

ITEM 8. TENDER - PANELS FOR STREET LIGHTING AND TRAFFIC SIGNALS

FILE NO: X005279

TENDER NO: 1666

SUMMARY

This report provides details of the tenders received for a schedule of rates contract to carry out the installation of street lighting and traffic signal works.

Street lighting networks in the Local Government Area are provided by both Ausgrid and the City. The City manages a portfolio of 2,580 multi-function poles also known as Smartpoles, 3,360 standard galvanised light poles and 3,250 mounted lights, with a total street lighting asset value of \$97 million.

The City also manages road safety programs and public domain upgrades that require the installation of new lighting networks and traffic signal assets.

The work in this tender includes a schedule of rates for underground cabling, the installation of new light poles and light fittings, wall mounted lighting and the installation of new traffic signals.

Tenderers had the option to submit for the:

- street lighting;
- traffic signals; and/or
- combined street lighting and traffic signals panels.

The City received six submissions which were evaluated in accordance with the approved Tender Evaluation Plan.

This report recommends that Council accept the tender offers of Tenderers 'A' and 'B' for the Street Lighting Panel, Tenderers 'A' and 'B' for the Traffic Signals Panel, and Tenderers 'A', 'E' and 'B' for the Combined Street Lighting and Traffic Signals Panel.

RECOMMENDATION

It is resolved that:

- (A) Council accept the tenders of Tenderers 'A' and 'B' for inclusion on the Street Lighting Panel for a period of two years, with three additional annual extension options to be exercised at the City's discretion;
- (B) Council accept the tenders of Tenderers 'A' and 'B' for inclusion on the Traffic Signals Panel for a period of two years, with three additional annual extension options to be exercised at the City's discretion;

- (C) Council accept the tenders of Tenderers 'A', 'E' and 'B' for inclusion on the Combined Street Lighting and Traffic Signals Panel for a period of two years, with three additional annual extension options to be exercised at the City's discretion;
- (D) authority be delegated to the Chief Executive Officer to negotiate, execute and administer the contracts relating to the tender; and
- (E) authority be delegated to the Chief Executive Officer to exercise the options referred to in Clauses (A), (B) and (C), if appropriate, and negotiate the price to extend the contracts accordingly.

ATTACHMENTS

Attachment A: Tender Evaluation Summary (Confidential)

Attachment B: Recommended Tenderer 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. Street lighting networks in the Local Government Area are provided by both Ausgrid and the City. The City manages a portfolio of 2,580 multi-function poles also known as Smartpoles, 3,360 standard galvanised light poles and 3,250 mounted lights, with a total street lighting asset value of \$97 million.
2. The City also manages road safety programs and public domain upgrades that require the installation of new lighting networks and traffic signal assets.
3. The work in this tender includes a schedule of rates for underground cabling, the installation of new light poles and light fittings, wall mounted lighting and the installation of new traffic signals.
4. The Roads and Maritime Services (RMS) own, operate and control all traffic signals on public roads throughout New South Wales. Traffic signals can be mounted on either RMS-owned poles or City-owned Smartpoles. Any traffic signals installed under this contract will be transferred over to RMS for their ongoing operation and maintenance.
5. The current contract for street lighting and traffic signals works expires on 30 April 2017. This contract ends after a three and a half year term, which delivered 145 additional street lights and over 18 traffic signal improvements.
6. Tenderers had the option to submit a tender for one or more of the panels.
7. The City does not guarantee any minimum quantity of work to the tenderers.
8. Allocation of work will be awarded in accordance with the City's Contract Management Guidelines and subject to the availability of the successful tenderers.
9. The contract is for two years, with three optional annual extensions that can be exercised at the discretion of the City.

INVITATION TO TENDER

10. The tender was advertised in The Sydney Morning Herald, The Daily Telegraph and the City's eTender website from Tuesday 27 September 2016 until 27 October 2016.

TENDER SUBMISSIONS

11. Six submissions were received from the following organisations (listed alphabetically):
 - AHV Australian High Voltage Pty Ltd
 - Ford Civil Pty Ltd
 - Lend Lease / Tyco Joint Venture Pty Ltd
 - Prime Pty Ltd
 - QMC Pty Ltd
 - Sydney Civil Pty Ltd

12. No late submissions were received.

TENDER EVALUATION

13. All members of the Tender Evaluation Panel have signed Pecuniary Interest Declarations. No pecuniary interests were noted.
14. The relative ranking of tenders as determined from the total weighted score is provided in the confidential Tender Evaluation Summary – Attachment A.
15. All submissions were assessed in accordance with the approved evaluation criteria being:
- (a) demonstrated capacity, previous experience and technical ability to carry out the work under the contract;
 - (b) resources including company profile, personnel, subcontractors, plant and equipment;
 - (c) site management and traffic control;
 - (d) quality control and assurances including environmental management;
 - (e) Work Health and Safety;
 - (f) financial and commercial trading integrity including insurances; and
 - (g) schedule of rates.

PERFORMANCE MEASUREMENT

16. The City will monitor key performance indicators to measure the performance level of the successful tenderers during the works. Performance results will be used to determine the suitability of contractors for future works.
17. The City will ensure that performance standards for contractors are met and monitored during the works by:
- (a) carrying out regular inspections to ensure the company remains on track with regard to the program and quality of work; and
 - (b) ensuring the company completes the project as specified in the tender documents.

FINANCIAL IMPLICATIONS

18. There are sufficient funds allocated for these works within the current year's capital works budgets and future years' forward estimates.
19. The quantity of work awarded each year is subject to approved works programs and activities required to achieve desired service levels for the City.
20. The City will supply Smartpoles, pole fittings and luminaires through existing City supply contracts.

21. The submitted rates of the recommended tenderers are provided in confidential Attachment B.

RELEVANT LEGISLATION

22. 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.
23. Attachments A and B contain confidential commercial information of the tenderers and details of the City's tender evaluation and contingencies which, if disclosed, would:
- (a) confer a commercial advantage on a person with whom the City is conducting (or proposes to conduct) business; and
 - (b) prejudice the commercial position of the person who supplied it.
24. Discussion of the matter in an open meeting would, on balance, be contrary to the public interest because it would compromise the City's ability to negotiate fairly and commercially to achieve the best outcome for its ratepayers.

CRITICAL DATES / TIME FRAMES

25. The City's current street lighting and traffic signals contract expires on 30 April 2017.
26. The proposed contract is for a period of two years, with three annual extension options, which can be exercised at the City's discretion.

PUBLIC CONSULTATION

27. No public consultation is required, however, the works will include:
- (a) appropriate site management, signage, preparation and implementation of traffic management plans in accordance with specific job requirements; and
 - (b) construction notification letters being provided to nearby properties affected by the work outlining duration of works and contact details.

DAVID RIORDAN

Director City Operations

Andrew Christie, Acting Manager City Infrastructure and Traffic Operations