

Item 9.

Tender - Reject and Negotiate - Appointment of an Operator for the Joynton Park Market, Zetland

File No: X005131.004

Tender No: 1835

Summary

This report provides details of the tenders received for the appointment of an operator for the Joynton Park Markets, Zetland.

The former Joynton Park Markets (known previously as the Green Square Market) commenced operation in 2014 and operated weekly on a Saturday. The market ceased operation in July 2017.

Two market operators expressed an interest in running a market at Joynton Park.

The City is seeking a diversity of markets, both in size and goods offered, across the Local Government Area, with Green Square being one of the fastest growing and most diverse areas in Sydney.

The Request for Tender (RFT) was advertised from 26 June 2018 and closed on 17 July 2018. The tender was open for three weeks.

All current City of Sydney market operators, as well as any operator who had approached the City with an enquiry about establishing a market on City land, were emailed on 26 June 2018 and advised that the tender was live on Tenderlink.

All tenders received were non-compliant, therefore this report recommends that Council reject and negotiate the tender offer of 1835 for the appointment of an operator for the Joynton Park Markets, Zetland.

Recommendation

It is resolved that:

- (A) Council decline to accept any of the tenders received for the appointment of an operator for the Joynton Park Markets, Zetland, for the reasons set out in Confidential Attachment A to the subject report;
- (B) Council enter into negotiations with any person with a view to entering into a contract in relation to the subject matter of the tender;
- (C) Council note the reason for determining to enter into the negotiations contemplated in item (B) above is as follows:
 - (i) none of the tenderers satisfactorily addressed the tender criteria and Council needs to negotiate with appropriate providers to understand what the barriers to service are; and
- (D) authority be delegated to the Chief Executive Officer to:
 - (i) undertake the negotiations referred to in (B) above; and
 - (ii) execute and administer any contract resulting from the negotiations contemplated by item (B) above.

Attachments

Attachment A. Tender Evaluation Summary (Confidential)

Background

1. The City is seeking a diversity of markets, both in size and goods offered, across the Local Government Area, with Green Square being one of the fastest growing and most diverse areas in Sydney
2. The Joynton Park Market (known previously as the Green Square Market) was operated by the Rotary Club of South Sydney, commenced operation in 2014 and operated weekly on a Saturday.
3. On 11 July 2017, the Club notified the City that it was no longer viable for them to operate the Market and requested the cancellation of their Licence Over Public Reserve.
4. Subsequently, two applications to run a Market at Joynton Park were received.

Invitation to Tender

5. The Request for Tender (RFT) was advertised in The Sydney Morning Herald, The Daily Telegraph, Markets and Fairs, and on Tenderlink from 26 June 2018 and closed on Tuesday 17 July 2018. The tender was open for three weeks.
6. All current City of Sydney market operators, as well as any operator who had approached the City with an enquiry about establishing a market on City land, were emailed on 26 June 2018 and advised that the tender was live on Tenderlink.

Tender Submissions

7. Submissions were received from the following three organisations:
 - (a) Choulartons Australia Pty Ltd;
 - (b) Cloud 9 Promotions; and
 - (c) Markets and Events Australia.
8. No late submissions were received.

Tender Evaluation

9. All members of the Tender Evaluation Panel signed Pecuniary Interest Declarations. No pecuniary interests were noted.
10. The relative ranking of tenders as determined from the total weighted score is provided in the Confidential Tender Evaluation Summary – Attachment A.
11. All submissions were assessed in accordance with the approved evaluation criteria being:
 - (a) demonstrated managerial capability, qualifications, experience and number of personnel;

- (b) the tenderer's overall vision and proposal for the market and how it meets the City's objectives;
 - (c) demonstrated business and operational capacity to deliver the proposed market;
 - (d) the quality and details of the operational management plans;
 - (e) ability to maintain high levels of presentation and quality products;
 - (f) conformance with the tender requirements and / or acceptance of non-conformities or amendments (if applicable);
 - (g) confirmation that the tenderer is holding the necessary insurance levels;
 - (h) the tenderer's financial viability and the understanding of their capacity to support the financial offer; and
 - (i) demonstrated mature Work, Health and Safety and Risk Management systems and procedures, and a commitment to continuous improvement.
12. In addition, the RFT stated 'the City is seeking a diversity of markets, both in size and goods offered, across the Local Government Area. Preference will be given to a small to medium size market operator who can demonstrate innovation and diversity in the type of market proposed. The City will look favourably on a market operator who can:'
- (a) demonstrate a diversity of goods and service to be offered for sale;
 - (b) offer a clear point of difference to the existing market offering within the local government area;
 - (c) complement the surrounding area and existing businesses; and
 - (d) demonstrate a clear commitment to sustainability through:
 - (i) a ban on single use plastic bags issued by stallholders;
 - (ii) a commitment to use biodegradable containers including, but not limited to beverage, takeaway containers and cutlery within the market; and
 - (iii) a commitment to working with the City of Sydney on options for food waste reduction or recycling – perhaps through utilising services food rescue organisations for unsold food or food waste collection for recycling.

Performance Measurement

13. Tenderer performance was to be assessed against the following criteria:
- (a) operation of the market as an interesting and vibrant destination, focusing on creative and cultural experience;
 - (b) operation of a market that sells products and or services of good quality and represents value for money;
 - (c) maintains high standards of presentation and quality;

- (d) ensures that the market's operation complements and adds value to the existing businesses in the area;
- (e) professionally organises and manages the market;
- (f) meets regularly with the City and submits performance reports as part of the ongoing review of the market; and
- (g) ensures compliance with the requirements of the license, as well as any other applicable legislative or planning obligations.

Financial Implications

- 14. There are no financial implications for rejecting the tender and entering into negotiations with suitable operators.

Relevant Legislation

- 15. 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.
- 16. 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.
- 17. 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.

Public Consultation

- 18. No consultation has been undertaken.

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