

**Item 6.****Report of the Corporate, Finance, Properties and Tenders Committee - 6 August 2018****Item 6.1****Disclosures of Interest**

Councillor Robert Kok disclosed a significant, non-pecuniary interest in Item 6.21 on the agenda in that he is a board member of the University of Sydney's China Studies Centre. Councillor Kok stated that he has not discussed this item with any of the Council staff at any time. He further stated that he would step out of the Council Chamber at the time of the vote.

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

The Committee recommends the following:-

## Item 6.2

### 2017/18 Quarter 4 Review – Delivery Program 2017–2021

It is resolved that Council:

- (A) note the financial performance of Council for the year ending 30 June 2018, including the Net Surplus of \$171.8M, as outlined in the subject report and summarised in Attachment A to the subject report;
- (B) note the full year Capital Works expenditure of \$149.1M, and approve the proposed revote of budget and other adjustments, which will increase the adopted 2018/19 budget of \$342.8M by \$13.9M to \$356.7M (including \$102.2M for light rail contributions), and note the forward estimates as detailed in Attachment B to the subject report;
- (C) note the Information Services capital expenditure of \$5.8M, net of disposals, and approve the proposed revote of \$2.1M to increase the adopted 2018/19 budget to \$12.6M;
- (D) note the full year Plant and Assets expenditure of \$10.9M, net of disposals, and approve the proposed net revote of \$5.3M and additional budget of \$0.6M; to increase the adopted 2018/19 net budget to \$21.7M;
- (E) note the full year Property Acquisition expenditure of \$5.3M, net of divestments;
- (F) note the operational performance indicators and quarter and full year achievements against the Delivery Program 2017-2021 objectives, as detailed in Attachment C to the subject report;
- (G) note the supplementary reports, including contracts issued over \$50,000, major legal issues and the Quick Response, Banner Pole and Reduced Rate Grant Programs in Quarter 4, as detailed in Attachment D to the subject report; and
- (H) note the Environmental Sustainability Progress Report, as shown at Attachment E to the subject report.

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

S096187

The Committee recommends the following:-

**Item 6.3**

**Investments Held as at 30 June 2018**

It is resolved that the Investment Report as at 30 June 2018 be received and noted.

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

X011299

The Committee recommends the following:-

**Item 6.4**

**Policy - Adoption - Draft Naming Policy 2017**

It is resolved that the Revised Draft Naming Policy 2018, as shown at Attachment A to the subject report, be adopted.

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

S073128

The Committee recommends the following:-

## **Item 6.5**

### **Naming Proposal - Post Exhibition - Plaza Bounded by Kent, Sussex and Napoleon Streets**

The Corporate, Finance, Properties and Tenders Committee decided that consideration on this matter be deferred to the meeting of Council on 13 August 2018.

#### **Officer's Recommendation**

The officer's recommendation to the Corporate, Finance, Properties and Tenders Committee was as follows -

It is resolved that:

- (A) Council note that the proposal to name the site bounded by Kent, Sussex and Napoleon Streets, Sydney was placed on public exhibition for community comment and that the public exhibition period has now closed;
- (B) Council note that the outcome of the community consultation referred to in clause (A) indicates that naming the site bounded by Kent, Sussex and Napoleon Streets, Sydney "Louisa Lawson Place" is not supported;
- (C) Council approve the name "Napoleon Plaza" for the site bounded by Kent, Sussex and Napoleon Streets, Sydney, based on the outcome of the community consultations in 2016 and 2017 referred to in clause (A); and
- (D) an application be made to the Geographic Names Board in accordance with the Geographical Names Act 1996 for the naming of the site as "Napoleon Plaza".

#### **Officer's Report**

The officer's report on this matter can be found at Item 5 on the agenda paper for the meeting of the Corporate, Finance, Properties and Tenders Committee on 6 August 2018 – Volume 1.

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

Moved by Councillor Kok, seconded by Councillor Forster –

That the recommendation contained in the officer's report to the Corporate, Finance, Properties and Tenders Committee be adopted.

Following discussion, the motion was withdrawn and the Corporate, Finance, Properties and Tender Committee decided that consideration of this matter be deferred to the meeting of Council on 13 August 2018.)

#### **Speakers**

Mr William Lloyd and Mr Peter Stone addressed the meeting of the Corporate, Finance, Properties and Tenders Committee on Item 6.5.

#### **Extension of Time**

During discussion on this matter, pursuant to the provisions of Clause 250(3) of the Local Government (General) Regulation 2015, it was –

Moved by Councillor Kok, seconded by Councillor Forster –

That Mr Lloyd be granted an extension of time to speak on this matter.

Carried unanimously.

X003784.004

The Committee recommends the following:-

## **Item 6.6**

### **Proposed Land Classification of Six Lots - Lachlan and Ashmore Precincts**

It is resolved that:

- (A) Council endorse public notification of the proposed resolution: "It is resolved to classify the following six lots of proposed land for road in the Lachlan and Ashmore Precincts as operational land in accordance with section 31 of the Local Government Act 1993" for the following parcels of land:
- (i) Lot 2 DP 1208467 for future road (Sam Sing Street). 869.3m<sup>2</sup> formerly part of 40A&B O'Dea Avenue, Waterloo;
  - (ii) Lot 1 DP 1236976 for future road (Gadigal Avenue and Tung Hop Street). 1,456m<sup>2</sup> formerly part of 13-17 Lachlan Street, Waterloo;
  - (iii) Lot 4 DP 1236976 for future road widening (Lachlan Street). 776m<sup>2</sup> formerly part of 13-17 Lachlan Street, Waterloo;
  - (iv) Lot 4 DP 1233713 for future pedestrian link. 480.5m<sup>2</sup> formerly part of Units 39-41/1A Coulson Street, Erskineville;
  - (v) Lot 3 DP 1241416 for future pedestrian link. 191.9m<sup>2</sup> formerly part of Units 21-34/1A Coulson Street, Erskineville; and
  - (vi) Lot 101 DP 1240458 for future road (Macdonald Street). 713.3m<sup>2</sup> formerly part of Units 1-15/1A Coulson Street, Erskineville; and
- (B) Council note that a further report to Council, to inform of the outcomes of public notification and recommendation of land classification, will follow the notification period.

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

S116804

The Committee recommends the following:-

### **Item 6.7**

#### **Cancellation of Tender - Drying Green Park, Green Square Town Centre**

It is resolved that Council:

- (A) decline to accept the tender submission of Tenderer A for the Design and Construction of Drying Green Park, Green Square in accordance with section 178(1) of the Local Government (General) Regulation 2005; and
- (B) cancel the tender for the Design and Construction of Drying Green Park, Green Square in accordance with section 178(3)(a) of the Local Government (General) Regulation 2005.

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

S118373



The Committee recommends the following:-

**Item 6.8**

**Land Classification - 6-8 Huntley Street, Alexandria**

It is resolved that Council classify 6-8 Huntley Street, Alexandria, being Lots 1 to 4 in Strata Plan 33073, as operational land in accordance with section 31 of the Local Government Act 1993.

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

X017051

The Committee recommends the following:-

### **Item 6.9**

#### **Ausgrid's Proposed Acquisition by Agreement for Easement over Community Title Lot 1 DP270785, 67A Bourke Road, Alexandria (Part) for Underground Electrical Cables and Other Purposes**

It is resolved that:

- (A) Council note that the City and Waverley Council hold interests in the Community Scheme, being Community Association DP270785, comprising Lot 1 in DP 270785;
- (B) Council approve the acquisition of part Lot 1 in DP 270785 by Ausgrid (as shown at Attachment A to the subject report) for an easement over part of the common property of the Community Association to be used for the purpose of the installation of underground electrical cables and associated purposes;
- (C) Council approve the amount of compensation to be received from Ausgrid in return for the grant of easement as set out in Confidential Attachment C, and note that this amount will be split amongst Waverley Council and the City as members of the Community Scheme, in accordance with the Community Management Statement and based on their total individual units of entitlement within the Community Scheme; and
- (D) authority be delegated to the Chief Executive Officer to approve and direct the Community Association to:
  - (i) complete the negotiations and do all things necessary to finalise the Deed of Agreement for Easement with Ausgrid; and
  - (ii) approve the execution and administration of the Deed of Agreement for Easement with Ausgrid.

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

S117083

The Committee recommends the following:-

### **Item 6.10**

#### **Exemption from Tender and Request for Extension - Supply and Installation of Hoardings for Stockton House, Fig and Wattle Streets Depot and The Bulk Store at Bay Street Depot**

It is resolved that:

- (A) Council note that due to extenuating circumstances, a satisfactory result would not be achieved by inviting tenders for the installation of hoarding at Stockton House (William and Riley Streets: 73-75 William Street, Darlinghurst, 2010), Fig and Wattle Street Depot (14-26 Wattle Street, Pyrmont, 2009) and The Bulk Store at Bay Street Depot (10-16 Bay Street Ultimo, 2007);
- (B) Council note that the reasons a satisfactory result would not be achieved by inviting tenders for the hoarding installations at Stockton House, Fig and Wattle Streets and Bay Street, are:
  - (i) if the City were to seek an alternate supplier, additional costs for removal of the existing structure would be incurred;
  - (ii) reconstruction costs for the hoarding would need to be paid; and
  - (iii) value for money for Council is achieved through retaining the existing hoardings;
- (C) Council approve an exemption from tender for the hire of B Class Hoarding at Stockton House (William and Riley Streets: 73-75 William Street, Darlinghurst, 2010), Fig and Wattle Street Depot (14-26 Wattle Street, Pyrmont, 2009) and The Bulk Store at Bay Street Depot (10-16 Bay Street Ultimo, 2007), for a period until 30 April 2019 and for the sum noted in Confidential Attachment A to the subject report;
- (D) authority be delegated to the Chief Executive Officer to negotiate, finalise and enter into any documentation necessary to give effect to this approval and to administer the contracts; and
- (E) Council note the financial implications, as outlined in Confidential Attachment A to the subject report.

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

S101696

The Committee recommends the following:-

### **Item 6.11**

#### **Exemption From Tender and Request For Extension - Supply and Maintenance of Street Furniture**

It is resolved that:

- (A) in order to align all three existing agreements, Council approve an exemption from tender in accordance with section 55(3)(i) of the Local Government Act 1993, for the services currently provided under all three of the existing agreements with JCDecaux Australia Pty Ltd for the period between 1 January 2019 and 31 January 2020;
- (B) Council approve an extension of the term of the current Supply and Maintenance of Street Furniture Agreements with JCDecaux Australia Pty Ltd to 31 January 2020;
- (C) authority be delegated to the Chief Executive Officer to negotiate, execute and administer a variation to the Supply and Maintenance of Street Furniture Agreements to provide for the extension of the term under clause (B);
- (D) Council note that, because of extenuating circumstances, a satisfactory result would not be achieved by inviting tenders for the services described under clause (A) at this time; and
- (E) Council note the reasons why a satisfactory result would not be achieved by inviting tenders for the services described under clause (A) now are:
  - (i) sourcing a provider for a short period of up to 13 months introduces a significant financial risk to Council due to the short engagement period;
  - (ii) due to the size and complexity of Council's street furniture services, introducing a new supplier would result in an unacceptable level of operational risk; and
  - (iii) the City's new strategic services approach-to-market including an Early Contractor Involvement (ECI) process followed by a tender cannot be achieved by the end of the existing contract period and to attempt to do so would not achieve a robust City tender process.

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

S095645.010

The Committee recommends the following:-

## Item 6.12

### Exemption from Tender - Operation of the Leachate Treatment Plant

It is resolved that:

- (A) Council note that a satisfactory result would not be achieved by inviting tenders for the operation and maintenance of the Sydney Park leachate treatment plant for a period of 12 months at this time because extenuating circumstances mean that tenderers would not receive sufficient information to make competitive and reliable proposals;
- (B) Council note that the reasons why a satisfactory result would not be achieved by inviting tenders are:
  - (i) the present operator designed and constructed the plant and has operated it for many years and as a result has special knowledge of the plant configuration, its history and operational requirements; and
  - (ii) this special knowledge is not available to other potential operators and as a result they are not able to present proposals that are either reliable or would represent value for money;
- (C) Council note that continuous delivery of the operation and maintenance service for the Sydney Park leachate treatment plant is required and this can be substantiated on the basis of the need for compliant operation and mitigation of environmental risk;
- (D) Council grant an exemption from tender for the operation and maintenance of the Sydney Park leachate treatment plant for a period of 12 months;
- (E) Council approve the appointment of Nanochem Pty Limited to continue to operate the Leachate Treatment Plant for a further term of one year;
- (F) authority be delegated to the Chief Executive Officer to negotiate, execute and administer the contract relating to the operation of the leachate treatment plant by Nanochem Pty Limited; and
- (G) Council note the bespoke nature of the current Leachate Treatment Plant operation and the need to undertake detailed investigation to continue to inform the most effective Leachate Treatment solution.

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

S106980-04

The Committee recommends the following:-

### **Item 6.13**

#### **Tender - Mattress Collection and Processing Services**

It is resolved that:

- (A) Council accept the tender offer of Tenderer A for Mattress Collection and Processing Services for a period of three years, with two optional extension periods of one year each, subject to performance;
- (B) authority be delegated to the Chief Executive Officer to negotiate, execute and administer the contract relating to the tender; and
- (C) authority be delegated to the Chief Executive Officer to exercise the option referred to in clause (A), if appropriate, and negotiate the price to extend the contract accordingly.

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

X018146.002

The Committee recommends the following:-

### **Item 6.14**

#### **Contract Extension - Parks and Open Space Maintenance**

It is resolved that:

- (A) Council approve the variations of the Parks and Open Space Maintenance Contract to provide an increase to the contract price and extension of the agreement term, as outlined in Confidential Attachment A to the subject report; and
- (B) authority be delegated to the Chief Executive Officer to negotiate, execute and administer the variations of the Parks and Open Space Maintenance Contract (Contract No. 1314).

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

S117045

The Committee recommends the following:-

### **Item 6.15**

#### **Tender - Reject and Negotiate - Electronic Planning Solution (ePlanning)**

It is resolved that:

- (A) Council reject all tenders received for the e-Planning system 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 (and preceding Expression of Interest);
- (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;
- (D) authority be delegated to the Chief Executive Officer to enter into a contract with a suitable vendor following completion of negotiations; and
- (E) Council be informed of the successful vendor via CEO update.

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

X004152



The Committee recommends the following:-

### **Item 6.16**

#### **Contract Variation - Child Care Management Agreement - Children's Services Community Management**

It is resolved that:

- (A) Council accept the contact variation offer of Children's Services Community Management for Chippendale Child Care for a period up to 31 December 2018, with the option of an extension of an additional six months if appropriate;
- (B) authority be delegated to the Chief Executive Officer to exercise the option referred to in clause (A), if appropriate, and negotiate the price to extend the contract accordingly; and
- (C) Council approve funding from the 2018/19 General Contingency budget, should the additional costs be unable to be absorbed through savings in the City Life operational budget for 2018/19.

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

S059762

The Committee recommends the following:-

### **Item 6.17**

#### **Contract Variation - Sydney New Year's Eve Crowd and Transport Management Services**

It is resolved that:

- (A) Council approve a variation to the contract with Australian Concert and Entertainment Security Pty Ltd trading as ACESGroup for the additional scope of services for 2018 Sydney New Year's Eve as described in Confidential Attachment A to the subject report;
- (B) authority be delegated to the Chief Executive Officer to vary the contract with Australian Concert and Entertainment Security Pty Ltd trading as ACESGroup as outlined in the subject report; and
- (C) Council approve funding from the 2018/19 General Contingency budget, should the additional costs be unable to be fully funded from savings in the 2018/19 Sydney New Year's Eve operating budget.

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

X008402

The Sub-Committee recommends the following:-

### **Item 6.18**

#### **Knowledge Exchange Sponsorship - Smart Cities Week**

It is resolved that:

- (A) Council approve a cash sponsorship of \$15,500 (excluding GST) to the Smart Cities Council Australia and New Zealand Pty Ltd in support of Smart Cities Week Australia 2018; and
- (B) authority be delegated to the Chief Executive Officer to negotiate and enter into a sponsorship agreement with the Smart Cities Council Australia and New Zealand Pty Ltd.

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

#### **Speakers**

Mr Adam Beck addressed the meeting of the Corporate, Finance, Properties and Tenders Committee (Economic Development and Business Sub-Committee) on Item 6.18.

X017671

The Sub-Committee recommends the following:-

### **Item 6.19**

#### **Knowledge Exchange Sponsorship - StartCon and Cicada Innovations**

It is resolved that:

- (A) Council approve a cash sponsorship of \$20,000 (excluding GST) and value-in-kind support of \$3,600 (excluding GST) for street banner pole hire fee waiver for a StartCon Pty Ltd Silver Sponsorship Package;
- (B) Council approve a cash sponsorship of \$20,000 (excluding GST) for Cicada Innovations Pty Ltd; and
- (C) authority be delegated to the Chief Executive Officer to negotiate, execute and administer sponsorship agreements with each of the applicants.

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

#### **Speakers**

Ms Cheryl Mack and Ms Britt Hartnett addressed the meeting of the Corporate, Finance, Properties and Tenders Committee (Economic Development and Business Sub-Committee) on Item 6.19.

X019281 / X010493

The Sub-Committee recommends the following:-

## **Item 6.20**

### **Knowledge Exchange Sponsorship - The Virangana Project**

It is resolved that:

- (A) Council approve a cash sponsorship of \$10,000 (excluding GST) to The Virangana Project Limited in support of the delivery of the 'Knowledge Bridge' program between Sydney and India; and
- (B) authority be delegated to the Chief Executive Officer to negotiate and enter into a sponsorship agreement with The Virangana Project Limited relating to the resolution in clause (A) above.

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

### **Speakers**

Mr Daniel Fah addressed the meeting of the Corporate, Finance, Properties and Tenders Committee (Economic Development and Business Sub-Committee) on Item 6.20.

### **Extension of Time**

During discussion on this matter, pursuant to the provisions of Clause 250(3) of the Local Government (General) Regulation 2015, it was –

Moved by Councillor Vithoukas, seconded by Councillor Thalís –

That Mr Fah be granted an extension of time to speak on this matter.

Carried unanimously.

2018/358970

The Sub-Committee recommends the following:-

### **Item 6.21**

#### **Knowledge Exchange Sponsorship - 2018 Sydney China Business Forum**

It is resolved that:

- (A) Council approve \$20,000 (exclusive of GST) financial support to the University of Sydney for the coordination and delivery of the Sydney China Business Forum; and
- (B) authority be delegated to the Chief Executive Officer to negotiate, execute and administer a sponsorship agreement with the University of Sydney in relation to the resolution in clause (A) above.

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

#### **Speakers**

Ms Susan Saratzki addressed the meeting of the Corporate, Finance, Properties and Tenders Committee (Economic Development and Business Sub-Committee) on Item 6.21.

X005879