

**ITEM 8. TENDER - BUILD AND DELIVERY OF THE 2017 SYDNEY CHINESE
NEW YEAR ZODIAC LANTERNS**

FILE NO: X003940.010

TENDER NO: 1638

SUMMARY

This report provides details of the tenders received for the build and delivery of illuminated lanterns in the form of signs of the Chinese Zodiac for the 2017 Sydney Chinese New Year Festival.

In 2016, Lunar Lanterns were introduced as the signature event of the Sydney Chinese New Year Festival. Six new artist-designed Zodiac Lanterns and four refurbished Zodiac Lanterns were presented in three precincts, including China Town, Martin Place and Pitt Street Mall and, finally, Circular Quay. The event attracted 753,000 visitors and contributed significantly to the 1.3 million visitors to the festival.

Due to the event's success, the 2017 Chinese New Year Festival will stage the Lunar Lanterns event in the Circular Quay Precinct with a further five new artist-designed Lanterns. These Lanterns will join the six Lanterns from the 2016 Festival.

As part of the 2017 festival, the City publicly advertised a request for tender for the build and delivery of up to six new zodiac lanterns. Tenderers were able to bid on one or more elements of the tender.

This report recommends that Council accept the tender offers for five of the Lanterns with four proceeding to manufacture and the remaining fifth lantern dependent on incoming sponsorship to cover the full manufacture costs.

RECOMMENDATION

It is resolved that:

- (A) Council accept the tender offers of Tenderer 'A' for Lantern 1; Tenderer 'G' for Lantern 2; Tenderer 'D' for Lanterns 4 and 5; and Tenderer 'H' for Lantern 6 for the build and delivery of the 2017 Sydney Chinese New Year Zodiac Lanterns and approve the contingency outlined in the Confidential Attachment;
- (B) Council note that no approval is required for Lantern 3, as Lantern 2 was selected as the preferred Pig Lantern; and
- (C) authority be delegated to the Chief Executive Officer to negotiate, execute and administer the contracts relating to the tender.

ATTACHMENTS

Attachment A: Tender Evaluation Summary (Confidential)

Attachment B: Images of Zodiac Lanterns (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 City of Sydney, in partnership with Sydney's Chinese community, produces the annual Sydney Chinese New Year Festival (CNY) in celebration of the Lunar New Year. The Festival represents City of Sydney's ongoing commitment to diversity, community celebration and producing events that have an international reputation. 2017 celebrates the Year of the Rooster.
2. The Festival Curator, Claudia Chan Shaw, in consultation with the City's Acting Creative Director, Stephen Gilby, has led the creative development of the festival. The strategic plan for the event includes creating the 12 animals of the Zodiac Lanterns over a three year period and then replacing the primary Zodiac Lanterns and/or other key lanterns annually.
3. Due to the success of Lunar Lanterns in 2016, a further four Zodiac Lanterns will be delivered, adding to the six lanterns initially developed for the 2016 Festival. The Lanterns will be exhibited for the 17 day duration of the 2017 Festival. A fifth Lantern may be delivered, dependent on securing a successful sponsor.
4. Each Zodiac Lantern was initially a concept drawing provided to the City by a prominent Australian Chinese artist. These concepts were developed further in consultation with that artist and the CNY Festival Curator, and then formatted by the City's designer into the renders and drawings prior to being issued for tender. Images of the Zodiac Lanterns are included in confidential Attachment B.
5. The build and delivery of the 2017 Sydney Chinese New Year Zodiac Lanterns tender included:
 1. Rats 'Love Rats'
 2. Pig No. 1 'Pig Spiral'
 3. Pig No. 2 'Flying Solo Pig'
 4. Snake
 5. Rooster No. 1 'Fighting Rooster'
 6. Rooster No. 2 'Pentatonic Rooster'

INVITATION TO TENDER

6. The tender was advertised in The Sydney Morning Herald, The Daily Telegraph and on the City's eTendering website Tenderlink on Tuesday 7 June 2016. The tender closed on Wednesday 29 June 2016.

TENDER SUBMISSIONS

7. By the closing date, 10 submissions were received, via a combination of Tenderlink and hard copy submissions, from the following organisations (listed alphabetically):
 - Ample Projects Pty Ltd
 - Anything Theming Pty Ltd
 - Armature Design Support Pty Ltd
 - Gorilla Construction Pty Ltd

- GregSets Pty Ltd
- J&D Woodcroft Pty Ltd T/A Creative Works Australia
- Mandylights Pty Ltd
- Pink Cactus
- Silvia Tuccimei
- Studio Kite Pty Ltd

8. One late submission was 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) schedule of prices;
 - (b) previous experience on similar projects;
 - (c) demonstrated technical and scenic workshop abilities and company resources to fulfil brief;
 - (d) creative execution and proposed methodology of construction including sketches and illustrations to demonstrate this;
 - (e) ability to meet construction deadlines and inspection milestones;
 - (f) Work Health and Safety; and
 - (g) financial and commercial trading integrity including insurances.

PERFORMANCE MEASUREMENT

12. Performance will be evaluated at regular intervals and on completion of the contract against the following key performance indicators:
- (a) key objectives/ deliverables;
 - (b) quality of work;
 - (c) time;
 - (d) reporting;
 - (e) communication; and

- (f) WH&S compliance.

FINANCIAL IMPLICATIONS

13. There are sufficient funds allocated for this project within the current year's Operating budget and Plant and Asset budget. The Pentatonic Rooster Lantern will only proceed if a sponsor can be secured to cover the full manufacture, installation and de-installation costs.

RELEVANT LEGISLATION

14. 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.
15. 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.
16. 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

17. The proposed dates/time frames are as follows:

24 August 2016	Notify successful bidders
24 August – 5 September 2016	Execute contracts
5 September 2016 – 19 January: 2017	Lantern construction period, including periodic progress inspections
19 January – 26 January 2017	Lantern installation period
27 January – 12 February 2017	Lantern exhibition period

OPTIONS

18. The Zodiac Lanterns exhibition is the signature event the City produces as part of the Sydney Chinese New Year Festival. The strategic plan for the event envisaged creating the 12 animals of the Zodiac Lanterns over a three year period and then replacing the primary Zodiac Lantern and/or other key lanterns annually. There is the option to reproduce the same 12 Zodiac Lanterns from the 2016 event; however, this would reduce the event's appeal and lessen the impact from a media and audience perspective, as audiences will be expecting new Zodiac Lanterns to visit and explore.

PUBLIC CONSULTATION

19. The results of the 2016 Chinese New Year Festival have been reported to the Chinese New Year Advisory Panel, who provide advice in support of the retail, tourism and business sectors and on matters relating to internationally significant cultural events and activities around Chinese New Year. The Panel are very supportive of the new format for the signature event and the Events Unit will continue to develop it in 2017.

ANN HOBAN

Director City Life

Paul Davison, Business Manager Events