

Item 6**Report of the Corporate, Finance, Properties and Tenders Committee - 14 February 2022****Item 6.1****Disclosures of Interest**

Councillor Linda Scott disclosed a less than significant, non-pecuniary interest in Item 6.8 on the agenda, in that her husband is the Secretary of Marrickville Cricket Club, who regularly use the cricket nets under discussion in this item.

Councillor Lyndon Gannon disclosed a less than significant, non-pecuniary interest in Item 6.12 on the agenda, in that he is a member of the Independent Bars Association, the President of which spoke to this item.

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

2021/22 Quarter 2 Review - Delivery Program 2017-2021

It is resolved that Council:

- (A) note the financial performance of Council for the second quarter, ending 31 December 2021, including a Quarter 2 Net Surplus of \$23.4M and the full year Net Surplus forecast of \$8.3M, as outlined in the subject report and summarised in Attachment A to the subject report;
- (B) note the Quarter 2 Capital Works expenditure of \$82.8M and a revised full year forecast of \$211.3M, and approve the proposed adjustments to the adopted budget, including bringing forward \$4.4M of funds into 2021/22 capital budget as detailed in Attachment B to the subject report;
- (C) note the Information Services capital expenditure of \$7.8M, net of disposals, and a full year forecast of \$23.7M and approve the proposed adjustments to the adopted budget, including bringing forward \$0.6M of funds into 2021/22 capital budget and transfer of \$0.4M from the capital works contingency, as detailed in Attachment B to the subject report;
- (D) note the Quarter 2 Plant and Assets expenditure of \$2.2M, net of disposals, and a revised full year forecast of 12.5M, and approve the proposed adjustments to the adopted budget by transferring \$0.6M from capital works contingency, as detailed in Attachment B to the subject report;
- (E) note the Quarter 2 Property Divestment of \$33.8M, and the full year forecast net Property Divestment of \$24.1M;
- (F) note the operational performance indicators and Quarter 2 achievements against the Operational Plan 2021/22 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 2, as detailed in Attachment D to the subject report;
- (H) extend the period for the Community Recovery Plan to June 2022; and
- (I) note the second quarter 2021/22 Community Recovery Plan 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 the Chair (the Lord Mayor), seconded by Councillor Scully, and carried unanimously.)

X039568

The Committee recommends the following:

Item 6.3

Investments Held as at 30 November 2021

It is resolved that the Investment Report as at 30 November 2021 be received and noted.

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

X020701

The Committee recommends the following:

Item 6.4

Investments Held as at 31 December 2021

It is resolved that the Investment Report as at 31 December 2021 be received and noted.

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

X020701

The Committee recommends the following:

Item 6.5

Investments Held as at 31 January 2022

It is resolved that the Investment Report as at 31 January 2022 be received and noted.

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

X020701

The Committee recommends the following:

Item 6.6

Lease Approval - Ground Floor Suite 3, Level 1 and 2, 46-52 Mountain Street, Ultimo

It is resolved that:

- (A) Council approve a lease to Torrens Global Education Services Pty Ltd for a term of five years with one further option of five years for Ground Floor Suite 3, Level 1 and Level 2, 46-52 Mountain Street, Ultimo on the terms and conditions contained in Confidential Attachment A to the subject report; and
- (B) authority be delegated to the Chief Executive Officer to finalise the terms of the lease, including the exercise of the lease option term.

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

S099555

The Committee recommends the following:

Item 6.7

Lease Approval - Levels 3, 4 and 5, 46-52 Mountain Street, Ultimo

It is resolved that:

- (A) Council approve a lease to Torrens Global Education Services Pty Ltd for a term of five years with one further option of five years for Ground Floor Suite 3, Level 1 and Level 2, 46-52 Mountain Street, Ultimo on the terms and conditions contained in Confidential Attachment A to the subject report; and
- (B) authority be delegated to the Chief Executive Officer to finalise the terms of the lease, including the exercise of the lease option term.

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

S099955

The Committee recommends the following:

Item 6.8

Tender - T-2021-619 - Reject and Negotiate - Allan Davidson Oval, Alexandria - Cricket Nets

It is resolved that:

- (A) Council decline to accept the tender offer received for the Allan Davidson Oval Alexandria Cricket Nets for the reasons set out in Confidential Attachment B to the subject report;
- (B) Council enter into negotiations with any person (whether or not the person was a tenderer) with a view to entering into a contract in relation to the subject matter of the tender;
- (C) Council note that the reason for determining to enter into negotiations is that inviting fresh tenders would not attract additional suitable vendors or terms over and above those that have responded to this tender and the preceding request for quotation;
- (D) 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;
- (E) authority be delegated to the Chief Executive Officer to negotiate, execute and administer the contracts relating to the tender; and
- (F) Council be informed of the successful vendor via the CEO Update.

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

2021/567255

The Committee recommends the following:

Item 6.9

Cancellation of Tender - T-2020-461 - Environmental Monitoring Analysis and Reporting

It is resolved that Council:

- (A) cancel the tender for Environmental Monitoring, Analysis and Reporting;
- (B) invite new tenders for the works; and
- (C) note that a six-month contract is currently being implemented following a competitive Request for Quotation process (Q-2021-649), in order to allow time for the retendering process to be completed and to ensure business continuity.

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

X027380

The Committee recommends the following:

Item 6.10

Cancellation of Tender - T-2021-569 and Exemption from Tender - Improvement and Construction Work at Minogue Crescent Reserve , Tote Park and Park on Lyons Road

It is resolved that:

- (A) Council cancel Tender T-2021-569 – Improvement and Construction Work at Minogue Crescent Reserve, Tote Park and Park on Lyons Road as no tenders were received prior to the tender closing date and time;
- (B) Council approve an exemption from tender for the Improvement and Construction Work at Minogue Crescent Reserve, Tote Park and Park on Lyons Road in accordance with section 55(3)(i) of the Local Government Act 1993 noting that, a satisfactory result would not be achieved by inviting fresh tenders to deliver the improvements and construction work at the Minogue Crescent Reserve, Tote Park and Park on Lyons Road;
- (C) Council note the reason why a satisfactory result would not be achieved by inviting fresh tenders is that going to tender will not result in any submissions in addition to the submissions received as part of the tender process that is recommended at (A) to be cancelled, and will extend the time and cost associated with the project;
- (D) 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;
- (E) authority be delegated to the Chief Executive Officer to execute and administer the contracts relating to the tender; and
- (F) Council be informed of the successful vendor via the CEO Update.

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

X025396.001

The Committee recommends the following:

Item 6.11

Exemption from Tender and Contract Variations - Sydney New Year's Eve

It is resolved that:

- (A) Council approve an exemption from tender to enter into a one-year agreement with Foti International Fireworks Pty Ltd for the provision of pyrotechnic services for the 2022 Sydney New Year's Eve event;
- (B) Council approve an exemption from tender to enter into a one-year agreement with Polaris Marine Pty Ltd as Trustee for Polaris Marine Trust No 1 for the provision of barges and tugs for the 2022 Sydney New Year's Eve event;
- (C) Council note the reasons a satisfactory outcome would not be achieved by inviting tenders is due to the following extenuating circumstances:
 - (i) uncertainties relating to the event caused by the Covid-19 pandemic, the City's procurement timeline has been delayed for the provision of these services; and
 - (ii) the delivery of the 2022 event would be impacted if a tender process were to be undertaken;
- (D) Council approve the variation of the contract for the provision of pyrotechnic services for Sydney New Year's Eve for the price outlined in Confidential Attachment A to the subject report, for a period of one year to cover the 2022 Sydney New Year's Eve event;
- (E) Council approve the variation of the contract for the provision of barges and tugs for Sydney New Year's Eve for the price outlined in Confidential Attachment A to the subject report, for a period of one year to cover the 2022 Sydney New Year's Eve event; and
- (F) authority be delegated to the Chief Executive Officer to finalise negotiations and enter into any necessary documentation to give effect to these resolutions.

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

X080346.003

The Sub-Committee recommends the following:

Item 6.12

Public Exhibition - Precinct Activation Grants Guidelines

It is resolved that:

- (A) Council note the 26 July 2021 Resolution of Council requesting that the Chief Executive Officer develop a grant program for delivery of an additional \$4 million to support business and creatives in the recovery of the city economy including the funding for resources to do so, with the proposed program to be reported back to Council, as shown at Attachment C to the subject report;
- (B) Council endorse the draft Precinct Activation Guidelines as shown at Attachment A to the subject report for public exhibition for a period of 28 days in accordance with the requirements of the Local Government Act 1993;
- (C) Council endorse the draft Operational Plan 2021/22 - Addendum as shown at Attachment B to the subject report for public exhibition, concurrently with the Precinct Activation Guidelines, for a period of 28 days in accordance with the requirements of the Local Government Act 1993;
- (D) Council approve the continuation of existing Covid-19 related fee waivers up to 30 June 2023 only for projects funded through the Precinct Activation grant program and note the potential revenue forgone at an estimated value of \$700,000 per annum; and
- (E) authority be delegated to the Chief Executive Officer to make minor changes to the draft Guidelines and Operational Plan 2021/22 Addendum for clarity or correction of drafting errors prior to public exhibition.

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

S117847

Speaker

Karl Schlothauer addressed the meeting of the Corporate, Finance, Properties and Tenders Committee (Economic Development and Business Sub-Committee) on Item 6.12.

The Sub-Committee recommends the following:

Item 6.13

Commercial Creative and Business Event Sponsorship – BESydney 2022-2023

It is resolved that:

- (A) Council approve a cash sponsorship of \$300,000 (excluding GST) per annum for a two-year period (2021/22 and 2022/23) to a maximum value of \$600,000 (excluding GST), to support Business Events Sydney Limited in its ongoing activities to attract both domestic and global business events to Sydney; and
- (B) authority be delegated to the Chief Executive Officer to negotiate, execute and administer a sponsorship agreement with Business Events Sydney Limited.

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

X017237

Speaker

Ms Lyn Lewis-Smyth addressed the meeting of the Corporate, Finance, Properties and Tenders Committee (Economic Development and Business Sub-Committee) on Item 6.13.