

**ITEM 11. TENDER - CONSTRUCTION CONTRACT - NEWCOMBE STREET  
PADDINGTON - PARTIAL ROAD OPENING AND CLOSURE**

**FILE NO: S111243**

**TENDER NO: 1604**

**SUMMARY**

This report provides details of the tenders received for Newcombe Street, Paddington partial road opening and closure project.

Newcombe Street runs perpendicular to Oxford Street and is adjacent to the Paddington Uniting Church, the location of popular weekend Paddington markets. The southern end of the street is currently a two way no-through road off Gordon Street. The northern portion of Newcombe Street, where it intersects with Oxford Street, was closed as a public road in the 1980s and is currently a paved plaza space.

In 2012, the City gave conditional approval for a private development at 1 Newcombe Street which includes residential apartments, retail premises and associated car parking.

In response to residents' concerns about increased traffic accessing this site from Gordon Street, on 14 May 2012 Council endorsed a proposal to close the southern end of Newcombe Street and reopen the northern end - at the intersection with Oxford Street.

The change in access arrangements provides an opportunity to renew the Newcombe Street, Paddington public domain. A new paved plaza with trees, plantings and a larger grassed area will be created at the southern end. The northern end will become a slow-speed street, opening onto Oxford Street and providing access to the 1 Newcombe Street development.

This report recommends that Council accept the tender offer of Tenderer 'A' for construction of the Newcombe Street, Paddington - partial road opening and closure project.

**RECOMMENDATION**

It is resolved that:

- (A) Council accept the tender offer of Tenderer 'A' for Newcombe Street, Paddington partial road opening and closure project; and
- (B) authority be delegated to the Chief Executive Officer to negotiate, execute and administer the contracts relating to the tender

**ATTACHMENTS**

**Attachment A:** Concept Design Exhibition Boards

**Attachment B:** Tender Evaluation Summary (Confidential)

**(As Attachment B is confidential, it will be circulated separately from the agenda paper and to Councillors and relevant senior staff only.)**

**BACKGROUND**

1. Newcombe Street is bound by Oxford Street to the north, Gordon Street to the south, the Uniting Church, George Smith Memorial Hall and the Paddington Children's Centre to the east and a private car park and retail buildings to the west.
2. The surrounding area is characterised by a mixture of 2-3 storey residential terraces, community buildings and businesses associated with Paddington village. Newcombe Street is a small two-lane street, one lane of which is used for street parking.
3. The Paddington Markets are a defining feature of the Newcombe Street area. On market days, approximately 13 stall holders currently use the paved plaza space on Newcombe Street.
4. On 14 May 2012, Council approved a development application for 1 Newcombe Street, Paddington. The development proposed 20 residential apartments, retail premises and associated car parking. In response to concerns about vehicular access and traffic impacts in Gordon Street, Council also endorsed a proposal to reopen Newcombe Street at the Oxford Street end, providing vehicle access the site from Oxford Street, and closing Newcombe Street, near Gordon Street. Relocating the vehicle assess requires the re-opening of the northern end of Newcombe Street and the closure of the southern end of Newcombe Street at the Gordon Street intersection.
5. In June 2015, Council endorsed Concept Plan for closing Newcombe Street at Gordon Street and associated public domain improvements – refer Attachment A for concept design exhibition drawings.
6. The project will improve amenity and mitigate potential traffic impacts to the residential streets brought about by the No. 1 Newcombe Street development. The proposal opens the northern end of Newcombe Street to traffic via Oxford Street. The southern end will become a high-quality public space with a paved plaza, new trees and planting, a grassed area and space for stalls as part of Paddington Market.

**INVITATION TO TENDER**

7. The construction tender was advertised on 12 January 2016 in The Sydney Morning Herald, The Daily Telegraph and on the City of Sydney's eTender website. Tenders closed on 2 February 2016.

**TENDER SUBMISSIONS**

8. Submissions were received from the following organisations (listed alphabetically):
  - Ford Civil P/L
  - QMC Group P/L
9. No late submissions were received.

**TENDER EVALUATION**

10. All members of the Tender Evaluation Panel have signed Pecuniary Interest Declarations. No pecuniary interests were noted.

11. The relative ranking of tenders as determined from the total weighted score is provided in the confidential Tender Evaluation Summary – Attachment B.
12. All submissions were assessed in accordance with the approved evaluation criteria being:
  - (a) demonstrated capacity and technical ability to carry out the work under contract;
  - (b) demonstrated management capacity, qualifications, experience, and number of personnel;
  - (c) the proposed construction methodology and the environmental management;
  - (d) the proposed construction program (reflecting staging requirements);
  - (e) pedestrian and traffic management;
  - (f) Workplace Health and Safety;
  - (g) financial and commercial trading integrity including insurances; and
  - (h) lump sum price and schedule of prices.

**PERFORMANCE MEASUREMENT**

13. The City will ensure that performance standards are achieved during construction through regular assessment of the following Key Performance Indicators:
  - (a) Safety and Environment - works are carried in a safe manner, to not only avoid incidents, but have no non-conformances. All means will be used to reduce the undue impact on environment;
  - (b) Community Complaints - quantum and severity of complaints to be kept at minimum and the quick resolution of complaints;
  - (c) Planning - works are carried out in a planned manner and with proactive rather than reactive approach to reduce technical and community issues;
  - (d) Program and Resources - timely completion of separate, identified stages in a co-ordinated manner. Reducing the overlapping of various stages. How good are the resources on project to manage time, plus the capacity of the contractor to add resources when required to mitigate delays;
  - (e) Quality – manage quality of works on site, documentation and administration; and
  - (f) Cost Variations - all efforts made to reduce the number and value of variations. Variation amounts and options provided in a timely manner to give Principal the opportunity to mitigate the impact of variation.

**FINANCIAL IMPLICATIONS**

14. The funding implications for the project are outlined in confidential Attachment B. There is a funding allocation for this project in the proposed Delivery Plan, with funds allocated in 2016 (FY 2016/17) and across future financial years.
15. There are sufficient funds allocated for this project within the current year's capital works budget and future years' forward estimates.

**RELEVANT LEGISLATION**

16. The tender has been conducted in accordance with the Local Government Act 1993, the Local Government (General) Regulation 2005 and the City's Contracts Policy.
17. Information provided by tenderers which is commercial-in-confidence has been protected and will not be disclosed in accordance with section 10A(2)(d) of the Local Government Act 1993. A consistent standard for all tenderers has been used in assessing any request for confidentiality by a tenderer.
18. The Local Government Act 1993 and the Environmental Planning and Assessment Act 1979 set out the process for reclassifying land through an amendment to a local environmental plan.
19. The proposed scope of works has been reviewed by a statutory planner against the Environmental Planning and Assessment Act 1979 and the relevant environmental planning instruments and it has been determined that, on the basis of the current concept plan, a development application is not required. The City will assess the proposed works under Part 5 of the Environmental Planning and Assessment Act 1979, including preparing a Review of Environmental Factors to consider the impact of the proposal and determine appropriate mitigations.
20. Section 116 of the Roads Act 1993 will apply to the temporary closure of the southern portion of Newcombe Street
21. Section 34 of the Roads Act 1993 will apply to the permanent closure of the southern portion of Newcombe Street.
22. Procurement of consultants and contractors for this project will be in accordance with the Local Government Act 1993.
23. Attachment B contains confidential information that would, if disclosed:
  - (a) confer a commercial advantage on a person with whom Council is conducting (or proposes to conduct) business; and
  - (b) prejudice the commercial position of the person who supplied it.
24. Discussion of the matter in an open meeting would, on balance, be contrary to the public interest because it would compromise Council's ability to negotiate fairly and commercially to achieve the best outcome for its ratepayers.

**CRITICAL DATES / TIME FRAMES**

- |   |                 |
|---|-----------------|
| (a) Letter of Acceptance to approved Tenderer | Late March 2016 |
| (b) Commencement of Construction              | April 2016      |
| (c) Completion of Construction Works          | October 2016    |

**PUBLIC CONSULTATION**

25. Public consultation was undertaken between 14 March and 10 April 2015, with a public hearing on 12 May 2015. The exhibition included the concept designs and the planning proposal. Consultation activities included a range of online consultation and printed documentation to communicate and obtain community and stakeholder feedback.
26. In summary, the key issues raised in the community consultation and addressed in the design development stage are:
- (a) Public Space – increased grass area, maintaining sufficient hard stand for market stalls;
  - (b) Safety - the proposal improves pedestrian safety, particularly for school children using Gordon Street. The road carriageway has been designed to be as narrow as practicable to ensure safe vehicle movement and enable wide footpaths for pedestrians;
  - (c) Trees – nine trees have were removed in January 2016. Three new trees will be planted in late 2016; and
  - (d) Parking – the proposed design maintains provision for four car parking spaces on Newcombe Street, with the four off-peak car parking spaces lost on Oxford Street. Four permanent car parking spaces will be gained on Gordon Street

**AMIT CHANAN**

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