



FINANCE AND GOVERNANCE COMMITTEE

MINUTES OF MEETING Monday, 11 December 2017

Present

Council Members

Councillor Sam Elmir (Chair)
Councillor Lou Konjarski
Councillor Colleen Symington
Councillor Warren Tegg
Councillor Christina Wu
Councillor Liu (entered meeting at 6.16pm)

Council Staff

Chief Operating Officer, Ms Carole Todd
Director Assets and Infrastructure, Laurie O'Connor
Director Community and Culture, David Tuxford
Executive Manager Premium Facilities, Luke Coleman
Chief Financial Officer, Rob Owens
Manager Governance and Risk Management, Popy Mourgelas
Manager Environment, Health and Regulatory Services, Andrew Spooner
Head of Strategic Property, Bernard Morabito
Solicitor, Amanda Berry
Co-ordinator Environmental and Open Space Projects, Alison Hanlon
Executive Assistant to Director Finance and Governance, Daniella Youkhana

Opening

The Chair, Councillor Elmir, opened the meeting at 6.02pm.

Apologies

Councillor Liu (entered meeting at 6.16pm).

Disclosure of Interest

NIL

Minutes of previous meetings

FINANCE AND GOVERNANCE - 13 NOVEMBER 2017

Recommendation: Councillor Konjarski and Councillor Symington

That the Minutes of the Finance and Governance held on 13 November 2017 be confirmed.

Record of Voting:

For the Motion: Unanimous

Committee Reports

FIN386-17 Tender for Construction of the Penshurst Park Indoor Cricket Centre (Report by Manager Project Delivery)

Recommendation: Councillor Konjarski and Councillor Wu

- (a) That, under Section 178 (1) (b) of the Local Government (General) Regulation 2005, Council decline to accept any of the tenders for T17/025 Tender for Construction of the Penshurst Park Indoor Cricket Centre as outlined in the report.
- (b) That, under Section 178 (3) (e) of the Local Government (General) Regulation 2005, Council enter into negotiations with the Lanskey Constructions Pty Ltd , Carfax Commercial Construction Pty Ltd and Cooper Commercial Constructions Pty Ltd. as outlined in the attached confidential report.
- (c) That, under Section 178 (4) of the Local Government (General) Regulation 2005, Council notes that inviting fresh tenders is unlikely to resolve the issues of (1) non-conforming tenders, which do not agree to all conditions of contract and (2) significant variances from QS estimates; and, given the prices submitted, and likely competition, it is most advantageous to Council to conduct further negotiations with multiple tenderers, being Lanskey Constructions Pty Ltd, Carfax Commercial Construction Pty Ltd and Cooper Commercial Constructions Pty Ltd.
- (d) That delegation is granted to the General Manager to enter into contract with Lanskey Constructions Pty Ltd, Carfax Commercial Construction Pty Ltd or Cooper Commercial Constructions Pty Ltd. should negotiations result in a value-for-money outcome for Council.
- (e) That Council officers inform the unsuccessful Tenderers of the resolution to decline to accept those tenders.

Record of Voting:

For the Motion: Unanimous

FIN387-17 Tender for the Building Expansion and Modification Works at Beverly Hills Park Sports Amenities Building (Report by Manager Project Delivery)

Recommendation: Councillor Wu and Councillor Tegg

- (a) That, under Section 178 (1) (b) of the Local Government (General) Regulation 2005, Council decline to accept any of the tenders for T17/028 Tender for Building Expansion and Modification Works at Beverly Hills Park Sports Amenities Building as outlined in the report.
- (b) That, under Section 178 (3) (b) of the *Local Government (General) Regulation 2005*, Council invite, in accordance with clause 167, 168 or 169, fresh tenders based on the same or different details.
- (c) That Council inform the unsuccessful Tenderers of the resolution.
- (d) That Council Officers consult with Beverley Hills Park (Kingsgrove Colts Junior Rugby League Club) to establish a plan of management for the refurbishment/upgrade of the

amenities building that can be achieved within the available cost envelope.

Record of Voting:

For the Motion: Unanimous

FIN388-17 Tender for Cambridge Street, Penshurst - Construction of Stormwater Drainage Pipe
(Report by Manager Project Delivery)

Recommendation: Councillor Symington and Councillor Konjarski

- (a) That Council accepts the Tender from Citywide Civil Engineering (NSW) Pty Ltd, in the amount of \$746,461.00, after having regard to all the circumstances, as the tender that appears to be the most advantageous and appoint Citywide Civil Engineering (NSW) Pty Ltd as the Principal Contractor under the Contract Number T17/046 Cambridge Street, Penshurst – Construction of a Stormwater Drainage Pipe.
- (b) That the General Manager be authorised to sign the Contracts with the preferred Contractor on behalf of Council.
- (c) That Council inform the unsuccessful Tenderers of the resolution to decline to accept those tenders.

Record of Voting:

For the Motion: Unanimous

FIN389-17 Tender for Jubilee Oval Roof Rectification Works
(Report by Manager Project Delivery)

Recommendation: Councillor Tegg and Councillor Konjarski

- (a) That Council accepts the Tender from Murphys Group Services Pty Ltd, in the amount of \$298,016.40, after having regard to all the circumstances, as the tender that appears to be the most advantageous and appoint Murphys Group Services Pty Ltd as the Principal Contractor under the Contract Number T17/040 Jubilee Oval Roof Rectification Works.
- (b) That the General Manager be authorised to sign the Contracts with the preferred Contractor on behalf of Council.
- (c) That Council inform the unsuccessful Tenderers of the resolution to decline or accept those tenders.
- (d) That Council approve \$112,000 from the Asset Management Reserve to be utilised for this project, with any unspent funds to go back into the reserve.

Record of Voting:

For the Motion: Unanimous

FIN390-17 Property Matter - Lease for Air Bridge at South Street Kogarah
(Report by Head of Strategic Property)

Recommendation: Councillor Symington and Councillor Wu

- (a) That Council grant a lease to AME Properties Pty Ltd (being a wholly owned subsidiary of Ramsay Healthcare Australia) for a proposed pedestrian air bridge over South Street, Kogarah for a period of 50 years with a further 5 year option.
- (b) That the General Manager be delegated authority to enter into a lease and to execute all documentation associated with the proposed lease, subject to development consent being granted for the proposed development.

Record of Voting:

For the Motion: Unanimous

FIN391-17 Tender for the Construction of Traffic Management Devices
(Report by Manager Project Delivery)

Recommendation: Councillor Tegg and Councillor Konjarski

- (a) That Council accepts the Tender from Ally Civil, in the amount of \$101,250.00, after having regard to all the circumstances, as the tender that appears to be the most advantageous and appoint Ally Civil as the Principal Contractor under the Contract Number T17/047 Construction of roundabout and associate structures at the intersection of Francis Street and Colvin Street, Allawah.
- (b) That Council accepts the Tender from Ally Civil, in the amount of \$34,375.00, after having regard to all the circumstances, as the tender that appears to be the most advantageous and appoint Ally Civil as the Principal Contractor under the Contract Number T17/047 Intersection upgrade works at the intersection of Connelly Street and Bridge Street, Penshurst.
- (c) That Council accepts the Tender from Ally Civil, in the amount of \$41,620.00, after having regard to all the circumstances, as the tender that appears to be the most advantageous and appoint Ally Civil as the Principal Contractor under the Contract Number T17/047 Pedestrian facility upgrade works at the intersection of Pallamana Parade and Tallawalla Street, Beverly Hills.
- (d) That Council accepts the Tender from KK Civil Engineering, in the amount of \$49,400.00, after having regard to all the circumstances, as the tender that appears to be the most advantageous and appoint KK Civil Engineering as the Principal Contractor under the Contract Number T17/047 Upgrade of pedestrian refuge in Lily Street at Roberts Lane, Allawah.
- (e) That Council accepts the Tender from Ally Civil, in the amount of \$15,735.00, after having regard to all the circumstances, as the tender that appears to be the most advantageous and appoint Ally Civil as the Principal Contractor under the Contract Number T17/047 Construction of Pedestrian Refuge in Oatley Avenue, Oatley.
- (f) That Council accepts the Tender from Ally Civil, in the amount of \$51,750.00, after having regard to all the circumstances, as the tender that appears to be the most advantageous and appoint Ally Civil as the Principal Contractor under the Contract Number T17/047 Construction of a raised pedestrian crossing (wombat crossing) on Gray Street, at Queens Avenue, Kogarah.
- (g) That Council accepts the Tender from Ally Civil, in the amount of \$8,350.00, after having regard to all the circumstances, as the tender that appears to be the most advantageous and appoint Ally Civil as the Principal Contractor under the Contract Number T17/047 Construction of a pedestrian refuge on Gray Street, Kogarah outside St George Hospital.
- (h) That Council accepts the Tender from KK Civil Engineering, in the amount of \$49,400.00, after having regard to all the circumstances, as the tender that appears to be the most advantageous and appoint KK Civil Engineering as the Principal Contractor under the

Contract Number T17/047 Construction of a kerb blister on South Street, Kogarah near the St George Hospital.

- (i) That the General Manager be authorised to sign the Contracts with the preferred Contractors on behalf of Council.
- (j) That Council Officers inform the unsuccessful Tenderers of the resolution to decline to accept those tenders.

Record of Voting:

For the Motion: Unanimous

FIN392-17 Georges River Council Quarterly Property Portfolio Report
(Report by Strategic Property Specialist)

Recommendation: Councillor Wu and Councillor Symington

That the quarterly Property Portfolio Report be received and noted.

Record of Voting:

For the Motion: Unanimous

FIN393-17 Advice on Court Proceedings - November 2017
(Report by General Counsel)

Recommendation: Councillor Wu and Councillor Symington

That the information be received and noted.

Record of Voting:

For the Motion: Unanimous

FIN394-17 Property Matter - Illuminated Street Signs in the former Kogarah City Council Area
(Report by Strategic Property Officer)

Recommendation: Councillor Konjarski and Councillor Wu

That Council defer this item pending further information received.

Record of Voting:

For the Motion: Unanimous

FIN395-17 Georges River Draft Communications and Media Management Policy
(Report by Director Community and Culture)

Recommendation: Councillor Wu and Councillor Konjarski

That Council adopt the attached draft George River Communications and Media Management Policy.

Record of Voting:

For the Motion: Unanimous

FIN396-17 Waste Services Request for Tender
(Report by Manager Environmental Health & Regulatory Services)

Recommendation: Councillor Tegg and Councillor Symington

- (a) That Council invite tenders for the following:
- i. General Waste Processing (former Hurstville City Council LGA)
 - ii. Green Waste Processing for the Georges River Council LGA as an optional component of the General Waste Processing tender
 - iii. Clean up Processing for the Georges River Council LGA (in conjunction with SSROC)
 - iv. Mattress collection and processing for the Georges River Council LGA (in conjunction with SSROC).
 - v. Park and Litter bin collection and processing (former Kogarah City Council LGA)
- (b) That the General Manager be given delegated authority to accept the Tenders listed in a)
- (c) That the casual agreement with Suez Recycling and Recovery (NSW) Pty Ltd for garbage processing (former Hurstville City Council LGA) and green waste processing (Georges River Council LGA) be extended until 30 June 2018.
- (d) That a report on the review of options for harmonising the Clean-up service including a cost benefit analysis be presented to Council in March 2018.

Record of Voting:

For the Motion: Unanimous

FIN397-17 Investment Report as at 31 October 2017
(Report by Team Leader Financial Reporting)

Recommendation: Councillor Wu and Councillor Konjarski

That the Investment Report as at 31 October 2017 be received and noted.

Record of Voting:

For the Motion: Unanimous

Councillor Liu entered the meeting at 6.16pm

FIN398-17 Fraud and Corruption Control Policy and Plan
(Report by Manager Governance and Risk)

Recommendation: Councillor Tegg and Councillor Liu

- (a) That the Fraud and Corruption Control Policy as attached to the report be adopted.
- (b) That the Fraud and Corruption Control Plan as attached to the report be received and noted.

Record of Voting:

For the Motion: Unanimous

Confidential items (Closed Session)

Recommendation: Councillor Symington and Councillor Tegg

That in accordance with the provisions of Part 1 of Chapter 4 of the Local Government Act 1993, the following matters be considered in closed Council at which the press and public are excluded.

CON025-17 Request for Tender No: F17/387 - Provision of Animal Management Services

(Report by Manager Environmental Health & Regulatory Services)

THAT in accordance with the provisions of Part 1 of Chapter 4 of the Local Government Act 1993, the matters dealt with in this report be considered in closed Council Meeting at which the press and public are excluded. In accordance with Section 10A(2) (c) it is considered the matter information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business.

THAT in accordance with Section 10D it is considered that if the matter were discussed in an open Council Meeting, it would on balance, be contrary to the public interest as it information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business.

CON026-17 Property Matter - Sans Souci Bathers Pavilion

(Report by Head of Strategic Property)

In accordance with the provisions of Part 1 of Chapter 4 of the Local Government Act 1993, the matters dealt with in this report be considered in closed Council Meeting at which the press and public are excluded. In accordance with Section 10A(2) (g) it is considered the matter contains advice concerning litigation, or advice that would otherwise be privileged from production in legal proceedings on the ground of legal professional privilege.

In accordance with Section 10D it is considered that if the matter were discussed in an open Council Meeting, it would on balance, be contrary to the public interest as it contains advice concerning litigation, or advice that would otherwise be privileged from production in legal proceedings on the ground of legal professional privilege.

Record of Voting:

For the Motion: Unanimous

Consideration of Recommendations from Closed Session

CON025-17 Request for Tender No: F17/387 - Provision of Animal Management Services

(Report by Manager Environmental Health & Regulatory Services)

Recommendation: Councillor Symington and Councillor Tegg

- (a) That Council resolves to decline to accept the tender submission received from St George Animal Rescue Pty Ltd in response to Request for Tender F17/387 in accordance with Regulation 178 (3) of the Local Government (General) Regulation 2005.
- (b) That Council resolves to decline to invite fresh tenders for the following reasons:
 - i. St George Animal Rescue Pty Ltd was the only entity who tendered a submission in response to Request for Tender F17/387.
 - ii. The single tender submitted in response to Request for Tender F17/387 demonstrates a lack of competition in the market for the provision of Animal Management Services. If Council were to invite fresh tenders it is likely that St George Animal Rescue will be the only entity to respond to the invitation.
- (c) That Council resolves to enter into negotiations with St George Animal Rescue Pty Ltd in accordance with Regulation 178 (3) (e) of the Local Government (General) Regulation 2005, to achieve a better value for money outcome.

Record of Voting:

For the Motion: Unanimous

CON026-17 Property Matter - Sans Souci Bathers Pavilion

(Report by Head of Strategic Property)

Recommendation: Councillor Tegg and Councillor Liu

- (a) That Council rescind the resolution of former Kogarah City Council Item H2.3 dated 24 February 2014 for the conditional offer of lease to Blakehurst Marina Pty Ltd.
- (b) That Council undertake an open tender process for the restoration of the Sans Souci Bathers Pavilion structure generally in accordance with approved development consent No. 233/12.
- (c) That a further report be submitted to Council following the completion of the tender, for Council to undertake the restoration works.
- (d) That the restoration works be funded from Council's Commercial Property Reserve.
- (e) That Council offer the site to market by way of a 21 year lease (inclusive of options) via a competitive Expression of Interest/public tender process, subject to the Minister's prior consent.

Record of Voting:

For the Motion: Unanimous

Open Council

Recommendation: Councillor Tegg and Councillor Liu

That the meeting revert to Open Council at 6.20pm.

Record of Voting:

For the Motion: Unanimous

Conclusion

The Meeting was closed at 6.20pm.

Chairperson