

ITEM 13. TENDER - MANAGED WEB HOSTING

FILE NO: 2015/417850

TENDER NO: 1543

SUMMARY

This report provides details of the tenders received for managed web hosting for the City's corporate website and campaign and marketing websites.

The City uses third parties to provide the server infrastructure and internet connectivity to support its corporate website, as well as a number of campaign and marketing sites, like Sydney New Year's Eve, Creative City Sydney and Sydney Food Trucks.

The purpose of this tender is to secure managed web hosting services for the City's public facing web sites for the next three years, with an option for a one plus one renewal, subject to satisfactory performance.

This report recommends that

- Council accept the tender offer of Tenderer 'E' for Part A, managed web hosting services (corporate website); and
- Council accept the tender offer of Tenderer 'B' for Part B, managed web hosting services (campaign and marketing websites).

RECOMMENDATION

It is resolved that:

- (A) Council accept the tender offer of Tenderer 'E' for Part A, and the tender offer of Tenderer 'B' for Part B, for a period of three years, for managed web hosting services, with two further options of one year, subject to satisfactory performance;
- (B) authority be delegated to the Chief Executive Officer to negotiate, execute and administer the contracts relating to the tender; and
- (C) authority be delegated to the Chief Executive Officer to exercise the options referred to in clause (A), if appropriate, and negotiate the price to extend the contract accordingly.

ATTACHMENTS

Attachment A: Tender Evaluation Summary (Confidential)

Attachment B: Schedule of Rates (Confidential)

(As Attachments A and B are confidential, they will be circulated separately from the agenda paper and to Councillors and relevant senior staff only.)

BACKGROUND

1. Managed web hosting is an IT provisioning model in where a service provider leases servers and associated hardware to clients to provide and manage web storage for their clients. The equipment is at the hosting provider's facility and managed there by the service provider.
2. The City uses managed web hosting to deliver its corporate website and a number of campaign and marketing sites, like Sydney New Year's Eve, Creative City Sydney and Sydney Food Trucks. Using a third party to deliver these services occurs widely across all levels of government in Australia and overseas. This approach meets the requirements outlined in the City's IT Products and Services Acquisition and Management Policy, specifically, "the acquisition is necessary and there is no alternative City product/service that could be upgraded or adapted".
3. The City outsources its web hosting services as the City does not have the ability to deliver cloud-based infrastructure and software. In-house expertise would be required to manage and maintain these platforms.
4. The current managed web hosting arrangement for the corporate website expires in early January 2016.
5. A service to deliver secure, managed web hosting for campaign and marketing websites is required for at least the next three years.
6. The tender was presented in two parts:
 - (a) Corporate website (Part A); and
 - (b) Campaign and marketing sites (Part B).
7. Organisations were invited to respond in whole or in part as follow:
 - (a) Part A only;
 - (b) Part B only; or
 - (c) Parts A and B combined.
8. The City reserved the right to proceed to award whole, part or none of the tender.

INVITATION TO TENDER

9. The tender was advertised in The Sydney Morning Herald, The Daily Telegraph and Council's E-Tender web site – Tenderlink on 1 September 2015, and closed on 22 September 2015.

TENDER SUBMISSIONS

10. Six submissions were received from the following organisations (listed alphabetically):
 - ac3 The Australian Centre for Advanced Computing and Communications (Part A and B)
 - Anchor Systems Pty Ltd (Parts A and B)

- Hostworks Limited (Parts A and B)
- Ladoo Pty Ltd (Parts A and B)
- Squiz Australia Pty Ltd (Part A only)
- WebCentral Pty Ltd t/a Melbourne IT Enterprise Services (Parts A and B)

11. One late submission was received.

TENDER EVALUATION

12. All members of the Tender Evaluation Panel have signed Pecuniary Interest Declarations. No pecuniary interests were noted.
13. The relative ranking of tenders as determined from the total weighted score is provided in the confidential Tender Evaluation Summary – Attachment A.
14. All submissions were assessed in accordance with the approved evaluation criteria being:
- (a) previous work experience;
 - (b) proposed solution;
 - (c) proposed implementation plan;
 - (d) ongoing management and support;
 - (e) environmental management;
 - (f) Workplace Health & Safety;
 - (g) financial and commercial trading integrity including insurances; and
 - (h) lump sum price and schedule of rates.

PERFORMANCE MEASUREMENT

15. Performance will be measured against the following criteria:
- (a) monthly uptime percentage;
 - (b) response to support calls;
 - (c) page speed;
 - (d) capability to handle traffic spikes; and
 - (e) scalability of solution.

FINANCIAL IMPLICATIONS

16. This tender is for the provision of services that replace an existing arrangement for which there are funds available in the 2015/16 operating budget.

RELEVANT LEGISLATION

17. The tender has been conducted in accordance with the Local Government Act 1993, the Local Government (General) Regulation 2005 and the City's Contracts Policy.
18. Attachments A and B contain confidential commercial information of the tenderers and details of Council's tender evaluation and contingencies which, if disclosed, would:
 - (a) confer a commercial advantage on a person with whom Council is conducting (or proposes to conduct) business; and
 - (b) prejudice the commercial position of the person who supplied it.
19. Discussion of the matter in an open meeting would, on balance, be contrary to the public interest because it would compromise Council's ability to negotiate fairly and commercially to achieve the best outcome for its ratepayers.

CRITICAL DATES / TIME FRAMES

20. The proposed time frame is as follows:

(a) Work to commence	Early December 2015
(b) Completion of migration to the new working hosting services for the corporate site	End of January 2016
(c) Completion of the campaign and marketing sites	March 2016
21. Endorsement of this recommendation will allow staff to expedite transition onto a new contract; however, it is likely the City may need to apply for an extension of contract with the existing hosting provider while the migration goes ahead.

OPTIONS

22. Should the City not proceed with new contracts for managed web hosting, the only option is to extend existing arrangements on an ad hoc basis, at a greater cost over time, and tender again for these services. Existing support agreements would no longer be valid, which impacts the City's provision of online information.

PUBLIC CONSULTATION

23. Public consultation was not required.

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