

**ITEM 14. TENDER - PIRRAMA PARK EVENT MANAGEMENT FOR 2017
SYDNEY NEW YEAR'S EVE**

FILE NO: X008402.001

TENDER NO: 1725

SUMMARY

This report provides details of the tenders received for Pirrama Park Event Management for 2017 Sydney New Year's Eve (with an option to extend for 2018 and 2019).

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. The event is recognised as a Hallmark Event by the NSW Government and has an annual direct economic impact on NSW of more than \$133 million.

The event includes two fireworks displays and a Welcome to Country ceremony on Sydney Harbour, lighting and projections on the Sydney Harbour Bridge, and on-water displays on Sydney Harbour.

To ensure the event is safe and accessible, the City and other landowners operate a number of free vantage points at foreshore locations. For the more popular vantage points that attract large crowds, access is managed, meaning no glass or BYO alcohol is permitted. Facilities such as additional toilets, lighting, and food and beverage vendors are provided. Entry is free.

The City's Pirrama Park in Pyrmont offers views of Sydney Harbour from the west, and is a popular Sydney New Year's Eve vantage point for families, locals and tourists. Pirrama Park has been operated as a managed access and licensed site since 2013.

A tender was conducted for the event management of Pirrama Park for this year's Sydney New Year's Eve, with an option to extend for a further two years. The scope of work includes the provision of all site infrastructure and amenities required to operate the site as a free managed access vantage point.

This report recommends that Council accept the tender offer of Tenderer 'B' for the event management of Pirrama Park for 2017 Sydney New Year's Eve (with an option to extend for 2018 and 2019).

RECOMMENDATION

It is resolved that:

- (A) Council accept the tender offer of Tenderer 'B' for the event management of Pirrama Park for a period of one year to cover 2017 Sydney New Year's Eve, with the option of an extension of two years (to cover the event in 2018 and 2019);
- (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 contract accordingly.

ATTACHMENTS

Attachment A: Tender Evaluation Summary (Confidential)

BACKGROUND

1. Sydney New Year's Eve is one of the world's biggest annual celebrations, and a Hallmark Event for NSW. The event includes two main fireworks displays and a Welcome to Country ceremony on Sydney Harbour, and lighting and projections on the Sydney Harbour Bridge. In addition, the City provides a number of free vantage points and services for the general public, and produces two invitation-only events at outdoor locations.
2. The event attracts over a million people to the Sydney Harbour foreshore. The City, along with other landowners, including Property New South Wales, Botanic Gardens and Centennial Parklands, Sydney Opera House Trust, and local Councils, provide a number of free publicly accessible vantage points with facilities such as toilets, and food and beverage vending.
3. To ensure the safety of attendees, all such vantage points have managed access arrangements in place. This means that glass and BYO alcohol are prohibited. Some of the sites are licensed to manage alcohol consumption; licensing means that responsible service of alcohol can be policed.
4. Pirrama Park in Pyrmont is a large park offering views of Sydney Harbour from the west. For the annual Sydney New Year's Eve event, the vantage point is popular with families, locals and tourists. The site has a safe operating capacity of 15,000 people.
5. The site has been successfully operated as a licensed managed access site for Sydney New Year's Eve since 2013. Management of the site for the event was last put out to tender in 2014. The most recent contract expired following 2016 Sydney New Year's Eve.
6. Tenders were invited for the event management of Pirrama Park for 2017 Sydney New Year's Eve, with an option to extend for a further two years (covering 2018 and 2019).
7. Tenderers were required to demonstrate experience delivering outdoor events of a similar size and nature, experience working with government agencies, and provide a proposal to manage the site for 2017 to meet the mandatory requirements stipulated in the scope of work.
8. The scope of work in the Request for Tender requires tenderers to operate the vantage point as a licensed site accessible for all ages, with any amplified activities to cease by 12:30am, and closure of the site by 1am. The site must include a dedicated and free accessible viewing area for persons with disabilities. Tenderers are permitted to operate a small ticketed event for no more than 650 people.
9. The City will pay a lump sum for the event management of Pirrama Park for each Sydney New Year's Eve event.

INVITATION TO TENDER

10. The Request for Tender was advertised in The Sydney Morning Herald, The Daily Telegraph and via the City's online eTendering portal on Tuesday 23 May 2017. The closing date for submissions was 11am Tuesday 13 June 2017.

TENDER SUBMISSIONS

11. Two submissions were received from the following organisations:

- Eventors Australia Pty Ltd
- Uncommon Cord 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, technical ability and relevant recent experience of the organisation to carry out the work under the contract;
- (b) key personnel and sub-contractors have demonstrated capability, qualifications, and/or recent experience in delivering events of a similar size and nature;
- (c) the Event Proposal is sufficiently detailed, meets the Mandatory Requirements, is achievable, and indicates an ability to deliver a high quality event at Pirrama Park for 2017 Sydney New Year's Eve;
- (d) environmental management;
- (e) Work Health and Safety; and
- (f) financial and commercial trading integrity, including insurances.

PERFORMANCE MEASUREMENT

16. Key Performance Indicators were set out in the Request for Tender documentation as follows, and will be included in any resultant contract:

- (a) delivery of all elements of the services;
- (b) quality of work;
- (c) timeliness;
- (d) documentation;
- (e) communication and reporting; and
- (f) Work Health and Safety compliance.

17. Performance of the contractor will be evaluated regularly, at least annually, following each Sydney New Year's Eve event, and always upon completion of the contract.

FINANCIAL IMPLICATIONS

18. There are sufficient funds allocated for this project within the 2017/18 operating budget and future years' forward estimates.

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. Attachment A contains 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. To enable the contractor sufficient lead time to plan and deliver an event at Pirrama Park for 2017 Sydney New Year's Eve, contracts must be signed by the end of August 2017.
23. Deferral of a decision would impact on the contractor's ability to deliver the services for 2017 Sydney New Year's Eve to a high standard or, in the event of a significant delay, the ability to deliver the services at all.

OPTIONS

24. Not proceeding with the service would put the City's ability to safely operate Pirrama Park as a vantage point for Sydney New Year's Eve at risk. The City would be required to either:
 - (a) leave the site open with no managed access in place, creating the risk of antisocial behaviour or medical incidents due to the overconsumption of alcohol and presence of glass; or
 - (b) fence and close the park so that it cannot be used or accessed during the event.

PUBLIC CONSULTATION

25. For 2012 Sydney New Year's Eve, the site was a listed vantage point, but not a managed access area. As a result, it attracted crowds with large quantities of BYO alcohol. Following overcrowding issues and antisocial behaviour during the 2012 event, the City consulted with NSW Police and the local community about appropriate management strategies for Pirrama Park on New Year's Eve.

26. The managed access approach adopted since 2013 Sydney New Year's Eve reflects the outcome of the consultation. The scope of work also requires the successful tenderer to conduct further consultation with local residents and businesses, facilitated by the City where appropriate.

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