

**ITEM 14. TENDER – IRRIGATION MAINTENANCE SERVICES**

**FILE NO: S051884**

**TENDER NO: 1634**

**SUMMARY**

This report provides details of the tenders received for irrigation maintenance services.

The City has 59 irrigated parks and open spaces that require periodic servicing of pumps, valves, sprinklers, pipework and electrical components. Servicing of irrigation systems requires both proactive and reactive inputs to minimise and/or address system faults.

The irrigation maintenance services contract will provide maintenance and repairs of irrigation supply lines, maintenance of pumps and emergency irrigation services. The maintenance of these systems is important to ensure an ongoing and reliable supply of water, efficient water use, and to contribute to the Sustainable Sydney 2030 water reduction target of maintaining potable water use at 2006 levels.

The services will be for a period of three years, with the option of extending for a further two years at the City's discretion. This report recommends that Council accept the tender offer of Tenderer 'A' for irrigation maintenance services.

**RECOMMENDATION**

It is resolved that:

- (A) Council accept the tender offer for schedule of rates of Tenderer 'A' for irrigation maintenance services for a period of three years, with the option of an extension of two years, subject to 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 option referred to in clause (A), if appropriate, and negotiate the price to extend the contracts accordingly.

**ATTACHMENTS**

**Attachment A:** List of Irrigated sites

**Attachment B:** Tender Evaluation Summary (Confidential)

**Attachment C:** Schedule of Rates (Confidential)

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

**BACKGROUND**

1. The City has 59 irrigated parks and open spaces that require both proactive and reactive servicing of irrigation systems to minimise faults. The irrigation systems consists of pumps, valves, sprinklers, pipework and electrical components.
2. The City has and continues to upgrade parks and open spaces and make improvements to irrigation systems. Ongoing specialised service providers are required to conduct maintenance of this important infrastructure.
3. The tender specification will ensure irrigation systems are maintained in an optimal condition at all times.
4. The specification has defined the major service inputs for all irrigation requirements within the City. The services include:
  - (a) providing servicing and maintenance to ensure irrigation systems are functional at all times and support the City's irrigation management plan;
  - (b) working with the City to reduce potable water use at each site by measuring the reliability and consumption of the irrigation system;
  - (c) commitment to ensuring all assets operate to a design or manufacturers' efficiency and effectiveness standard;
  - (d) all maintenance provisions taking a whole-of life-outlook;
  - (e) collaborative long term fiscal planning for the replacement or upgrade of irrigation systems and assets;
  - (f) service provider taking ownership and responsibility for all irrigation assets and their performance;
  - (g) providing a reactive response to urgent maintenance requests;
  - (h) assisting in training and skills development of staff, including City staff and contractors; and
  - (i) providing relevant reports through on-going monitoring, research and reporting.
5. The existing irrigation systems vary in condition, age and complexity. A comprehensive schedule of rates has been developed to allow for improvements to system functionality and address issues that arise from advances in technology.
6. This contract will operate with clearly defined maintenance responsibilities and ensure that new technologies the City invests in remain efficient and operational, subject to applicable warranty conditions.
7. The contract has been set up to operate as a Schedule of Rates agreement.
8. The contract allows City staff to engage services based on needs, with schedules provided for routine maintenance, conditional maintenance, hourly rates for emergency services, access to parts and materials, and essential water supply compliance testing.

9. The service provider will be responsible for full irrigation system assessment and major irrigation infrastructure. The provider will inspect and report on all faults and make minor adjustments as required during these inspections.
10. The Schedule of Rates may be applied for additional sites to those listed in Attachment A.

#### **ENVIRONMENTAL IMPACTS**

11. The Irrigation Maintenance Services contract will assist the City in achieving the Sustainable Sydney 2030 water reduction target, of maintaining 2006 potable water use levels, by:
  - (a) reducing water wastage from system faults through routine assessment and maintenance;
  - (b) providing additional tracking and monitoring of water meter readings and irrigation output at each service interval;
  - (c) providing recommendations for overall irrigation improvements at each service interval; and
  - (d) maintaining key infrastructure for the treatment and reuse of alternate water supplies in parks.

#### **INVITATION TO TENDER**

12. The Request for Tender was advertised in The Sydney Morning Herald, The Daily Telegraph and on the City of Sydney's E-Tendering portal from 5 July 2016 and closed on 26 July 2016.

#### **TENDER SUBMISSIONS**

13. Three submissions were received from the following organisations (listed alphabetically):
  - Brooks NSW Pty Ltd;
  - The Green Horticulture Group Pty Ltd; and,
  - Total Water Pty Ltd.
14. No late submissions were received.

#### **TENDER EVALUATION**

15. All members of the Tender Evaluation Panel have signed Pecuniary Interest Declarations. No pecuniary interests were noted.
16. The relative ranking of tenders as determined from the total weighted score is provided in the confidential Tender Evaluation Summary – Attachment B.
17. All submissions were assessed in accordance with the approved evaluation criteria being:
  - (a) financial and commercial trading integrity including insurance;

- (b) schedule of rates;
- (c) previous work experience and future contract commitments;
- (d) specified personnel, sub-contractors and suppliers;
- (e) environmental management;
- (f) quality and operations plan; and
- (g) Work Health and Safety.

### **PERFORMANCE MEASUREMENT**

18. The successful tenderer will undertake all levels of management, supervision and delivery of services described in the specification. The services will be carried out to the satisfaction of the Contract Manager and in accordance with performance indicators specified within the contract such as:
- (a) service delivery – irrigation systems operational at all times;
  - (b) contract administration and communication;
  - (c) ensuring performance meets the technical specification requirements; and
  - (d) Work Health and Safety.
19. In entering into the contract, the City will ensure that performance standards are met and monitored during the contract by:
- (a) reviewing the servicing schedules;
  - (b) reviewing work method statements, service reports, quality and operational programs, and contract reports; and
  - (c) attending regular inspections of the works and conducting contract meetings with the contractor.

### **FINANCIAL IMPLICATIONS**

20. There are sufficient funds allocated for this project within the current year's operating budget and future years' forward estimates.

### **RELEVANT LEGISLATION**

21. 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.
22. Attachments B and C 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.

23. 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**

24. The proposed time frame for this project is:
- (a) November 2016                      Execute contract with successful tenderer
  - (b) December 2016                      Commence services
25. Subject to performance, and at the City's discretion, there is an option for a two year extension commencing late 2019 and finishing late 2021.

**PUBLIC CONSULTATION**

26. Where required, site signage will be installed to notify the community of major works being undertaken.

**DAVID RIORDAN**

Director City Operations

Fred Tilden, Parks Assets and Services Manager  
Karen Sweeney, A/Manager City Greening and Leisure