



Corporate & Works Committee

Agenda: *Corporate & Works Committee*

Date: *Monday 23 April 2007*

Time: *6.00pm*

Outline of Meeting Protocol & Procedure:

- The Chairperson will call the Meeting to order and ask the Committee/Staff to present apologies or late correspondence.
- The Chairperson will commence the Order of Business as shown in the Index to the Agenda.
- At the beginning of each item the Chairperson will ask whether a member(s) of the public wish to address the Committee.
- If person(s) wish to address the Committee, they are allowed four (4) minutes in which to do so. Please direct comments to the issues at hand.
- If there are persons representing both sides of a matter (eg applicant/objector), the person(s) against the recommendation speak first.
- At the conclusion of the allotted four (4) minutes, the speaker resumes his/her seat and takes no further part in the debate unless specifically called to do so by the Chairperson.
- If there is more than one (1) person wishing to address the Committee from the same side of the debate, the Chairperson will request that where possible a spokesperson be nominated to represent the parties.
- The Chairperson has the discretion whether to continue to accept speakers from the floor.
- After considering any submissions the Committee will debate the matter (if necessary), and arrive at a recommendation (R items which proceed to Full Council) or a resolution (D items for which the Committee has delegated authority).

Delegated Authority (“D” Items):

- General financial and corporate management of the Council, except those specifically excluded by statute, by Council direction or delegated specifically to another Committee.
- Note: This not to limit the discretions of nominated staff members exercising Delegated Authorities granted by the Council.
- Quarterly review of Council's Management Plan.
- Finance Regulations, including:-
 - Authorisation of expenditures within budgetary provisions where not delegated;
 - Quarterly review of Budget Review Statements;
 - Quarterly and other reports on Works and Services provision; and
 - Writing off of rates, fees and charges because of non-rateability, bad debts, and impracticality of collection.
- Auditing.
- Property Management.
- Asset Management.
- Traffic Management - Works Implementation.
- Works and Services - Monitoring and Implementations.
- Legal Matters and Legal Register.
- Parks and Reserves Management.
- Infrastructure Management, Design and Investigation.
- To require such investigations, reports or actions as considered necessary in respect of matters contained within the Business Agenda (and as may be limited by specific Council resolution).
- Confirmation of Minutes of its Meeting.
- Any other matter falling within the responsibility of the Corporate and Works Committee and not restricted by the Local Government Act or required to be a Recommendation to Full Council as listed below.

Recommendation only to the Full Council (“R” Items):

- Such matters as are specified in Section 377 and within the ambit of the Committee considerations.
- The voting of money for expenditure on works, services and operations.
- Rates, Fees and Charges.
- Donations
- Matters which involve broad strategic or policy initiatives within responsibilities of the Committee.
- Matters not within the specified functions of the Committee.
- Asset Rationalisation.
- Corporate Operations:-
 - Statutory Reporting; - Delegations.
 - Adoption of Council's Management Plans; - Policies.
 - Quality Service/Communications; - Tenders as per Regulation requirements.
 - Leases.
 - Matters reserved by individual Councillors in accordance with any Council policy on "safeguards" and substantive changes

Committee Membership:

7 Councillors

Quorum:

The quorum for a Committee meeting is 4 Councillors.

WOOLLAHRA MUNICIPAL COUNCIL

Notice of Meeting

19 April 2007

To: Her Worship the Mayor, Councillor Huxley, ex-officio
Councillors Julian Martin (Chair)
 Marcus Ehrlich
 Wilhelmina Gardner
 Isabelle Shapiro
 David Shoebridge (Deputy Chair)
 Fiona Sinclair King
 John Walker

Dear Councillors

Corporate & Works Committee Meeting – 23 April 2007

In accordance with the provisions of the Local Government Act 1993, I request your attendance at a Meeting of the Council's **Corporate and Works Committee** to be held in the **Council Chambers, 536 New South Head Road, Double Bay, on Monday 23 April 2007 at 6.00pm.**

Gary James
General Manager

Additional Information Relating to Committee Matters

Site Inspection

Other Matters

Meeting Agenda

Item	Subject	Pages
1	Leave of Absence and Apologies	
2	Late Correspondence	
3	Declarations of Interest	

Items to be Decided by this Committee using its Delegated Authority

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Items to be Submitted to the Council for Decision with Recommendations from this Committee

R1	Review of Ward Boundaries – 12.G	34
R2	Tender for Mechanical Street Sweeper – Tender 07/07	46
R3	Holdsworth Street Community Centre – Financial Reports – 126.6	50
R4	Five Ways, Paddington Streetscape Project – Tender 07/05 * See Confidential Report distributed separately	118

Meeting Agenda

Confidential Report

Item	Subject	Pages
R4	Five Ways, Paddington Streetscape Project – Tender 07/05	134-137

Item No: D1 Delegated to Committee
Subject: **Confirmation of minutes of meeting held on 2 April 2007**
Author: Les Windle, Manager – Governance
File No: See Council Minutes
Reason for Report: The Minutes of the Meeting of Monday 2 April 2007 were previously circulated. In accordance with the guidelines for Committees' operations it is now necessary that those Minutes be formally taken as read and confirmed.

Recommendation:

That the Minutes of the Corporate and Works Committee Meeting of 2 April 2007 be taken as read and confirmed.

Les Windle
Manager - Governance

Item No: D2 Delegated to Committee
Subject: **Monthly Financial Report - MARCH 2007**
Author: Tracey Walker, Financial Accountant
Michelle Phair, Team Leader Financial Services
File No: 987G
Reason for Report: To present the monthly financial report for March 2007

Recommendation:

- A. THAT the monthly financial report for March 2007 be received and noted.
-

Background:

The monthly financial report for March 2007 is submitted to the Committee for consideration.

The monthly report includes the following:-

- Summary of Investments
- Summary of Receipts, Payments and Bank Balance

Summary of Investments:

Council's individually managed investments posted mixed results for the month of March 2007. While the Oakvale Capital portfolio was below benchmark for the month of March, the portfolio as a whole continues to be above benchmark over the quarter, from January to March, since the change in investment strategy. Advice from Oakvale is that medium to long term performance is expected to continue outperforming the bank bill benchmark.

The Grange IMP fund continues to show an annualised return above benchmark. The principal of \$10.742m currently includes an accrued interest component, that is, it is not truly principal only and we are working with Grange to deconstruct each component. As we have reported to date, we have only had positive returns and there has been no degradation of principal invested.

As noted in previous reports, it is important not to focus on short term results when investing in these funds as the funds underlying investments tend to be long term in nature and hence will be subject to the short term fluctuations of the financial markets.

Monthly reports from Oakvale and Grange are attached as **ANNEXURES 1 & 2** respectively.

Michelle Phair
Team Leader Financial Services

Tracey Walker
Financial Accountant

Don Johnston
Manager Finance

INVESTMENTS AS AT 31 MARCH 2007

CATEGORY	PURCHASE DATE	MATURITY DATE	DAYS	%	DAILY BANK BILL	MARGIN	AMOUNT \$	TOTAL \$
1. WMC INVESTMENTS								
<u><i>BANKWEST (S&P) RATING, A1</i></u>								
11AM CALL				6.20			<u>1,550,340</u>	1,550,340
<u><i>LOCAL GOVT FINANCIAL SERVICE P/L (S&P RATING, A1)</i></u>								
C.R.I.	20-Feb-07	21-May-07	90	6.48	6.36	0.12	<u>1,000,000</u>	1,000,000
<u><i>AUST CENTRAL CREDIT UNION Limited</i></u>								
TERM DEPOSIT	21-Mar-07	20-Apr-07	30	6.61	6.40	0.21	<u>1,000,000</u>	1,000,000
<u><i>CPS CREDIT UNION (SA) Limited</i></u>								
TERM DEPOSIT	11-Oct-06	11-Apr-07	182	6.56	6.33	0.23	<u>1,200,000</u>	1,200,000

CATEGORY	ANNUALISED RETURN %	BENCHMARK %	MARGIN	PRINCIPAL \$	ACCRUED VALUE \$	MARKET VALUE \$	TOTAL \$
2. OAKVALE CAPITAL Limited *							
	6.04	6.34	-0.30				
MERRILL LYNCH	5.47	6.34	-0.87	3,034,944	11,751	3,046,695	
PERPETUAL	5.55	6.34	-0.79	3,000,000	12,453	3,012,453	
ADELAIDE BANK AAA SAVER	6.50	6.34	0.16	6,921,578	-	<u>6,921,578</u>	12,980,725
* See Annexure 1							
3. GRANGE SECURITIES Limited							
Individually Managed Portfolio (IMP) *	7.20	6.52	0.68	10,742,826	-20,110	<u>10,722,716</u>	10,722,716
* See Annexure 2							
GRAND TOTAL							28,453,781

I hereby certify that the above investments have been made in accordance with Section 625 of the Local Government Act 1993, Clause 212 of the Local Government (General) Regulation 2005 and Council's investment policy.

M. Phair
TEAM LEADER FINANCIAL SERVICES

D. Johnston
FINANCE MANAGER

Summary of Receipts, Payments and Bank Balance

Cash Book Balance as at 28 February 2007 - 140,744.15

Receipts

Rates 2,066,496.28
Other 8,178,732.83
Total Receipts 10,245,229.11

Description	Amount
Rates Receipts	2,098,558
Other Debtor Receipts	373,129
Deposits & Bonds	339,999
Parking Fines	280,778
GST Refund - February	181,790
Disposal (Aseets) Clearing	165,442
Trade Waste	163,926
Parking Meters	154,721
Car Park Lease	91,484
Development Application Fees	52,066

Payments - Cheque

Cheque Payments (2,142,548.22)
Cancelled Cheques 22,588.59
Total Cheque Payments for period (2,119,959.63)

Cheque No.	Cheque Date	Payee	Amount
194146	16/03/2007	NSW Fire Brigades	-386,254.00
193932	01/03/2007	Holdsworth St Community Centre	-184,250.00
194306	27/03/2007	Capricorn Eleven Pty Ltd	-158,070.00
194219	23/03/2007	Energy Australia	-81,870.11
194240	23/03/2007	State Debt Recovery Office	-65,730.50
193952	01/03/2007	State Debt Recovery Office	-62,551.50
194214	23/03/2007	Corporation Sole EPA Act	-57,959.00
194300	27/03/2007	Deposit Refund	-40,000.00
194123	16/03/2007	Database Consultants Australia	-35,628.12
193924	01/03/2007	City Ford	-33,789.50

Payments - EFT

EFT Payments (7,461,466.69)
Returned EFT Payments
Total EFT Payments for period (7,461,466.69)

Reference	EFT Date	Payee	Amount
13408	01/03/2007	StateCover Mutual Limited	-308,469.91
13461	01/03/2007	WSN Environmental Solutions	-199,261.88
1503	15/03/2007	PAYG Tax Payment - WK 36	-149,627.36
13570	16/03/2007	Local Govt Super Scheme-Div.A	-123,873.60
13421	01/03/2007	Collex Waste Management Pty Ltd	-110,618.51
2203	21/03/2007	PAYG Tax Payment - WK 38	-100,849.14
2103	21/03/2007	PAYG Tax Payment - WK 37	-98,556.28
3003	30/03/2007	PAYG Tax Payment - WK 39	-96,965.14
0603	06/03/2007	PAYG Tax Payment - WK 35	-95,208.14
13710	30/03/2007	Garwood International Pty Ltd	-94,668.20

Payments - Direct Debits From Bank A/c

Payroll (1,514,371.51)
Councillor Fees (17,406.15)
Credit Card Payments (2,054.93)
Bank Charges (22,421.77)
Total Direct Debits for period (1,556,254.36)

Total Payments

- 11,137,680.68

Cash Book Balance as at 31 March 2007

- 1,033,195.72

Unpresented Cheques No. of Cheques: 193 951,083.93

Outstanding Deposits & Miscellaneous Items 184,496.97

Reconciled Cash Book Balance as at 31 March 2007 102,385.18

Bank A/c Balance as at 31 March 2007 102,385.18

Unpresented Cheques > \$30,000.00

Cheque No.	Cheque Date	Payee	Amount
194146	16/03/2007	NSW Fire Brigades	386,254.00
194214	23/03/2007	Corporation Sole EPA Act	57,959.00
194240	23/03/2007	State Debt Recovery Office	65,730.50
194300	27/03/2007	The GG Family Trust	40,000.00
194306	27/03/2007	Capricorn Eleven Pty Ltd	158,070.00

Item No: D3 Delegated to Committee
Subject: **Customer Service And Communication Principal Activity - Draft 2007-2010 Management Plan**
Author: Geoff Clarke
Director Corporate Services
File No: 827.G 05-08
Reason for Report: To review the principal activity prior to its inclusion in the draft management plan

Recommendation:

That, subject to any variation to the budget, the programs and projects for the Customer Service and Communications Principal Activity be included in the draft Management Plan.

Background:

Principal Activity No 6 of the Management Plan is "Customer Service and Communication". This principal activity has the following sub-activities:

6.1 Customer Service and Communication

Included as an Annexure to this report is the proposed Customer Service and Communication Principal Activity of the Management Plan with detailed comments on the programs and projects in each sub activity.

The Annexure includes all the details of the proposed projects and initiatives and this report aims to provide a brief overview for Councillors.

This section of the Management Plan outlines specific responsibilities and projects implemented by both the Customer Service and Communication Division. It should be noted that the value of good customer service and communication needs to be both recognised and demonstrated in all areas of Council's business and by all members of staff. Good customer service and communication is essential to our corporate culture and the community's perception of our organisation. Every community contact is an opportunity to build our reputation for friendly and professional service.

Following is the commentary on each sub-activity:

6.1

Customer Service:

The customer service section of the Council aims to meet the needs of its community through providing an excellent level of service to its customers. We do this by responding to customer requests for information, and other Council products and services, in a consistent, accurate, reliable, and appropriate manner. Additionally as the front line of Council our aim is to provide the organisation with valuable insight into 'what our customers are asking of us'. This is achieved through the gathering of customer centred information and through the correlation and dissemination of customer feedback. It is this information which is useful for service improvement throughout the organisation.

To support our stated aims, during the planned year, our efforts will be concentrated around:

- The continued development of Council's website' to meet the expectations of our community - convenience and ease of access
- the development and implementation of a 'knowledge management system' - to aid in the delivery of consistent and reliable information
- the redesigning of workflows to accommodate customer focused models
- the implementation of a new customer request management system – to aid in the delivery of Council's e-services and
- the continuous up-skilling of our customer service staff

Additionally we will continue to monitor how various customer service requests are managed, organisationally wide, as well as continuing to develop better reporting frameworks through the integration of data among customer service channels (e.g. phone, Customer request system, applications, web, etc.) and organisational functions.

The conducting of internal survey work remains high priority in customer service. Our aim is to continue to gather data which will help identify community needs and what improvements need to be made.

Communication:

Three communications staff support and service the media, event, advertising and corporate communication needs of the organisation. A high level of support is provided to the office of the Mayor and the General Manager, with additional support offered to all other Divisional staff across Council on a variety of projects and media stories.

The objectives for this year is to maintain or improve the services currently being provided to ensure maximum benefit for both internal and external stakeholders (staff, Managers, Directors, Councillors, the Mayor, residents, community action groups and the media etc).

Communications staff will continue to work with local and metropolitan media to promote Council's services and facilities. Assistance will be provided to other members of staff in the preparation of media stories and media training. Communications staff will continue to provide timely responses to all media inquiries, with an aim to respond to all calls with the relevant information and spokesperson. Annual event evaluation will provide for continuous improvement and the opportunity to maximise branding and recognition for the Council and meet the needs of the community. Continued support will be provided to the office of the Mayor and General Manager on speech writing, issues management, complex customer service requests, and crisis management.

It is anticipated that in the forthcoming year there will be a greater shift towards electronic communication and less emphasis on printed material. The Communications staff will assist with this shift to meet market demand.

In addition to the communications support and work provided by the Communications Division, it is important that customer focused communication and service delivery is demonstrated throughout the organisation by all staff at all times.

Geoff Clarke
Director Corporate Services

Annexures:

- 1 Proposed Customer Service and Communication Principal Activity of 2007-2010
Management Plan

Item No: D4 Delegated to Committee
Subject: **Capital Projects Status Update**
Author: Don Johnston, Manager Finance
File No: 331G
Reason for Report: To provide the Committee with an update on the status of capital projects in the 2006/2007 Budget

Recommendation:

THAT the report be received and noted.

Discussion:

The Capital Projects Status Update Report, as at the end of March, is attached as **ANNEXURE 1**. The report shows the previous status and the current status of the projects and highlights those projects where the status has changed as an indication of progress. A further column indicates the forecast status of each project as at 30 June 2007, be it 'Completed', 'Commenced' or 'Not Commenced'. The report also provides the projects budgets, year to date (YTD) expenditure and brief comments.

Within the Infrastructure Renewal Program, the projects have been grouped by Ward. The other projects are grouped into the program areas of:

- Environmental Works
- Open Space
- Roads, Traffic & Streetscapes
- Other Council Properties
- Other Infrastructure

Within each of these program areas the projects are grouped by cost centre to indicate the nature of the project.

Conclusion:

The status of each of the projects in the Capital Budget has been updated by the relevant Manager and is provided for the information of the Committee.

Don Johnston
Manager Finance

Warwick Hatton
Director Technical Services

Annexures:

1. Capital Projects Status Report – March 2007

Item No: D5 Delegated to Committee
Subject: **Disclosure Of Interest Returns Submitted By New Designated Employees January To March 2007**
Author: Les Windle – Manager Governance
File No: 169.G
Reason for Report: To table the disclosure of interest returns that have been lodged by new designated employees during the period January to March 2007

- A. That the Disclosure of Interest Returns of the new designated persons who were required to submit a Primary Return during the period January to March 2007 be tabled.
- B. That Council notes that the Primary Disclosure of Interest Returns have been submitted in accordance with the requirements of the Local Government Act 1993.
-

Background:

Designated persons are required to lodge a disclosure of interest return:

- (1) within three months of becoming a designated person, (Primary Return) and
- (2) for each July 1 to June 30 period (Ordinary Return).

A designated person is described in Section 441 of the Local Government Act as:

S441 Who are 'designated persons'

For the purposes of this chapter, "designated persons" are:

- *the general manager*
- *other senior staff of the council*
- *a person (other than a member of the senior staff of the council) who is a member of staff of the council or a delegate of the council and who holds a position identified by the council as the position of a designated person because it involves the exercise of functions under this or any other Act (such as regulatory functions or contractual functions) that, in their exercise, could give rise to a conflict of interest between the person's duty as a member of staff or delegate and the person's private interest*
- *a person (other than a member of the senior staff of the council) who is a member of a committee of the council identified by the council as a committee whose members are designated persons because the functions of the committee involve the exercise of the Council's functions under this or any other Act (such as regulatory functions or contractual functions) that, in their exercise, could give rise to a conflict between the member's duty as a member of the committee and the member's private interest.*

The occupants of the following Council positions have been determined to be designated persons for the purpose of Section 441 of the Local Government Act:

Directors	Senior staff of Council
Managers	Deemed to exercise designated persons functions
Assessment Management Engineer	Exercises designated persons functions
Assessment Officers	Exercises designated persons functions
Blg/DA Compliance Officers	Exercises designated persons functions
Design/Urban Design Team Leaders	Exercises designated persons functions
Development Engineers	Exercises designated persons functions
Environmental Health Officers	Exercises designated persons functions
Fire Safety Officers	Exercises designated persons functions
Heritage Officers	Exercises designated persons functions
Landscape Development/Tree Officers	Exercises designated persons functions
Parks Co-ordinator	Exercises designated persons functions
Property Officers	Exercises designated persons functions
Program Development Officers	Exercises designated persons functions
Ranger Supervisor	Exercises designated persons functions
Traffic Team Leader	Exercises designated persons functions
Waste Services Team Leader	Exercises designated persons functions
Admin Assistant – Printing & Purchasing	Exercises designated persons functions
Adult Lending Services Librarian	Exercises designated persons functions
Branch Librarians	Exercises designated persons functions
Children's & Young Adult Librarian	Exercises designated persons functions
Information Systems Librarian	Exercises designated persons functions
Plant & Fleet Co-ordinator	Exercises designated persons functions
Purchasing Team Leader	Exercises designated persons functions
Trades Superintendent	Exercises designated persons functions
Co-ordinator Civil Services	Exercises designated persons functions
Construction Engineer	Exercises designated persons functions
Maintenance Supervisor	Exercises designated persons functions
Consultant Planners	Exercises designated persons functions

The Local Government Act requires, at Section 450A(1), the General Manager to keep a register of returns disclosing the interests of Councillors and designated persons.

Section 450A(2)(a) requires the returns lodged with the General Manager be tabled at the first meeting held after the last day for lodgement. The purpose of this report is to table the Primary Disclosure of Interest Returns of designated persons who were required to lodge a return during the period January 1, 2007 to March 31, 2007.

Tabling of Returns:

Two new designated persons were required to submit Primary Disclosure of Interest Returns during the period and each designated person submitted their return in accordance with the legislative requirements.

Conclusion:

The designated persons required to complete Primary Disclosure of Interest Returns during the quarter ended 31 March 2007 completed their declarations in accordance with the legislative requirements.

The Returns are tabled in accordance with the requirements of the Local Government Act and it is recommended that the information be noted.

Les Windle
Manager Governance

Geoff Clarke
Director Corporate Services

Annexures:

Nil

Item No: R1 Recommendation to Council
Subject: **Review of Ward Boundaries**
Author: Les Windle - Manager Governance
File No: 12.G
Reason for Report: For Council to consider a further review of ward boundaries following rejection by the State Electoral Office of the recently adopted proposal.

Recommendation:

- A. *That the following adjustment be made to ward boundaries in order to meet the Local Government Act requirements for the number of electors:*
- Transfer CCD's numbered 1440901 and 1441010 from Vaucluse Ward to Bellevue Hill Ward (South west of New South Head Road/Norwich Road/Newcastle Street, Rose Bay).
 - Transfer CCD's 1440704, 1440712 and 1440713 from Bellevue Hill Ward to Cooper Ward (South of Cooper Park, Bellevue Hill).
 - Transfer CCD 1440402 from Double Bay Ward to Paddington Ward (South west of Bowes Avenue/Cameron Street/Glebe Street/Thorne Street, Edgecliff).
- B. *That subject to obtaining approval from the State Electoral Office, the proposed new boundaries be advertised for a period of 28 days and that submissions be accepted for 42 days and a further report submitted to Council on the submissions received.*
-

Background:

Council has considered a number of reports concerning the legislative requirement to review its ward boundaries and on 12 March 2007 resolved as follows:

- A. *That the following adjustment be made to ward boundaries in order to meet the Act requirements for the number of electors:*
- *Transfer CCD's numbered 1440901 and 1441010 from Vaucluse Ward to Bellevue Hill Ward (South west of New South Head Road/Norwich Road/Newcastle Street, Rose Bay).*
 - *Transfer CCD's 1440704, 1440712 and 1440713 from Bellevue Hill Ward to Cooper Ward (South of Cooper Park, Bellevue Hill).*
 - *Transfer CCD's 1440402 and 1440404 from Double Bay Ward to Paddington Ward (South west of New South Head Road/New McLean Street/Arthur Street/Thorne Street, Edgecliff).*
- B. *That the proposed new boundaries be advertised for a period of 28 days and that submissions be accepted for 42 days and a further report submitted to Council on the submissions received.*
- C. *That detailed information on the proposal set out in A. above be circulated to Councillors prior to the matter being considered by the Council.*

Prior to advertising the above proposal consultation was held with the State Electoral Office who are required, under Section 210A of the Local Government Act, to approve any boundary changes.

The State Electoral Office has advised that "your proposed boundaries would not comply with the act, thus an adjustment would be required."

The State Electoral Office has advised that, according to their method of calculation, the difference between the highest and lowest wards in the proposal would result in a variation of 10.5%.

When the matter was submitted to Council on 12 March the variation calculation was based on the advice and calculation method contained in Department of Local Government Circular 97/53 which resulted in a variation of 8.7%.

Discussions have been held with the State Electoral Office in relation to their method of calculating ward variations and the difference between their calculation (10.5%) and Council's calculation (8.7%).

The State Electoral Office has confirmed the calculation method that they use and have advised that *"This is the view the NSWEC has taken on the matter. We are aware of the Circular (97/53) the Department of Local Government has sent to councils and we will organise a meeting with the department to clarify this matter."*

As the State Electoral Office has determined, as the authorising authority, that Council's proposal does not comply with the Local Government Act requirements, an alternative proposal must be considered.

Proposal:

To meet the State Electoral Office requirements it is proposed that we only transfer 1 CCD from the Double Bay Ward to the Paddington Ward instead of 2. This proposal involves less changes than the currently adopted proposal.

The previous proposal recommended the following changes:

1. Transfers 1.5 CCD's south and southwest of New South Head Road, Norwich Road and Newcastle Street Rose Bay from Vacluse Ward to Bellevue Hill Ward.
2. Transfers 3 CCD's south of Cooper Park Bellevue Hill from Bellevue Hill Ward to Cooper Ward
3. Transfers 2 CCD's southwest of New South Head Road, New McLean Street, Thorne Street and Jersey Road Edgecliff from Double Bay Ward to Paddington Ward.

Based on the ward enrolment figures at 31 January 2007 this proposal would have transferred 1,568 electors between wards.

To maintain as much of the rationale behind the above proposal as possible, compliance with the legislative requirements could be achieved by implementing the transfers identified in 1 and 2 above and from 3, transferring 1 CCD only from the Double Bay Ward to the Paddington Ward.

If, instead of transferring the 2 CCD's in part 3 of the above proposal, only CCD 1440402 is transferred, being the area southwest of Bowes Avenue, Cameron Street, Glebe Street and Thorne Street, Edgecliff, from the Double Bay Ward to the Paddington Ward the variation between highest and lowest ward would be 9.7%. This proposal transfers 1,282 electors and further reduces the impact of the forced boundary changes.

This proposal has been discussed with the State Electoral Office which has advised that the new proposed ward boundaries *"comply with section 210(7) of the Local Government Act."*

Consideration was also given to transferring CCD 1440404 only from the Double Bay Ward to the Paddington Ward however this transfer produces a ward variation of 10.2% which is outside the legislative requirement.

The current proposal would require the following CCD movements:

- Transfer CCD's numbered 1440901 and 1441010 from Vacluse Ward to Bellevue Hill Ward (South west of New South Head Road/Norwich Road/Newcastle Street, Rose Bay).
- Transfer CCD's numbered 1440704, 1440712 and 1440713 from Bellevue Hill Ward to Cooper Ward (South of Cooper Park, Bellevue Hill).
- Transfer CCD 1440402 from Double Bay Ward to Paddington Ward (South west of Bowes Avenue/Cameron Street/Glebe Street/Thorne Street, Edgecliff).

Consultation:

The Local Government Act requires Council to undertake the following consultation process prior to introducing ward boundary alterations:

- consult with the New South Wales Electoral Commissioner and Australian Statistician (Section 210A(1)(a)) to ensure that, as far as practicable, the proposed boundaries correspond to the boundaries of appropriate subdivisions and census districts and to ensure that the proposed boundaries of the wards comply with Section 210(7) of the Act. (10% rule)
- publicly exhibit a ward boundary plan for not less than 28 days and allow a period of not less than 42 days for the receipt of submissions. The purpose of this consultation is to provide Council with an opportunity to engage the community in the ward changes and to understand local communities of interest.
- consider all submissions received by Council prior to determination of the new ward boundaries.

The State Electoral Office have advised that the proposed changes comply with the Local Government Act however have requested that should Council adopt the proposal, revised boundary maps be forwarded to the Office for final checking prior to advertising.

The changes to Council's ward boundaries must be completed by September 2007 in order to allow the State Electoral Office sufficient time to amend their records in time for the September 2008 local government general election.

Conclusion:

Council previously adopted a boundary change proposal which the State Electoral Office will not approve. A revised boundary change proposal, based on the previously adopted changes with only a minor amendment, is recommended for adoption. The new proposal reduces the number of electors affected by the compulsory boundary changes.

Les Windle
Manager Governance

Geoff Clarke
Director Corporate Services

Annexures:

1. Report to Corporate & Works Committee 5 March 2005
2. Proposed boundary changes previously adopted by Council and not approved by the State Electoral office
3. Recommended boundary changes

Item No: R2 Recommendation to Council
Subject: **Tender For Mechanical Street Sweeper**
Author: Mark Ramsay - Manager Depot and Waste Services
File No: Tender 07/07
Reason for Report: The acquisition of a replacement vehicle required for Street Cleaning Operations.

Recommendation:

- A. That Council accept the tender received from Schwarze Industries Australia for the supply and delivery of one (1) A5500 Mechanical Road Sweeper fitted to Isuzu FFR500 cab Chassis, 4 speed automatic, dual gutter brooms, dual steer, stainless steel hopper, body and doors at a cost of \$212,401.53 plus \$21,240.15 GST, total cost being \$233,641.68.
- B. That, in the March review, a further \$12,900.00 (excl GST) be added to the Capital Plant allocation for the replacement of plant number 96603

Background:

In the 2006/2007 Capital Budget, an amount of \$199,500 excl GST, has been provided for the acquisition of a Mechanical Road Suction Sweeper. The vehicle planned for purchase in the Works Programme is to replace plant number 96603, a Schwarze A5500 purchased in 20001.

A review of the mechanical street sweeping vehicles identified a need to replace a Schwarze A5500 Road Sweeper due to the cost of maintenance and the amount of down-time due to mechanical failure caused by the age of the machine. A tender for mechanical road sweepers was advertised by Council and closed on 21 March 2007.

The operation of mechanical street sweepers is the most efficient means of collecting material before it enters the stormwater system. Technological improvements have now seen machines fitted with regenerative air systems that are designed to filter the air vacuumed into the machine before being used again as an air broom. These technological improvements have resulted in reducing air borne dust pollutants and reducing pollutants from road pavement stormwater run off.

Four companies responded to the tender process; Rosmech, Schwarze Industries Australia, Hako Australia Pty Ltd and MacDonald Johnston Engineering Company Pty Ltd.

Consideration:

Assessment of the tenders received was carried out by Council's Technical Officer Arboriculture – Paul Vezgoff, as the independent, the Plant and Fleet Coordinator – Mr Brian Toms, the Purchasing Coordinator – Mr Joe Cavagnino and an operator from the Street Cleaning section – Mr Warren Higgs. A copy of their tender assessment is annexed.

As a result of the tender assessment process, it is recommended by the assessors:

- 1. That the tender from Schwarze Industries Australia for the A5500 Mechanical Road Sweeper be accepted.

In support of the recommendation the assessors found that, of the different mechanical road sweepers tendered, only one was capable of being tipped into the rear of a garbage compactor and therefore was the only conforming tender. This tender was submitted by Schwarze Industries Australia. As tipping into the rear of a garbage compactor is an essential requirement and was listed in the Technical Specification section of the tender document, the tender submitted by Schwarze Industries Australia was therefore the only tender evaluated.

Demonstrations:

As Council currently run two Schwarze A550 sweepers, no demonstration was called for.

Proposal:

The purchase of the Schwarze A5500 mechanical sweeper will improve the cleaning capabilities throughout the Municipality and will provide an effective means of removing the leaf litter, which is a perennial problem, albeit seasonal, ie in autumn.

Consultation:

The purchase of the vehicle has been discussed with the operational staff in the Street Cleaning Section and an operator from the Street Cleaning section was a part of the tender assessment team.

Options:

Given the age of the Schwarze A5500 Mechanical Sweeper, that the new vehicle is replacing, and the increasing incidence of down time required for its servicing, there has been an adverse impact on the level of plant availability to meet community expectations of an essential service and it is desirable to obtain delivery as soon as possible.

Identification of Income & Expenditure:

As there is only \$199,500 allocated for the purchase of the new sweeper, the capital plant budget will need to be amended in the December review by a further \$12,900.00. The total cost of one (1) Schwarze A5500 Mechanical Road Sweeper from Schwarze Industries Australia is \$212,401.53. The purchase of street sweeping plant was provided for in the 2006/2007 capital estimates and will be subject to capital and recurrent cost recovery by means of the Woollahra Council's internal plant hire service charges.

Conclusion:

The recommended purchase of one (1) Scwharze A5500 mechanical sweeper best meets the needs of the Street Cleaning section.

MARK RAMSAY
MANAGER DEPOT AND WASTE SERVICES

WARWICK HATTON
DIRECTOR TECHNICAL SERVICES

Annexures:

1. Assessment of Tenders for Mechanical Sweepers.

Item No: R3 Recommendation to Council
Subject: **Holdsworth Street Community Centre - Financial Reports**
Author: Kylie Walshe
File No: 126.6
Reason for Report: To report on the financial performance of Holdsworth Street Community Centre in 2005/06, the 1st two Quarters of 2006/07 and Budget for 2007/08.

Recommendation:

- A. The Council note the financial performance of Holdsworth Street Community Centre in 2005/06.
 - B. That Council reserve \$88,113 of unspent operational funding provided to Holdsworth Street Community Centre in 2005/06 to the operational budget for 2007/08 and allocate \$11,000 of unspent funding to priority access works at the facility in 2007.
 - C. That Council note the quarterly financial reports for Holdsworth Street Community Centre for the quarters ending 30 September 2006 and 31 December 2006 and continue to monitor the surplus for this financial year.
 - D. That Council consider the budget provided by Holdsworth Street Community Centre in its deliberations for the 2007/2008 budget.
-

Background:

Council entered into a Funding and Management Agreement ('Agreement') with Holdsworth Street Community Centre (HSCC) on 1 July 2006. The Agreement outlines the delegation and planning and reporting requirements of HSCC to Council. It commits HSCC to provide a yearly strategic plan and submission to Council regarding the proposed activities and funding to be delegated by Council, prior to the adoption of Councils budget and Management Plan each year.

The reporting requirements are in Section 8 of the Agreement. It states that:

HSCC will report to Council quarterly in a manner satisfactory to Council on:

1. *Progress against the strategic plan and budget;*
2. *How funding provided by Council pursuant to clause 4 of this Agreement has been applied;*
and
3. *Progress against the KPIs.*

HSCC shall provide to Council:

1. *Quarterly financial reports; and*
2. *An annual financial report for the previous financial year by the end of September each year.*

This report includes a quarterly financial report for July to September 2006, October to December 2006, an annual Financial Report for 2005/06 and a budget for 2007/08. HSCC has also provided a Strategic Plan, including key performance indicators as required in the Funding and Management Agreement, for consideration by Council prior to the adoption of the Management Plan each year.

It has been noted by the HSCC Management Committee that the reports were presented to Council after the deadline stipulated in the Agreement. The Committee has requested that Council be made aware that due to the reporting processes and meeting schedule of HSCC the Committee was unable to provide these reports any sooner.

1. Annual Acquittal and Financial Report – 2005/06:

HSCC has provided Council with an annual acquittal showing how funding provided by Council was applied in 2005/06 (Annexure 1) and the full Financial Statements for that financial year. (Annexure 2) As most programs provided by HSCC have multiple funding sources, the model used for this acquittal follows the requirement of the Funding and Management Agreement that HSCC sources funding from other funders and releases the remaining funds back to Council.

There is a significant amount of unexpended funds provided by Council in 2005/06, totalling \$99,113. Another \$213,500 of grant funding from other providers was also unspent; the majority of this provided by the Department of Aged, Disability and Home Care for services for disability and dementia services across the Eastern Suburbs. In 2004/05 the amount of unspent funding from Council to HSCC was \$50,000, which was spent on renovations to provide additional office space at the Centre following approval by Council.

The 2005/06 Annual Acquittal was accompanied by a request by HSCC (Annexure 3) to retain the unspent funds and to allocate these to:

- Facility upgrade improvements (\$75,000)
- Training & consultancy fees (\$10,000)
- Purchase of software for the community transport program (\$4,000)
- Rebranding and promotional resources (\$10,000)

According to the Agreement, Section 4.0:

- 4.1 Council shall provide funding to HSCC in consideration of HSCC carrying out the Delegated Functions and managing the Centre.*
- 4.2 The amount of funding to be provided by Council to HSCC shall be determined by Council, in its absolute discretion, after Council has reviewed the strategic plan and budget prepared by HSCC under clause 3.*
- 4.3 Notwithstanding clause 4.1, HSCC must use its best endeavours to obtain funding to carry out the Delegated Functions from sources other than Council.*
- 4.4 In the event that HSCC obtains funding from sources other than Council, or has not expended the funding provided by Council to HSCC in the previous financial year, then Council may either:*
 - 4.4.1 Withdraw or reduce the funding it determines to provide under this clause 4; or*
 - 4.4.2 Require HSCC to carry out additional functions to the Delegated Functions.*

Council shall direct how any funding provided pursuant to this clause is to be expended by HSCC, and HSCC shall comply with Council's directions.

Based on Clause 4.4 in the Agreement it is at Council's discretion to allocate the unspent funds as it sees fit.

Proposal:

As it is Council's decision to determine the use of the \$99,113 of unspent funds a review of the request has been undertaken.

The table below details the request for the use of the unspent funds and a comment on each of these.

Request	Comment	Recommendation
1. Installation of permanent disability ramps & handrails (where appropriate) to all downstairs room access areas.	These works are essential, considering the number of people with disabilities and children using the centre.	Funds be allocated
2. Installation of a 2 nd Downstairs toilet due to the number of staff on site and the increased usage of the centre and its facilities.	Not urgent and as it is a large capital item it is not recommended at this time but to be considered in to the overall development of the Centre.	No funds be allocated
3. Repair of hall and library roof and gutter due to leaks and broken gutter and down pipes.	Necessary works to be completed.	Funds be allocated
4. Renovation of downstairs kitchen to include a dishwasher and family support office including a consultation room. This request has come around due to the increasing popularity of hiring our venue by community groups and individuals and the planned expansion of Family Support Program to include new parent assessment procedures, increased information and referral services.	Not urgent and as it is a large capital item it is not recommended at this time but to be considered in to the overall development of the Centre.	Funds not be allocated
5. Centre garden improvements to ensure child and allergenic friendly low maintenance gardens.	This is a low priority and could be covered by current operational funds, fundraising or sponsorship.	Funds not be allocated
6. \$10,000 for assistance with additional Training and consultancy fee assistance up to assist in increased costs associated with new structure implementation and increased governance policy and procedure development.	This is an overhead that should be covered from other funding, including the \$670,000 allocated to HSCC by Council in 2006/07, especially considering the current surplus for this year.	Funds not be allocated

7. \$4,000 for purchase of a TRIP software and staff training for Community Transport program to enable computerised run sheet booking system to be installed	This is an overhead that should be covered from other funding, including the \$670,000 allocated to HSCC by Council in 2006/07, especially considering the current surplus for this year.	Funds not be allocated
8. \$10,000 for assistance in rebranding and promotional resources to enable greater awareness of community services including website development	This is an overhead that should be covered from other funding, including the \$670,000 allocated to HSCC by Council in 2006/07, especially considering the current surplus for this year.	Funds not be allocated

It is not disputed that a number of facility improvements are needed and would be of great benefit to the Centre and the community that use the Centre, especially the access improvements listed. However, as Council is currently in the process of a Property Assets Study that is reviewing all community facilities and developing recommendations on their future, it is prudent to refrain from spending a large amount of additional funding on the Centre until the outcome of this study is complete. Thus, it is recommended that the necessary amount of unspent funds (\$11,000) be spent on the items above.

It is not recommended that the requests for training, consultancy fees, computer software and branding and promotional resources be endorsed by Council. These are overheads and should be covered from other funding, including part of Council's \$670,000 allocated to HSCC for the 2006/07 year.

As the remaining \$88,113 was provided to HSCC as operational funds it is recommended that these funds be returned to the operational budget of Council in 2007/08. This proposal will not have any effect on the provision of services to the community as these are surplus funds originally provided for service provision in 2005/06, with HSCC carrying more than sufficient funds for the provision of services in the current year.

2. Quarterly Financial Reports – July to September & October to December 2006:

HSCC has provided quarterly Financial Reports showing how funding provided by Council has been applied in the first and second quarters of 2006/07 and the full Financial Statements for that period. (Annexure 4)

This report indicates that HSCC is running at a significant surplus this financial year, with a total of \$107,335 YTD. Explanations to the surplus in each activity area has been provided by HSCC, with the main reason for the surplus the result of reduced employment expenses due to a number of vacancies. This is particularly relevant to Aged Services and Neighbourhood Services, both areas being without a Coordinator for some time during this period. Both of these positions have now been filled, however the Director was on extended leave and has now resigned. As this position has been backfilled it is not anticipated that the surplus will grow throughout the remainder of the 2006/07 financial year.

It is recommended that the financial performance of HSCC continue to be monitored and reported on a quarterly basis, with particular regard to the surplus in programs funded by Council.

3. Draft Budget for 2007/08:

As required in the Funding and Management Agreement, HSCC is required to present a detailed budget and strategic/business plan to Council prior to the adoption of each Management Plan. The Agreement states:

3.1 HSCC must submit a draft strategic plan and budget for the following financial year to the Council for its approval by the end of February each year or such other date as is agreed between the parties in writing.

3.2 The draft strategic plan and budget must not be inconsistent with the Management Plan.

3.3 The draft strategic plan and budget must include the following:

3.3.3 Strategic direction, policies and procedures for HSCC;

3.3.4 Any proposed Delegated Functions;

3.3.5 Programs and services to be provided by HSCC in order to perform the functions to be delegated to HSCC which shall include, as a minimum the programs and services detailed in Annexure 2;

3.3.6 Other programs and services proposed to be offered by HSCC;

3.3.7 Proposed sources of funding to be sought by HSCC;

3.3.8 A proposed budget for the forthcoming financial year;

3.3.9 All Fees to be charged by the Centre;

3.3.10 Proposed key performance indicators (KPIs) for the upcoming year, including for:

(a) Customer services;

(b) Operational matters; and

(c) Financial matters

The Business Plan and Budget is Annexure 5. Within the budget is an allocation of \$670,000 funding from Council, an amount equivalent to the funding provided for the past 5 years to HSCC. It must be noted that despite the increasing pressure on expenditure and the large increase in costs such as fuel and salaries over the past year, HSCC have been diligent in presenting a very tight and responsible budget.

The requested \$670,000 in funding to HSCC has been included in Council's draft 2007/08 budget in the Principal Activity 5.1 Community Services Management. This budget has been presented to Council at this time for consideration in the context of Council's entire budget.

Options:

Council has the ability to allocate the funding as it deems appropriate and may decide to allocate these funds to another purpose not covered in this report.

Identification of Income & Expenditure:

The recommended allocation of funds into a reserve will assist Council in future years once it determines the future use of the Holdsworth Street facility.

All requested capital improvements have been costed, and should Council determine to undertake these works they are able to be funded from the unspent funds of \$88,113.

This proposal has no impact on the operational budget for 2006/07.

Conclusion:

Holdsworth Street Community Centre has presented the 2005/06 Financial Statement and the 1st two Quarterly Statements for 2006/07 to Council. The 2005/06 Annual Acquittal shows that \$99,113 of funds provided by Council to HSCC was not expended in 2005/06. It is recommended that Council reserve \$88,113 of these funds for operational expenses in 2007/08 and allocate \$11,000 for priority works as detailed in this report.

It is also recommended that Council endorse funding of \$670,000 to HSCC in the 2007/08 budget as the programs to be funded from this budget are in accordance with Council's Management Plan 2006-2009, the Children's Services Strategy 2005, the Ageing and Disability Services Strategy 2005 and the Funding and Management Agreement between Council and HSCC.

Kylie Walshe
Director Community Services

Annexures:

- Annexure 1 - Holdsworth Street Community Centre Annual Acquittal, year ending 30 June 2006
- Annexure 2 - Holdsworth Street Community Centre Financial Statements, Year ending 30 June 2006
- Annexure 3 - Letter from Holdsworth Street Community Centre requesting use of unspent funds
- Annexure 4 - Holdsworth Street Community Centre Financial Reports –December 2006
- Annexure 5 - Holdsworth Street Community Centre Business Plan and Budget 2007/08.

Item No: R4 Recommendation to Council
Subject: **Five Ways, Paddington Streetscape Project**
Author: Alan Opera - Manager Public Infrastructure
File No: Tender 07/05
Reason for Report: To recommend to Council the acceptance of a Tender

Recommendation:

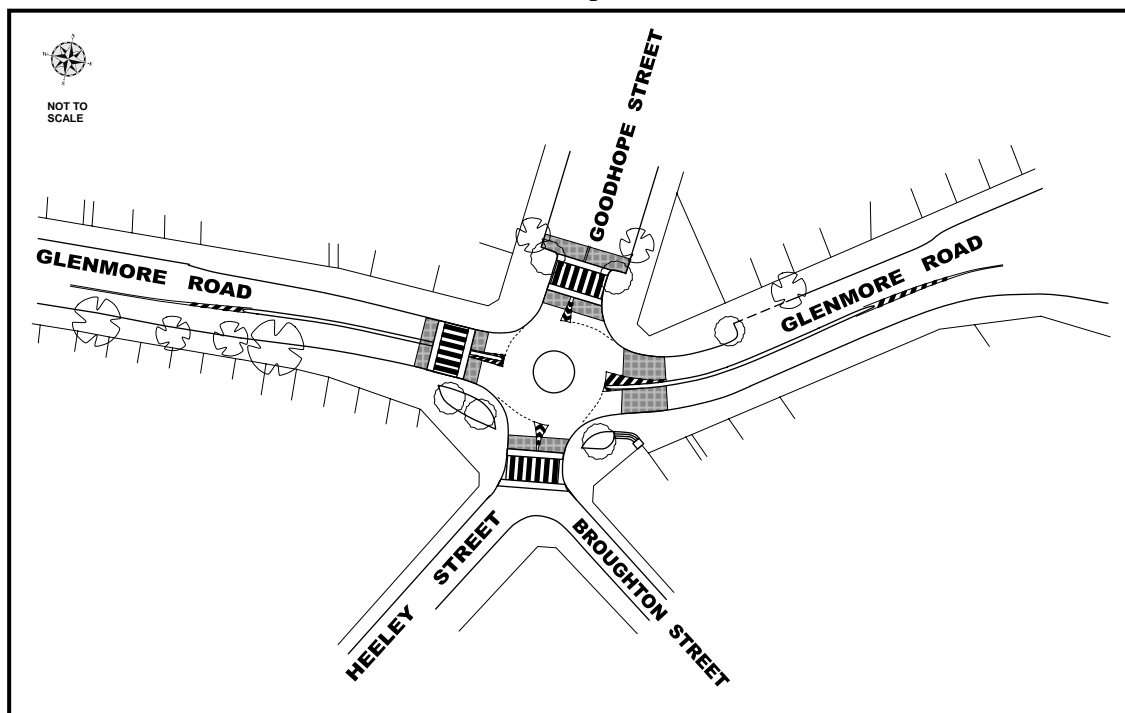
- A. That in accordance with Section 10A of the Local Government Act 1993 the Committee resolve into closed session with the press and public excluded to consider the confidential report. These matters are to be considered in closed session in accordance with sub-clause 2(d) as the report contains commercial information of a confidential nature that would if disclosed prejudice the commercial position of the person who supplied it.
- B. That the recommendations in the Confidential Report be adopted.

Background

The Five Ways Streetscape Project has been the subject of consultation and review for over four years.

At the Council meeting held on 23 October 2006 Council resolved inter alia that Concept O for the Five Ways be approved in principle and be referred to the Woollahra Traffic Committee for its concurrence. In November 2006 the matter was referred to the Woollahra Traffic Committee and subsequently at the Community and Environment Committee meeting held on 13 November 2006 it was resolved that Concept O be approved.

Concept O



The sum of \$1,326,539 has been allocated in the 2006/2007 budget for this project.

Tenders were invited during February-March, 2007 from contractors with the necessary experience to undertake these works. Detailed design plans and specifications were prepared for the full extent of the works to be carried out under this contract, generally, comprising:

- Removal and relocation of the roundabout, realignment of kerb and gutter and widening of footpaths at the intersection of Glenmore, Goodhope, Heeley and Broughton Streets, Paddington.
- Landscaping and streetscape works including bluestone paving, tree beds and street furniture.
- The introduction of traffic calming and pedestrian management devices including islands, medians, raised pedestrian crossings and thresholds.
- Installation of stormwater pipe drainage line and pits to accommodate the new traffic and pedestrian features.
- Under-grounding of power and installation of new street lights.

Tenders closed on 13 March 2007 with a total of five tenders being received.

Tenders Received

All five tenders which were received were deemed to be conforming tenders. Details of these tenders are presented in the following table:

TENDERER	LUMP SUM TENDER PRICE (excluding GST)	TIME TO COMPLETE WORKS IN WEEKS
Byrne Civil Engineering Constructions Pty Ltd	\$903,505.00	13
GMW Urban Pty Ltd	\$995,078.85	24
Devries Concreting & Excavations	\$1,052,561.70	14
J.N. Civil Pty Ltd	\$1,089,940.00	16
Sydney Harbour Paving Pty Ltd	\$1,663,320.50	20

Note that the above figures are as shown on the tenderers' submitted tender forms and exclude GST.

Tender Assessment

The tenders were assessed in accordance with the agreed ten point selection criteria by the tender panel comprising Mr Alan Opera, Manager Public Infrastructure, Mr Joe Cavagnino, Purchasing Coordinator and Mr Peter Cassilles, Project Manager.

Following upon recent reports to Council regarding the tender evaluation process, and the Corporate and Works Committee's recommendation of 5 March 2007 that further consideration be given to the use of a "stranger" on the panel or alternatively a probity auditor, and to the weighting of evaluation criteria, the tender assessment process in this case has been carried out with Geoff Clarke, Director Corporate Services, acting as a Probity Adviser. In this regard Mr Clarke has reviewed the tender and contract documents, attended all relevant meetings of the tender panel, and reviewed the actions taken by the panel for consistency, probity and transparency. He has provided advice to panel members on issues arising from the tender submissions. Mr Clarke is preparing a number of recommendations for enhancing Council's current processes. These will be the subject of a subsequent report.

The tenders were given a score on each item of the selection criteria, which resulted in a score out of 100, with points being allocated as indicated in the following table. Weightings for each of these criteria were determined prior to the tender being advertised. The following table shows the scores and rankings of all tenders as assessed by the tender panel:

TENDERER	Proposed Staging & Programming	Quality of Management & Administration	Quality of Subcontractors	Plant & Equipment	OH&S and QA Plans	Experience on Similar Projects	IR Policy & Record	Supplementary Information	Completion of Schedule of Amounts	Contract Sum	Total Score	Ranking
WEIGHTING <i>Notes</i>	15 <i>1,3,4</i>	5 <i>1,4</i>	15 <i>1,4</i>	5 <i>4</i>	5 <i>4</i>	15 <i>1,4</i>	5 <i>1,4</i>	5 <i>4</i>	10 <i>4</i>	20 <i>2,4</i>	100	
Byrne Civil Engineering	10.5	3.7	10	5	5	11.3	3.7	5	6.7	20	80.9	2
Devries Concreting & Excavation	13.3	4	10	5	4.7	8	3.7	5	9.3	17.2	80.2	4
GMW Urban Pty Ltd	10.7	4.3	10	5	5	13.3	4.3	5	9.3	18.2	85.1	1
JN Civil Pty Ltd	13	3.7	10	5	5	9	3.7	5	9.3	16.6	80.3	3
Sydney Harbour Paving Pty Ltd	9.8	2.3	9	5	5	7.7	4.3	4.7	9.3	10.8	67.9	5

Notes:

- 1. Relevant skills, relevant experience & demonstrated performance, and environmental and safety performance are based on the opinion formed by the assessment panel assessing the information provided in the Tender schedules, known performance by the contractors who have previously worked for Council and verified by responses from referees. The above figures represent the agreed scores from the assessment panel.*
- 2. Price – the lowest price is deemed to achieve 100% for that weighting. Other tenderers' prices are then ranked by a percentage fraction of the lowest price.*
- 3. Methodology & programme – Tenders were assessed out of 10 for the period for completion of works and out of 5 for their detail to programming.*
- 4. Addressing tender requirements – points were deducted for missing or incomplete information required to be submitted with the Tender.*

The two highest ranked tenderers, GMW Urban Pty Ltd and Byrne Civil Engineering Construction Pty Ltd, were invited to a post-tender interview by the tender selection panel. The purpose of the post-tender interview was to clarify details of each of their tender offers and/or confirm that the tender panel had properly understood particulars of the offer which the panel considered ambiguous or unclear. Following, is a brief summary of information provided at the post-tender interview and a discussion on how the two highest ranked tenderers were scored and assessed against each of the selection criteria.

Prior to the clarification meeting referee checks were undertaken.
In addition the tender panel inspected project sites nominated by these two highest ranked tenderers.

Byrne Civil Engineering Construction Pty Ltd

Byrne Civil Engineering Construction Pty Ltd (Byrne) were ranked No. 2 by the tender panel. This tenderer did not provide all the information required to be submitted with the tender, however, the missing information was not deemed to be of such magnitude as to render the tender non-conforming. Whilst this tender was ranked at No.2 by a sizeable margin below No.1 (i.e. 4.2 points), this was the lowest tender received and therefore the tenderer was invited to interview to discuss their proposal.

Clarity was sought from the tenderer regarding the following matters:

1. Schedule of Rates and Amounts

Whilst the tenderer provided lump sum rates with their tender they did not provide detailed quantities and unit rates as required in Section 2 of the tender documents. At the interview the tenderer undertook to provide clarification related to the Schedule of Rates and Amounts and this information was subsequently received by Council.

2. Staging and Programme of Work.

At the interview the tenderer was requested to clarify the proposed Programme of Work and the timing of the project. It was pointed out that a bar line chart had not been provided as required by the tender. The tenderer responded that a bar line chart would be provided should they be awarded the tender. As Byrne did not submit this information the panel has been unable to assess the ability of the tenderer to complete the project in accordance with their program of thirteen weeks (See further comments below).

3. Exclusions

The tenderer advised there were no exclusions in the tender submission. The tenderer has included in the Lump Sum an allowance for "Adjustment of Surface Covers and Pits" of \$50,000.

The detailed quantities and unit rates subsequently submitted by Byrne appear to have anomalies which raised significant concerns for the tender panel. The quantities for bluestone paving and the bases and slabs for this paving as provided in the schedule do not match. The tenderer has subsequently advised that the quantities associated with the pavement areas have been back-calculated from the dollar amounts submitted in the original tender and have not been calculated as actual areas from the plan.

The Tender Form stated that the construction time would be thirteen weeks although "Information Schedule A – Staging and Outline Programme of Work" in the tender document identified nineteen weeks for all stages. The tenderer has advised that some stages overlap thereby creating this discrepancy. Council has subsequently received written advice from the tenderer that they can complete the work within twelve weeks, however, this reduction in time has not been considered as it did not form part of the tender.

The construction methodology proposed by Byrne requires the redirection of pedestrians onto the roadway during the construction of the footpaths, with temporary pedestrian bridges being provided to individual shops/properties. Whilst this methodology may permit Byrne to complete the project within thirteen weeks, the methodology is considered by the panel to be unacceptable as it would cause significant disruption to traffic and pedestrian movements. Use of the roadway for pedestrian traffic is not considered to be practical given the narrow road width and the need to maintain vehicle and bus traffic throughout the project.

A change in the construction methodology from that proposed by Byrne would likely result in a longer construction period than the stated thirteen weeks.

This matter was also discussed with business operators at one of the tenderer's nominated sites who advised that this methodology had not been successful and considerable disruption had been caused to their business operations.

This tenderer has completed previous projects for this Council and other local councils including road construction/reconstruction, footpaths, drainage and kerb and gutter construction, but has not constructed high quality modular paving works for this Council. However, such works have been performed for other councils.

Referee checks indicate the tenderer has performed past projects of a similar type on time and to budget. With respect of the projects completed for this Council these have also been completed on time and to budget. Both the referees and this Council have, however, experienced problems with this tenderer relating to traffic and environmental management associated with the works. This Council has also experienced difficulties with this tenderer in relation to the management of community issues.

The panel inspected projects nominated by the tenderer to assess the quality of works and the complexity compared to this project. The panel was of the opinion that the quality of the work overall was not of a standard which would be acceptable at the Five Ways site. The defects identified at these nominated sites included significant subsidence of paving, misalignment of paving and kerb lines and substandard finishing of pit surrounds.

GMW Urban Pty Ltd

GMW Urban Pty Ltd (GMW) were ranked No.1 in the tender panel's assessment. This tenderer provided all the information required to be submitted with the tender.

It should be noted that GMW are affiliated with Complete Urban Solutions Pty. Ltd. which has been employed by Council in the past for project management of construction projects.

Clarification was sought regarding the following matters:

1. The addition of "Preliminaries" in the Schedule of Rates and Amounts.
The tenderer advised that the preliminaries included overheads such as the cost of site amenities, supervision and administration. The tenderer was advised that in accordance with the tender documents these costs should have been included in the unit rates for each item.
2. Item 9103
The tenderer submitted a percentage but did not include an amount for an "Allowance for profit and attendance" re 9101 & 9102 (provisional items relating to the supply and installation of street lighting). The tenderer advised verbally that item 9103 was included in items 9101 & 9102. This was subsequently confirmed in writing.
3. Exclusions
The tenderer submitted an exclusion for adjustments/modification to Telstra pits. The tenderer advised an approximate amount of \$40,000 should this work be required. The tenderer confirmed there were no other exclusions.

Items 1 and 2 do not impact on the tendered lump sum amount, however, Item 3 does when compared to the Byrne Civil Engineering Construction Pty Ltd tender. The cost of these works, to the extent they are required, will be additional to the contract price.

GMW has stated that the project will take 24 weeks. This is supported by a detailed staging plan and outline program of works. This includes two weeks lead time before works commence on site, and allows for a methodology which minimises disruption to pedestrian and vehicular traffic but takes more time. (The tenderer has also advised that the program could be shortened if Council were to agree to working on two sections of the site concurrently. This would need to be investigated for potential increased disruption.)

This tenderer has not completed any projects for Woollahra Council, however, referee checks indicate the tenderer has performed past projects of a similar type and complexity to this project on time and to budget. This tenderer has not constructed quality paving works for this Council, however, such works have been performed for other councils. The panel inspected projects nominated by the tenderer to assess the quality of works and the complexity compared to this project. The panel was of the opinion that the quality of work overall was of the high standard which will be required at the Five Ways site.

The tenderer showed a detailed understanding of most aspects of the project and submitted a detailed and comprehensive program with the tender. This tenderer proposes to have a full time Public Relations Officer on-site to deal with any issues related to the property and business owners affected by the project. The appointment of a full time on-site Public Relations Officer has shown advanced understanding of the issues involved and of the need to consult closely with the stakeholders.

Comparative Evaluation

The tender documentation identified the main factors which set this project apart from other civil works undertaken by Council. They include the quality of finishes (in particular bluestone paving and landscaping), the efficient and effective management of traffic and pedestrian movements during construction, minimisation of disruption to business and property owners, and effective communication and consultation. The submissions by the two short-listed tenderers were assessed on these issues and the following details the findings of the panel in respect of each tender.

i. Quality of works

Based on the information provided, referee checks, and on-site project inspections by the tender panel, GMW ranked higher than Byrne. Paving projects completed by the two tenderers using similar paving were inspected by the panel and the works completed by GMW were considered to be substantially superior to the works completed by Byrne.

ii. Timing and Programming

These two aspects were considered separately by the tender panel. GMW scored significantly lower than Byrne in relation to the time proposed to complete the project. On the other hand GMW scored significantly higher than Byrne in relation to detailed programming and understanding of the staging and tasks involved.

A detailed staging plan was provided by GMW as part of their tender. Byrne did not provide a detailed staging plan and construction program in support of their program. It is considered that the methodology proposed by Byrne is unsatisfactory and therefore that the stated program of thirteen weeks is unrealistic. A change in the construction methodology from that proposed by Byrne would likely result in a longer construction period than the stated thirteen weeks.

The panel has concern about the level of disruption to traffic which may occur. The panel also has concerns, as expressed by Byrne's referees and by previous experience with Byrne working for this Council, as to the traffic management standards maintained by Byrne.

GMW's proposed 24 week schedule is supported by a detailed staging plan and outline program of works. This methodology will minimise disruption to pedestrian and vehicular traffic but will take more time.

iii. Cost

When the lump sum tender prices are compared, an amount of \$40,000, to allow for adjustment to Telstra pits as a potential extra, should be added to GMW's tender price of \$995,079 bringing the cost to \$1,035,079. This amount should then be compared to Byrne's tendered price of \$903,505, a difference of \$131,574.

The detailed quantities and unit rates submitted by Byrne have anomalies which could have financial implications for Council if variations are incurred. As these quantities are not based on actual dimensions, scope exists for disputes with the tenderer.

iv. Environmental

Referees for Byrne stated reservations with respect to environmental protection during works. Council has had similar problems with Byrne's previous projects. GMW's referees expressed no reservation in respect of environmental protection.

v. Traffic Management / Disruption to businesses.

Byrne proposes to redirect pedestrians onto the roadway whilst constructing the footpaths with temporary pedestrian bridges to individual shops/properties. The panel considers this construction methodology to be impractical as use of the roadway for pedestrian traffic will seriously disrupt vehicle and bus traffic through the intersection.

GMW has proposed that works proceed in sections by dividing paving works around doorways to permit almost permanent pedestrian access to shops/properties, with minimal impact on vehicular traffic.

The proposed methodology of Byrne was also discussed with business operators at one of the tenderer's nominated sites who advised that considerable disruption was caused to their businesses even though streets at that site were considerably wider than the streets at the Five Ways.

It is considered that the construction methodology proposed by GMW is significantly superior to that proposed by Byrne.

vi. Community consultation

GWM by the appointment of a full time on-site Public Relations Officer has shown advanced understanding and experience of the issues involved and of the need to consult clearly with the stakeholders.

In Council's experience Byrne has a poor record in dealing with the concerns of stakeholders and community issues.

Conclusion

The tender panel is of the opinion that the tender submitted by GMW Urban Pty. Ltd. should be accepted on the basis of value for money, demonstrated quality of work and the ability to complete the works within an acceptable time frame with a minimum of disruption to traffic and business activity, subject to the considerations set out in the Confidential Report.

In accordance with Section 10A of the Local Government Act 1993 it is recommended that the Committee resolve into closed session as the matters to be considered contain commercial information of a confidential nature that would if disclosed prejudice the commercial position of the person who supplied it.

Alan Opera
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Warwick Hatton
Director Technical Services