

Recommendation:***That Council:***

- 1. accepts the most suitable tender, being that submitted by Stiles Electrical & Communication Services Pty Ltd., for the City of Perth Lighting Project 2016/2017 (Tender 132-16/17) at a lump sum price of \$659,787.51 (excluding GST); and***
- 2. notes that the construction is anticipated to commence in early July 2017.***

FILE REFERENCE:	P1033924
REPORTING UNIT:	Construction
RESPONSIBLE DIRECTORATE:	Construction and Maintenance
DATE:	15 May 2017
ATTACHMENT/S:	Attachment 6.1A – Details of Russell Square Proposals Confidential Attachment 6.1B – Tender Evaluation Matrix

Legislation / Strategic Plan / Policy:

Legislation	Part 4 / Tenders for Providing Goods and Services of the Local Government (Functions & General Regulations) 1996
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Integrated Reporting Implications	Planning and Framework	Corporate Business Plan / Strategic Community Plan
		Council Four Year Priorities: Perth as Capital City S6 Maintain a Strong City Profile that attracts investment

Policy

Policy No and Name:	9.7 - Purchasing
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Purpose and Background:

The City of Perth is undertaking a number of lighting projects as part of the implementation of its Lighting Strategy, to encourage citizens and visitors to remain in the city into the evening and support the night time economy. As part of this the City will be implementing two projects:

Russell Square Feature Lighting Project

Russell Square, located in Northridge is a popular recreational park and events venue. New bollard lights, floodlighting and electrical infrastructure will be installed to enhance the character and key features of the park with the following tangible benefits.

- Improve the perception of safety and the comfort of pedestrians at night in Northbridge, targeting dark areas under mature trees to deter anti-social behavior;
- Provide more sustainable and energy efficient lighting; and
- Address current lighting issues including inconsistent light and lighting levels.

Details of the proposals are provided in Attachment 6.1A.

Urban Art Lighting Project

The lighting of three landmark locations and objects (Hay Street Pathway West Perth, Murray Street Heritage Fig Tree, Hay Street Outdoor Dining). New pole mounted lights, floodlighting and electrical infrastructure will be installed at these locations to enhance the city's landmarks and unique features of the area after dark. The following tangible outcomes will be delivered:

- Enhance the night time experience in the city;
- Highlight landmarks or features within the city to assist with night time way finding; and
- Provide more sustainable and energy efficient lighting environment.

(This portion also consists of coloured up-lighting to existing landmarks similar to Russell Square.)

Details:

Detailed design was completed by Engineering Technology Consultants Pty Ltd (ETC) through coordination between the City's Coordination and Design Unit. The main objective of the design was to document the required works for the supply delivery, installation, testing, commissioning and maintenance of new: pole mounted lights, bollard lighting and electrical infrastructure for the above-mentioned projects.

The two projects were bid as two separable portions under the title "City of Perth Lighting Project 2016/2017", with the opportunity of awarding the projects to two separate contractors. However following the evaluation it has been identified that one company is the preferred contractor for both projects.

In addition tenderers were asked to provide two prices for the lighting control of Russell Square Feature Lighting Project: A wireless DMX system control and a wired DMX system control.

Communications

A communication plan will be developed and this will be implemented in conjunction with the contractor's Construction Management Plan following Council approval of the works.

Contract Arrangements

The works will be delivered under a lump sum contract arrangement by one contractor.

Working hours will be Monday to Saturday, 7.00am to 7.00pm. Construction is anticipated to commence in July 2017 and the preferred contractor has indicated a 12 week construction period.

Summary of Submitted Tenders

Two lump sum offers were received on 06 April 2017 through the City of Perth's electronic tender website from the following contractors:

Stiles Electrical & Communication Services PTY LTD (Stiles Electrical)

- Option 1 \$647,700.78 (excluding GST)
- Option 2 \$659,787.51 (excluding GST)

Gillmore Electrical Services PTY Limited (Gillmore Electrical)

- Option 1 \$784,926.00 (excluding GST)
- Option 2 \$775,298.00 (excluding GST)

Tender Assessment and Evaluation Summary

Tenders were assessed initially against the following Qualitative Selection Criteria:

- SC1: Management and Personnel;
- SC2: Project Appreciation and Methodology;
- SC3: Relevant Experience;
- SC4: Ability To Meet City's Timeframe;
- SC5: Quality Control Procedures; and
- SC6: Tendered Price.

A Tender Evaluation Matrix is attached as Confidential Attachment 6.1B. An evaluation summary against the non-priced based selection criteria has been provided below:

Management and Personnel

Both submissions have provided details to evidence their qualification and experience of their key personnel to be involved in the project.

Project Appreciation and Methodology

Stiles Electrical provided a good understanding of the project importance and this was reflected in their proposed methodology that identified the required task as well as problems and complexities that are anticipated for the project. Gillmore Electrical provided a reasonable understanding of the project with a step-by step approach and no indication of potential problems or complexities.

Relevant Experience

Both submissions provided relevant experience in working on lighting projects and demonstrated an understanding of the feature lighting concept that is in line with the City's requirements.

Ability To Meet City's Timeframe

Stiles Electrical has submitted a comprehensive program highlighting required tasks and milestones as well as time periods for long lead items. Potential delay items have been identified. Gillmore Electrical submitted a basic program highlighting required task and milestones. Their program does not clearly identify the sequence of events. It appears all works sites will start and complete at the same time.

Quality Control Procedures

Stiles Electrical and Gillmore Electrical are not currently certified by a third party to Australian Standards AS/NZS ISO 9001 'Quality Systems', however they have both demonstrated acceptable in-house quality control procedures.

Tendered Price

The tender price submitted by Gillmore Electrical for all work sites is the highest and does not demonstrate the best value for money. They have identified a 2.5% discount for the award of both projects: Urban Art lighting Project and Russell Square Feature Lighting Project. However even with the 2.5% discount applied the company's tender price still remains the highest. The tender price submitted by Stiles Electrical for all work sites is the lowest and demonstrates the best lump sum value for money despite not identifying a discount for the award of both projects Project.

The cost difference between Lump Sum Option 2 (Wired DMX) and Lump Sum Option 1 (Wireless DMX) is negligible at 2% for Stiles Electrical and 1% for Gillmore Electrical

To avoid any wireless interference problems, the City's preferred option is Lump Sum Option 2, Wired DMX.

Combined Qualitative and Priced Based Assessment Ranking

Confidential Attachment 6.1B details the relative scores of all submissions when both the qualitative and price based criteria were taken into consideration.

Project Budget

The approved budget for City of Perth Lighting Project is as follows:

CW1988	Pilot of minimum Standard Lighting	\$500,000.00
CW1986	Activate the Lighting Taskforce Structure - Russell Square Feature Lighting Project	\$150,000.00
CW1989	Urban Art Lighting Project	\$200,000.00

The tender's cost implications are contained in Confidential Attachment 6.1B.

Financial Implications:

ACCOUNT NO:	CW1988
BUDGET ITEM:	Pilot of minimum Standard Lighting - Russell Square Feature Lighting Project
BUDGETED AMOUNT:	\$500,000.00

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AMOUNT SPENT TO DATE: \$31,649.76
PROPOSED COST: \$463,505.10
BALANCE REMAINING: \$4,845.14
ANNUAL MAINTENANCE:
ESTIMATED WHOLE OF LIFE COST:

ACCOUNT NO: CW1986
BUDGET ITEM: Activate the Lighting Taskforce Structure - Russell
Square Feature Lighting Project
BUDGETED AMOUNT: \$150,000.00
AMOUNT SPENT TO DATE: \$17,376.15
PROPOSED COST: \$123,210.22
BALANCE REMAINING: \$9,413.63

ACCOUNT NO: CW1989
BUDGET ITEM: Urban Art Lighting
BUDGETED AMOUNT: \$200,000.00
AMOUNT SPENT TO DATE: \$50,916.97
PROPOSED COST: \$138,201.38
BALANCE REMAINING: \$10,881.65
ANNUAL MAINTENANCE:
ESTIMATED WHOLE OF LIFE COST:

All figures quoted in this report are exclusive of GST.

Comments:

Stiles Electrical has been evaluated as the preferred tenderer. The two submitted tenders both performed well, however, Stiles Electrical demonstrated a superior understanding of the project. They identified potential issues and included strategies to ensure the project is delivered on time.

In addition, Stiles Electrical provided the most competitive price offering best value for money.

It is recommended to accept the lump sum tender price of \$659,787.51 excluding GST submitted by Stiles Electrical & Communication Services PTY LTD.

CONFIDENTIAL ATTACHMENT 6.1B
ITEM 6.1 – TENDER 132-16/17 – CITY OF PERTH LIGHTING 2016
/2017

FOR THE WORKS & URBAN DEVELOPMENT COMMITTEE MEETING

23 MAY 2017

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