

SUPPLEMENTARY AGENDA

Notice is hereby given that an Ordinary Meeting of Council will be held at the Civic Centre, Dee Why on

Tuesday 11 October 2016

Beginning at 6:30pm for the purpose of considering and determining matters included in this agenda.



Mark Ferguson
General Manager

Issued: 10/10/2016

OUR VALUES

Respect

Empowerment

Service

Wellbeing

Equity



**Agenda for an Ordinary Meeting of Council
to be held on Tuesday 11 October 2016
at the Civic Centre, Dee Why
Commencing at 6:30pm**

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8.0 ENVIRONMENT & INFRASTRUCTURE DIVISION REPORTS

ITEM 8.4	RFT 2016/092 - CAFE LEASE - FRENCHS FOREST, WARRINGAH AQUATIC CENTRE
REPORTING MANAGER	EXECUTIVE MANAGER PROPERTY MANAGEMENT & COMMERCIAL
TRIM FILE REF	2016/323265
ATTACHMENTS	NIL

REPORT

PURPOSE

To consider tenders received for the commercial lease of the Warringah Aquatic Centre Café in Aquatic Reserve (Crown Reserve), Aquatic Drive Frenchs Forest.

SUMMARY

Council have been upgrading the Warringah Aquatic Centre through the creation of family friendly areas for people to relax and enjoy the aquatic environment including an interactive children's water playground, barbecues, creative murals, landscaping works and lush gardens due for estimated completion by December 2016. The former kiosk lease ended 25 May 2016 to enable renovation works for the change of use to a new café. The planned lease commencement date is 1 November 2016 and the term is a 5 + 5 year term.

Council received a total of two tender submissions in response to its Request for Tender. The Tender Evaluation Panel evaluated the submissions and has made a recommendation to progress with the preferred tenderer based on accumulative highest score outcome.

RECOMMENDATION OF DEPUTY GENERAL MANAGER ENVIRONMENT & INFRASTRUCTURE

That Council adopt the recommendation contained in the Confidential Agenda, Item 11.2 RFT 2016/092 – Cafe Lease – Frenchs Forest, Warringah Aquatic Centre.

BACKGROUND

The Warringah Aquatic Centre Cafe is situated in Aquatic Reserve, Aquatic Drive Frenchs Forest being Crown Reserve managed by Council as Trustee. The cafe is part of the Warringah Aquatic Centre premises situated adjacent to the baseball sportsground.

The cafe is currently unoccupied due to site preparation works required for the conversion from a kiosk to a cafe lease on a commercial basis and outdoor pool site activation project works. The previous kiosk tenure arrangement ended on 25 May 2016 with the annual rent being \$38,854.95 per annum + GST. A short term vending machine food and beverage service solution was implemented for our customers in the interim period until the new the cafe operator was operational.

As the cafe was to be leased on a commercial basis, Council issued an RFT for a new lease of the cafe to commence on 1 November 2016 (approximately) for a term of 5 + 5 years.

A Request for Tender (RFT) was prepared by Council's Property Management & Commercial Group and Procurement Group to seek suitable respondents for the tender.

An Evaluation Panel was formed, comprising the following representatives:

Role	Name	Position
Chair	Campbell Pfeiffer	Executive Manager – Property Management & Commercial
Member	Tereza Tomas	Property Officer
Member	Peter Livanes	Executive Manager - Aquatic Services (Operations)
Advisor (non-voting)	Paul Trigg	Contracts Officer

An Evaluation Plan as developed to provide an objective, rational and defensible method for the assessment of proposals received for the proposal. The plan included a three stage process for evaluating the proposals received:

Stage 1 - Initial Cull

Stage 2 - Detailed Evaluation of Remaining Proposals

Stage 3 – Comparative analysis

The Evaluation Plan included the following Evaluation Criteria for the RFT.

Criteria	Weighting (%)
Tender Form	Pass/Fail
Conflict of Interest and Fair Dealing Declaration	Information only
Non-Compliance and Qualifications	Pass/Fail
Work Health and Safety	Pass/Fail
Financial Information	Pass/Fail
Insurances	Pass/Fail
Proven Experience of the operator and tenderer key personnel and	20%

tenderer business information	(MAS 70)
Business Plan	30% (MAS 70)
Food and Beverage Offer	15% (MAS 60)
Financial / Rent Offered	15% (MAS N/A)
Fit-out Concept	20% (MAS 60)

**MAS – is the minimum acceptable score. Any submission not achieving the MAS was not considered further.*

ADVERTISING OF RFT

The RFT with detailed requirements was publicly advertised in the Manly Daily on 3 September 2016 and in the Sydney Morning Herald on 30 August 2016. The RFT documents were released to interested parties through Council's Tenderlink website.

TENDERS RECEIVED

The RFT closed at 2pm, Friday 30 September 2016. Proposals were received from the following respondents:

- The Trustee for Brendan Keevers Family Trust Pty Ltd (ABN 60241389625)
- JSN Corporation Pty Ltd (ABN 62 607 728 987)

CONCLUSION

The Evaluation Panel recommends Council (as Crown Reserve Trust Manager) proceed to award this tender to the highest scoring submission overall subject to approval by the Department of Industry – Lands (on behalf of the Minister Administering the Crown Lands Act 1989 as land owner).

CONSULTATION

Nil

TIMING

The proposed new lease for Warringah Aquatic Centre cafe will commence on 1 November 2016 and will end on 31 October 2026 (includes the additional lease option term).

FINANCIAL IMPACT

The proposed award of the tender for a lease of Warringah Aquatic Centre of the recommended tenderer from approximately 1 November 2016 will generate income to Council (as Crown Reserve Trust Manager) totaling \$209,851 excluding GST over the initial five year term, with the addition of a 10% gross turnover rental above \$420,000 commencing year 3, with an initial 3 month rent free period.

SOCIAL IMPACT

Both tender applicants proposed to employ local employees, and support local business for the supply of products.

ENVIRONMENTAL IMPACT

Nil

