

**ITEM 11. TENDER – PROVISION OF VENUE MANAGEMENT TRAFFIC
CONTROL AND LOADING DOCK SERVICES**

FILE NO: S1122555.001

TENDER NO: 1622

SUMMARY

This report provides details of the tenders received for the provision of Venue Management traffic control and loading dock services for City venues, primarily the Druitt Street yard and Sydney Town Hall loading dock. On other occasions, there may be a need for the use of traffic control staff in other areas of the Venue Management operation, but this is on an occasional basis only.

The Sydney Town Hall, in particular, the Centennial Hall which seats more than 2,000 people over two levels and the Lower Town Hall, a 900m² exhibition space, are used for a variety of events, including concerts, meetings, exhibitions and catered events. On non-event days, the loading dock activity is primarily focused on maintenance contractors undertaking work inside the building.

The Sydney Town Hall loading dock and the Druitt Street yard are both the single point of access for vehicles loading and unloading into Sydney Town Hall, as well as a high pedestrian foot fall area. During events in the Lower Town Hall, the area is also used as a patron egress.

The closure of George Street between Druitt and Bathurst Streets will significantly increase traffic and pedestrian congestion in the area, making it more difficult for access for vehicles.

The volume of work to be provided under the contract is dependent on the number and size of events and activity undertaken held in the City's venues. There is no guarantee of a minimum level of work to the appointed service provider.

This report recommends that Council accept the tender offer of Tenderer 'A' to provide these services using a schedule of rates agreement.

RECOMMENDATION

It is resolved that:

- (A) Council accept the tender offer of Tenderer 'A' for the provision of traffic control and loading dock services for a period of two years, with the option of an extension of two years, subject to satisfactory performance of the contractor;
- (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 option referred to in clause (A), if appropriate, and negotiate the terms of the extension, including, but not limited to, any variations to the contract price.

ATTACHMENT

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. The Sydney Town Hall, in particular, the Centennial Hall which seats more than 2,000 people over two levels and the Lower Town Hall, a 900m² exhibition space, are used for a variety of events, including concerts, meetings, exhibitions and catered events. On non-event days, the loading dock activity is primarily focused on maintenance contractors undertaking work inside the building.
2. The Sydney Town Hall loading dock and the Druitt Street yard are both the single point of access for vehicles loading and unloading into Sydney Town Hall, as well as a high pedestrian foot fall area. During events in the Lower Town Hall, the area is also used as a patron egress.
3. The closure of George Street between Druitt and Bathurst Streets will significantly increase traffic and pedestrian congestion in the area, making it more difficult for access for vehicles.
4. The risks associated with the current arrangements in the area and the forecasted increased level of activity were discussed in the Corporate and Investment Properties Steering Committee in October 2015. Following from the meeting, it was agreed that an interim solution be developed to cover the requirements of the construction period, and the arrangements be used to develop a more permanent solution once the light rail was completed and operational.
5. On other occasions, there may be a need for the use of traffic control staff in other areas of the Venue Management operation, but this is on an occasional basis only.
6. Undertaking a tender to appoint a subcontractor to supply these services is necessary because:
 - (a) the increased staffing levels required to support the operational and staffing arrangements cannot be provided through the City due to the cost and flexibility requirements (both volume and numbers of staff); and
 - (b) there is no existing contract in place within the City for the supply of traffic control staff that is suitable for use.

INVITATION TO TENDER

7. The Request for Tender was advertised in The Sydney Morning Herald, The Daily Telegraph and the City of Sydney's E-Tendering portal Tenderlink on Tuesday 12 April 2016 and closed on Tuesday 3 May 2016.

TENDER SUBMISSIONS

8. Six submissions were received from the following organisations (listed alphabetically):
 - Birrong Indigenous Services trading as Verifact Indigenous Services
 - Consec Traffic Management Services Pty Ltd
 - McArthur (NSW) Pty Ltd
 - RNTT Pty Ltd Trading as Excel Recruitment and Rexco People
 - Roadworx Surfacing Pty Ltd

- Who Dares Pty Ltd

9. One late submission was received.

TENDER EVALUATION

10. All members of the Tender Evaluation Panel have signed Pecuniary Interest Declarations. No pecuniary interests were noted.
11. The relative ranking of tenders as determined from the total weighted score is provided in the confidential Tender Evaluation Summary – Attachment A.
12. All submissions were assessed in accordance with the approved evaluation criteria being:
 - (a) schedule of rates;
 - (b) resources supplied to the delivery of the contract's requirements, including specified personnel, sub-contractors and suppliers;
 - (c) experience in providing services of a similar nature;
 - (d) draft transition and operations plan;
 - (e) Workplace Health and Safety (WHS);
 - (f) industrial relations and conditions of work for staff; and
 - (g) financial stability and financial position of the Tenderer and the holding of appropriate insurances.

PERFORMANCE MEASUREMENT

13. The preferred Tenderer will have their performance assessed against the following Specific key performance indicators for the duration of the contract:
 - (a) high standards of traffic control and loading dock staffing supplied by the service provider;
 - (b) a high standard of support is provided to the venue management unit by the service provider;
 - (c) customer feedback handling and response;
 - (d) industrial relations; and
 - (e) Work Health & Safety.

FINANCIAL IMPLICATIONS

14. There is no guarantee of a minimum spend or levels in the tender. All pricing was requested as part of a schedule of rates.
15. Where possible, the costs relating to this service will be passed on to the hirers, and fees and charges have been included in the 2016/17 budget submission to enable this.

16. There are sufficient funds allocated for this service within the draft 2016/17 operating budget and future years' forward estimates.

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. There are no critical dates associated with the award of this contract. The contract commencement will be established upon award of the contract to the provider.

OPTIONS

21. If Council were not to proceed with the provision of staff in the Sydney Town Hall loading dock and the Druitt Street yard, the safety and hirer and patron management issues associated with the area would remain.

PUBLIC CONSULTATION

22. Feedback received from hirers and patrons in regard to operation of the loading dock and the Druitt Street yard are monitored, and any feedback received will be included in the performance measurement of the contractors.

GEORGE ANGELIS

Acting Director City Operations

Melissa Bajugi, Manager Venue Management