

Award of Contract - Rymill Park / Murlawirrapurka (Park 14) Event Infrastructure Upgrade

Strategic Alignment - Enabling Priorities

Public

Tuesday, 3 May 2022

The Committee - Pre-Council Discussion Forum

Program Contact:

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Approving Officer:

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EXECUTIVE SUMMARY

Council's Procurement Policy requires Council to approve the award of contracts valued at \$2,000,000 (ex GST) and above. The City of Adelaide approached the market for goods and services listed below.

1. Events Infrastructure Upgrade in Rymill Park (Park 14) to secure contractors that have the capacity to supply and install event infrastructure (electrical and hydraulic) and associated supporting works that will support the ongoing and continue use of the area as a major event and entertainment hub in the eastern parklands.

This report outlines the procurement process undertaken to recommend a contract be awarded to the tenderer identified as the preferred tenderer by the evaluation team.

The procurement process undertaken, including the approach to market and process of evaluation, is in accordance with the approved Procurement Policy and associated Contract Approvals Guideline.

The approval of Council is sought to award the contract to the preferred tenderer as determined by the evaluation panel. Authority is sought for the Chief Executive Officer or delegate to execute the contract including the approval of any variation (financial and non-financial) to the contract awarded based on this procurement process.

The following recommendation will be presented to Council on 10 May 2022 for consideration

THAT COUNCIL

1. Approves the award of contract to the preferred supplier as identified by the evaluation panel for the following goods and services:
 - 1.1. Supply and install event infrastructure (electrical and hydraulic) and associated supporting works.
 2. Authorises the Chief Executive Officer or delegate to execute the relevant contract including the approval of any variation (financial and non-financial) to the contract based on the procurement process conducted.
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IMPLICATIONS AND FINANCIALS

City of Adelaide 2020-2024 Strategic Plan	Strategic Alignment – Enabling Priorities
Policy	The tender process and proposed award of contract comply with Council’s Procurement Policy.
Consultation	In accordance with Council’s Procurement Policy, the published forward procurement plan available on our website for public viewing included the planned procurement for this contract.
Resource	Not as a result of this report
Risk / Legal / Legislative	A delay to approval will result in an unachievable project practical completion date which could potentially impact adversely on events planned in the park.
Opportunities	Tender approach enabled ability to choose preferred tenderer increasing ability to deliver in a timely manner and achieve value for money.
21/22 Budget Allocation	The budget allocation for Event infrastructure over the project program is \$3.1m, which includes “other funding sources” detailed below. \$2m budget impact is Subject to Council’s review of the Q3 budget at its meeting on 10 May 2022
Proposed 22/23 Budget Allocation	Not as a result of this report
Life of Project, Service, Initiative or (Expectancy of) Asset	Contract term valid until 31 Dec 2022 + 12 Months Defects & Liability period
21/22 Budget Reconsideration (if applicable)	Not as a result of this report
Ongoing Costs (eg maintenance cost)	Approximately additional \$10,000 per annum for ongoing maintenance and depreciation, it is anticipated that this ongoing cost will be managed through operational and depreciation budgets.
Other Funding Sources	\$1.1m State Government Funding through the ‘Open Spaces and Places for People Grants’ fund.

DISCUSSION

Procurement Process

1. As per Council's Procurement Policy, an open market approach was undertaken to ensure a suitably qualified contractor is appointed. The evaluation process consisted of following stages:
 - 1.1. Stage 1 – Preliminary Evaluation

The preliminary evaluation allows for receipt of tenders via the public call for tender submission. All documents are viewed and downloaded into the record management system. Conflict of interest forms are submitted to the evaluation panel members. Panel members are trained and educated in good governance to ensure probity and transparency in decision making.
 - 1.2. Stage 2 - Initial Short-listing of tenderers

Panel members complete individual evaluations and rate the tenderers prior to the formal evaluation meeting. The panel discusses the individual evaluations collectively at the formal meeting. Any major discrepancies in scores are identified through this process thereby ensuing fact and evidence-based decision making to shortlist preferred suppliers.
 - 1.3. Stage 3 – Final shortlisting of tenderers

Where applicable and identified in the procurement plan, external consultant advice is applied by issuing further clarifications to shortlisted tenderers to minimise risk points raised during the evaluation panel meeting. Final negotiations, reference checks and financial viability assessments are conducted where deemed necessary. Following closure of the due diligence process, the preferred tenderer is established, and relevant authorisations are sought for financial delegations and contract award.
2. Council approval is required for all contract awards over \$2m in accordance with the Procurement Policy and associated Contract Approvals Guideline.

Events Infrastructure Upgrade in Rymill Park (Park 14)

3. Background and Specific considerations were:
 - 3.1. In 2020/21 the City of Adelaide completed an infrastructure upgrade of Rundle Park / Kadlitpina (Park 13) to improve event infrastructure.
 - 3.2. In February 2021, City of Adelaide sought and accepted a State Government grant from Open Spaces and Places for People Grants for \$1.1m to improve event infrastructure in Rymill Park / Murlawirrapurka (Park 14). The intent is to make the park more attractive and flexible for event operators, to reduce cost of hire for additional infrastructure and to make events more sustainable. It complements existing Reignite initiatives that support this sector and provides longer term benefits including positioning Adelaide as an event friendly capital city.
 - 3.3. The grant value for Rymill Park / Murlawirrapurka (Park 14) was based on a concept which includes infrastructure like that constructed in Rundle Park / Kadlitpina Park 13.
 - 3.4. Through concept development, stakeholder engagement with operators, detailed design and the COVID-19 pandemic, the scope of works has grown to respond to the requirements for how events are now safely delivered in a post-pandemic city. The result has been an expanded infrastructure footprint and increased investment in infrastructure to support the events sector.
 - 3.5. Key features of the successful tenderer's scope of works includes upgrades to the existing water supply which will increase the usability of water infrastructure including sewerage and toilet use, installation of detention tanks to allow access to sewer mains for temporary toilet blocks during events, and installation of a new transformer to increase electrical capacity and reduce the need for mobile generators.
 - 3.6. In support of event management at Rymill Park / Murlawirrapurka (Park 14), the infrastructure upgrade will lead to an appealing and adaptable venue to support events that create vibrancy and bring more people to the CBD, whilst supporting sustainability objectives.
4. The evaluation criteria utilised for this contract award were set prior to agreeing the procurement methodology and are as follows:
 - 4.1. Resource & Experience - demonstrated appropriate skills, knowledge, and past performance in implementing the proposed solution in similar projects.
 - 4.2. Methodology - clear and comprehensive methodology which demonstrates ability to meet all key timeframes of the project and detailing the approach in undertaking the stakeholder management

- 4.3. Capacity - existing workload is manageable and able to prove their team and sub-contractors managing this program
- 4.4. Employment Contribution Test - % of labour hours performed in South Australia.
- 4.5. Price - price and costing for the services is comprehensive, of value and considers all aspects of requirements as set out in the relevant specification.
5. The evaluation panel consists of four key stakeholders with relevant expertise within the Infrastructure and Procurement workgroups and two external advisors from industry providing expert advice on submissions received. In accordance with Procurement Policy (Link 1 view [here](#)), integrity and probity in the evaluation process is evident in the records completed and filed in our record system.
6. Three tenders were submitted by bidders for the proposed works package. Per the evaluation process, the nominated panel members individually evaluated and scored each tenderer in accordance with the criteria.
7. Short lists were created based on the ability to complete the work on a periodic basis with the capacity to supply and install event infrastructure (electrical and hydraulic) and associated supporting works.
8. The result is that one tenderer has been identified as the preferred supplier. As an outcome of the strict evaluation criteria and process, this tenderer achieved the highest score of all three tenderers and is the tenderer that will bring the best value for money to the delivery of this critical infrastructure project.
9. Subject to review of the Q3 budget at its meeting on 10 May 2022, Council will consider supplementing the State Government grant funds (\$1.1m) with an additional \$2m of Council funding to cover additional scope and escalation costs that have been realised as a direct impact and response to the Covid-19 pandemic.
10. The recommended financial value is within the whole of life project budget of \$3.1m, which includes the \$1.1m State Government grant.
11. This report seeks approval to authorise the Chief Executive Officer or delegate to execute the relevant contract including the approval of any variation (financial and non-financial) to the contract based on the procurement process conducted.

DATA AND SUPPORTING INFORMATION

Link 1 – Procurement Policy

ATTACHMENTS

Nil

- END OF REPORT -