

7 May 2018

At 2.00 pm

Volume 1 – Items 1, 5 to 13 & 15 to 16

## Corporate, Finance, Properties and Tenders Committee



**Agenda**

1. **Disclosures of Interest**
2. **2017/18 Quarter 3 Review - Delivery Program 2017-2021**
3. **Integrated Planning and Reporting Program and Budget 2018/19 - Public Exhibition**
4. **Investments Held as at 30 April 2018**
5. **Naming Proposal - Confectioners Way, Rosebery**
6. **The Reallocation of Two Previously Approved Knowledge Exchange Sponsorships**
7. **Exemption from Tender - Building Property Service Provider's Accommodation**
8. **Increase in Contract Contingency for Head Contractor - Alexandra Canal Depot**
9. **Tender - Supply and Delivery - Austral Black, Austral Verde and Bluestone Pavers and Kerb**
10. **Exemption from Tender - TechnologyOne**
11. **Exemption from Tender - Maybanke Kindergarten Facade - Paint and Window Repair**
12. **Tender - Reject and Negotiate - Customs House Lift Upgrade**
13. **Tender - Reject and Negotiate - City Archives Management and Public Access System - CAMPAS**
14. **Property Acquisition - Alexandria**

**Economic Development and Business Sub-Committee**

15. **Knowledge Exchange Sponsorship - Hub Hyde Park**
16. **Sponsorship - Vogue Fashion's Night Out 2018-20**

# Guidelines for Speakers at Council Committees



As part of our democratic process, the City invites members of the community to speak directly to Councillors during Committee meetings about items on the agenda.

To enable the Committee to hear a wide range of views and concerns within the limited time available, we encourage people interested in speaking at Committee to:

1. Register to speak by calling Council's Secretariat on 9265 9310 before 12.00 noon on the day of the meeting.
2. Check the recommendation in the Committee report before speaking, as it may address your concerns so that you just need to indicate your support for the recommendation.
3. Note that there is a three minute time limit for each speaker (with a warning bell at two minutes) and prepare your presentation to cover your major points within that time
4. Avoid repeating what previous speakers have said and focus on issues and information that the Committee may not already know.
5. If there is a large number of people interested in the same item as you, try to nominate three representatives to speak on your behalf and to indicate how many people they are representing.
6. Before speaking, turn on the microphone by pressing the button next to it and speak clearly so that everyone in the Council Chamber can hear.
7. Be prepared to quickly return to the microphone and respond briefly to any questions from Councillors, after all speakers on an item have made their presentations.

Committee meetings can continue until very late, particularly when there is a long agenda and a large number of speakers. This impacts on speakers who have to wait until very late, as well as Council staff and Councillors who are required to remain focused and alert until very late. At the start of each Committee meeting, the Committee Chair may reorder agenda items so that those items with speakers can be dealt with first.

Committee reports are on line at [www.cityofsydney.nsw.gov.au](http://www.cityofsydney.nsw.gov.au), with printed copies available at Sydney Town Hall immediately prior to the meeting. Council staff are also available prior to the meeting to assist.

## **Item 1.**

### **Disclosures of Interest**

Pursuant to the provisions of section 451 of the Local Government Act 1993, Councillors are required to disclose pecuniary interests in any matter on the agenda for this meeting of the Corporate, Finance, Properties and Tenders Committee.

Councillors are also required to disclose any non-pecuniary interests in any matter on the agenda for this meeting of the Corporate, Finance, Properties and Tenders Committee in accordance with the relevant clauses of the Code of Conduct – February 2016.

In both cases, the nature of the interest must be disclosed.

Written disclosures of interest received by the Chief Executive Officer in relation to items for consideration at this meeting will be laid on the table.

**Item 2.**

**2017/18 Quarter 3 Review – Delivery Program 2017-2021**

Document to Follow

**Item 3.**

**Integrated Planning and Reporting Program and Budget 2018/19 – Public Exhibition**

Document to Follow

**Item 4.**

**Investments Held as at 30 April 2018**

Document to Follow

## Item 5.

### Naming Proposal - Confectioners Way, Rosebery

**File No: X010883**

#### Summary

This report seeks approval for the naming of a new street linking Crewe Place and Rosebery Avenue at Rosebery, as Confectioners Way. The street will be constructed as part of a residential/commercial development at 5-13 Rosebery Avenue. Following completion of the development, the new street will be dedicated to the public as a public road.

This property was once the estate of the confectionery company James Stedman Henderson Ltd, which opened in 1918. On this site, in 1922, James Stedman Henderson produced the iconic Australian sweets 'Minties', which were soon followed by other popular sweets, such as 'Jaffas' and 'Fantales'. Confectioners Way is proposed as a name which is relevant and appropriate to the industrial history of the site.

This report follows the Resolution of Council of 23 October 2017, giving in-principle approval to advertise the above naming proposal, subject to the public notification required by the Roads Regulation 2008.

Public notices of the proposal were published in the Southern Courier on 15 January 2018 and in the Central newspaper on 17 January 2018. A notice outlining the proposal was displayed at Neighbourhood Service Centres at Glebe, Kings Cross, Redfern, Green Square, Town Hall House and on-site. Notification of the proposal was also served on Australia Post, the Registrar General, the Surveyor General, the Chief Executive of the Ambulance Service of NSW, the NSW Fire Brigade, the NSW Rural Fire Service, the NSW Police Force, the State Emergency Services and the NSW Volunteer Rescue Association Incorporated, for comment on the proposal.

Seven responses were received, which are more fully described in the Public Consultation section of this report.



## **Recommendation**

It is resolved that:

- (A) approval be given to name the new street linking Crewe Place and Rosebery Avenue, Rosebery, as Confectioners Way; and
- (B) notice of the new name be published in the NSW Government Gazette and a local newspaper, and notification be forwarded to the relevant authorities, in accordance with the requirements of the Roads Regulation 2008.

## **Attachments**

- Attachment A.** Diagram Showing the Location of the New Street Proposed to be Named Confectioners Way

## Background

1. The subject new street is on the site of Sweetacres, the industrial estate of James Stedman Henderson Ltd, which was opened in 1918 on Rothschild Avenue, Rosebery. James Stedman had been in the business of sweet making since 1850. Originally, Stedmans factory was in Kent Street, Sydney, but the move to Rosebery in 1918 allowed for greater expansion of the successful confectionery company. It was at the Rosebery factory in 1922 that the iconic sweets 'Minties' were first produced. These were soon followed by other popular sweets, such as 'Jaffas' and 'Fantales'.
2. The City's History unit has been consulted and have suggested the name Confectioners Way as appropriate to the site's industrial history. Recently named Sweet Street and Stedman Street, as well as Sweetacres Park nearby, also reflect the site's history.
3. The City's draft Naming Policy was recently publicly exhibited. The proposed name meets the guidelines of the City's draft Naming Policy.
4. The proposed name meets the standards for street naming set out by the Geographical Names Board.
5. Public notices of the proposal were published in the Southern Courier on 15 January 2018 and in the Central newspaper on 15 January 2018. A notice outlining the proposal was displayed at Neighbourhood Service Centres at Glebe, Kings Cross, Redfern, Green Square, Town Hall House and on-site. Notification of the proposal was also served on Australia Post, the Registrar General, the Surveyor General, the Chief Executive of the Ambulance Service of NSW, the NSW Fire Brigade, the NSW Rural Fire Service, the NSW Police Service, the State Emergency Service and the NSW Volunteer Rescue Association Incorporated, for comment on the proposal.
6. Seven responses were received regarding the proposed name:
  - (a) Four supported the proposal.
  - (b) Two responses suggested alternative names:
    - Sweet Street, Sweetacres Way – these names are not suitable under the Geographical Names Board guidelines as the suggested names already exist;
    - Candy Lane – is considered inappropriate given the physical size of the new street.
    - Minties Mall, Fantales Fair - names were not acceptable because the names are still in use commercially.
  - (c) One response considered the word 'confectioners' to be old fashioned. The City has used the naming of new streets in this area as an opportunity to reflect the industrial heritage of the area and so 'Confectioners Way' is considered appropriate.

## Key Implications

### Social / Cultural / Community

7. New streets require a name to identify their location on the various mapping formats, as a basis for addressing of residential and commercial premises and to assist in wayfinding for visitors, courier drivers and emergency services.

### Budget Implications

8. There are no budget implications associated with this proposal.

### Relevant Legislation

9. The City of Sydney is the Roads Authority and under section 162 of the Roads Act 1993, may name all roads for which it is the roads authority. Road naming is conducted in accordance with Part 2, Division 2 (Naming of Roads), Roads Regulation 2008.
10. The naming process is as follows:
  - (a) Notice is given of the proposed name, published in a local newspaper and served on Australia Post, the Registrar General, the Surveyor General, Chief Executive of the Ambulance Service, the NSW Fire Brigade, the NSW Rural Fire Service, the NSW Police Service, the State Emergency Service and the NSW Volunteer Rescue Association Incorporated. The notice must state that written submissions on the name must be directed to the roads authority and must specify to whom and the date by which any submissions should be made.

NOTE: For (7a) above, Council's Land Information Officer has submitted the naming proposal via the Online Road Naming System provided by the Geographical Names Board (GNB). The system serves notice on the prescribed authorities and advertises in the Government Gazette at no cost to Council.

### Critical Dates / Time Frames

11. There are no critical dates/timeframes associated with this proposal.

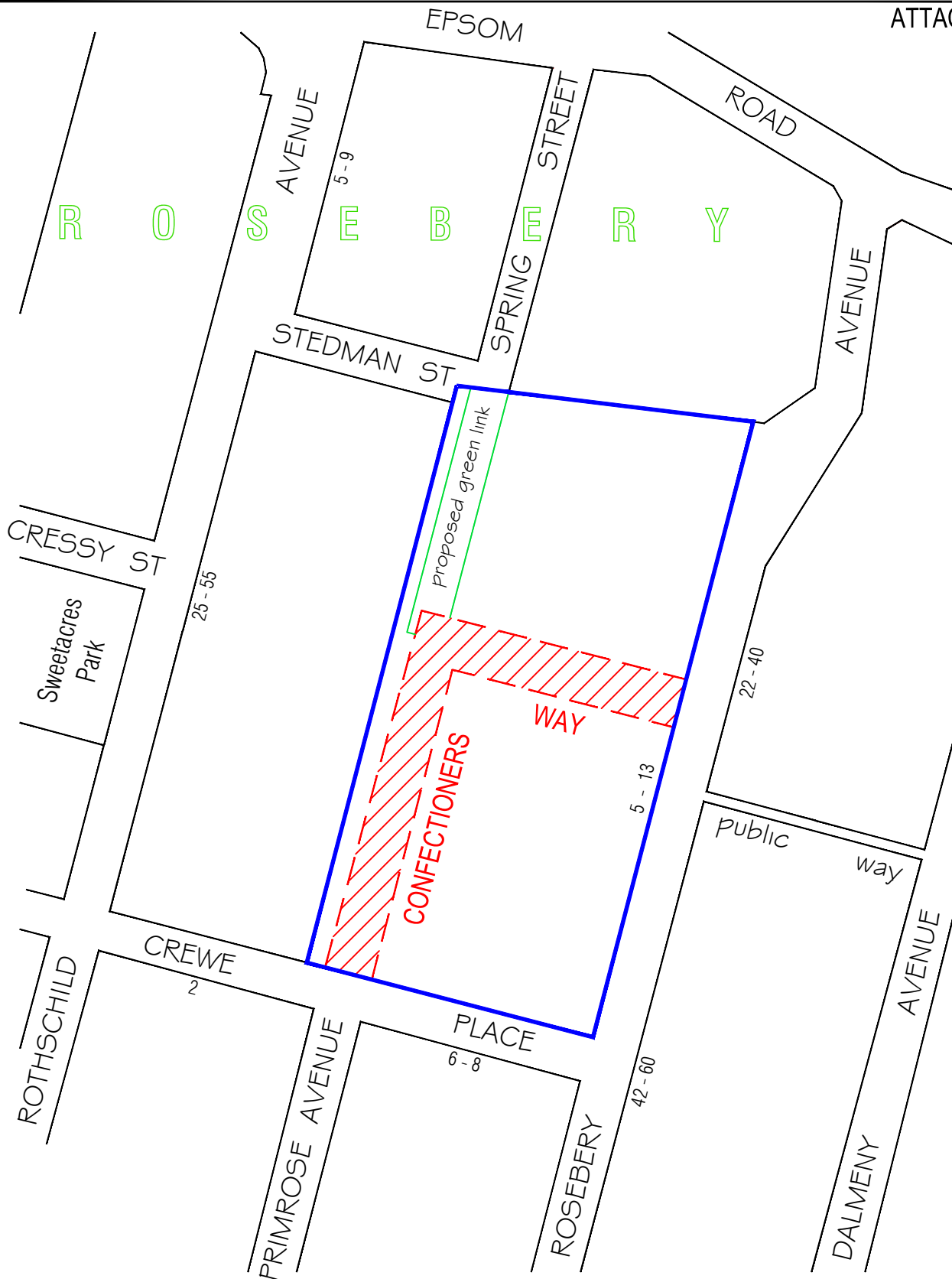
### SUSAN PETTIFER



Director Workforce and Information Services

Peter Ryan, Land Information Officer

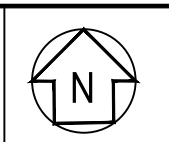
# **Attachment A**

**Diagram Showing the Location of the New  
Street Proposed to be Named  
Confectioners Way**



Existing property boundary  
 5- 13 Rosebery Avenue, Rosebery shown   
 Proposed new road shown   
 Proposed new road name shown **CONFECTIONERS WAY**  
 Existing suburb names shown **ROSEBERY**

FILE : XO10883



**Item 6.****The Reallocation of Two Previously Approved Knowledge Exchange Sponsorships****File No: S117676****Summary**

On 15 May 2017, Council approved a Knowledge Exchange Sponsorship of \$25,000 cash (excluding GST) per annum to Junkee Media Pty Ltd to produce the Global Cities Night Culture Forum for three years, from 2017 to 2019. This contract has been executed and the first of three years has been delivered successfully.

Junkee Media Pty Ltd has requested the City reassign the above sponsorship to another organisation owned by Junkee Media Pty Ltd, namely Electronic Music Conference Pty Ltd, in order to deliver the 2018 and 2019 events. Administrative changes within Junkee Media group have necessitated this request. Electronic Music Conference Pty Ltd is eligible to receive this sponsorship through the Knowledge Exchange Sponsorship program under the Grants and Sponsorship Policy. City staff have assessed Electronic Music Conference Pty Ltd as having sufficient capacity to execute years two and three of the project.

Further, on 19 February 2018, Council approved a Knowledge Exchange Sponsorship of \$30,000 cash (excluding GST) and a value-in-kind contribution to the value of \$324 (excluding GST) in the form of waived community venue hire fees to Wildwon Projects Pty Ltd for the Social Enterprise Ecosystem Mapping Project. This contract has yet to be executed.

Wildwon Projects Pty Ltd has requested the City reassign the above sponsorship to Studio Thick Pty Ltd trading as Today Strategic Design. Wildwon Projects Pty Ltd have advised that this entity is in the process of ceasing operations and that critical personnel from Wildwon Projects Pty Ltd will be engaged by Studio Thick Pty Ltd. Studio Thick Pty Ltd is eligible to receive this sponsorship through the Knowledge Exchange Sponsorship program under the Grants and Sponsorship Policy. City staff have assessed Studio Thick Pty Ltd as having sufficient capacity to execute the project.

## **Recommendation**

It is resolved that:

- (A) Council reallocate the Knowledge Exchange Grant Sponsorship awarded by Council on 15 May 2017 to Junkee Media Pty Ltd for the Global Cities Night Culture Forum consisting of \$25,000 cash (excluding GST) per annum for three years to the entity Electronic Music Conference Pty Ltd;
- (B) Council reallocate the Knowledge Exchange Grant Sponsorship awarded by Council on 19 February 2018 to Wildwon Projects Pty Ltd for the Social Enterprise Ecosystem Mapping Project consisting of \$30,000 cash (excluding GST) and a value-in-kind contribution to the value of \$324 (excluding GST) in the form of waived community venue hire fees, to the entity Studio Thick Pty Ltd, trading as Today Strategic Design; and
- (C) authority be delegated to the Chief Executive Officer to negotiate, execute and administer sponsorship agreements with both updated entities.

## **Attachments**

Nil.

## Background

### Global Cities Night Culture Forum

1. On 15 May 2017, Council approved a Knowledge Exchange Sponsorship of \$25,000 cash (excluding GST) per annum to Junkee Media Pty Ltd to produce the Global Cities Night Culture Forum for three years, from 2017 to 2019.
2. This contract has been executed and the 2017 forum has been delivered successfully by Junkee Media Pty Ltd. Junkee Media Pty Ltd has requested the entity responsible for the Knowledge Exchange Sponsorship be reallocated to Electronic Music Conference Pty Ltd to enable the successful delivery of the 2018 and 2019 events. Electronic Music Conference Pty Ltd is owned by Junkee Media Pty Ltd and has agreed to this request.
3. Junkee Media Pty Ltd advise that administrative changes within the organisation and affiliated entities has necessitated the move. Electronic Music Conference Pty Ltd, has been established by Junkee Media Pty Ltd with the purpose of delivering the Global Cities Night Culture Forum and other projects funded by other levels of government. Key personnel responsible for the delivery of the 2017 Global Cities Night Culture Forum will be engaged by Electronic Music Conference Pty Ltd and responsible for its continued delivery.
4. City staff have assessed the capacity of Electronic Music Conference Pty Ltd to deliver the 2018 and 2019 forums and support the change in entity as recommended in this report.

### Social Enterprise Ecosystem Mapping Project

5. On 19 February 2018, Council approved a Knowledge Exchange Sponsorship of \$30,000 cash (excluding GST) and a value-in-kind contribution to the value of \$324 (excluding GST) in the form of waived community venue hire fees to Wildwon Projects Pty Ltd for the Social Enterprise Ecosystem Mapping Project.
6. This contract has yet to be executed. Wildwon Projects Pty Ltd have advised that this entity will soon be ceasing operations and that key personnel will be engaged by Studio Thick Pty Ltd, trading as Today Strategic Design. Wildwon Projects Pty Ltd has requested the entity responsible for the Knowledge Exchange Sponsorship be reallocated to Studio Thick Pty Ltd. Studio Thick Pty Ltd has agreed to this request.
7. City staff have assessed the capacity of Studio Thick Pty Ltd to deliver the mapping project and support the change in entity as recommended in this report.



## Key Implications

### Strategic Alignment - Sustainable Sydney 2030 Vision

8. Sustainable Sydney 2030 is a vision for the sustainable development of the City to 2030 and beyond. It includes 10 strategic directions to guide the future of the City, as well as 10 targets against which to measure progress. These sponsorships are aligned with the following strategic directions and objectives:
  - (a) Direction 1 - A Globally Competitive and Innovative City – support collaborative industry-led activities that shape a vibrant, safe and sustainable night time economy to boost Sydney’s economy, strengthen local and international connections and contribute to building Sydney’s reputation as a leading night time city.
  - (b) Direction 5 - A Lively and Engaging City Centre – support leisure and entertainment sectors and local business communities to develop their capacity to contribute to the development of a vibrant, safe and sustainable night time economy in the city centre.
  - (c) Direction 6 - Vibrant Local Communities and Economies - support local business communities and precinct associations to lead the development and delivery of local initiatives that support community participation and foster vibrant, safe and sustainable local night time economies.
  - (d) Direction 7 - A Cultural and Creative City – support night time economy industries and sector development to provide greater opportunities and audiences for cultural festivals, live music and performance.

## Budget Implications

9. Funding for these projects has already been approved by Council and the net result of the change to the recipients receiving the sponsorships on the City’s budgets is nil.

## Relevant Legislation

10. Section 356 of the Local Government Act 1993.

### ANN HOBAN

Director City Life

Jeremy Kelshaw, Manager Grants

## Item 7.

### Exemption from Tender - Building Property Service Provider's Accommodation

File No: S126567.015

#### Summary

In December 2016, Council resolved to engage a technical services consultant for the purposes of scoping and retendering Property Services. The new model disaggregating the services into the four separable components - Property Management, Facility Management, Utility Management and Compliance Management - has been progressing, resulting in the engagement of a new Facility Management Service Provider, Ventia, on 22 December 2017 and the engagement of a new Property Management Service Provider, Colliers, on 29 March 2018.

The City has an obligation to provide accommodation facilities for both organisations as this formed part of the negotiated outcome.

The City's Property team has undertaken a review of all available spaces which would be appropriate for the combined accommodation of both Ventia and Colliers and identified a suitable space on level 21 of Town Hall House in late March 2018.

Ventia and Colliers have commenced the implementation of their respective contracts and have immediate need for accommodation. They are both operating from the City's property at 307 Pitt Street, occupying the New Year's Eve office space, but will need to vacate by August 2018 providing a four month period to complete the fit out works. This timeframe will not allow the City to undertake a standard procurement tender and complete the required works.

This report requests an exemption from tender to engage the new Facility Management Service provider, Ventia, to undertake fit out works to deliver required accommodation for the City's new Facilities and Property Management Service Providers, Ventia and Colliers respectively. This will ensure timely completion of the fit out works and provision of permanent accommodation to enable both Ventia and Colliers to operate.

## Recommendation

It is resolved that:

- (A) Council note due to extenuating circumstances a satisfactory result would not be achieved by inviting tenders;
- (B) Council note the reasons why a satisfactory outcome would not be achieved by inviting tenders are:
  - (i) the service can be provided by a supplier that has recently been engaged through an open tender process on a long term arrangement. Through this open tender process the provider has demonstrated necessary capability and experience and value for money; and
  - (ii) current accommodation will be unavailable from August 2018, consequently new accommodation is required to enable both Ventia and Colliers to operate;
- (C) Council approve an upper limit of \$600,000 for Ventia to build required staff accommodation;
- (D) Council delegate authority to the Chief Executive Officer to negotiate, execute and administer the contract with Ventia for the purpose of building accommodation for the Property and Facilities Service Providers for a term of 6 months and for \$600,000, and otherwise on terms acceptable to the City;
- (E) Council delegate authority to the Chief Executive Officer to exercise the option referred to in clause (D), if appropriate, and negotiate the price to extend the contract accordingly in accordance with the register of delegations from the Chief Executive Officer to staff, as amended from time to time; and
- (F) note this report recommends that Council approve an exemption from tender and engage Ventia to undertake fit out works to deliver required accommodation for the City's new Facilities and Property Management service providers, Ventia and Colliers respectively.

## Attachments

Nil.

## Background

1. Council resolved on 13 November 2017 to authorise the Chief Executive Officer to negotiate and execute the City's contract with Ventia for the delivery of the Facilities Management Services. The Chief Executive Officer approved the terms of the contract with Ventia on 22 December 2017 and the City and Ventia entered into the Facilities Management Agreement on the same date. The City entered into the Property Management Agreement with Colliers on 29 March 2018 for Colliers to provide the Property Management Services.
2. The City has an obligation to provide accommodation facilities for both Colliers and Ventia.
3. The City's Property team has undertaken a review of all available spaces which would be appropriate for the combined accommodation of both Ventia and Colliers, and has identified a suitable space on level 21 of Town Hall House late March 2018.
4. Ventia and Colliers have commenced the implementation of their respective contracts and have immediate need for accommodation. They are both operating from the City's property at 307 Pitt Street, occupying the New Year's Eve office space, but will need to vacate by August 2018, giving a timeframe of four months to complete the fit out works. This compressed timeframe will not allow the City to undertake a standard procurement tender and complete the required works.
5. An exemption from tender is sought to engage Ventia to complete the fit out works to ensure timely completion of the works and provision of permanent accommodation to enable both Ventia and Colliers to operate.
6. The direct engagement is due to extenuating circumstances and in this instance a satisfactory result would not be achieved by inviting tenders due to the following:
  - (a) Timing: Ventia are currently located within the Sydney New Year's Eve, SNYE, tenancy in 307 Pitt Street for the transition phase, and this space is only available until August 2018 when the SNYE team must re-occupy.
  - (b) Value: Once the proposal is provided the nature of the works by Ventia will be assessed by the City's engaged Quantity Surveyors as reasonable and reflecting of the market and represents best overall value for the City.
  - (c) The existing Facilities Management Agreement with Ventia is suitable for this engagement as it contains project management services with known tendered rates. These rates were shown to be best value for the City as part of the Facility Maintenance tender.
  - (d) Proximity to City Staff: Having both parties within Town Hall House and Gerard Street Depot will foster a collaborative relationship with all parties. This should allow quicker resolution of operational issues.

## Financial Implications

7. The cost of the works is estimated to be \$600,000 including a 20 per cent contingency for latent conditions. The City is ensuring that value is achieved through a peer review of Ventia's proposal by an independent, City-engaged Quantity Surveyor.

8. The cost of this project will be allocated to capital project C27165, which has \$765,000. During the quarterly capital reporting updates, the phasing of this project will be adjusted.

### **Relevant Legislation**

9. Relevant legislation includes the Local Government Act 1993 and the Local Government (General) Regulation 2005 and the City's Contracts Policy.
10. An Exemption from Tender is sought in accordance with Section 55 (3) (i) of the Local Government Act 1993 to engage Ventia to undertake fit out works to deliver required accommodation for the City's new Facilities and Property Management service providers, Ventia and Colliers respectively.
11. Dollar amounts stated in this report are inclusive of GST.

### **Critical Dates / Time Frames**

12. Ventia are required by contract to commence facility management operations from 6 May 2018 and can only maintain their current accommodation on 307 Pitt Street until 30 August 2018. It is critical for Ventia to commence onsite works immediately to ensure their accommodation as well as Colliers accommodation post 30 August 2018.

### **Options**

13. Tendering the works is not a preferred option as the procurement process would be lengthy and would not result in the timely delivery of the required accommodation. This would place the provision of facility management and property management services at risk.

### **AMIT CHANAN**

Director of City Projects and Property

Sherif Awadalla, Executive Manager, Property Services

**Item 8.****Increase in Contract Contingency for Head Contractor - Alexandra Canal Depot****File No: S121404****Tender No: 1518****Summary**

On 14 September 2015, Council accepted a tender for the design and construction of a new depot at 67A Bourke Road, Alexandria.

The works have been completed and the depot is now the operational base for Cleansing, Infrastructure Maintenance, Fleet Services and Common Services functions. Operations commenced from the new depot in March 2018.

During the construction, the project encountered additional costs due to the following:

- (a) additional contaminated material being identified on site during preparation for the placement of external paving;
- (b) additional costs for managing site stormwater;
- (c) additional works associated with implementing Green Infrastructure works (solar panels and Tesla battery) that were not part of the original scope; and
- (d) additional minor works required to complete the project.

These additional scope items have caused unforeseen increases in costs and resulted in associated delay claims from Cockram Constructions Ltd. The delay claims have been negotiated with Cockram Constructions Ltd. This report seeks additional budget to meet those negotiated costs, as well as additional costs related to the above items.

**Recommendation**

It is resolved that:

- (A) Council approve increasing the existing contract contingency as outlined in the report;
- (B) Council approve the increase in the overall project budget as outlined in the report;
- (C) Council approve the transfer of funds from the Capital Works Contingency to this project as set out in Confidential Attachment A to the subject report; and
- (D) authority be delegated to the Chief Executive Officer to negotiate, execute and administer any documentation required for the purpose of effecting the increase to the contract contingency referred to in (A) above.

**Attachments**

**Attachment A.** Financial and Contractual Implications (Confidential)

## Background

1. The City has constructed a new depot at 67A Bourke Road, Alexandria to accommodate Cleansing, Infrastructure Maintenance, Fleet Services and Common Services functions.
2. On 14 September 2015, Council resolved to engage Cockram Constructions Ltd for Design and Construction of a new depot at 67A Bourke Road, Alexandria.
3. Cockram Construction Ltd commenced the works on the depot site on 3 June 2016. The primary works are now complete, with minor interfacing items to be completed.
4. Services commenced operation from the new depot in March of this year with services transferring from the Epsom Road, Marion Street and Gerard Street depots.
5. The contract works did not allow for the extensive amount of site remediation and additional environmental initiatives which were identified after the contract had been awarded. As a result, these additional scope items have caused unforeseen increases in costs and associated delay claims from Cockram Constructions Ltd.
6. The original depot project allowed for the relocation of approximately 200kW of PV panels for the Epsom Road Depot. A subsequent review of the roof design for the Alexandria Canal Depot indicated that an additional 300kW of PV could be installed if some adjustments to the original design were made, bringing the total capacity up to 480Kw. The extra PV will make an important contribution to the City's 2021 renewable energy targets and also enable full use to be made of the battery as installed by TransGrid. This requires the additional PV panels, roof access systems to be extended, and increases to the scope for the electrical infrastructure.
7. On 23 October 2017, Council resolved to increase the project contingency to manage these unforeseen contract costs.
8. The report to Council with respect to those additional costs also foreshadowed the determination of disputes between the parties and delegated authority to the Chief Executive Officer on review of the determination of any disputes.
9. The City has negotiated with Cockram Construction and reached an agreement on costs.

## Financial Implications

10. Additional funds are required for this project as outlined in the confidential attachment to this report.

## Relevant Legislation

11. The tender was conducted in accordance with the Local Government Act 1993, the Local Government (General) Regulation 2005 and the City's Contracts Policy.
12. Attachment A contains confidential commercial information of the contractor and contingencies which, if disclosed, would:



- (a) confer a commercial advantage on a person with whom Council is conducting (or proposes to conduct) business; and
  - (b) prejudice the commercial position of the person who supplied it.
13. Discussion of the matter in an open meeting would, on balance, be contrary to the public interest because it would compromise Council's ability to negotiate fairly and commercially to achieve the best outcome for its ratepayers.

**AMIT CHANAN**

Director City Projects and Property

Graham Brideson, Project Manager

Document is Restricted

## Item 9.

### Tender - Supply and Delivery - Austral Black, Austral Verde and Bluestone Pavers and Kerb

File No: X012114

Tender No: 1803

#### Summary

This report provides details of the tenders received for supply and delivery of Austral Black and Austral Verde granite pavers and Bluestone pavers and kerb.

This tender is for the supply and delivery of granite pavers and kerbs used for construction and maintenance of footpaths, roads, kerb and gutter and drainage systems. The City will use around 5,000 square metres of paving and 1,000 lineal metres of kerb each year.

This report recommends that Council accept the tender offer of Tenderer A for supply and delivery of Austral Black, Austral Verde and Bluestone Pavers and Kerb.

#### Recommendation

It is recommended that Council:

- (A) approve entering into a contract with Tenderer 'A' for supply and delivery of Austral Black, Austral Verde and Bluestone Pavers and Kerb for a period of three years, with the option of an extension for a two-year period if appropriate;
- (B) delegate authority to the Chief Executive Officer to negotiate, execute and administer the contracts relating to the tender; and
- (C) delegate authority 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, in accordance with the register of delegations from Council to the Chief Executive Officer, as amended from time to time. recommend costs be dealt with in next Corporate Plan.

#### Attachments

**Attachment A.** Tender Evaluation Summary (Confidential)

**Attachment B.** Recommended Tenderer Rates (Confidential)

## Background

1. Granite pavers, Bluestone and granite kerbstone have been the material of choice for footpaths in the CBD since the streetscape upgrades in preparation for the Sydney 2000 Olympics.
2. Austral Black and Verde granite is the primary paving material in the CBD. Bluestone and Verde kerb is used on main streets in village centres and activity strips where concrete unit pavers are specified as the footpath material, like Glebe Point Road, Glebe, and Redfern Street, Redfern.
3. The City needs around 5,000 square metres of paving and 1,000 lineal metres of kerb each year to meet its upgrade and maintenance requirements.
4. The City has an existing contract for the supply of Austral Black granite and Bluestone kerb which expired in January 2018 and the contract for Verde expired in 2015. Sufficient stock had been ordered for work to continue prior to the contracts expiring.
5. The contract is a schedule of rates for the duration of three years with two annual extensions if appropriate.
6. The Austral Black Granite is sourced from Black Hill, South Australia, and the Bluestone is sourced from Deer Park, Victoria.

## Invitation to Tender

7. Requests for Tenders were advertised in the Sydney Morning Herald and the Daily Telegraph and on the City's e-Tender portal on 23 January 2018, and closed on 13 February 2018.

## Tender Submissions

8. Two submissions were received from the following organisations:
  - (a) Melocco Pty Ltd; and
  - (b) Sam the Paving Man Pty Ltd.
9. No late submissions were received.

## Tender Evaluation

10. All members of the Tender Evaluation Panel have signed Pecuniary Interest Declarations. No pecuniary interests were noted.
11. The relative ranking of tenders as determined from the total weighted score is provided in the Confidential Tender Evaluation Summary – Attachment A.

12. All submissions were assessed in accordance with the approved evaluation criteria being:
- (a) proposed methodology and program;
  - (b) demonstrated capacity to procure and deliver the raw stone materials;
  - (c) delivery times and warranties;
  - (d) company profile / references / experience in works;
  - (e) environmental considerations;
  - (f) Work, Health and Safety; and
  - (g) financial and commercial trading integrity, including insurances.

### **Performance Measurement**

13. The appointed tenderer will have its performance assessed against the following specific key performance indicators:
- (a) quality of product - free of defects, colour;
  - (b) compliance - product meets the documented standards and is fit for the intended purpose;
  - (c) environmental management;
  - (d) Work, Health and safety management; and
  - (e) delivery - timeliness of delivery and meeting program requirements.

### **Financial Implications**

14. There are sufficient funds allocated for these works within the current year's capital works and operating expenditure budgets and future years' forward estimates.
15. The quantity of work awarded each year is subject to approved capital works programs and maintenance activities required to achieve desired service levels for the City.

**Relevant Legislation**

16. The tender has been conducted in accordance with the Local Government Act 1993, the Local Government (General) Regulation 2005 and the City's Contracts Policy.
17. Attachments A and B contain confidential commercial information of the tenderers and details of Council's tender evaluation and contingencies which, if disclosed, would:
  - (a) confer a commercial advantage on a person with whom Council is conducting (or proposes to conduct) business; and
  - (b) prejudice the commercial position of the person who supplied it.
18. Discussion of the matter in an open meeting would, on balance, be contrary to the public interest because it would compromise Council's ability to negotiate fairly and commercially to achieve the best outcome for its ratepayers.

**Critical Dates / Time Frames**

19. The City had an existing contract for the supply of Austral Black Granite and Bluestone which expired in January 2018. The contract for Verde expired in August 2015.
20. The proposed contract duration is for three years with the option of two annual extensions, subject to satisfactory performance and operational requirements.

**Public Consultation**

21. There was no public consultation prior to this tender being advertised.

**DAVID RIORDAN**

Director City Services

Greg Blyth, Contract Manager City and Traffic Operations

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## Item 10.

### Exemption from Tender - TechnologyOne

File No: S118164.022

#### Summary

The City's core financial management system is provided by TechnologyOne, following a tender process in 2003 and implementation in 2004. The version of the financial management system installed at the City is no longer being developed by TechnologyOne and has been superseded by a more recent version release.

The City's Information, Communication and Technology Strategic Plan recommends a consideration and transition, where appropriate, to cloud based computing and mobile enabled applications to maximise the benefits afforded by these technologies and approaches.

A review of the City's enterprise systems was undertaken in 2017 and recommended a continuation of the organisational investment with TechnologyOne, to leverage the staff effort and expertise gained over the last 14 years. TechnologyOne is a core system of the City and is deeply embedded across the operations of the organisation.

It is proposed to transition the current on-premises version of the TechnologyOne software, to a cloud hosting arrangement, subject to an appropriate technical and commercial assessment, in readiness to upgrade TechnologyOne and optimise the City's existing investment in skills and knowledge and to access the improved functionality.

This approach aligns with the internal direction of upgrading and not replacing the core enterprise systems at this time, recognising that while there are potential alternative suppliers for other relevant proprietary systems, the level of resources to tender, implement and develop new business processes across Council would be significant and not offset by sufficient benefits to represent value for the City at this time.

TechnologyOne is the sole provider of this proprietary software, and competitive market bids cannot be sought for this upgrade. It is therefore recommended that tenders not be invited for the provision of the cloud hosting arrangement, nor the proposed upgrade. Value for money outcomes will instead be optimised through negotiation and leverage of the City's long term business partnership to minimise the costs required to achieve the upgrade, subject to finalisation of an appropriate technical and commercial assessment.

## Recommendation

It is resolved that Council:

- (A) note that because of the unavailability of competitive tenders a satisfactory result would not be achieved by inviting tenders;
- (B) note the reasons why a satisfactory result would not be achieved by inviting tenders are:
  - (i) the unavailability of other providers of the TechnologyOne software; and
  - (ii) the cost to invite tenders and to implement a potential alternative proprietary solution would provide an uneconomical result for the City; and
- (C) delegate authority to the Chief Executive Officer to negotiate, execute and administer the contract with TechnologyOne for migrating to and providing cloud hosting services and the upgrade of TechnologyOne to the CiAnywhere version on terms acceptable to the City.

## Attachments

- Attachment A.** Summary of Costs - TechnologyOne - Cloud Hosting and Upgrade (Confidential)

## Background

1. The City's current financial management system provided by TechnologyOne was implemented in 2004 on the basis of a tender approved in 2003. The Ci version of the software which was implemented at the City in 2010, is no longer being developed by Technology One and has been superseded by the CiAnywhere version.
2. The current City of Sydney TechnologyOne implementation includes modules for:
  - (a) general ledger including budgeting and reporting;
  - (b) accounts payable;
  - (c) accounts receivable;
  - (d) purchasing; and
  - (e) Corporate Performance System - including business planning, project governance and bespoke solutions for a number of business processes, including Councillor support and finance reporting system, phone, taxi and petty cash governance and reporting.
3. The system is used by 760 staff, 24 hours a day, seven days a week, and in the last year managed over 2 million transactions. This includes 10,500 purchase orders with 40 per cent of these orders generated in areas where staff could work mobile on location.
4. The City's 2014 Information, Communication and Technology Strategic Plan recommends a transition to cloud based computing and mobile enabled applications to maximise the benefits afforded by these technologies and approaches. One of the targets of the Strategic Plan is for the majority of our mobile workforce to be able to transact with enterprise applications on location.
5. A review of the City's enterprise systems, including TechnologyOne was undertaken in 2017 and recommended a continuation of the organisational investment with TechnologyOne, to leverage the staff effort and expertise gained over the last 14 years. Specifically, it recommended investigation of the CiAnywhere version for use by the City to provide additional mobility access by staff.
6. The current version continues to be supported by TechnologyOne but is no longer being developed and does not take advantage of newer technologies and functions, such as access via mobile devices and more efficient workflow processes. It is intended to upgrade the TechnologyOne Ci version to the latest CiAnywhere version and avoid the significant costs associated with inviting tenders for a major corporate financial system.
7. A project has been developed to upgrade the current platform of TechnologyOne in two stages. It is proposed to transition the current on-premises version of the TechnologyOne software to the cloud, and as a second stage, upgrade the current installed version of Ci to the newer CiAnywhere version. This two-step approach reduces the risk by focusing on two smaller transitions rather than one larger stage and will ensure the City's previous investment into skills and knowledge in the product is maximised.

8. This would be the City's first transition to the cloud of a major enterprise system in line with the Information, Communication and Technology Strategic Plan and requires diligent assessment of the project's technical and functional risks and benefits which can only be undertaken with the vendor directly. An initial assessment of the risk, benefits and costs of transitioning to the cloud has been completed but further in-depth analysis with TechnologyOne is required.
9. TechnologyOne has provided an initial non-qualified price estimate for the cloud hosting services and the upgrade to CiAnywhere subject to further scoping and clarification of requirements with the vendor and it is proposed to best achieve this in a discovery and negotiation phase between the City and TechnologyOne.
10. TechnologyOne is the only vendor who can manage the cloud hosting services of the TechnologyOne product as it uses their own proprietary software and database.
11. TechnologyOne is the only supplier of the TechnologyOne software and inviting tenders would not achieve a satisfactory result as significant costs would be incurred in the development of a specification, associated procurement resources and any subsequent implementation of an alternative proprietary and integrated solution.
12. There will be no expansion of modules for other functions such as project management or contract management as part of this project. It is considered appropriate to not call tenders for the proposed cloud hosting service and upgrade and authorise the Chief Executive Office or delegate to negotiate with TechnologyOne on terms and conditions acceptable to the City.
13. The City has implemented an Accounts Payable Supplier Invoices Automation process which is tightly integrated with the City's installation of TechnologyOne. The Kofax software requires to be upgraded should the City upgrade to the CiAnywhere version.

### **Performance Measurement**

14. The City is assessing the longer term transition to cloud hosting where appropriate, including technical, functional and financial benefits and risks. Specific measures for this project will be developed and included as key components to assess the merits and performance of the project.

### **Financial Implications**

15. There are sufficient funds allocated for this project within the current and future year's capital works for the project costs and operating budget for the ongoing support costs and future years' forward estimates.

### Relevant Legislation

16. Attachment A contains confidential commercial information of the vendor which, if disclosed, would:
  - (a) confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business; and
  - (b) prejudice the commercial position of the person who supplied it.
17. Discussion of the matter in an open meeting would, on balance, be contrary to the public interest because it would compromise Council's ability to negotiate fairly and commercially to achieve the best outcome for its ratepayers.
18. Dollar amounts stated in this report are inclusive of GST.

### Critical Dates / Time Frames

19. The transition to the cloud hosting platform for TechnologyOne is proposed to occur in November 2018, during a period which has the least impact on the financial management processes and statutory financial reporting requirements.
20. The proposed date for the upgrade to the TechnologyOne CiAnywhere version is scheduled for November 2019, during a period which has the least impact on the financial management processes and statutory financial reporting requirements.
21. It is intended to negotiate immediately with the vendor upon approval.

### Options

22. The City's Information, Communication and Technology Strategic Plan sets the direction for a transition to cloud based hosting services, where appropriate, to enable staff access to key enterprise applications from their work sites.
23. The significant cost to invite tenders for the upgrade and cloud hosting projects would result in an uneconomical result for the City based on the sole provider nature of the Technology One software.
24. The transition from the current on-premises version of the TechnologyOne software to a cloud hosting arrangement, presents risks, benefits and potential additional costs.
25. It is proposed that the best technical and business outcomes are explored further with Technology One to derive the best value for money and business outcomes for the City, before proceeding to any contractual agreement.
26. Should the City not proceed with the transition to the cloud hosting and subsequent upgrade, the City reduces its ability to deliver mobile enabled services and take advantage of the benefits of cloud hosted services.

**Public Consultation**

27. There is no need for public consultation on this internally focused administration project.

**BILL CARTER**

Chief Financial Officer

Geoff Burton, Business Planning and Performance Manager

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**Item 11.****Exemption from Tender - Maybanke Kindergarten Façade - Paint and Window Repair****File No: X010200****Summary**

This report seeks an exemption from tender for Maybanke Pre-School Façade, Paint and Window Repair.

The contract for works relating to the Maybanke Pre-School Façade, Paint and Window Repair was awarded following a Request for Quotation process. The façade of the property was in poor condition due to its age, requiring façade improvements, window repairs, sandstone restoration and restoration of the apex monument.

Works commenced on site in December 2017. Due to a review of the methodology by the engaged heritage consultant and additional advice from an engaged structural engineer, additional works are required to complete the restoration of the building's sandstone apex. The remaining original sandstone pieces have been identified by the sandstone installer and structural engineer as requiring replacement in the near future. As the scaffolding and contractor are already established on site, it is considered prudent to undertake these works now. This saves the contractor leaving the site and the site having to be re-established once the additional works are programmed. This will reduce the costs for the additional works and enable them to be undertaken as part of the current program of works.

The additional costs submitted for approval will take the total contract value including variations, in excess of \$150,000, including GST.

This report seeks approval for an exemption from tender to vary the contract with the existing contractor for Maybanke Pre-School Façade, Paint and Window Repair.



## Recommendation

It is resolved that:

- (A) Council approve an exemption from tender to vary the contract with the existing contractor for Maybanke Pre-School Façade, Paint and Window Repairs;
- (B) Council note that because of extenuating circumstances a satisfactory result would not be achieved by inviting tenders for the additional works to the Maybanke Pre-School Façade;
- (C) Council note the reasons why a satisfactory result would not be achieved by inviting tenders are:
  - (i) there is currently an engaged contractor on site with scaffolding in place. Ongoing hire of the existing scaffolding will be a significantly lower cost than removing and reinstating at a later date with an alternative contractor;
  - (ii) the contractor and sandstone sub-contractor have already supplied and installed a number of sandstone pieces on the building's apex. They have an understanding of the site and the requirements for the additional stones to be replaced, including the type of sandstone and profile for manufacture as specified by the heritage consultant;
  - (iii) completion of the remaining scope of works by the current contractor will allow works to be completed and risks associated with remaining stones will be mitigated significantly more quickly than completing a new tendering process; and
  - (iv) quoted prices have been reviewed against the original submissions and prices supplied by other bidders, and the extension of the original contract has been determined to represent good value for money; and
- (D) authority be delegated to the Chief Executive Officer to negotiate and execute the variation to the contract for Maybanke Pre-School Façade, Paint and Window Repair.

## Attachments

**Attachment A.** Maybanke RFQ Evaluation Summary (Confidential)

## Background

1. The Maybanke property is located on Harris Street Pyrmont. It is a heritage property circa 1870s and is currently tenanted by a pre-school. The façade of the property was in poor condition due to its age, requiring façade improvements, window repairs, sandstone restoration and restoration of the apex monument.
2. Scope of works was defined by an engaged heritage consultant through a Heritage Impact Statement. On site establishment, the heritage consultant revised a number of their recommendations which resulted in scope increase to include removal of façade paint and repainting of all brickwork.
3. The original scope of works required that only the missing pieces of sandstone should be replaced. After the scaffolding was established, a closer inspection was undertaken by the heritage consultant that recommended a number of existing pieces were of sufficiently poor condition that they should be replaced. The other pieces to be retained would require a process of lime washing to improve their durability and longevity.
4. Following manufacture and delivery of the sandstone pieces for installation, the installing sandstone contractor commented on the remaining pieces that had been undergoing the lime wash treatment as instructed by the heritage consultant. The age and level of deterioration was identified as requiring action.
5. A structural engineer was engaged to inspect and provide recommendations on the condition of the stones. The recommendations detailed a management strategy that would require short term works to be undertaken immediately, and medium term works to be completed requiring replacement of the stones within the next two to five years.
6. It has been determined that the best option from a safety risk management and value for money perspective is to replace all remaining pieces of sandstone immediately, while the current contractor is established at site.

## Invitation to Tender

7. Original contractor engagement was run through a Request for Quotation process. A total of five organisations were invited to provide submissions.

## Tender Submissions

8. Four submissions were received from the following organisations:
  - Matrix Group Co Pty Ltd;
  - MSS Group;
  - Smith Zak Constructions Pty Ltd; and
  - Sullivans Constructions.
9. No late submissions were received.

### **Tender Evaluation**

10. All members of the Tender Evaluation Panel have signed Pecuniary Interest Declarations. No pecuniary interests were noted.
11. The relative ranking of tenders as determined from the total weighted score is provided in Attachment A - Tender Evaluation Summary (Confidential).
12. All submissions were assessed in accordance with the approved evaluation criteria being:
  - (a) previous experience with projects of a similar nature;
  - (b) specified personnel and sub-contractors;
  - (c) proposed program;
  - (d) proposed methodology, materials and environmental management;
  - (e) Work, Health and Safety (WHS); and
  - (f) financial and commercial trading integrity, including insurances.

### **Performance Measurement**

13. Key objectives/ deliverables (as set out in the specification) are quality of work, time, reporting, communication, and WHS compliance.

### **Financial Implications**

14. There are sufficient funds allocated for this project within the current year's capital works budget.
15. Dollar amounts stated in this report are inclusive of GST.

### **Relevant Legislation**

16. The quotation was conducted in accordance with the City's Procurement and Contract Management Policy.
17. Attachment A contains confidential commercial information of the contractor and details of Council's quotation evaluation and contingencies which, if disclosed, would:
  - (a) confer a commercial advantage on a person with whom Council is conducting (or proposes to conduct) business; and
  - (b) prejudice the commercial position of the person who supplied it.

**Critical Dates / Time Frames**

18. The site is currently established with scaffolding in place. Approval of the additional works will allow the orders to be placed for the additional sandstone pieces. A four week lead time has been given for supply, with an additional week for installation.
19. It is expected that works will be completed by end of May 2018.
20. If the decision is deferred, the scaffolding will remain in place and accrue additional costs for the City and delay project completion further.
21. If the decision is not approved, the City would incur additional costs of re-establishing scaffolding at a later stage.

**Options**

22. If the additional works do not proceed now, the works will be required to be undertaken within the next two to five years as per the recommendation of the structural engineer's report.
23. Immediate replacement will eliminate any potential safety risks associated with the ageing stones. The ongoing treatment strategy will cost more in the long term than the costs for immediate replacement and will result in ongoing interruptions to the operations of the pre-school.
24. On assessment, it is considered that immediate replacement provides the best result for the City from a risk management and value for money perspective.

**Public Consultation**

25. All relevant tenants and stakeholders are being provided with regular weekly updates on the projects status and progress. Further information will be provided to the tenants, through the Property Manager, regarding the works recommended in this report.

**AMIT CHANAN**

Director, City Projects and Property

Glenn Merry, Project Manager

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**Item 12.****Tender - Reject and Negotiate - Customs House Lift Upgrade****File No: S126778****Tender No: 1735****Summary**

This report provides details of the tenders received for the Customs House Passenger and Goods Lifts Upgrade Project.

The performance and reliability of the two passenger and one goods lift at Customs House, which have been in operation for approximately 20 years, require upgrading. The upgrade project is required for the modernisation and refurbishment of three lifts to improve their ongoing operational performance and reliability.

This report recommends that no tender be accepted and Council enter into negotiations with suitably qualified companies for the provision of works.

**Recommendation**

It is resolved that:

- (A) Council reject all tender offers received for the Customs House Passenger and Goods Lifts Upgrade Project for the reasons set out in the confidential Tender Evaluation Summary, Attachment A to the subject report;
- (B) Council does not invite fresh tenders, as it is considered that inviting fresh tenders would not attract additional suitable vendors over and above those that have responded to this tender;
- (C) authority be delegated to the Chief Executive Officer to enter into negotiations with any person with a view to entering into a contract in relation to the subject matter of the tender in accordance with the register of delegations from Council, as amended from time to time; and
- (D) authority be delegated to the Chief Executive Officer to enter into a contract with a suitable vendor following completion of negotiations in accordance with the register of delegations from Council, as amended from time to time.

**Attachments****Attachment A.** Tender Evaluation Summary (Confidential)

## Background

1. The City of Sydney is required to upgrade and modernise the lifts in Customs House. These upgrade and modernisation works are required to satisfy the ever-growing need for reliable, compliant and efficient vertical transport for Customs House.
2. The Customs House passenger and goods lifts have been in operation for approximately 20 years. The lift motors and associated components are reaching the end of their serviceable life span and require replacement. This upgrade will ensure the ongoing reliable operation of the two passenger and one goods lift within Customs House. The report recommends that no tender be accepted and Council enter into negotiations with suitably qualified companies for the provision of works.
3. Tenders were sought from suitably qualified and experienced parties for the works associated with supply and installation of technical staff and high quality equipment in accordance with the Request for Tender.

## Invitation to Tender

4. The Request for Tender was advertised in The Daily Telegraph, The Sydney Morning Herald and on the City's eTendering portal on Thursday 15 June 2017. Site visits were held for tenderers on the 14 August and 25 August 2017.
5. The tender closed on 31 August 2017.

## Tender Submissions

6. Three submissions were received from the following organisations:
  - Kone Elevators Pty Ltd;
  - Stallion Elevators Pty Ltd; and
  - ThyssenKrupp Elevators Australia Pty Ltd.
7. No late submissions were received.

## Tender Evaluation

8. All members of the Tender Evaluation Panel have signed Pecuniary Interest Declarations. No pecuniary interests were noted.
9. The relative ranking of tenders as determined from the total weighted score is provided in the Confidential Tender Evaluation Summary – Attachment A.
10. All submissions were assessed in accordance with the approved evaluation criteria being:
  - (a) the lump sum price and schedule of prices;

- (b) demonstrated experience of the organisation in providing comparable services within heritage significant buildings and operating commercial sites;
- (c) demonstrated managerial capacity, qualifications, experience and number of personnel;
- (d) capacity to achieve the required project program;
- (e) proposed methodology and site management plan, materials and warranties, environmental management;
- (f) Work Health and Safety; and
- (g) financial and commercial trading integrity, including insurances.

### **Financial Implications**

11. There are sufficient funds allocated for this project within the current year's capital works budget and future years' forward estimates.

### **Relevant Legislation**

12. The tender has been conducted in accordance with the Local Government Act 1993, the Local Government (General) Regulation 2005 and the City's Contracts Policy.
13. Attachment A contains confidential commercial information of the tenderers and details of Council's tender evaluation and contingencies which, if disclosed, would:
  - (a) confer a commercial advantage on a person with whom Council is conducting (or proposes to conduct) business; and
  - (b) prejudice the commercial position of the person who supplied it.
14. Discussion of the matter in an open meeting would, on balance, be contrary to the public interest because it would compromise Council's ability to negotiate fairly and commercially to achieve the best outcome for its ratepayers.

### **Critical Dates / Time Frames**

15. The works are proposed for June 2018 to September 2018 to minimise the impact on business operations for tenants of Custom House.
16. The expected lead time for supply of equipment is approximately 20 weeks. Seeking a new tender and the significant lead time for parts will prevent the delivery of this project within the proposed time frame of June 2018 to September 2018.



## **Options**

17. Council has the following options in regard to the tenders:
  - (a) reject all tenders and re-advertise, which is not recommended as it is considered this will not attract additional submissions; or
  - (b) reject and negotiate with suitably qualified contractors with the capacity to carry out the works. This option is recommended.

## **Public Consultation**

18. No public consultation has been undertaken on this project, however the relevant stakeholders at Customs House have been consulted and will be further informed prior to the proposed works being undertaken.

## **AMIT CHANAN**

Director City Projects and Property

Kevin Chahoud, Senior Project Manager

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**Item 13.****Tender - Reject and Negotiate - City Archives Management and Public Access System - CAMPAS**

**File No:** X006651.001

**Tender No:** 1716

**Summary**

This report provides details of the tenders received for the City Archives Management and Public Access System (CAMPAS).

The City's archives date back to the establishment of the City Council in 1842, and comprise 12,000 shelf metres of items. Collectively, the current archives systems hold over 850,000 catalogued items. For the most part, the archives are unique to the City and are legislatively required for permanent retention.

This project is for the acquisition of a new system (or systems) that will provide:

- functionality for the full range of processes required for the management of City archives (including paper, electronic, systems data and a range of various formats of archival information); and
- the provision of access to the public through an innovative self-service web-based search portal.

The system(s) will replace the 10 back end systems and 10 front end systems and websites currently used. Two of the main backend systems currently used are no longer supported. One of those systems does not support the capture of digital objects and some of the existing systems do not provide access to the public.

The CAMPAS project aligns to the City's Digital Strategy. The City is digitising its highly valued historic records to enable easier access to members of the public and City staff.

This report recommends that Council reject all tender offers received and enter into negotiations with suitable service providers.

## **Recommendation**

It is resolved that:

- (A) Council reject all tenders received for the City Archives Management and Public Access System (CAMPAS), for the reasons set out in the confidential Tender Evaluation Summary, Attachment A to the subject report;
- (B) Council does not invite fresh tenders, as it is considered that inviting fresh tenders would not attract additional suitable vendors over and above those that have responded to this tender;
- (C) authority be delegated to the Chief Executive Officer to enter into negotiations with any person with a view to entering into a contract in relation to the subject matter of the tender; and
- (D) authority be delegated to the Chief Executive Officer to enter into a contract with a suitable vendor following the completion of negotiations.

## **Attachments**

**Attachment A.** Tender Evaluation Summary (Confidential)

## Background

1. This project is for the acquisition of a new system (or systems) that will provide functionality for the full range of processes required for the management of City archives (including paper, electronic, systems data and the range of various formats of archival information) and the provision of access to the public through an innovative self-service web-based search portal.
2. The City's archives date back to the establishment of the City Council in 1842, and comprise 12,000 shelf metres of items. Collectively, the current archives systems hold over 850,000 catalogued items. For the most part, the archives are unique to the City and are legislatively required for permanent retention.
3. The new system(s) will replace the 10 back end systems and 10 front end systems and websites currently used. Two of the main current backend systems are no longer supported. One of those systems does not support the capture of digital objects, which is an issue as City records are increasingly being created in digital format. Some of the existing systems do not provide access to the public.
4. The CAMPAS project will address these issues. It is anticipated the new system(s) will also provide improved business processes and be flexible to allow for future growth and development. It will provide enhanced access to the City's archives by both staff and members of the public.

## Invitation to Tender

5. The tender was advertised in The Sydney Morning Herald, The Daily Telegraph and Council's eTender website (Tenderlink) on Tuesday 23 May 2017.
6. The tender was open to the public from Tuesday 23 May 2017 to Tuesday 27 June 2017.

## Tender Submissions

7. Five submissions were received from the following organisations:
  - Axiell Pty Ltd;
  - Ex Libris Australia Pty Ltd;
  - New Zealand Micrographic Services Ltd;
  - Search Tech Pty Ltd; and
  - Tekno Pty Ltd.
8. No late submissions were received.

## Tender Evaluation

9. All members of the Tender Evaluation Panel signed Pecuniary Interest Declarations. No pecuniary interests were noted.
10. The tender evaluation is provided in the Confidential Tender Evaluation Summary – Attachment A.
11. All submissions were assessed in accordance with the approved evaluation criteria being:
  - (a) Knowledge and qualifications of staff/contractors, including:
    - (i) background and qualifications of key personnel;
    - (ii) same or similar project experience and qualifications; and
    - (iii) number of staff/contractors with relevant experience.
  - (b) Demonstrated experience in services of a similar nature, capability, and qualifications, including:
    - (i) feedback from reference sites;
    - (ii) quality of reference engagements; and
    - (iii) experience across multiple industry sectors including Government.
  - (c) Company profile and management practices, including:
    - (i) corporate structure;
    - (ii) history;
    - (iii) stakeholder/account management; and
    - (iv) quality assurance procedures.
  - (d) Fit with functional requirements, including, but not limited to:
    - (i) fit with functional requirements.
  - (e) Fit with non-functional requirements, including, but not limited to:
    - (i) fit with non-functional requirements;
    - (ii) training and support methodologies;
    - (iii) program and methodology; and
    - (iv) program delivery (implementation plan).
  - (f) Assumptions and conditions, including:
    - (i) impact on delivery and scope.

- (g) Financial and commercial trading integrity, including:
  - (i) insurances; and
  - (ii) compliance with Work Health and Safety policy.
- (h) The lump sum price and schedule of prices

### **Performance Measurement**

12. The City will use the following General Key Performance Indicators to evaluate performance of the successful bidder. Key Performance Indicators (with repeating activities) will be used to evaluate performance against the Service Level Agreement, negotiated between the Council and the Tenderer and associated governance arrangements.
13. Performance will be evaluated regularly, at least annually, over the lifetime of the contract. Performance for repeating activities will be assessed, at least quarterly. Each assessment will form the basis of the performance review.
14. General Key Performance Indicators are:
  - (a) service reliability;
  - (b) quality of work;
  - (c) time;
  - (d) reporting;
  - (e) communication; and
  - (f) WHS compliance.
15. Key Performance Indicators (with repeating activities) are:
  - (a) defect response and resolution (within agreed timeframes);
  - (b) system availability;
  - (c) provision of software updates and patches (within agreed timeframes);
  - (d) maintenance of system documentation including release notes, user guides and administration manuals as a result of system changes or updates;
  - (e) conformance to agreed support model and resolution of support calls (within agreed timeframes); and
  - (f) periodic incident reporting.

### Financial Implications

16. There are sufficient funds allocated for this project within the current year's IT capital budget and future years' forward IT capital and unit operating budgets..

### Relevant Legislation

17. The tender has been conducted in accordance with the Local Government Act 1993, the Local Government (General) Regulation 2005 and the City's Contracts Policy.
18. Attachment A contains confidential commercial information of the tenderers and details of Council's tender evaluation and contingencies which, if disclosed, would:
  - (a) confer a commercial advantage on a person with whom Council is conducting (or proposes to conduct) business; and
  - (b) prejudice the commercial position of the person who supplied it.
19. Discussion of the matter in an open meeting would, on balance, be contrary to the public interest because it would compromise Council's ability to negotiate fairly and commercially to achieve the best outcome for its ratepayers.

### Critical Dates / Time Frames

20. The anticipated start date for the implementation phase of this project is May 2018.

### Options

21. Council has the following options to consider in regard to this tender requirement:
  - (a) reject the responses received and re-advertise, which is not recommended as it is considered this will not attract additional submissions; or
  - (b) reject all responses and negotiate with suitable suppliers.
22. This report recommends option (b) above to enter into negotiations with selected vendors.



23. Implications of not proceeding with this project include limited access by the public to the full City's archives, limited capability to capture digital objects, and no capability to ensure digital objects remain accessible over time as digital formats change. Also, the City will not be able to achieve targeted project outcomes of:
- (a) improved public self-service through consolidation of existing systems and simpler but more powerful search functions;
  - (b) improved management of the City's extensive archives collection;
  - (c) capability to manage digital archives; and
  - (d) greater public visibility of the City's archives collection.

**SUSAN PETTIFER**

Director Workforce and Information Services

Michael Smith, City Archivist

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**Item 14.**

**Property Acquisition - Alexandria**

Document to Follow

**Item 15.****Knowledge Exchange Sponsorship - Hub Hyde Park****File No: X017099****Summary**

In December 2013, Council adopted the Economic Development Strategy – a ten year strategy which aims to strengthen the city economy and support business. The Tech Startups Action Plan (endorsed by Council in June 2016) is consistent with this strategy. It identifies how the City can support entrepreneurs, with a focus on innovative, new businesses based on technology and designed for fast growth that are ‘tech startups.’

The Tech Startups Action Plan focuses on creating an ecosystem that enables knowledge-based, innovation-driven businesses to flourish, and highlights the importance to Sydney’s entrepreneurs of access to entrepreneurship information, mentors and investors.

An application has been received for sponsorship under the Knowledge Exchange Sponsorship Program from Hub Hyde Park Pty Ltd to support the Global Coworking Unconference Conference Australia (GCUCAU) 2018, a two-and-a-half day program to be held on 15 to 17 August 2018 at two venues, the Australian National Maritime Museum and the Sydney Startup Hub.

Hub Hyde Park Pty Ltd has previously produced GCUCAU in 2013, 2015 and 2017. The conference aims to increase the commercial sustainability of the coworking industry. Council provided a cash sponsorship of \$10,000 (excluding GST) for the 2015 conference.

GCUCAU will bring together more than 250 national and international coworking industry experts, and will allow coworking space operators an opportunity for mentoring, knowledge sharing, and networking with national and international peers.

The application has been assessed as part of the City’s Knowledge Exchange Sponsorship Program and sponsorship of \$15,000 excluding GST is recommended.

## **Recommendation**

It is resolved that:

- (A) Council approve a cash sponsorship of \$15,000 (excluding GST) to Hub Hyde Park Pty Ltd for the coordination of the Global Coworking Unconference Conference Australia (GCUCAU) 2018; and
- (B) authority be delegated to the Chief Executive Officer to negotiate and enter into a sponsorship agreement with Hub Hyde Park Pty Ltd.

## **Attachments**

Nil.

## Background

1. Hub Hyde Park Pty Ltd offers flexible, fully equipped coworking spaces for accelerated business development. They offer tailored workspaces, curated communities and member services for over 1,100 members across Australia.
2. Hub Hyde Park Pty Ltd estimates that there are 300 coworking spaces in Australia, with membership numbers ranging from 100 to 2,000.
3. The Global Coworking Unconference Conference Australia (GCUCAU) 2018 is an educational and networking conference, where operators of coworking spaces, accelerators and incubators can learn, collaborate and find support so that they can grow their business and the industry and share knowledge on how to better serve the local startup and small business community in Sydney.
4. An 'unconference' is a new term given to a conference emphasising the informal exchange of information and ideas between participants. It means that it is more social, more hands-on and a lot less formal than a usual conference.
5. Coworking spaces, accelerators and incubators are all integral members of the startup ecosystem in that they support entrepreneurs to found and grow companies which have high-growth potential, often as a fee-for-service or in return for a percentage of equity in the company.
6. The GCUCAU conference will take place between 15 and 17 August 2018. The proposed venues are the Australian National Maritime Museum, Pyrmont, and Sydney Startup Hub, CBD.
7. Hub Hyde Park Pty Ltd expects over 250 participants at the conference, 100 of whom are expected to come from Sydney's local government area.
8. The conference aims to increase the commercial sustainability of the coworking industry and to facilitate knowledge sharing and share best practices.
9. The 2018 conference will consist of the following:
  - (a) Day 1 is a tour of coworking spaces, focusing on the various aspects, diversity, and relative strengths (and weaknesses) of each coworking space, followed by networking drinks to discuss the tours.
  - (b) Day 2 is a conference with keynote speakers and panel discussions with national and international experts from the industry.
  - (c) Day 3 is an unconference - an opportunity for conference participants to share knowledge and learnings in an informal setting. Topics are voted on to be addressed in depth at the unconference.
10. The conference builds on strong regional, national and cross sector networks by including local and interstate participants from coworking spaces from diverse sectors.
11. The conference also builds global links by including participants and speakers from the United States, Europe and Asia. This helps raise Sydney's profile as an innovative and creative city and enables the local community to benefit from international expertise and showcase their own expertise.

12. Sponsorship of Hub Hyde Park Pty Ltd aligns with the City's Economic Development Strategy and the Tech Startups Action Plan. The action plan identifies how the City can support entrepreneurs, with a focus on innovative, new businesses based on technology and designed for fast growth — tech startups.
13. The City wants to work with industry and government partners to strengthen the ecosystem which enables entrepreneurs to start and grow successful global businesses. It aims to contribute to building a strong entrepreneurial culture and community and creating skilled and connected entrepreneurs.
14. Sponsorship benefits include: logo acknowledgement on the GCUCAU website as a major event sponsor, logo acknowledgement on GCUCAU social media, the opportunity to present at the event (to be determined by the City at a later date), event tickets, and a City of Sydney banner.
15. Evaluation of the sponsorship will include, for example, a report including results from a participant survey, participant feedback, website analytics and media mentions. The evaluation requirements will be included as part of the City's standard sponsorship agreement.
16. Under the Knowledge Exchange Sponsorship program, not-for-profit and for-profit organisations, as well as social enterprises, are eligible. Hub Hyde Park Pty Ltd is a for-profit organisation, which has BCorp certification.
17. Sponsorship for GCUCAU 2018 is recommended so that participants can share knowledge, build relationships to enable collaboration, and increase their skills in order to develop their business and this emerging industry sector.

## Key Implications

### Strategic Alignment - Sustainable Sydney 2030 Vision

18. Sustainable Sydney 2030 is a vision for the sustainable development of the City to 2030 and beyond. It includes 10 strategic directions to guide the future of the City, as well as 10 targets against which to measure progress. This sponsorship is aligned with the following strategic directions and objectives:
  - (a) Direction 1 - A Globally Competitive and Innovative City - supporting the startup business community to start and grow innovative businesses will potentially create more employment, boost Sydney's economy, strengthen global connections and make the City a more desirable place to live, work and visit.

### Economic Benefits

19. Supporting coworking and startup businesses who benefit from a coworking environment will contribute to the City having a vibrant, diverse and creative economy.

### **Budget Implications**

20. There are sufficient funds allocated for the initial payment within the 2017/18 Knowledge Exchange Grants and Sponsorship budget. Provision will be made in the draft 2018/19 Knowledge Exchange Grants and Sponsorship budget for the acquittal payment as follows:
- (i) \$13,500 - 2017/18
  - (ii) \$1,500 - 2018/19

### **Relevant Legislation**

21. Section 356 of the Local Government Act 1993. Section 356 (3) (a) to (d) is satisfied for the purpose of providing grant funding to for-profit organisations.

### **Critical Dates / Time Frames**

22. The conference is scheduled for 15 to 17 August 2018 at the Australian National Maritime Museum (Pyrmont) and Sydney Startup Hub (CBD).

### **ANN HOBAN**

Director City Life

Victoria Moxey, Program Manager Tech Startups



## Item 16.

### Sponsorship - Vogue Fashion's Night Out 2018-20

File No: S104486.010

#### Summary

In December 2013, Council adopted the Retail Action Plan. Key initiatives from this plan include promoting Sydney as Australia's premier retail destination and to create lively and active places that encourage more visits to Sydney's CBD and villages.

Over the last five years, retail in the Sydney CBD has undergone a profound transformation that matches and links to the physical transformation of George Street. Retailers continue to face numerous challenges including the impacts from the Light Rail construction, an ongoing shift to online purchasing and a general reduction in consumer confidence which has led to an overall decline in retail spending.

A key component of the advice received from the Retail Advisory Panel, is that industry-led events supported by Government encourage increased foot traffic in key shopping precincts. For the past seven years, the City has sponsored two signature events to promote and support retail in Sydney, Mercedes Benz Fashion Week Australia and Vogue Fashion's Night Out.

In 2017, Vogue Fashion's Night Out delivered more than \$30m of economic impact to the Sydney CBD retail sector. It has grown significantly over the years to deliver larger audience numbers and increased participation by retailers. Vogue Australia reported that over 190,000 people joined 670 participating retailers for the 2017 event, generating significant increases in footfall: David Jones +3.9%, Westfield Sydney +3%, QVB +10%, Myer +22% and General Pants +25%. The average spend by visitors was \$226 (compared with \$199 in 2016) and 73% made a purchase, with over 40% spending over \$200. The event also generates significant secondary expenditure on food and beverage and transport, benefiting the CBD economy.

Annual consultation indicates overwhelming support for this event from the retail sector. The continued success of events like Vogue Fashion's Night Out are considered essential in ensuring the long-term viability of Sydney retailing, which relies on memorable in-store experiences and sustained reasons to visit the CBD, as more shoppers head online.

The City has previously sponsored the event for three years at \$100,000 (excluding GST) in cash per annum, and \$50,000 (excluding GST) per annum in value in kind. Vogue Australia (through News Corp Australia Pty Limited) has sought the continuation of sponsorship from the City of Sydney in support of Vogue Fashion's Night Out for the next three years 2018-2020, to a value of \$185,000 (excluding GST) per annum in cash and \$20,000 (excluding GST) per annum in value in kind.

To continue to successfully deliver a world-class event, Vogue require additional support to overcome challenges in its delivery, including increased security, counter-terrorism strategies and risk management, insufficient power supply in the public domain, as well as increases to operational and marketing costs. Plans to grow the event over 2018-2020 also include an expanded footprint to George Street and an extended duration from 11am-10pm, to allow retailers more time to capitalise on the promotional activity.

The request for sponsorship has been evaluated against the Commercial Creative and Business Events Sponsorship program and support is recommended.

### **Recommendation**

It is resolved that:

- (A) Council approve a sponsorship of \$185,000 cash (excluding GST) per annum and up to \$20,000 value-in-kind (excluding GST) per annum for use of civic space and City venues, for three years, to News Corp Australia Pty Limited for Vogue Fashion's Night Out 2018, 2019 & 2020; and
- (B) authority be delegated to the Chief Executive Officer to negotiate, execute and administer a sponsorship agreement with News Corp Australia Pty Limited for Vogue Fashion's Night Out 2018 – 2020.

### **Attachments**

Nil.

## Background

1. In December 2013, Council adopted the Retail Action Plan. Key initiatives from this plan include promoting Sydney as Australia's premier retail destination and creating lively and active places that encourage more visits to Sydney's CBD and villages.
2. A key component of the advice received from the Retail Advisory Panel is that industry-led events supported by Government encourage increased foot traffic in key shopping precincts.
3. Annual consultation indicates overwhelming support for Vogue Fashion's Night Out from the retail sector. The continued success of these kind of events are considered essential in ensuring the long-term viability of Sydney retailing which relies on memorable in-store experiences and sustained reasons to visit the CBD, as more shoppers head online.

## Vogue Fashion's Night Out 2018 - 2020

4. Vogue Fashion's Night Out is an international event that has been held in cities around the world each September since 2009. The global event has grown from being hosted in 12 cities in the first year and is now hosted in 27 cities. The event last took place in Sydney on 7 September 2017 from 5 - 10pm.
5. Vogue Fashion's Night Out is not a retail sale event, rather it focuses on a series of live in-store and on street events and activations designed to attract new shoppers. This includes unique pop-up stores, fashion parades, fashion forums, window displays, incentives, live performances and celebrity guest appearances.
6. In 2017, Vogue Fashion's Night Out delivered over \$30m of economic impact to the Sydney CBD retail sector. It has grown significantly over the years to deliver larger audience numbers and increased participation by retailers.
7. In 2017, over 670 retailers participated in the Sydney event. Feedback from participating retailers, shopping centres and consumers indicates that footfall increased at the following retailers in 2017: David Jones +3.9%; Westfield Sydney +3%; QVB +10%; Myer +22%; and General Pants +25%.
8. The average spend by visitors to the 2017 event was \$226 (vs. \$199 in 2016). Seventy-three per cent made a purchase, with over 40% spending over \$200.
9. In Australia, Vogue is published by News Corp Australia, which provides the majority of financial and media resources to deliver the event locally. Retailers' participation is free of charge and is not conditional on commercial arrangements with the publishers.
10. The marketing support provided by Vogue and News Ltd is valued at over \$2.2 million and is critical to the success of the event. The Vogue website [www.vogue.com.au](http://www.vogue.com.au) has over one million visitors every month, 567,300 Instagram followers, over one million Facebook followers, 174,000 Twitter followers, 226,000 Tumblr followers and 61,000 Pinterest followers.
11. In 2018, a one-off opportunity exists to increase the footprint of the event to include George Street prior to commencement of Light Rail services. This would demonstrate to retailers' future opportunities to activate public domain space in line with the City's George Street 2020 Public Domain Activation Strategy.

12. Vogue Fashion's Night Out also propose to extend the operating hours of the event, providing a greater return on investment for retailers and brands activating in the public domain and in-store.

## **Sponsorship**

13. From 2015-2017, the City provided annual sponsorship to the value of \$150,000 per annum (excluding GST), made up of \$100,000 cash per annum (excluding GST) and \$50,000 value in kind per annum (excluding GST) for Vogue Fashion's Night Out. Vogue Australia has provided the City with an acquittal following each event that satisfied all of the performance criteria outlined in their funding agreement.
14. Vogue Australia (through News Corp Australia) has sought the continuation of sponsorship from the City of Sydney in support of Vogue Fashion's Night Out for the next three years 2018-2020, with a proposed net increase in investment of \$55,000.
15. To continue to successfully deliver a world-class event, Vogue require additional support to overcome challenges in the delivery of the event, including increased security, counter-terrorism strategies and risk management, insufficient power supply in the public domain, as well as increases to operational and marketing costs.
16. Plans to grow the event over 2018-2020 also include an expanded footprint to George Street and an extended duration from 11am-10pm, to allow retailers more time to capitalise on the promotional activity.
17. The request for sponsorship of Vogue Fashion's Night Out has been evaluated against the aims of the Commercial Creative and Business Events Sponsorship Program and sponsorship is recommended.
18. Based on the assessment of the event against the criteria for the program, it is recommended that Council approve a total sponsorship of \$205,000 per annum (excluding GST and CPI) made up of cash sponsorship of \$185,000 (excluding GST) per annum and value in kind sponsorship of \$20,000 (excluding GST) per annum for use of civic space and City venues for Vogue Fashion's Night Out 2018, 2019 & 2020.
19. This support is recommended each year for three years commencing in the 2018/19 financial year and ending in 2020/21 financial year.

## **Key Implications**

### **Strategic Alignment - Sustainable Sydney 2030 Vision**

20. Sustainable Sydney 2030 is a vision for the sustainable development of the City to 2030 and beyond. It includes 10 strategic directions to guide the future of the City, as well as 10 targets against which to measure progress.
  - (a) Direction 1 - A Globally Competitive and Innovative City - considers Sydney's role as Australia's premier international tourism and business gateway. It outlines the steps to strengthen business competitiveness and enhance tourism infrastructure, assets and branding of the City.

- (b) Direction 7 - A Cultural and Creative City - recognises the arts and cultural activities as fundamental to liveability, diversity, and quality of life in our cities, as well as their contribution to economic development.
- (c) Objectives include supporting cultural activity, participation, and interaction, supporting the development of creative industries, providing cultural leadership and strengthening cultural partnerships.

### **Organisational Impact**

- 21. Sponsorship of the event will result in the nomination of a Council officer to provide contract management and coordination services.
- 22. The City's marketing and communications teams will support Vogue Fashion's Night Out across multiple media formats to draw participants to the event.

### **Social / Cultural / Community**

- 23. Vogue Fashion's Night Out is a free event designed to maximise community participation. In 2018, it will take place on Thursday 6 September from 11am – 10pm, enlivening the centre of Sydney.

### **Economic**

- 24. Vogue Fashion's Night Out is designed to deliver economic benefits to the fashion and retail sectors of the City's economy.
- 25. Vogue Fashion's Night Out campaign will draw significant numbers of consumers into the City and drive retail sales. Specifically this event will result in:
  - (a) benefits to business by encouraging spending on fashion in a non-sale period;
  - (b) profile the CBD retail offering as a result of extensive local, national and international media coverage; and
  - (c) support Sydney's positioning as a creative city and as Australia's premier tourism and events destination.

### **Budget Implications**

- 27. The City's contribution to the event will be in the form of:
  - (a) Year 1 - \$185,000 cash:
    - (i) \$85,000 cash from underspend in the 2017/18 Grants and Sponsorship Budget which will be paid to News Corp Australia Pty Limited prior to 30 June 2018; and
    - (ii) \$100,000 cash from the City Life Draft 2018/19 Operating Budget.
  - (b) Year 2 - \$185,000 cash from 2019/20.
  - (c) Year 3 - \$185,000 cash from 2020/21.
  - (d) \$20,000 value-in-kind sponsorship per year for three years (starting from 2018/19), in the form of use of civic space and City venues.

**Relevant Legislation**

26. Section 356 of the Local Government Act 1993. Section 356(3) (a) to (d) is satisfied for the purpose of providing grant funding to for-profit organisations.

**Critical Dates / Time Frames**

27. Vogue Fashion's Night Out 2018 will take place on Thursday 6 September from 11am – 10 pm.

**ANN HOBAN**

Director, City Life

Lara Wolski, City Business Manager