

**ITEM 14. VARIATION REQUEST - WATER FEATURES MAINTENANCE
CONTRACT**

FILE NO: S116229

SUMMARY

The Water Feature Maintenance Contract provides maintenance services for the City's water features including regular servicing, repairs and monitoring of water use and energy consumption.

Following a public tender, Council awarded a contract to Water Features Australia to maintain the City's 42 water features on 18 November 2013. This contract expires in December 2018. No contingency was allocated.

Additional water features and services are required under the contract and approval is required for the following variations to the contract:

- maintenance of the recently constructed Sydneygate water feature in Zetland. This was transferred to the City via a voluntary planning agreement; and
- increased maintenance of the Jumping Jewels interactive water feature at Cook and Phillip Pool to a daily service to satisfy recently amended NSW Health requirements.

RECOMMENDATION

It is resolved that:

- (A) Council approve the variations to the Water Features Maintenance Contract (Contract 1362) as outlined in Confidential Attachment A to the subject report;
- (B) Council approve a contingency sum of 10 per cent of the contract value for additional water features or services required for the remainder of the contract term, and;
- (C) Attachment A to the subject report remain confidential in accordance with Section 10A(2)(d) of the *Local Government Act 1993*.

ATTACHMENTS

Attachment A: Summary of proposed variations (Confidential)

(As Attachment A is confidential, it will be circulated separately from the agenda paper and to Councillors and relevant senior staff only.)

BACKGROUND

1. The Water Features Maintenance Contract (the contract) provides maintenance services for the City's 42 water features.
2. Services provided under the contract include:
 - (a) servicing of water features including cleaning, chemical dosing, filter maintenance and lighting repairs;
 - (b) repairs and replacement of failed components;
 - (c) monitoring of water and energy use; and,
 - (d) vandalism repairs, including correcting foaming incidents.
3. Council resolved to engage Water Features Australia to deliver the contract services at its meeting on 18 November 2013 following a public tender. The contract was for an initial three year term with two year option for extension. The contract commenced on 1 January 2014. The option has been exercised and is due to end on 31 December 2018.
4. No contingency was allocated at the time of tender. Contingency is required for additional water features and servicing. Council approval is required for the proposed variations as they exceed expenditure above 10 per cent of the contract sum.
5. New water features are progressively added to the City's water feature portfolio as they come online either through City delivered works or by third parties through voluntary planning agreements.
6. A new water feature at Sydneygate, Zetland, has recently been handed over to the City. This new asset was delivered by a third party through a voluntary planning agreement and needs to be added to the contract to enable ongoing servicing.
7. Upgraded and new water features will be acquired by the City over the remainder of the contract term including the Central Park water feature, Chippendale, the upgrade of Regimental Square water feature and a new water feature in the Green Square Plaza. Each of these water features will require ongoing servicing by the City.
8. To meet NSW Health requirements, maintenance of the Jumping Jewels water feature at Cook and Phillip Park Pool needs to be increased to daily servicing. NSW Health have recently stipulated that under *The Public Health Act 2010 and the Public Health Regulation 2012* all interactive water features and water play parks are to be serviced daily and treated to public pool standard.
9. As part of the day-to-day maintenance of the City's water features, there is routine ongoing replacement of filters, pumps, lights and dosing infrastructure. Minor repairs and replacement parts have been provided by Water Features Australia over the contract term and will be required over the remaining contract term.

KEY IMPLICATIONS

Strategic Alignment - Sustainable Sydney 2030 Vision

10. Sustainable Sydney 2030 is a vision for the sustainable development of the City to 2030 and beyond. It includes 10 strategic directions to guide the future of the City, as well as 10 targets against which to measure progress. This report is aligned with the following strategic directions and objectives:
 - (a) Direction 2 provides a road map for the City to become a Leading Environmental Performer - The City's water features are all based on the use of reticulated water and are progressively being upgraded to ensure water use and energy requirements is minimised, in turn minimising greenhouse emissions. The request ensures that the City continues to fulfil core responsibilities to deliver attractive, well maintained, efficient and sustainable water features.
 - (b) Direction 10 - Implementation through Effective Governance and Partnerships - the contract with Water Features Australia has focussed on continuous improvement and delivering long term financial and environmentally sustainable water features for the City of Sydney.

Organisational Impact

11. While the contract variation will increase in scope for some water features, there are no other impacts to the organisation.

Risks

12. If the contract variation is not granted, Water Features Australia will not be able to provide some of the services required under the contract, compromising water feature maintenance and public safety, and creating a significant risk for the City. The City is responsible for management and maintenance of these assets.
13. If endorsed, the recommendations within this report will ensure service continuity and guarantee that the City is meeting NSW Health regulations regarding daily maintenance for the interactive water features.
14. The City has developed a risk assessment including treatment strategies for water features to ensure legislative requirements are met and risks to public health managed. All water features currently comply with the *Public Health Act NSW* with controls including dosing systems and regular servicing. The risk assessment considers the City's water features in three categories:
 - (a) interactive water features;
 - (b) ornamental water features with public access; and
 - (c) ornamental water features.
15. City staff are currently investigating and implementing a range of controls identified to further reduce risks.

16. The risk assessment covers the need to meet daily servicing in line with NSW Health regulations. All City interactive water features comply with NSW Health requirements.

Social / Cultural / Community

17. Additional water features serviced under this contract will contribute to the cultural elements in the City, and enrich the public's experience of the public domain.
18. Water feature servicing and maintenance will continue, ensuring these elements are safe and well-presented.

Environmental

19. Water Features Australia are contracted to maintain the City's water features to comply with the City's Environmental Management Plan. The contract includes dosing of water to meet public health standards and ensure elimination of water-borne pathogens.

BUDGET IMPLICATIONS

20. The proposed variations to the water feature maintenance contract are outlined in Confidential Attachment A.
21. Funds are available in the 2017/18 budget for this work.

RELEVANT LEGISLATION

22. *Local Government Act 1993 and Local Government (General) Regulation 2005.*
23. Attachment A contains confidential commercial information 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.
24. 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

25. The time frame for this contract variation is:
- Contract Commencement – 1 January 2014
 - Contract extension – 1 January 2017
 - Contract end – 31 December 2018

OPTIONS

26. No options are available as additional testing is required for interactive water features to be compliant with current NSW Health guidelines.

PUBLIC CONSULTATION

27. No public consultation is required for these maintenance services.

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