

QUESTIONS ON NOTICE
ESTIMATES COMMITTEE

Question No: 1

QUESTION

Mr Pearce asked the Managing Director, Sydney Water Corporation, Mr Robinson –

In relation to the re-use of grey water in the Georges River strategy:

- (a) Can you tell us when the market surveys were undertaken in relation to the customers identified as potential users of that water?
- (b) Who undertook those surveys?
- (c) What were the outcomes of those surveys?

ANSWER

Market studies for the potential users of the recycled effluent proposed in the Georges River strategy were undertaken in:

- January 1999 by Australian Water Technologies;
- July 2000 by Sydney Water;
- December 2000 by Australian Water Technologies;
- 2001 to 2003 through direct communication with potential customers.

These surveys informed the selection of the pipeline route; indicated the potential demand for different grades of treated effluent; generated the knowledge required for a marketing program; and resulted in expressions of interest from potential customers of the treated product.

Hon Frank Sartor MP
Minister for Energy and Utilities
Minister for Science and Medical Research
Minister Assisting the Minister for Health (Cancer)
and Minister Assisting the Premier on the Arts

Question No: 2

QUESTION

Mr Pearce asked the Managing Director, Sydney Water Corporation, Mr Robinson –

In relation to the Sydney Water's works on the foyer and forecourt of its Bathurst Street building:

- (a) What was the original budget for the works?
- (b) What is the expected cost to complete?
- (c) Could you give an outline of the projects and the costs of those services provided by MISHO & Associates?
- (d) On how many occasions did you personally make the decision to engage MISHO & Associates without a tender to work for Sydney Water?
- (e) What was the sum involved on each of these occasions?

ANSWER

Sydney Water is carrying out works to improve the safety and amenity of its Bathurst Street head office. The need for remedial works were initially identified in August 1994 and work commenced in late 2002. There are four components to the works, which are identified in the following table.

All figures quoted exclude the Goods and Services Tax.

Component	Original budget	Estimated cost to complete
Awning		
Architectural fees	\$33,250	\$106,923
Construction	\$807,789	\$865,136
Facade repairs		
Construction	\$440,961	\$1,428,000
Forecourt restoration and improvement		
Architectural fees	\$32,179	\$32,179
Project management	\$26,862	\$26,862
Construction	\$250,000	\$396,000*
Foyer improvement		
Architectural fees	\$29,425	\$46,960
Project management	\$54,538	\$54,538
Construction	\$200,000	\$434,000*

* Together, the forecourt and foyer improvement works have an upper limit of \$830,000 proposed expenditure.

Misho+Associates Pty Ltd has been commissioned to undertake the two projects for Sydney Water. These are detailed in the following table. The work proposed in the second contract has not been undertaken.

Contract	Original contract sum	Revised contract sum, including approved variations
Architectural design of the improvement to the foyer of Sydney Water's Bathurst Street head office	\$29,425	\$46,960
Office design and refurbishment of Sydney Water's operations centre	\$6,000	N/A

On no occasion has the Managing Director engaged Misho+Associates Pty Ltd without a tender to work for Sydney Water.

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Question No: 3

QUESTION

**Ms Rhiannon asked the Director-General, Ministry of Energy and Utilities,
Mr Steffen –**

- (a) What is the time frame for the work of the new advisory task force to set up a new energy demand management fund?
- (b)
 - (i) When will the task force report its findings?
 - (ii) What consultation will be done?
 - (iii) Will there be a process for studying the options?
 - (iv) Will there be public hearings and submissions?
 - (v) Will its reports and recommendation be public?
- (c) Has the Premier written to the Premiers about supporting ratification of the Kyoto Protocol?

ANSWER

These questions relate to the soon to be established NSW Greenhouse Office and therefore do not relate to the energy and utilities portfolio.

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Question No: 4

QUESTION

Mr Pearce asked the Managing Director, Sydney Water Corporation, Mr Robinson –

In relation to the Sydney Water's building project:

- (a) What is the level of your authority to issue a contract?
- (b) What was the contract amount with MISHO for the Bathurst Street project?

ANSWER:

To allow the Managing Director to perform the day-to-day management of the operations of Sydney Water, the Board of Directors has, subject to some restrictions, conferred its relevant powers to the Managing Director. This has been effected by granting to the office of Managing Director an 'Instrument of Conferral of Powers and Authority'.

Part C, 4 (a) of the Instrument relevantly provides that the Managing Director will not, except with the prior approval of the Board "in respect of capital works, commit Sydney Water to spend, or approve the spending by Sydney Water of, more than Twenty Million Dollars (\$20,000,000.00) on any project, package of inter-dependent projects, or asset purchase, where it is included in Sydney Water's approved capital works program, or more than Five Hundred Thousand Dollars (\$500,000.00) where it is not so included.

Sydney Water's officers manage contracts in accordance with the Corporation's Procurement Guidelines, which assign certain delegations to the Managing Director and General Managers. These Guidelines state that General Managers may approve contracts for professional services up to \$250,000.

Single quotations/tenders may be obtained for works under \$40,000. General Managers are also authorised to negotiate directly with a single consultant for contracts up to \$200,000, where it can be justified that it is not appropriate to proceed with normal tendering because of the lack of suitably qualified and/or experienced contractors.

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Question No: 5

QUESTION

Ms Rhiannon asked the Managing Director, Sydney Water Corporation, Mr Robinson –

- (a) When you were at the Sydney Harbour Foreshore Authority and contracts were awarded to MISHO, were they awarded by your subordinates?**
- (b) Did you recommend MISHO to these subordinates?**
- (c) Were your superiors aware of your personal connections with the architectural firm at that time?**

ANSWER

I have not yet been able to gain access to the relevant files held by the Sydney Harbour Foreshore Authority and I am therefore unable to answer this question with certainty.

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