

ITEM 9. TENDER - REFURBISHMENT OF SMARTPOLES

FILE NO: X004010

TENDER NO: 1677

SUMMARY

This report provides details of the tenders received for a schedule of rates and lump sum contract to carry out the refurbishment of Smartpole®MFPs (Smartpoles) that were removed from George Street as part of the CBD and South East Light Rail project for re-use elsewhere in the City.

The proposed refurbishment program is consistent with the environmental goals of the City's Community Strategic Plan and interim Waste Strategy.

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

This report recommends that Council accept the tender offer of Tenderer 'A' for the refurbishment of Smartpoles service contract.

RECOMMENDATION

It is resolved that:

- (A) Council accept the tender of Tenderer 'A' for a period of three years, with two options for annual extensions at the City's discretion;
- (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 options referred to in clause (A), if appropriate, and negotiate the price to extend the contract accordingly.

ATTACHMENTS

Attachment A: Tender Evaluation Summary (Confidential)

Attachment B: Lump Sum Figure and 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. Over 200 Smartpoles are due to be removed as part of the CBD and South East Light Rail Project. These Smartpoles will be modified to be used elsewhere in the City.
2. The tender is for a service provider to receive Smartpoles that are removed from George Street. Once the poles are received, the service provider will:
 - (a) salvage the Smartpole parts;
 - (b) make machine adjustments to the Smartpoles for use on other locations;
 - (c) provide storage for the Smartpoles; and
 - (d) transport the Smartpoles back to the City for reuse.
3. The refurbishment program is consistent with the environmental goals of the City's Community Strategic Plan and interim Waste Strategy.
4. The program for refurbishment of Smartpoles is dependent on the CBD and South East Light Rail Project.
5. It is anticipated that the refurbished Smartpoles will be delivered back to the City intermittently for the duration of the contract.
6. The City does not guarantee any minimum quantity of work to the tenderers.
7. The contract is based on a schedule of rates and a lump sum for three years, with two optional annual extensions.

INVITATION TO TENDER

8. The tender was advertised in The Sydney Morning Herald, The Daily Telegraph and on the City's eTender on 22 November 2016. The tender period closed on 13 December 2016.

TENDER SUBMISSIONS

9. Four submissions were received from the following organisations (listed alphabetically):
 - Bedrule Pty Ltd t/as Australian High Voltage
 - Hub Australasia Pty Ltd
 - Prime Facility Asset Management Pty Ltd
 - Wilken Service Pty Ltd
10. No late submissions were received.

TENDER EVALUATION

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

12. The relative ranking of tenders as determined from the total weighted score is provided in the confidential Tender Evaluation Summary – Attachment A.
13. All submissions were assessed in accordance with the approved evaluation criteria being:
 - (a) demonstrated previous experience of completing similar work projects;
 - (b) demonstrated managerial capability, qualifications, experience and number of personnel;
 - (c) the proposed Quality and Operational Plan;
 - (d) capacity to achieve the required project program;
 - (e) environmental management;
 - (f) Work Health and Safety and Insurances;
 - (g) financial and commercial trading integrity including insurances; and
 - (h) schedule of rates and lump sum.

PERFORMANCE MEASUREMENT

14. 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.
15. In entering into the contract, the City will ensure that performance standards 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

16. Funds are available for this tender in the 2016-2017 capital works budget and future years' forward estimates.
17. It is estimated that 200 Smartpoles will be refurbished as part of this contract. The quantity is subject to the final design of the CBD and South East Light Rail programs.
18. The submitted rates of the recommended tenderers is provided in the confidential Lump Sum Figure and Schedule of Rates – Attachment B.

RELEVANT LEGISLATION

19. 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.

20. 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.
21. 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

22. The proposed contract is for a period of three years, with the option for two annual extensions if the poles are not re-used within the set term.
23. The program for refurbishment is dependent on the CBD and South East Light Rail project.

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