open space, and active and/or passive recreation and road;
- (B) the classification is an interim measure to support construction and delivery of the new park and road; and
- (C) following completion of the park and road and conclusion of obligations set out in registered Planning Agreement AN390315 and Deed of Variation AS45538, the land will be further subdivided creating separate portions for the road to be dedicated and for the park to be classified as community land and categorised within a plan of management.

(Note – at the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Kok, seconded by Councillor Worling, and carried unanimously.)

X101722.005

Item 10**Land Classification - 2A Reed Street and 1A Tung Hop Street, Waterloo**

It is resolved that Council endorse the classification of 2A Reed Street, Waterloo (being Lot 7 in DP1275276) and 1A Tung Hop Street, Waterloo (being Lot 8 in DP1275276), both of which are proposed to be transferred to Council for future public purposes as road, as operational land in accordance with section 31 of the Local Government Act 1993 (NSW).

(Note – at the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Kok, seconded by Councillor Worling, and carried unanimously.)

X101724.005

Item 11**Land Classification - Lots 5 and 7, 2-38 Baptist Street and 397-399 Cleveland Street, Surry Hills**

It is resolved that Council endorse classifying Lot 5 and Lot 7 in Deposited Plan 1298679 as operational land in accordance with section 31 of the Local Government Act 1993 (NSW), being a subdivision of Lots 100 and 101 in DP 1285547 at 2-38 Baptist Street and 397-399 Cleveland Street, Redfern, on the basis that in the case of Lot 5, the primary future use is for a park and the classification is an interim measure to support operational management until it can be included within the Generic Plan of Management and classified as community and categorised as park.

(Note – at the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Kok, seconded by Councillor Chan, and carried unanimously.)

X101723.005

Item 12**Tender - T-2023-984 - City Civil Works**

It is resolved that:

- (A) Council accept the tender offer of Tenderer D for Work Lot 1, Tenderer D for Work Lot 2 and Tenderers A, B, D and F for Work Lot 3 for the City Civil Works contracts for the price and contingency outlined in Confidential Attachment A to the subject report for a contract term of five years with two optional extensions to the contract term of three years and two years respectively;
- (B) Council approve the total contract sum and contingency for the City Civil Works contracts as outlined in Confidential Attachment A to the subject report;
- (C) Council accept the Schedule of Rates for the City Civil Works contracts as presented in Confidential Attachment B to the subject report;
- (D) Council approve an exemption from tender in accordance with section 55(3)(i) of the Local Government Act 1993 for the duration of the contract term, including any extensions, for the procurement of items for Work Lot 3 that are not within the Schedule of Rates set out in Confidential Attachment B to the subject report contract to a cumulative upper limit of \$500,000 inclusive of GST per project;
- (E) Council note the reasons a satisfactory result would not be achieved by inviting tenders for the procurement of items referred to in clause (D) is due to the following extenuating circumstances:
 - (i) due to the variability of civil infrastructure, it is anticipated that there will be circumstances where works will be required that are not envisaged in the Schedule of Rates that are unusual, unique or unknown at the time of tender;
 - (ii) the ability to include these items under Work Lot 3 will allow for the effective delivery of civil infrastructure;
 - (iii) the time and cost to take the procurement of these items to market would disrupt the delivery of civil infrastructure; and
 - (iv) the panel structure of Work Lot 3 and the requirements for competitive quotes will provide value for money for the procurement of these items; and
- (F) authority be delegated to the Chief Executive Officer to finalise, execute and administer the contracts relating to the tender (including exercising options, if appropriate) and to give effect to the approval in clause (D).

(Note – at the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Kok, seconded by Councillor Worling, and carried on the following show of hands –

Ayes (5) The Chair (the Lord Mayor), Councillors Chan, Davis, Kok and Worling

Noes (4) Councillors Ellsmore, Gannon, Jarrett and Weldon.

Carried.)

X096712.003

Item 13

Tender - T-2023-1015 - Management and Operation of the Kings Cross and Goulburn Street Parking Stations

It is resolved that:

- (A) Council accept the offer of Tenderer C for the Management and Operation of the Kings Cross and Goulburn Street Parking Stations for the Schedule of Rates outlined in Confidential Attachment B to the subject report, for a period of three years, with two optional extension periods of one year each if appropriate;
- (B) Council note that the total contract sum and contingency for the Management and Operation of the Kings Cross and Goulburn Street Parking Stations is outlined in Confidential Attachment B to the subject report;
- (C) authority be delegated to the Chief Executive Officer to, finalise, execute and administer the contracts relating to the tender; and
- (D) authority be delegated to the Chief Executive Officer to exercise the option(s) referred to in clause (A) above, if appropriate.

(Note – at the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Kok, seconded by Councillor Worling, and carried unanimously.)

X099251

Item 14

Tender - T-2023-966 - Sports Field Maintenance Services

It is resolved that:

- (A) Council accept the offer of Tenderer A for Sports Field Maintenance Services for a period of three years, with the option of an extension of two further terms of two years each, if appropriate;
- (B) Council note that the total contract sum and contingency for Sports Field Maintenance Services is outlined in Confidential Attachment A to the subject report;
- (C) authority be delegated to the Chief Executive Officer to finalise, execute and administer the contract relating to the tender; and
- (D) authority be delegated to the Chief Executive Officer to exercise the option referred to (A) above, if appropriate.

(Note – at the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Kok, seconded by Councillor Worling, and carried on the following show of hands –

Ayes (6) The Chair (the Lord Mayor), Councillors Chan, Davis, Gannon, Kok and Worling

Noes (3) Councillors Ellsmore, Jarrett* and Weldon.

Carried.

*Note – Councillor Jarrett abstained from voting on this matter. Pursuant to the provisions of clause 10.4 of the Code of Meeting Practice, Councillor Jarrett is taken to have voted against the motion.)

X094136

Item 15

Tender - T-2023-1119 - Bush Restoration Services

It is resolved that:

- (A) Council accept the offer of Tenderer E for the Bush Restoration Services Tender for a period of three years, with the option of an extension of two further terms, of three years each, if appropriate;
- (B) Council note that the total contract sum and contingency for Bush Restoration Services Tender is outlined in Confidential Attachment A to the subject report;
- (C) authority be delegated to the Chief Executive Officer to finalise, execute and administer the contract relating to the Tender; and
- (D) authority be delegated to the Chief Executive Officer to exercise the option referred to in (A) above, if appropriate.

(Note – 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 on the following show of hands –

Ayes (7) The Chair (the Lord Mayor), Councillors Chan, Davis, Gannon, Jarrett, Kok and Worling

Noes (2) Councillors Ellsmore and Weldon*.

Carried.

*Note – Councillor Weldon abstained from voting on this matter. Pursuant to the provisions of clause 10.4 of the Code of Meeting Practice, Councillor Weldon is taken to have voted against the motion.)

X089145

Item 16**Exemption from Tender – Kronos Technical Upgrade**

It is resolved that:

- (A) Council approve an exemption from tender in accordance with section 55(3)(i) of the Local Government Act 1993 to enter into a contract with Kronos Australia Pty Limited (ABN: 17 074 408 067) for the transition to the Kronos Software-as-a-Service platform;
- (B) Council note that a satisfactory result would not be achieved by inviting tenders for this work because:
 - (i) Kronos is the core workforce management and time and attendance system used by the City;
 - (ii) the existing supplier is the proprietary owner of the Kronos Software-as-a-Service product; and
 - (iii) the costs associated with transferring to a different supplier and implementing a new product, together with the implications on the day-to-day operations of the City do not support undertaking a competitive tender process; and
- (C) authority be delegated to the Chief Executive Officer to negotiate, finalise, execute and administer (including exercising options, if appropriate) the contract relating to the Kronos' transition to a cloud-based platform and Software-as-a-Service on terms acceptable to the City for the term and total contract sum detailed in Confidential Attachment A to the subject report.

(Note – at the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Kok, seconded by Councillor Worling, and carried on the following show of hands –

Ayes (6) The Chair (the Lord Mayor), Councillors Chan, Davis, Gannon, Kok and Worling

Noes (3) Councillors Ellsmore*, Jarrett* and Weldon*.

Carried.

*Note – Councillors Ellsmore, Jarrett and Weldon abstained from voting on this matter. Pursuant to the provisions of clause 10.4 of the Code of Meeting Practice, Councillors Ellsmore, Jarrett and Weldon are taken to have voted against the motion.)

X101622

Item 17**Exemption from Tender - Link and Epsom Road Design**

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 designer for the Link Road and Epsom Road intersection for the price and contingency outlined in Confidential Attachment B to the subject report;
- (B) Council note that a satisfactory result would not be achieved by inviting tenders for this work because:
 - (i) the existing head design consultant has existing detailed knowledge of the project and has documented the current design to detailed design;
 - (ii) the head design consultant completes quality work and has been contracted by the City on other projects; and
 - (iii) if a tender is required it will add further delays to the delivery of the intersection, and will increase the cost and time to finalise the intersection design;
- (C) authority be delegated to the Chief Executive Officer to negotiate, execute and administer the contracts relating to Link Road and Epsom Road intersection;
- (D) Council note the proposed design of the new signalised intersection at Attachment A to the subject report; and
- (E) Council approve the additional funds sought from Future Public Domain Upgrade Initiatives as outlined in Confidential Attachment B to the subject report, noting that the additional costs of the project are eligible to be recouped from developer contributions for infrastructure in the area.

(Note – at the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Kok, seconded by Councillor Worling, and carried unanimously.)

X099020