

## **Item 8.**

### **Tender - Reject and Negotiate - Bulk Lift Upgrade - Various Sites**

**File No: X017067.001**

**Tender No: 1952**

### **Summary**

This report provides details of the tenders received for Bulk Lift Upgrade at Various Sites.

Passenger lifts at five City of Sydney facilities require upgrading to improve performance and reliability. The equipment has reached the end of its serviceable life and breakdowns are impacting building users. The lift equipment is all non-proprietary and many components are now obsolete.

It is proposed to replace and upgrade lift equipment to be more reliable and easier to maintain. The upgrade is proposed to address non-compliances, improve reliability and accessibility in accordance with current Australian Standards.

This report recommends that Council reject the tender offered and enter into negotiations with suitably qualified companies for Goods and Passenger Bulk Lifts Upgrade at Five Locations.

## **Recommendation**

It is resolved that:

- (A) Council reject the tender offer from Tenderer A for Goods and Passenger Bulk Lifts Upgrade at Five Locations for the reasons set out in the Tender Evaluation Summary at Confidential Attachment A to the subject report;
- (B) authority be delegated to the Chief Executive Officer to enter into negotiations with any person with a view to entering into a contract in relation to the subject matter of the tender;
- (C) authority be delegated to the Chief Executive Officer to execute and administer a contract in relation to the subject matter of the tender with a suitable vendor following completion of the negotiations;
- (D) Council not invite fresh tenders, as it is considered that inviting fresh tenders would not attract additional suitable vendors over and above that have responded to this tender; and
- (E) Council be informed of the successful company by CEO Update.

## **Attachments**

**Attachment A.** Tender Evaluation Summary (Confidential)

## Background

1. The lift motors and associated components at Coronation Hotel, Kings Cross Library, Rex Community Centre, Ian Thorpe Aquatic Centre and Sydney Park Pavilion are reaching the end of their serviceable life and require replacement.
2. Upgrade and modernisation works are required to provide reliable and efficient lift service, and compliance with Australian Standards.
3. Full upgrade works are proposed for the Coronation Hotel, Kings Cross Library and Rex Community Centre. Partial upgrade works are required for the Ian Thorpe Aquatic Centre and Sydney Park Pavilion.
4. The upgrade works at the five locations were offered as one tender package to increase attractiveness to the market and to maximise project management efficiencies.
5. Tenders were sought from suitably qualified and experienced parties for the works associated with supply and installation, technical staff and high quality equipment in accordance with the Request for Tender.

## Invitation to Tender

6. The Request for Tender was advertised in The Sydney Morning Herald and The Daily Telegraph and on the City's eTendering portal on Tuesday 9 July 2019.
7. The tender closed on Tuesday 20 August 2019 at 11.00am.

## Tender Submissions

8. One submission was received from Liftronic Pty Limited.
9. No late submissions were received.

## Tender Evaluation

10. All members of the Tender Evaluation Panel have signed Pecuniary Interest Declarations. No pecuniary interests were noted.
11. The relative ranking of tenders as determined from the total weighted score is provided in the Confidential Tender Evaluation Summary – Attachment A.
12. All submissions were assessed in accordance with the approved evaluation criteria being:
  - (a) demonstrated experience in works of a similar size and nature;
  - (b) personnel allocation, qualifications, experience of key personnel, availability and capacity, including sub-contractors;
  - (c) proposed program;

- (d) proposed methodology, including customer and contractor access management, site set up / management plan, proposed plant, equipment and environmental management;
- (e) detail of technical data, performance and warranties proposed;
- (f) Work, Health and Safety;
- (g) financial and commercial trading integrity, including insurances; and
- (h) lump sum price.

### **Performance Measurement**

- 13. Key Performance Indicators were identified in the Request for Tender document. Performance will be assessed at each project stage and at the completion of the contract, with each assessment forming the basis of the Performance Review Results.

### **Financial Implications**

- 14. Based on current estimates, there are sufficient funds allocated for this project within the current year's capital works budget and future years' forward estimates.

### **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.

**Critical Dates / Time Frames**

18. Project timeframes are:

- |                                 |               |
|---------------------------------|---------------|
| (a) Contract awarded            | December 2019 |
| (b) Delivery of lift components | July 2020     |
| (c) Commence site works         | August 2020   |
| (d) Practical completion        | November 2020 |

**Options**

19. Council has the following options in regard to the tenders:

- (a) reject the tender and re-advertise, which is not recommended as it is considered this will not attract additional submissions; or
- (b) reject and negotiate with suitably qualified contactors with the capacity to carry out the works. This option is recommended.

**Public Consultation**

20. No public consultation has been undertaken on this project, however, the relevant stakeholders and users at the five facilities have been consulted and will be further informed prior to the proposed works being undertaken.

**AMIT CHANAN**

Director City Projects and Property

Shane Lauger, Project Manager

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