

ITEM 11. TENDER - CONSTRUCTION OF A NEW PARK AT 222 PALMER STREET, DARLINGHURST

FILE NO: S089994

TENDER NO: 1648

SUMMARY

This report provides details of the tenders received for the partial demolition of an existing building and construction of a new park at 222 Palmer Street, Darlinghurst.

The creation of a new park at 222 Palmer Street Darlinghurst forms part of the East Sydney small parks project scope which was adopted by Council on 9 December 2013.

The partial demolition of 222 Palmer Street will enable the creation of a new park on the site. The open space will be embellished to provide a new high-quality pocket park in the Darlinghurst area, which will provide green space, a community garden, nature play and improve the amenity of the area.

This report recommends that Council accepts the tender offer of Tenderer 'A' for the construction of the new park at 222 Palmer Street Darlinghurst NSW.

RECOMMENDATION

It is resolved that:

- (A) Council approve the scope of works for the construction of a new park at 222 Palmer Street Darlinghurst as described in the subject report;
- (B) Council accept the tender offer of Tenderer 'A' for the construction of a new pocket park at 222 Palmer Street Darlinghurst; and
- (C) authority be delegated to the Chief Executive Officer to negotiate, execute and administer the contracts relating to the tender.

ATTACHMENTS

Attachment A: Refined Landscape Plan

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. In December 2013, Council endorsed a plan to develop and embellish two small sites known as the East Sydney small parks project. The sites are located at the corner of O' Brien's Lane and Stanley Street and at 222 Palmer Street Darlinghurst.
2. In 2015, the City completed the embellishment of the first park known as O'Brien's Lane Reserve Darlinghurst.
3. The second park is located at 222 Palmer Street, Darlinghurst. It was the site of the former John Birt Memorial Hall and was, most recently, the site of the KU Frances Newton preschool. The site comprises a two-storey brick building and playground area. It is located at the corner of Palmer Street and Berwick Lane, Darlinghurst.
4. The design scope for the park at 222 Palmer Street was endorsed by Council on 9 December 2013.

Adjustments to the design

5. During detailed design, the City explored an option to include more structured play equipment into the park at the request of some local residents. This was exhibited to the community and feedback was received. The community consensus was for this small park with limited space, to focus on community gardening, with low-key nature play integrated into the garden design. A new playground is currently being constructed at the nearby East Sydney Community and Arts Centre.
6. The new landscape plan does not include the swings or the slide in the park's design, retaining the focus on the community garden and nature play proposed in the original endorsed design.
7. The new landscape plan was prepared in response to the community concerns raised during the Section 96 exhibition period. This design removes the swings and slide play equipment. It is recommended that Council accepts the tender based on the new landscape plan (refer Attachment A).

Community garden

8. Provision for a community garden was intended at the site and noted in the Council endorsed plan. The new landscape design provides a community garden space that is equivalent in size to the garden area nominated on the endorsed plan, with opportunity for further expansion.
9. Efforts had been made by the Community Gardens and Volunteer Coordinator, since late 2015, to determine the number of community members interested in community gardening activities. The recommendation has been for a smaller community garden, with options for extension to surrounding area should capacity develop in the future.
10. As noted in the City's Community Garden policy adopted February 2010, the City's Community Garden Coordinator will work with interested residents to form a community gardens group for the site. In order for a community garden to be sustainable, the Policy recommends a minimum of 20 - 25 people being actively involved. An active member of the community is required to manage the proposed group.

INVITATION TO TENDER

11. The tender was open to the public between 28 June and 22 July 2016.
12. The tender was advertised in The Sydney Morning Herald, The Daily Telegraph and the City of Sydney's E – tender link from 28 June 2016.

TENDER SUBMISSIONS

13. Three tender submissions were received from the following organisations (listed alphabetically):
 - CAI & I Pty Ltd
 - Murphys Construction Group Pty Ltd
 - QMC Group
14. No late submissions were received.

TENDER EVALUATION

15. All members of the Tender Evaluation Panel have signed Pecuniary Interest Declarations. No pecuniary interests were noted.
16. The relative ranking of tenders as determined from the total weighted score is provided in the confidential Tender Evaluation Summary – Attachment B.
17. All submissions were assessed in accordance with the approved evaluation criteria being:
 - (a) demonstrated capacity and technical ability to carry out the works under the contract including manage sub-contractors;
 - (b) demonstrated managerial capability, qualification, experience and number of personnel;
 - (c) capacity to achieve the required project program;
 - (d) the proposed methodology, including site management, pedestrian and traffic management, demolition methodology and environmental management;
 - (e) Work health and safety;
 - (f) financial and commercial trading integrity and insurance; and
 - (g) lump sum price and schedule of prices.

PERFORMANCE MEASUREMENT

18. The City will ensure that the performance measure are met and monitored by:
 - (a) reviewing the program and works method statements;
 - (b) reviewing samples, submission and product data;

- (c) attending regular inspection of the works;
- (d) conducting weekly site meeting with the head contractor; and
- (e) ensuring the works are in accordance with the contract documents such as contract drawings, specification, contract preliminaries and general requirements

FINANCIAL IMPLICATIONS

19. There are sufficient funds allocated for this project within the current year's capital works budget and future years' forward estimates.

RELEVANT LEGISLATION

20. 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.
21. 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.
22. 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

23. The proposed program comprises the following activities:
- | | |
|--------------------------|-----------------|
| (a) Engage a contractor | December 2016 |
| (b) Commence | January 2016 |
| (c) Practical completion | September 2017. |

PUBLIC CONSULTATION

24. Extensive consultation was undertaken in the design development of the East Sydney small parks.
25. Comprehensive consultation activities were undertaken during the development of this project. Consultation activities included letter box drops, meetings with the public and local community groups and dedicated web pages.
26. The consultation summary for 222 Palmer Street – New Park Design is as follows:
- (a) initial consultation undertaken in December 2012;
 - (b) door knocking in September 2013;
 - (c) concept plan public exhibition in October 2013;

- (d) Development Application notification period in January 2014;
 - (e) City's Community Gardens Officer consultation beginning in August 2015 (ongoing);
 - (f) section 96 notification period in May 2016; and
 - (g) community meetings in July and September 2016.
27. Statutory consultation processes, comprising the lodgement of the development application and section 96 application for the works, were undertaken.
 28. More recently, the City undertook further consultation with local community groups and residents to address concerns raised during the section 96 application.
 29. Another section 96 has been lodged for the site, outlining changes arising from the most recent consultations.
 30. As part of the required contract conditions, the successful contractor will be required to nominate a dedicated community liaison officer to manage communication during the construction works.
 31. The successful contractor will be required to notify local residents and neighbouring property occupants prior to commencement of works.

AMIT CHANAN

Director City Projects and Property

Kathleen Ng, Senior Project Manager