

**ITEM 7. TENDER - BUILDING WORKS AT 34-42 BOURKE ROAD
ALEXANDRIA**

FILE NO: S125814

TENDER NO: 1631

SUMMARY

This report provides details of the tenders received for building works at 34-42 Bourke Road, Alexandria.

The proposal is to complete Stage 2 and 3 of the works comprising a goods and passenger lift, new main switchboard, minor building works and a climate controlled store for the Civic Collection. Once completed, Civic Collection items will be relocated from the City's Woolloomooloo Depot.

The construction of the Green Square Trunk Drain and redevelopment of the City's Depot at 94 Epsom Road, Zetland requires relocation of the City Events/Sydney New Year's Eve unit from the Epsom Road Depot to an office/warehouse owned by the City at 34-42 Bourke Road, Alexandria.

The outcome of these building works is to make the facility fit for its new purpose of accommodating the operational needs of City Events/Sydney New Year's Eve, Libraries and part Civic Collection for the next 10 years.

Stage 1 and 2 works were approved by Council in the 2015-16 Capital Works program. Stage 3 funding is included in the 2016-17 Capital Works program.

This report recommends that Council accept the tender offer of Tenderer 'C' for building works at 34-42 Bourke Road, Alexandria.

RECOMMENDATION

It is resolved that:

- (A) Council accept the tender offer of Tenderer 'C' for building works at 34-42 Bourke Road, Alexandria; and
- (B) authority be delegated to the Chief Executive Officer to negotiate, execute and administer the contracts relating to the tender.

ATTACHMENTS

Attachment A: Drawing showing space allocation between City units.

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. The property at 34-42 Bourke Road, Alexandria was purchased by the City in 2012 as part of the East West Link Road plan for the Green Square redevelopment. The completion of the design of the East West Link Road did not require this property.
2. Construction of the Green Square Trunk Drain and ongoing development of Green Square necessitated relocation of the City Events unit and Libraries storage from the City's Epsom Road Depot by the end of April 2016.
3. The property at 34-42 Bourke Road, Alexandria was identified as suitable for the relocation of City Events/Sydney New Year's Eve, Libraries and part of the Civic Collection in a City of Sydney Storage Strategy study prepared in December 2014.
4. Most of the items stored by City Events/Sydney New Year's Eve and Libraries at Epsom Road Depot had already been relocated to this property by October 2015. City staff managed this work as Stage 1.
5. This contract is for a principal contractor to complete Stage 2 and 3 of the works comprising a goods and passenger lift, new main switchboard, enclose the undercroft, construct a climate controlled store for part of the Civic Collection, relocate Civic Collection items from the City's Woolloomooloo Depot and other minor building works.

INVITATION TO TENDER

6. The tender was advertised in The Sydney Morning Herald and The Daily Telegraph on 26 April 2016.
7. Tenders closed on 17 May 2016.

TENDER SUBMISSIONS

8. Four submissions were received from the following organisations (listed alphabetically):
 - Cooper Commercial Constructions Pty Ltd
 - GTH Constructions Pty Ltd
 - Rork Projects Pty Ltd
 - Sullivans Constructions Pty Ltd
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 experience in carrying out work of a similar nature;
 - (b) personnel allocation, qualifications, experience and capacity, including sub-contractors proposed;
 - (c) capacity to achieve the proposed program;
 - (d) construction methodology, including environmental management;
 - (e) site management plan, including traffic and pedestrian, plant and equipment;
 - (f) Work, Health & Safety systems;
 - (g) financial and commercial trading integrity, including insurances; and
 - (h) lump sum price and schedule of prices.

PERFORMANCE MEASUREMENT

13. The City will monitor key performance indicators to measure the performance level of the successful tenderer during the works. Performance results will be used to determine the suitability of contractors for future works.

FINANCIAL IMPLICATIONS

14. There are sufficient funds allocated for this project within the works budget and 2015/16 capital and future year forward estimates. Funds not expended in the 2015/16 financial year will be 'revoted', or added to, the 2016/17 Capital Budget.

RELEVANT LEGISLATION

15. 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.
16. Attachment B contains confidential commercial information of the tenderers and details of Council's tender evaluation and contingencies which, if disclosed, would:
- (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.
17. 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

18. The works are planned to commence in July 2016

19. Time Frames – the works are to meet the following key dates:
- (a) Appoint Head Contractor July 2016
 - (b) Commencement of Works on Site July 2016
 - (c) Completion of Works November 2016
20. Deferring Stage 3 would substantially increase the total cost of the project due to duplication of construction overheads.
21. Not proceeding with the proposed works would prevent the effective and safe use of the site and disrupt the operational needs of Sydney New Year's Eve.

PUBLIC CONSULTATION

22. Public consultation has been undertaken in the form of notification accompanying the Development Approval process.
23. Internal stakeholders have been consulted during the procurement process.

AMIT CHANAN

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