



DIRECTOR SHIRE SERVICES SUPPLEMENTARY REPORT

8 May 2007

**DSS4 TENDER 977 - SUPPLY INSTALLATION AND
SUPP. MAINTENANCE OF BUS SHELTERS IN EXCHANGE
FOR ADVERTISING RIGHTS
FILE: 423 MJT {Folio No. *}**

SUMMARY:

Reporting on the tender for the supply, installation and maintenance of bus shelters in the Kempsey Shire Council area, in exchange for advertising rights on such shelters.

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DESCRIPTION:

On the 12th December, 2006 council resolved:

"That Council call for tenders for the supply, installation and maintenance of a minimum of ten (10) bus shelters over 10 years, in return for exclusive advertising rights on these shelters."

Tender documents were prepared in accordance with the regulations of the Local Government Act and all processes carried out under the tender complied with this legislation.

Three (3) expressions of interest were registered for the tender. The tender closed at 10am on 24th April, 2007 and one (1) tender was received from:

Metro Advertising Pty Ltd

The Form of Offer is set out below:

- 1) Metro Advertising Pty Limited (Metro) offer ten (10) bus shelters in mutually agreed locations which form part of the Kempsey Town Bus Route Run;
- 2) Metro agree to supply and install the ten shelters within twelve (12) months of being awarded the tender;
- 3) Metro agree that the shelters shall comply with both Australian Design Standards and the Disability Standards for Accessible Public Transport regulations;

- 4) The shelters shall be supplied in corporate colours specified by Council;
- 5) Metro operates from offices and workshop located in Port Macquarie and wherever feasible uses local labour;
- 6) The shelter design submitted for this tender is attached in the form of a photographic montage depicting the colour scheme requested by Council and the architectural and structural detail in the form of a technical drawing;
- 7) Metro further offers to supply and install a further ten shelters, in two batches of five within twenty four (24) months of being awarded the tender, in consideration of the contract term being extended to fifteen years on all twenty (20) shelters from the date of each installation. The second ten (10) shelters to be located in mutually agreed locations in the Kempsey Local Government Area.

This form of offer is only part of the tender document. The Council report of 12th December 2006 [Appendix A – Page H1](#) and the draft agreement [Appendix B – Page H5](#) should also be perused for details of the proposed conditions of the contract.

Term seven (7) of the Form of Offer: the supply of an additional ten shelters over twenty four months, in consideration of the contract being extended for a 15 year period, should be the preferred option for Council.

This option will alleviate the pressure on Council to comply with the Disability Standards for Accessible Public Transport regulations and will provide a means to satisfy the current and future demands of residents.

The current bus shelter infrastructure has been provided over a 15-20 year period. The infrastructure has relied heavily on external grant funding and is severely under-funded to achieve sustainability.

Our current shelters are in various conditions with different shapes and varying materials. The colours and patterns used are inconsistent, with the older shelters not being in the current corporate colours.

If Council accepts this tender, the urban bus shelter infrastructure will become uniform and sustainable, and will also allow Council to provide much needed infrastructure on our rural school bus routes with the relocation of the existing shelters to select locations.

Currently under SEPP 64 Advertising & Signage, advertising is not permitted in residential zones. This would preclude the display of advertisements on bus shelters in these areas. The majority of shelters are proposed to be erected in zones other than residential e.g. business zones.

In order to overcome the prohibition in residential zones under SEPP 64, it is proposed to amend DCP 30 – Exempt & Complying Development to list such signs as being exempt from the need to obtain development consent provided Council has consented to the erection of the shelter.

REPORT IMPLICATIONS:

- *Environmental*

There are no adverse Environmental Implications arising from this report.

- *Social*

The installation of bus shelters will provide essential facilities for the community.

- *Economic (Financial)*

There is a significant immediate cost saving to Council of up to \$300,000 by receiving ten (20) new shelters. Vandalism and maintenance costs on these shelters will also be reduced as they will be the responsibility of the supplier.

- *Policy or Statutory*

Adopting this proposal will assist Council in complying with the statutory requirements of the (Commonwealth) Disability Standards for Accessible Public Transport.

The display of advertising on bus shelters in residential zones is currently not permitted under SEPP 64.

- *Director's Review*

The proposal by Metro Advertising Pty Ltd will allow Council to provide essential facilities for the community at no financial cost to Council.

RECOMMENDATION:

- 1 That the tender from Metro Advertising Pty Limited be accepted.
- 2 That Council enter into an agreement for the supply, installation and maintenance of twenty (20) bus shelters in return for exclusive advertising rights on these shelters for a period of fifteen years.

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A P Vermeulen
DIRECTOR SHIRE SERVICES