

Item 11.

Cancellation of Tender - Event Infrastructure, Structures and Equipment for 2020/21 Major Events and Festivals - Part 7

File No: X031267.004

Tender No: 2046

Summary

This report provides details of the tenders received for Event Infrastructure, Structures and Equipment for 2020/21 Major Events and Festivals – Part 7.

The City of Sydney produces a suite of public events throughout its yearly event season. These include:

- Sydney Christmas;
- Sydney New Year's Eve;
- Sydney Lunar Festival;
- Art & About Sydney; and
- capital works launches.

To ensure events are safe and accessible, the City engages contractors who specialise in the supply of crucial event infrastructure and equipment such as toilets, lighting, fencing, access equipment and temporary structures.

The City undertook a Request for Tender (RFT) for the supply of event infrastructure, structures and equipment to facilitate the delivery of its public events for the 2020/21 event season, with two options to extend to cover the 2021/22 and 2022/23 event seasons at the City's discretion. The Request for Tender contained nine Parts. Eight of the parts were successfully awarded following Chief Executive Officer approval, in accordance with the delegation from Council dated 7 August 2017.

This report recommends that Council decline to accept the tender offers for Event Infrastructure, Structures and Equipment for 2020/21 Major Events and Festivals – Part 7 (site vehicles) and cancel that part of the tender. The submissions received for that part did not meet the City's requirements and did not demonstrate value for money. Additional market research will be conducted to identify suitable suppliers, followed by a new procurement process with a revised scope of work.

Recommendation

It is resolved that:

- (A) Council decline to accept the tender offers for Event Infrastructure, Structures and Equipment for 2020/21 Major Events and Festivals – Part 7 – Site Vehicles;
- (B) Council cancel the tender for Event Infrastructure, Structures and Equipment for 2020/21 Major Events and Festivals – Part 7 – Site Vehicles; and
- (C) Council note that additional market research will be conducted to identify suitable suppliers, followed by a new procurement process with a revised scope of work.

Attachments

Attachment A. Tender Evaluation Summary (Confidential)

Background

1. The City's Major Events and Festivals unit produces a portfolio of public events each year. These range from Hallmark status events supported by the NSW Government to small community events. A key objective of the Major Events and Festivals unit is to deliver high quality, accessible, sustainable and safe events for our audiences. To achieve this, the City requires infrastructure, structures and equipment for each event such as toilets, lighting, fencing, barricades and marquees.
2. The infrastructure, structures and equipment required on each event varies, based on the scale, design and format. However, there is significant commonality in the types of items required, and value to the City in engaging a supplier of a particular category to service multiple events.
3. Accordingly, the City sought to engage suppliers for the required categories of infrastructure, structures and equipment for events delivered in the 2020/21 financial year. The inclusion of two one-year extensions, allows the City to extend tenure where appropriate, enabling suppliers to build on knowledge gained from year to year, resulting in improvements to both operational management and guest experience.
4. The Request for Tender was divided into nine parts, each representing a category of event infrastructure or equipment such as portable toilets, fencing, forklifts and access equipment, and event flooring. Tenderers were not required to bid on all parts.
5. The pricing of all parts was on a schedule of rates basis with no minimum guarantee of work. Accordingly, the financial risk to the City should events not occur, such as due to the Covid-19 pandemic, is minimal.
6. Eight of the parts were successfully awarded following the approval of the Chief Executive Officer, in accordance with the delegation from Council dated 7 August 2017. However, the submissions received for Part 7, for the supply of site vehicles, did not meet the City's requirements and did not demonstrate value for money.

Invitation to Tender

7. The Request for Tender was advertised on the City's online eTendering portal and Supply Nation on Tuesday 16 June 2020. The closing date for submissions was 11am Tuesday 7 July 2020.

Tender Submissions

8. Two submissions were received for Part 7 (site vehicles) from the following organisations:
 - Allcott Hire Pty Ltd; and
 - Kennards Hire Pty Ltd.
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) the schedule of rates;
 - (b) demonstrated experience of the organisation and key personnel in providing comparable services on major outdoor events;
 - (c) demonstrated capacity, including suitability of the proposed equipment and services, to carry out the work under the contract;
 - (d) sustainability;
 - (e) demonstrated understanding and compliance with Heavy Vehicle National Law;
 - (f) Work Health and Safety; and
 - (g) financial and commercial trading integrity of the tenderer, including insurances.

Performance Measurement

13. Key Performance Indicators were set out in the Request for Tender documentation:
 - (a) key objectives and deliverables as detailed in the tender specification;
 - (b) quality of work;
 - (c) time;
 - (d) reporting;
 - (e) communication;
 - (f) WH&S compliance; and
 - (g) sustainability.

Financial Implications

14. There are sufficient funds allocated for this project within the current year's operating 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 Procurement and Contract Management Policy.
16. Local Government Act 1993 - Section 10A provides that a council may close to the public so much of its meeting as comprises the discussion of information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business.
17. 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.
18. 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

19. There are no critical dates or timeframes for the Council to decline to accept the tender offers for, or cancel, Part 7 of the Event Infrastructure, Structures and Equipment for 2020/21 Major Events and Festivals.

Options

20. Additional market research will be conducted to identify suitable suppliers, followed by a new procurement process with a revised scope of work for any site vehicles required for the City's major events and festivals.

Public Consultation

21. No public consultation was undertaken.

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