

ITEM 7

PROCUREMENT EXEMPTION - PARKING METER TICKET MACHINE MAINTENANCE AND ANCILLARY SERVICES

The purpose of this report is to seek Council's approval for an exemption from tendering provisions in accordance with section 55(3)(i) of the Local Government Act 1993 noting that, because of the unavailability of competitive or reliable tenderers, a satisfactory result would not be achieved by inviting tenders for the provision of Parking Meter Ticket Maintenance and Ancillary Services.

## RECOMMENDATION

Under Section 55(3)(i) of the Local Government Act 1993, Council:

- 1 Not invite tenders for the provision of Parking Meter Ticket Machine Maintenance and Ancillary Services, as a satisfactory result will not be achieved due to the unavailability of competitive or reliable tenders, as only the current contractor could provide the required services utilising the existing Proprietary software.
- 2 Delegate to the General Manager authority to undertake and finalise negotiations with the current service provider, Reino International Pty Ltd, with a view to entering into a contract for the subject service.
- 3 Set the term of the contract for three years with two optional extensions of one year each, to a maximum term of five years, (with optional extensions exercisable solely at the discretion of Council, and subject to satisfactory performance of the contractor).
- 4 Grant authority for the use of the Common seal of Council on the contract and any other documentation, should it be required, to give effect to this resolution.

## REPORT AUTHORISATIONS

Report of: Lucielle Power, Manager Property + Recreation

Authorised by: Kerry Hunt, Director Community Services - Creative and Innovative City

## ATTACHMENTS

There are no attachments for this report.

## BACKGROUND

On 24 March 2009, Council adopted an Inner City Parking Strategy, to provide parking and traffic solutions to serve the additional 6,000 residents and 10,000 additional jobs expected in the City Centre by the year 2026.

Council introduced parking meters in March 2010. The installation of 144 pay and display parking meter ticket machines was undertaken covering 850 parking spaces, including both on-street and off-street car parks.

The Inner City Parking Strategy's main objectives of increasing turnover of on-street parking reducing traffic congestion were met in the first twelve months of parking meter ticket machines being introduced into the city centre.

Since the introduction of parking meter ticket machines, Council regularly monitors and undertakes reviews on parking meter performance to ensure the machines are optimised. As a result of parking meter monitoring Council has made changes to parking times to optimise parking options and availability.

All Council's parking meters have been maintained since installation in 2010 by Reino International Pty Ltd, under a contract for the provision of Parking Meter Ticket Maintenance and Ancillary Services that is due to expire on 31 March 2021.

Council's current contractor conducts comprehensive maintenance for parking meters, hosting of communication management system (CMS), Parking Enterprise Management System reporting (PEMS), customer help line and the supply of printer ticket rolls, supply of additional new machines and ancillary services such as configuration changes and relocation of machines.

The maintenance contract for the parking meters has been undertaken by the contractor at a high standard over the years. The relationship between Council and Reino International Pty Ltd has been positive and any requests that are made are addressed promptly and to Council's satisfaction.

The parking meters that were installed across Wollongong CBD in March 2010 were projected to have an effective service life of 10 years. On 30 January 2017, Council approved the replacement and asset life extension of parking meters. The upgrade of the hardware extended the useful life of the existing meters by a further 10 years. Council anticipates that the current parking meters will serve the period of the proposed extension of contract within their estimated life span until 2027.

During the extension period, if granted, Council will review the current parking meter infrastructure which will include consideration of new parking technology, value to Council's investment in existing infrastructure and the delivery of the strategic objectives of the Inner City Parking Strategy.

It is noted that due to the nature of the infrastructure, Council is seeking an exemption under Section 55 (3)(i) of the Local Government Act 1993 noting the nature of infrastructure and software which was installed by the supplier.

## PROPOSAL

It is proposed that Council, under Section 55(3)(i) of the *Local Government Act 1993*, enters into a contract with the existing service and maintenance contractor for a three year term (three years plus two options of one year each, with the options being in favour of Council and at the discretion of Council); without inviting tenders, due to the unavailability of competitive or reliable tenders and otherwise, for the reasons set out in this report.

The request for exemption from tender is based on the following criteria:

- (i) Going to tender would not deliver a competitive process due to the inability of any other tenderer to provide service inclusive of an integrated management and reporting system using the existing hardware
- (ii) The service includes provision of compliant payment gateway processing, which can only be enabled by the same provider as that providing the management system
- (iii) Whilst Council owns the meter infrastructure it is doubtful that a different supplier would be able to supply the required parts or have access to the required software.

It is proposed that by entering into a contract with the existing service and maintenance contractor that Council will be able to continue managing the parking meter infrastructure to an optimum standard noting the continued lifespan of the meters.

## CONSULTATION AND COMMUNICATION

Consultation has been undertaken with the following divisions:

- Governance and Customer Service
- Property and Recreation
- Project Delivery.

## PLANNING AND POLICY IMPACT

This report contributes to the delivery of Our Wollongong 2028:

- Goal 1 - We value and protect our environment.

- Goal 5 - We are a healthy community in a liveable city.

It specifically delivers on core business activities as detailed in the Property Services Service Plan 2020–21.

## RISK MANAGEMENT

Because of the unavailability of competitive or reliable tenderers due to the owned Proprietary software, a satisfactory result would not be achieved by inviting tenders to provide service and maintenance of the Parking Meter Ticket Maintenance and Ancillary Services. With the likelihood that only the current supplier could meet Council's requirements, whilst utilising existing hardware and software, a tender process would expose Council to additional costs and delays arising from the tender process.

## FINANCIAL IMPLICATIONS

It has been confirmed that there is capacity in the budget for the ongoing provision of the service.

## CONCLUSION

Council's approval for an exemption from tender in accordance with section 55(3)(i) of the Local Government Act 1993 will minimise costs to Council and prevent disruptions of the current service delivery for the Parking Meter Ticket Maintenance and Ancillary Services to the Community.