MINUTES

MARKETING, SPONSORSHIP AND INTERNATIONAL RELATIONS COMMITTEE

26 MAY 2015

APPROVED FOR RELEASE

GARY STEVENSON PSM CHIEF EXECUTIVE OFFICER



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26 MAY 2015

THESE MINUTES ARE HEREBY CERTIFIED AS CONFIRMED

PRESIDING MEMBER'S SIGNATURE

DATE DOS

MARKETING, SPONSORSHIP AND INTERNATIONAL RELATIONS COMMITTEE

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Minutes of the meeting of the City of Perth Marketing, Sponsorship and International Relations Committee held in Committee Room 1, Ninth Floor, Council House, 27 St Georges Terrace, Perth on Tuesday, 26 May 2015.

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MEMBERS IN ATTENDANCE

Cr Chen **Presiding Member**

Cr Adamos

OFFICERS

Mr Stevenson Chief Executive Officer **Director City Services** Mr Dunne

Manager Marketing, Communications and Events Ms Scott

Acting Manager Economic Development Mr Close

Governance Officer Ms Honmon

GUESTS AND DEPUTATIONS

Nil

MP80/15 **DECLARATION OF OPENING**

4.00pm The Presiding Member declared the meeting open.

APOLOGIES AND MEMBERS ON LEAVE OF ABSENCE MP81/15

Cr Limnios (Leave of Absence).

MP82/15 QUESTION TIME FOR THE PUBLIC

Nil

CONFIRMATION OF MINUTES MP83/15

Moved by Cr Adamos, seconded by Cr Chen

That the minutes of the meeting of the Marketing, Sponsorship and International Relations Committee held on Tuesday, 5 May 2015 be confirmed as a true and correct record.

The motion was put and carried

The votes were recorded as follows:

For: Crs Chen and Adamos

Against: Nil

MP84/15 CORRESPONDENCE

Nil

MP85/15 DISCLOSURE OF MEMBERS' INTERESTS

Nil

MP86/15 MATTERS FOR WHICH THE MEETING MAY BE CLOSED

The Chief Executive Officer advised that in accordance with Section 5.23(2) of the *Local Government Act 1995*, should an Elected Member wish to discuss the content of the confidential schedules listed below, it is recommended that Committee resolve to close the meeting to the public prior to discussion of the following:

Confidential Schedule No.	Item No. and Title.	Reason
1 and 2	Item MP88/15 - Tender 092-14/15 - Provision of	
	Promotion, Soundtrack and Broadcast by a Radio Station – City of Perth Australia Day Skyworks	5.23(2)(e)(ii)
3 and 4	Item MP89/15 - Tender 093-14/15 - Provision of	
	Promotion and Broadcast by a Television Station – City of Perth Australia Day Skyworks	5.23(2)(e)(ii)
5 and 6	Item MP90/15 - Tender 106-14/15 - Provision of	Section
	Concept Development, Creative and Production of	5.23(2)(e)(ii)
	Pyrotechnics Display - City of Perth Australia Day	
	Skyworks	

MP87/15 CORPORATE SPONSORSHIP – PLANNING INSTITUTE OF AUSTRALIA 2015 STATE PLANNING CONFERENCE

BACKGROUND:

FILE REFERENCE: P1010627-23

REPORTING UNIT: Economic Development Unit RESPONSIBLE DIRECTORATE: City Planning & Development

DATE: 14 May 2015

SCHEDULES: N/A

The Planning Institute of Australia (PIA) is the peak national body representing the urban and regional planning profession.

Founded in 1951, the PIA aims to promote excellence in local, regional, state and national planning within the public and private sectors. PIA currently represents approximately 4,800 professional members across Australia and 230 professionals internationally.

The PIA State Conference has become the premier event in the PIA calendar and attracts strong media coverage. The event brings together PIA members and practitioners from the planning, engineering and legal professions, local government, developers and community groups and provides access to engaging speakers at the forefront of innovation and advancement. The event is also an excellent opportunity to network with leading organisations within the planning and development industry. The 2014 State Planning Conference was a sold out event with 330 people in attendance.

In previous years the City of Perth has provided the following sponsorship for this event:

Year	Sponsorship Amount
2010	\$9,000
2012	\$5,500
2013	\$6,000
2014	\$6,000
2015 (proposed)	\$6,000

Summary of Event:

The Planning Institute of Australia (Western Australian Chapter) will hold the 2015 State Planning Conference at the Crown Entertainment Complex, Burswood.

The theme of this year's conference is "How will we live? Imagine our tomorrow".

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The PIA has invited the City of Perth to be a sponsor of one of the Conference Keynote Speakers, Mr Adam Beck, who is currently the Director of Innovation at EcoDistricts, based in Portland, Oregon.

Mr Beck specialises in developing sustainability tools and assessment systems for accelerating and benchmarking urban regeneration and infrastructure development projects. Mr Beck's previous appointments have included:

- Executive Director at the Green Building Council of Australia;
- Associate at global consulting firm Arup; and
- A lecturer in social impact assessment and community engagement at the University of Queensland.

The event organisers have advised that registration costs for the 2015 State Planning Conference are as follows:

Members: \$500

Non Members: \$580.

The City has been offered five full conference registrations to a maximum total value of \$2,900 as a sponsorship benefit.

LEGISLATION / STRATEGIC PLAN / POLICY:

Integrated Planning Strategic Community Plan

and Reporting Council Four Year Priorities: Community Outcome

Framework Perth as a Capital City

Implications The City is recognised internationally as a city on the move

and for its liveability, talented people, centres of excellence

and business opportunities.

Policy

Policy No and Name: 18.8 – Provision of Sponsorship and donations

DETAILS:

Eligibility for Sponsorship:

Criterion	Satisfied
Events and activities held outside of the city of Perth which will	Yes
increase awareness of, and goodwill for, the City of Perth	
Supports for promotional material (such as publications and films)	Yes
which positively position the City of Perth	
Support for the activities of organisations or individual which provide	Yes
positive positioning for the City of Perth	

Markets / audiences who will be exposed to sponsorship information:

- Town Planners.
- Local and State Government representatives.
- Developers.
- Urban designers.
- Engineers.
- Legal professionals.

Invitations to the conference are sent to all WA Chapter members, VIPs and WA Chapter contacts which equates to a total of approximately 2,000 people including government agencies, private firms and suppliers.

Invitations are also sent to international equivalent associations such as the Singapore Planners' Institute and the New Zealand Planners' Institute. These invitations contain all relevant sponsorship logos and acknowledgement.

Promotion of City of Perth to Markets / audiences:

The City's support for PIA and the State Planning Conference will be promoted to the audience visually through placement of the City of Perth logo on marketing material and invitations, PowerPoint slides and banners as well as verbal acknowledgement of the City of Perth as a Keynote Speaker Sponsor during the conference.

Assessment of Application (Corporate):

The opportunity the sponsorship provides to enhance the image of the 1. City of Perth.

The sponsorship of the 2015 State Planning Conference will enhance the profile of the City of Perth as a planning leader, workplace of choice and supporter of best practice planning and design outcomes.

2. The value of the increased good will from markets / audiences exposed to the sponsorship by the City of Perth.

Sponsorship of the State Planning Conference will position the City of Perth alongside the State's leading development agencies, thought-leaders in planning and future leaders, and will demonstrate the City's support for design excellence to the Australian planning and urban design community.

The increase of good will for the City of Perth will spread beyond a WA based audience as invitations and promotional material is also disseminated to an interstate and international audience (such as associated planning Institutes).

3. Contributes towards the achievement of one or more of the City's Economic Development objectives.

- to position the city as a city of regional and international significance; and
- to increase visitation to the city.

Sponsorship of the State Planning Conference meets the City's Economic Development objectives by positioning the City of Perth as a city of regional and international significance, and as an advocate for better planning and quality outcomes for the community.

The PIA also proposes to host study tours the day prior to the Conference which will increase visitation to the city including the Elizabeth Quay development and East Perth areas.

4. Benefits to be provided to the City.

The benefits provided to the City are detailed in the recommendation section of this report.

FINANCIAL IMPLICATIONS:

ACCOUNT NO: 43736000

BUDGET ITEM: Town Planning and Regional Development

Other Town Planning

BUDGET PAGE NUMBER: 9

BUDGETED AMOUNT: \$323,206 This component is \$99,387

AMOUNT SPENT TO DATE: \$168,371 PROPOSED COST: \$6,000 BALANCE: \$148,835

All figures quoted in this report are exclusive of GST.

COMMENTS:

Sponsorship of the State Planning Conference will highlight to the Australian planning and urban design community, the City of Perth's support for design excellence and the aims of the Planning Institute of Australia. The City's corporate image will be positioned alongside the State's leading development agencies, thought-leaders in planning and future leaders.

It is recommended that the Marketing, Sponsorship and International Relations Committee approve sponsorship of \$6,000 (excluding GST).

Moved by Cr Adamos, seconded by Cr Chen

That the Marketing, Sponsorship and International Relations Committee:

- 1. approves Corporate cash sponsorship of \$6,000 (excluding GST) to the Planning Institute of Australia to sponsor one of the Keynote Speakers (Adam Beck) at the Planning Institute of Australia 2015 State Planning Conference to be held on Friday, 11 September 2015;
- 2. notes that the event organisers will provide the following sponsorship benefits to the City:
 - 2.1 the opportunity to introduce the Keynote Speaker (Mr Adam Beck);
 - 2.2 acknowledgement in all conference marketing material and on the conference website including a hotlink to the City of Perth website;
 - 2.3 the opportunity to play a Corporate DVD;
 - 2.4 display of a City of Perth banner and the placement of the City's crest on a looped PowerPoint slide in the plenary sessions;
 - 2.5 placement of the City of Perth crest on the event sponsorship banner;
 - 2.6 recognition and verbal acknowledgement of the City of Perth as a Keynote Speaker Sponsor;
 - 2.7 two slides in the Conference Sponsor slideshow which runs as an introduction to each session;
 - 2.8 corporate profile on print program identifying the City of Perth as a Keynote Speaker Sponsor;
 - 2.9 City of Perth crest in PIA (WA) Annual Report recognising the level of sponsorship;
 - 2.10 five full conference registrations;

(Cont'd)

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- 2.11 additional City of Perth delegates being entitled to receive a discount of 15% on registration;
- 3. a detailed acquittal report, including all media coverage obtained, to be submitted to the City by March 2016.

The motion was put and carried

The votes were recorded as follows:

For: Crs Chen and Adamos

Against: Nil

At this point in the meeting and in accordance with Section 9.2 of the *City of Perth Standing Orders Local Law 2009*, Items MP88/15, MP89/15 and MP90/15 were moved en bloc.

MP88/15 TENDER 092-14/15 - PROVISION OF PROMOTION,

SOUNDTRACK AND BROADCAST BY A RADIO STATION - CITY OF PERTH AUSTRALIA DAY

SKYWORKS

BACKGROUND:

FILE REFERENCE: P1031440

REPORTING UNIT: Marketing, Communications & Events

RESPONSIBLE DIRECTORATE: City Services
DATE: 23 April 2015

MAP / SCHEDULE: Confidential Schedule 1 – Proposal Submissions

Confidential Schedule 2 – Tender 092-14/15 Evaluation

Matrix

(Confidential Schedules are distributed to the Elected

Members under separate cover)

Confidential Schedules 1 and 2 are bound in Consolidated Committee Confidential Minute Book Volume 1 2015.

The tender process has been used to seek provision of promotion, soundtrack and broadcast by a radio station for the City of Perth Australia Day Skyworks events for 2016 (with an option to extend for 2017 and 2018). There are no financial implications as the services are provided by the successful tenderer free of charge in return for sponsorship rights to the event. These sponsorship rights include the placement of the City of Perth crest on all marketing materials and the recognition of the City of Perth as a major sponsor.

LEGISLATION / STRATEGIC PLAN / POLICY:

Legislation Section 3.57 of the *Local Government Act 1995*

Part 4 of the Local Government (Functions and General)

Regulations 1996

Integrated Planning and Reporting Framework

Coupoil Four Year Priorities

Council Four Year Priorities – Perth as a Capital City
S5 Increased place activation and use of under-

utilised space.

IP5.2 Contribute to and facilitate the activation and use

of vacant private and public space.

Policy

Implications

Policy No and Name: 9.7 – Purchasing Policy

DETAILS:

The City of Perth advertised for tender submissions for the Provision of Promotion, Soundtrack and Broadcast by a Radio Station for Skyworks 2016 with the option to extend in 2017 and 2018. Two submissions were received from:

- Perth FM Radio Pty Ltd (Mix 94.5).
- Nova Entertainment (Perth) Pty Ltd (Nova 93.7).

Assessment

The tender was assessed against the following selection criteria and all conditions were met. The following is a summary of the assessment:

Proposal

a) Total Value of the Proposal

Proposals from both Nova 93.7 and Mix 94.5 were of a significant total dollar value, with Nova 93.7 slightly exceeding the total value in comparison to Mix 94.5. The proposal values included advertising air time, promotional program, other on-air promotion, social media, website and production costs.

b) Value of the advertising air-time component of the promotional program

Nova 93.7's total value of advertising air time was less than Mix 94.5's total value, resulting in Mix 94.5 offering more hours of air time. This includes the promotional program, advertising and other air time.

c) Effectiveness of the promotional program in terms of meeting the objectives of Skyworks

The objective of Skyworks is to create an event on Australia Day that reflects Western Australia's vibrant community, and welcomes families and other groups to participate in a celebration of community spirit and national pride. A radio station would contribute to meeting these objectives by reaching the general public via various channels and enticing them to attend.

Nova 93.7 averaged 517,000 listeners per week in 2014 with the most listeners under the age of 40, 50 and 60. Nova 93.7 has the most listeners in Perth with their breakfast show 'Nathan, Nat and Shaun'. Their Facebook page has more followers than any other radio station in Perth.

Mix 94.5 averages 512,000 listeners each week. In the 2015 market research conducted for Skyworks, 82% thought that the soundtrack was aimed at all ages; this figure was 84% in 2014. 75% found the soundtrack enjoyable in 2015; on average over three years (2013 to 2015), 79% found the soundtrack enjoyable and 80% thought it was suitable for the event.

Nova 93.7 proposes to allocate more funds to their website and social media costs compared to Mix 94.5. Nova 93.7 also allocates more funds to listener competitions and has higher production costs. Mix 94.5 allocates more funds to their promotional air time, resulting in more 'spots' than Nova 93.7.

Whilst Nova 93.7 have slightly more listeners and have a larger total proposed dollar value, Mix 94.5 are proposing significant more 'spots' on air, potentially reaching a larger audience due to the amount of air time allocated to Skyworks promotion. Nova 93.7 allocates more funds towards competitions and social media than promotional air time due to their strong presence on social media.

The detailed proposals are attached in Confidential Schedule 1.

Experience

a) Experience in developing and broadcasting events of a similar scale, level of complexity and level of expenditure to that proposed for Skyworks

Nova 93.7 has broadcasted many events such as City to Surf, live concert performances and breakfast outside broadcasts. Nova 93.7 does not have experience in developing and broadcasting events of a similar scale to Skyworks, nor

has it been a broadcast partner in the past. Its key staff do have extensive experience in the event. Mr Gary Roberts, Managing Director, has previously worked on Skyworks with 96fm and Mix 94.5 from 1985 to 2002. He 'created' the event (then called Skyshow) in 1985 and was responsible for creating many new innovations over the years, as well as coming up with successful themes and narration during the display.

Other members of the Nova 93.7 team have experience working on Skyworks including its Head of Technology and Engineering who has worked on six Skyworks / Skyshows; its Senior Sales Executive who created the soundtrack between 1996 – 2000; its Program Director who has worked on four events; and its Commercial Production Manager who has worked on five events.

Southern Cross Austereo has been the broadcast partner of Skyworks for the past 20 years with Mix 94.5 broadcasting the event since 2003. Ms Linda Wayman, General Manager, has been involved in Skyworks since 2002, and has been a key consortium member for the event since 2003. Other members of the Mix 94.5 team that have experience working on Skyworks include its Technology Manager who has worked on Skyworks for the past ten years, its Project Engineer who has worked on Skyworks for the past 12 years and its Creative Solutions Director who has themed and developed the soundtrack for Skyworks for the past 7 years.

b) Experience in developing creative soundtracks synchronised to events / displays which successfully address the objectives of the event / display.

Nova 93.7's Managing Director, Mr Gary Roberts, has experience in creating new innovations and developing successful themes and narration for Skyworks / Skyshow from 1985 to 1992 and again from 1996 to 2002. Mr Roberts was responsible for the broadcast, creation and execution for the event for 15 years in total, with the most recent being in 2002 (13 years ago). Nova 93.7's Senior Sales Executive was responsible for producing an all-Australian soundtrack for the event between 1996 and 2000.

Mix 94.5's Creative Solutions Director has been responsible for developing the theme and overseeing the Skyworks soundtrack for the past seven years since 2009. Mix 94.5's Imaging Producer has produced the past eight Skyworks soundtracks since 2008. Over the last three years on average, research conducted by the City of Perth post-event has indicated that 79% have enjoyed the soundtrack and 80% has found it suitable to the event, remaining consistent and meeting the objectives of the event.

c) Experience in working co-operatively as part of a team including other media, pyrotechnics and special effects and Government bodies.

Nova 93.7 provided written references from a local government authority, television partner, outside broadcast venue and previous contractors of Skyworks including pyro technicians. These references clearly demonstrated Nova 93.7's and Managing Director Gary Roberts capability to work co-operatively as part of a team.

Mix 94.5's General Manager, Ms Linda Wayman, has been a member of the Skyworks Consortium Committee for 13 years, successfully co-operating with the contracted pyro technician, television partner and other stakeholders in this time. In producing the VIP Listener Party, Mix 94.5 have also worked closely with the City of Perth Approvals Team and other stakeholders including emergency services to deliver this aspect of the event. Relevant referees were provided, including the previous pyrotechnic contractor and television partner.

FINANCIAL IMPLICATIONS:

The total value of this proposal is not included in the Skyworks 2015/16 budget as Mix 94.5 is providing its services in advertising in exchange for major sponsor status of Skyworks. The financial value of this proposal is noted in Confidential Schedule 1. There are no financial implications to the City.

COMMENTS:

Nova 93.7 is an experienced broadcaster who would be capable of delivering the promotion, soundtrack and broadcast of Skyworks, however relevant recent experience of an event of this scale is limited. Nova 93.7 presented some good ideas and has a strong following with both listeners and social media, but whilst the overall value of the proposal is slightly higher than Mix 94.5, this is predominately due to higher production costs and a larger allocation to social media rather than air time.

Mix 94.5 has a long standing history with the event, successfully partnering with City of Perth for the past 14 years as Mix 94.5, and a further 6 years under Southern Cross Austereo. Mix 94.5 has proposed a higher spend on promotional and advertising air time, resulting in significantly more 'spots' on air for Skyworks promotion. Mix 94.5 has presented a stronger overall proposal for Skyworks 2016.

Moved by Cr Adamos, seconded by Cr Chen

That Council accepts the most suitable tender being that submitted by Perth FM Radio Pty Ltd (Mix 94.5) for the Provision of Promotion, Soundtrack and Broadcast by a Radio Station for the City of Perth Australia Day Skyworks 2016 event with the option to extend for 2017 and 2018.

The motion was put and carried

SPONSORSHIP AND INTERNATIONAL RELATIONS COMMITTEE

The votes were recorded as follows:

For: Crs Chen and Adamos

Against: Nil

MP89/15 TENDER 093-14/15 - PROVISION OF PROMOTION

AND BROADCAST BY A TELEVISION STATION - CITY

OF PERTH AUSTRALIA DAY SKYWORKS

BACKGROUND:

FILE REFERENCE: P1031441

REPORTING UNIT: Marketing, Communications & Events

RESPONSIBLE DIRECTORATE: City Services DATE: 20 April 2015

MAP / SCHEDULE: Confidential Schedule 3 – Proposal Submission

Confidential Schedule 4 – Tender 093-14/15 Evaluation

Matrix

(Confidential Schedules are distributed to the Elected

Members under separate cover)

Confidential Schedules 3 and 4 are bound in Consolidated Committee Confidential Minute Book Volume 1 2015.

The tender process has been used to seek provision of promotion and broadcast by a television station for the City of Perth Australia Day Skyworks events for 2016 (with an option to extend for 2017 and 2018). There are no financial implications as the services are provided by the successful tenderer free of charge in return for sponsorship rights to the event. These sponsorship rights include the placement of the City of Perth crest on all marketing materials and the recognition of the City of Perth as a major sponsor.

LEGISLATION / STRATEGIC PLAN / POLICY:

Legislation Section 3.57 of the *Local Government Act 1995*

Part 4 of the Local Government (Functions and General)

Regulations 1996

Integrated Planning Corporate Business Plan

and Reporting Council Four Year Priorities: Perth as a Capital City

S5 Increased place activation and use of under-

utilised space.

IP5.2 Contribute to and facilitate the activation and use

of vacant private and public space.

Policy

Policy No and Name: 9.7 – Purchasing Policy

DETAILS:

Framework

Implications

The City of Perth advertised for tender submissions for the Provision of Promotion and Broadcast by a Television Station for Skyworks 2016 with the option to extend in 2017 and 2018. One submission was received from Seven Network (Operations) Ltd.

Assessment

The tender was assessed against the following selection criteria and all conditions were met. The following is a summary of the assessment:

Total value of the proposal

The total value of the proposal by the Seven Network is considered to be significant. The Seven Network has met all requirements of the specifications that include:

- Delayed broadcast of the event on 26 January prior to 11.00pm;
- Delayed broadcast of the event the weekend immediately following the event:
- Production of a television commercial: and
- Provided promotional airtime schedule.

In addition, the proposal also includes a great deal of additional benefits to the City. These benefits, along with details of the total value of the proposal are detailed in Confidential Schedule 3.

Effectiveness of the promotional program

The Seven Network has a broad community appeal and is involved in many other events including the Christmas Pageant, Telethon, HBF Run for a Reason, Mandurah Crab Fest and Celebrate WA events. The Seven Network has been the highest rating station in Australia for the past nine years and the leading station in Perth for 25 consecutive years, rating highest with its prime-time news program (Seven News), breakfast program (Sunrise) and current affairs program (Today Tonight). The telecast of the Australian Open each January provides Seven Network with a high rating period in which Skyworks can be promoted.

In 2014, Seven Network won 40 weeks of the 40 week official ratings period with a share of 24.8% for primetime television (1800 – 2400), leading Nine (15.1%) and Ten (11.9%). TV was the most commonly recalled advertising channel (unprompted) by the general public in the post-event research conducted by City of Perth with 31% of

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the general public seeing Channel Seven's TV commercial and recalling key information.

Experience in:

- Developing and broadcasting events of a similar scale, level of complexity and level of expenditure to that proposed for Skyworks; and
- Experience in filming and producing a delayed telecast.

The Seven Network successfully telecasts more WA events than any other station including Skyworks for the past 20 years, the Christmas Pageant for the past 43 years and Telethon for the past 47 years. Telethon, being the longest standing event, has enabled Seven Network to test, challenge, develop and prove technical capabilities over the years, giving the station the unique ability to deal with technical challenges and issues.

Experience in working co-operatively as part of a team including other media, pyrotechnicians and Government bodies.

Referees provided include contacts from the contracted pyrotechnics company (Foti Fireworks) and radio station partner (Southern Cross Austereo – Mix 94.5) of Skyworks in recent years in which Seven Network has had to work co-operatively with on the Skyworks Consortium Group. Seven Network has worked with the City of Perth on Skyworks since the City took over the delivery of the event from 96FM in 1996, demonstrating a strong history with the event and required experience of filming and producing the delayed telecast.

FINANCIAL IMPLICATIONS:

The total value of this proposal is not reflected in the Skyworks 2015/16 budget as the Channel Seven Network is providing this in advertising in exchange for major sponsor status of Skyworks. There are no financial implications to the City.

All figures quoted in this report are exclusive of GST.

COMMENTS:

The Channel Seven Network has proposed to contribute significant advertising value for Skyworks 2016 including added benefits proposed for 2016 not previously provided. The Channel Seven Network successfully telecasts more WA events than any other station and has worked with the City of Perth on Skyworks for the past 20 years. It is recommended that the tender submission from Channel Seven Network is accepted for Skyworks 2016, with the option to extend for Skyworks 2017 and 2018.

Moved by Cr Adamos, seconded by Cr Chen

That Council accepts the most suitable tender being that submitted by Seven Network (Operations) Ltd for the Provision of Promotion and Broadcast by a Television Station for the City of Perth Australia Day Skyworks 2016 event with the option to extend to 2017 and 2018.

The motion was put and carried

The votes were recorded as follows:

For: Crs Chen and Adamos

Against: Nil

MP90/15 TENDER 106-14/15 - PROVISION OF CONCEPT

DEVELOPMENT, CREATIVE AND PRODUCTION OF PYROTECHNICS DISPLAY - CITY OF PERTH AUSTRALIA DAY SKYWORKS 91/15 MOTIONS OF

WHICH PREVIOUS NOTICE HAS BEEN GIVEN

BACKGROUND:

FILE REFERENCE: P1031440

REPORTING UNIT: Marketing, Communications & Events

RESPONSIBLE DIRECTORATE: City Services DATE: 11 May 2015

MAP / SCHEDULE: Confidential Schedule 5 – Proposal Submissions

Confidential Schedule 6 – Tender 106-14/15 Evaluation

Matrix

(Confidential Schedules are distributed to the Elected

Members under separate cover)

Confidential Schedules 5 and 6 are bound in Consolidated Committee Confidential Minute Book Volume 1 2015.

LEGISLATION / STRATEGIC PLAN / POLICY:

Legislation Section 3.57 of the *Local Government Act 1995*

Part 4 of the Local Government (Functions and General)

Regulations 1996

Integrated Planning and Reporting

Corporate Business Plan

and Reportin Framework Implications Council Four Year Priorities: Perth as a Capital City
S5 Increased place activation and use of under-

utilised space.

IP5.2 Contribute to and facilitate the activation and use

of vacant private and public space.

Policy

Policy No and Name: 9.7 – Purchasing Policy

DETAILS:

The City of Perth advertised for tender submissions for the Provision of Concept Development, Creative and Production of Pyrotechnics Display for the City of Perth Australia Day Skyworks 2016 with the option to extend in 2017 and 2018. Three submissions were received from:

- Fireworks Australia.
- Foti International Fireworks.
- Howard and Sons Pyrotechnics.

Assessment

The tender was assessed against the following selection criteria and all conditions were met. The following is a summary of the assessment:

Budget

- a) Provide a detailed budget with the tender submission that demonstrates how they would allocate expenditure for the event, as detailed in Clause 7 – Budget.
- b) Demonstrate that the company has the financial capability to stage an event the same size of City of Perth Australia Day Skyworks and finance the purchase of all materials and services leading up to the event.

The tender specified the budget amount for this contract, being \$450,000 (excluding GST). Submissions were to provide a detailed breakdown of how this budget would be allocated.

Fireworks Australia submitted a budget that clearly identified spend in the submission. They also demonstrated financial capability to present the event.

Foti International Fireworks submitted the Values Schedule however a detailed budget with a breakdown of costs was not provided. The submission clearly demonstrated a capacity to deliver the event both in their tender and in practice, with a list of current commitments and delivering the Australia Day Skyworks for the previous six years.

Howard & Sons Pyrotechnics provided a detailed budget which clearly outlined spend for the event. Howard and Son's had the greatest spend on the supply of goods and services for the event. The submission demonstrated a capacity to successfully deliver the event.

Experience

- a) Demonstrated experience in the successful creative development, execution and presentation of a pyrotechnics display of a similar scale and level of complexity.
- b) The Contractor must provide names and contact details of:
 - two referees for whom they have developed and executed events of a similar scale and level of complexity to the services specified, and
 - two referees with whom the Contractor has worked in executing a display synchronized to a soundtrack.
- c) Demonstrated experience in presenting a pyrotechnics display synchronized to a broadcast music and/or narration soundtrack.
- d) Demonstrated experience working in an inner-city environment.
- e) Demonstrate prior experience firing from barges and guarantee delivery.

The Fireworks Australia submission was presented as a Consortium, comprising a partnership between Fireworks Australia and Pyro Star companies. The submission demonstrated that extensive experience in presenting displays synchronised to a broadcast, working in inner city environments and firing from barges. Examples were included for each type of display including Canberra Australia Day celebrations on Lake Griffin, Sydney Olympics, London New Year's Eve Celebrations and Flinders Station Fireworks.

Foti International Fireworks demonstrated extensive worldwide experience in pyrotechnic displays from barges within inner city environments. Foti International Fireworks have presented the City of Perth Australia Day Skyworks event for 9 years and have been the consultants, designers and suppliers for the Sydney Olympics and New Year's Eve events since 1997. They also present other Australian displays

including Canberra Skyfire and Brisbane River Fire events. Foti International Fireworks provided examples of presenting displays synchronised to a broadcast including the Canberra Skyfire and the Brisbane Riverfire events. The panel noted the involvement in Skyworks and experience presenting displays synchronised to a music broadcast and soundtrack for this event also.

Howard and Son's Pyrotechnics demonstrated extensive worldwide experience in pyrotechnic displays from barges in inner city environments, presenting over 600 firework displays annually. Howard and Son's Pyrotechnics presented the Australia Day Skyworks event from 2007 to 2009. The submission clearly demonstrated specific examples of events that were synchronised to a music broadcast that were of the same scale, value and complexity to Skyworks including the Melbourne New Year's Eve and Moomba Festival displays on the Yarra River since 2002 and Canberra Centenary Celebrations on Lake Burley Griffin. They also listed larger and more complex events including the Opening and Closing Ceremonies of the Delhi Commonwealth Games and Melbourne Commonwealth Games with multiple firing sites including rooftops, bridges, buildings and 36 pontoons on the Yarra and Qatar National Day since 2008 which includes 33 barges across 3km on the Doha Corniche River.

Innovation and Technology

- a) Demonstrated experience including the use of new technology or types of fireworks to create a unique and impressive display.
- b) Demonstrate delivery of leading technology with particular reference to the marketability of new products.

Fireworks Australia demonstrated that they are the largest fireworks distributor in Australia with access to all new products for the event. The submission had the lowest spend on fireworks and the lowest number of products used for the display. The submission included new creative designs and technology with demonstrated delivery of leading technology and creative ideas at events including international acclaim for the artistic design on the Sydney Harbour Bridge as part of the Sydney Olympics.

Foti International Fireworks demonstrated extensive experience using new technology and fireworks at numerous events including the International Fleet Review in Sydney with the largest multimedia production staged on Sydney Harbour, Turkish Republic Day with waterfall fireworks and precision firing at the Adelaide New Year's Eve event with a 6m action wheel suspended from a crane. The submission proposed a new layout design with creative pyrotechnic additions and high definition firing formats.

Howard and Son's Pyrotechnics submission had the greatest spend on fireworks and the highest number of fireworks in the display. Howard and Son's demonstrated the capacity and capability to deliver new concepts and layouts with successful implementation of large marine based events including an art sculpture spelling NATION at the Canberra Centenary events, new product design and creative visions as part of the Qatar National Day, special effects and flames launched from stadium arches at the Arab Games and technically advanced displays with new products and special effects from multiple firing locations at the Delhi and Melbourne Commonwealth Games events. The proposal offered extensive layout options and a creative point of difference with marketable and unique product designs.

All three proposal submissions are detailed in Confidential Schedule 5.

Safety Management

a) Provide details of Safety Management Plans that comply with all safety requirements required by Acts, Regulations, Codes of Practice and Standards.

All tender submissions provided comprehensive details of Safety Management Plans and copies of licensing information.

Fireworks Australia provided a detailed Safety Management System with procedures from design to implementation, risk management and workplace health and safety documentation. Fireworks Australia would nominate a dedicated Skyworks OHS officer on-site for the duration of the event.

Foti International Fireworks included comprehensive details of manufacturing, risk assessment, quality assurance and risk management plan documentation

Howard and Son's Pyrotechnics included pyrotechnic equipment details with explosive and emergency plans quality and safety assurances, execution of services and safety management processes.

Environmental Management

a) The Contractor must provide details of environmentally responsible practices at similar events which support the City of Perth's Environment Plan.

Fireworks Australia included an environmental management plan and green environmental policy but made no reference to the City of Perth's Environment Plan. The submission demonstrated use of biodegradable casings and recycling of electrical wires.

Foti International Fireworks demonstrated practices that focus on assisting the City of Perth to achieve the Environmental Plan and Vision. The submission included a comprehensive environmental management plan developed by their Environmental Consultant. Foti International Fireworks offset carbon emissions from fireworks display and can reduce the overall amount of perchlorates from 40% to 10%.

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Howard and Son's Pyrotechnics outlined initiatives that support the City of Perth's Environmental Plan. The submission included a Environmental Management Plan and an Environmental Risk Management Plan for pyrotechnics. Howard and Son's use biodegradable products in the display.

FINANCIAL IMPLICATIONS:

ACCOUNT NO: CL 1405 4000

BUDGET ITEM: TBA
BUDGET PAGE NUMBER: TBA

BUDGETED AMOUNT: \$2,072,690

AMOUNT SPENT TO DATE: \$0

PROPOSED COST: \$ 450,000 BALANCE: \$1,622,690

It is noted that the previous fireworks contract agreed in 2013 was for \$450,000 per annum (excluding GST) with CPI increases each additional year. The starting point of the new contract for 2016 (with options for 2017 and 2018) has also been set at the 2013 budget level of \$450,000.

All figures quoted in this report are exclusive of GST.

COMMENTS:

It is considered that Howard and Son's Pyrotechnics submitted a comprehensive tender that addressed the tender specifications and demonstrated unique display options and highly innovative creative options in their submission. Overall, Howard and Son's submitted the strongest all round submission of the companies that tendered and are the recommended company to supply the concept and the delivery of goods and services for the pyrotechnics and special effects display for the City of Perth Australia Day fireworks 2016.

Moved by Cr Adamos, seconded by Cr Chen

That Council accepts the most suitable tender being that submitted by Howard and Son's Pyrotechnics for the Provision of Concept Development, Creative and Production of the Pyrotechnics Display for the City of Perth Australia Day Skyworks 2016 at the cost of \$450,000 (excluding GST), inclusive of options to extend the contract for 2017 and 2018, with CPI increases applicable in these years.

The motion was put and carried

The votes were recorded as follows:

For: Crs Chen and Adamos

Against: Nil

MP91/15 PERTH PUBLIC ART FOUNDATION INCORPORATED -

THREE YEAR SPONSORSHIP AND PRINCIPAL PARTNERSHIP AGREEMENT WITH THE CITY OF

PERTH 2015-2018

The Chief Executive Officer advised that this item will now be presented to the Finance and Administration Committee for its consideration at a future meeting.

MP92/15 GENERAL BUSINESS

Responses to General Business from a Previous Meeting

Nil

New General Business

Nil

MP93/15 ITEMS FOR CONSIDERATION AT A FUTURE MEETING Outstanding Reports:

• Review of Council Policy 18.8 – Provision of Sponsorship and Donations (Raised 22/01/15, updated 03/03/15).

The Chief Executive Officer advised the Committee that this item will be presented to the Committee after the organisational restructure has been established and the relevant resources have been secured.

MP94/15 CLOSE OF MEETING

4.30pm There being no further business the Presiding Member declared the meeting closed.

SCHEDULES
FOR THE MINUTES OF THE
MARKETING,
SPONSORSHIP AND
INTERNATIONAL
RELATIONS COMMITTEE
MEETING HELD ON
26 MAY 2015

Marketing, Sponsorship and International Relations
Committee
Confidential Schedules 1 and 2
(Minute MP88/15 refers)

Distributed to Elected Members under separate cover

Bound in Consolidated Committee
Confidential Minute Book
Volume 1 2015

Marketing, Sponsorship and International Relations
Committee
Confidential Schedules 3 and 4
(Minute MP89/15 refers)

Distributed to Elected Members under separate cover

Bound in Consolidated Committee
Confidential Minute Book
Volume 1 2015

Marketing, Sponsorship and International Relations
Committee
Confidential Schedules 5 and 6
(Minute MP90/15 refers)

Distributed to Elected Members under separate cover

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Volume 1 2015