

**ITEM 12. TENDER – LIGHTING FOR 2016 – 2018 SYDNEY NEW YEAR’S EVE
(WITH OPTION TO EXTEND FOR 2019 AND 2020)**

FILE NO: X003641.002

TENDER NO: 1636

SUMMARY

This report provides details of the tenders received for the provision of lighting for 2016 – 2018 Sydney New Year’s Eve (with option to extend for 2019 and 2020).

The annual Sydney New Year’s Eve celebrations includes two main fireworks displays on Sydney Harbour, and lighting and projections on the Sydney Harbour Bridge. In addition, the City produces a number of events at outdoor locations.

The provision of lighting on the Sydney Harbour Bridge and lighting at the City’s event sites are essential elements of the event. Lighting is both a key creative element of the Sydney Harbour show, and important for entertainment and safety at event sites.

A tender was conducted for the supply of lighting for the event for the next three years, with an option to extend for a further two years. The scope of work includes all equipment and services to deliver the lighting for each event during the term that reflects the event-specific creative.

This report recommends that Council accept the tender offer of Tenderer ‘F’ to supply lighting for 2016 – 2018 Sydney New Year’s Eve (with option to extend for 2019 and 2020).

RECOMMENDATION

It is resolved that:

- (A) Council accept the tender offer of Tenderer ‘F’, for the lump sum and the schedule of rates, to supply lighting for Sydney New Year’s Eve for a period of three years, with the option of an extension of two years, if appropriate;
- (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.

ATTACHMENTS

Attachment A: Tender Evaluation Summary (Confidential)

Attachment B: Schedule of Rates for Additional Requirements (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. Sydney New Year's Eve is one of the biggest annual celebrations in the world, attracting one million spectators along the Sydney Harbour foreshore and a global audience of one billion. It is Australia's largest public event and features one of the largest, most technologically advanced fireworks displays in the world. The event has a direct economic impact on NSW of more than \$133 million.
2. The event includes two main fireworks displays on Sydney Harbour, and lighting, fireworks and projections on the Sydney Harbour Bridge. In addition, the City produces a number of events at outdoor locations, including the Northern Broadwalk of the Sydney Opera House and Hickson Road Reserve in The Rocks.
3. The provision of technologically sophisticated lighting on the Sydney Harbour Bridge and lighting at the City's event sites are essential elements of the event. The scope of work includes the provision of equipment and services to deliver the lighting design for each event during the term that reflects the event-specific creative.
4. The Request for Tender included a set of core requirements for each event, for which the City would pay a lump sum. A list of additional requirements was also specified, priced on a schedule of rates basis, from which the City could add particular items per event, at its sole discretion.
5. As part of the Request for Tender, partial sponsorship packages were considered. Tenderers were invited to offer value-in-kind (VIK) in exchange for a package of benefits detailed by the City in the Request for Tender document.

INVITATION TO TENDER

6. The Request for Tender was advertised in The Sydney Morning Herald, The Daily Telegraph and via the City's online eTendering portal on Tuesday 17 May 2016. The closing date for submissions was 11am on Tuesday 14 June 2016.

TENDER SUBMISSIONS

7. Six submissions were received from the following organisations (listed alphabetically):
 - 32 Hundred Lighting Pty Ltd
 - Chameleon Touring Systems Pty Ltd
 - Mandylights Pty Ltd
 - Production Resource Group Pty Ltd
 - Resolution X Pty Ltd
 - Ritelite Systems Ltd
8. No late submissions were received.

TENDER EVALUATION

9. All members of the Tender Evaluation Panel have signed Pecuniary Interest Declarations. No pecuniary interests were noted.

10. The relative ranking of tenders as determined from the total weighted score is provided in the confidential Tender Evaluation Summary – Attachment A.
11. All submissions were assessed in accordance with the approved evaluation criteria being:
 - (a) the lump sum price and schedule of prices;
 - (b) demonstrated experience of the organisation and proposed key personnel in providing comparable services on major outdoor events;
 - (c) suitability, quality and value of the proposed equipment;
 - (d) suitability and detail of the proposed methodology;
 - (e) environmental management;
 - (f) Work Health and Safety; and
 - (g) financial and trading integrity including Insurances.

PERFORMANCE MEASUREMENT

12. Key Performance Indicators were set out in the Request for Tender documentation as follows, and will be included in any resultant contract:
 - (a) deliverables as detailed in the tender specification;
 - (b) quality of work;
 - (c) time;
 - (d) reporting;
 - (e) communication; and
 - (f) WH&S compliance
13. Performance of contractors will be evaluated regularly, at least annually, and always upon completion of the contract. Each assessment will form the basis of the individual contractors Performance Review.

FINANCIAL IMPLICATIONS

14. As outlined in the Request for Tender documentation, the contractor will be engaged to provide the core requirements for a lump sum price. Any additional requirements of the City will be provided on a schedule of rates basis.
15. There are sufficient funds allocated for this project within the current year's operating budget and future years' forward estimates.

RELEVANT LEGISLATION

16. 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.

17. 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.
18. 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

19. To enable the contractor sufficient lead time to deliver lighting for 2016 Sydney New Year's Eve, contracts must be signed by September 2016.
20. Deferral of a decision would impact on the contractor's ability to deliver the services for 2016 Sydney New Year's Eve event in a manner consistent with the City's mandatory requirements. In particular, the unique access and safety requirements associated with access the Sydney Harbour Bridge have substantial lead times.

OPTIONS

21. Not proceeding with engaging a lighting contractor would put the City's ability to deliver the full scope of the Sydney New Year's Eve event at risk. Lighting is a key creative element for the show delivered on Sydney Harbour, and is essential to the City's outdoor event sites.

ANN HOBAN

Director City Life

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