

ITEM 12. TENDER - BOURKE STREET SHARED PATH STAGE 3

FILE NO: S104583

TENDER NO: 1678

SUMMARY

This report provides details of the tenders received for the construction of Bourke Street Shared Path Stage 3.

Sustainable Sydney 2030 identifies that at least 10 per cent of trips in the city will be made by bicycle and 50 per cent by pedestrian movement by 2030. The Sydney Harbour to Botany Bay cycleway will contribute to meeting this target.

The Bourke Street shared path is part of the *City of Sydney Cycle Strategy and Action Plan 2007-2017* (the Strategy). It will connect existing cycleways on Bourke Street in Surry Hills, George Street in Redfern and Bourke Road at Green Square.

The project will provide a range of improvements to pedestrian amenity and safety. The Bourke Street shared path will deliver a shared pedestrian and bike-riders path on both sides of the road.

The works include streetscape and footpath amenity improvements to provide a more liveable, green pedestrian corridor. This includes upgrades to the footpath pavement, landscaping works, provision of new street furniture, modifications to signalised intersections, footpath widening, and signs and line markings for the shared path facility.

This report recommends that Council accept the tender offer of Tenderer 'A' for Bourke Street shared path for Stage 3 works for this project. The work represents the balance of unfinished work that was to be completed by Hargraves Urban, who went into liquidation in July 2016. The Hargraves Urban tender was approved by Council on 29 June 2015.

RECOMMENDATION

It is resolved that:

- (A) Council accept the tender offer of Tenderer 'A' for the Bourke Street shared path;
- (B) authority be delegated to the Chief Executive Officer to negotiate, execute and administer the contracts relating to the tender; and
- (C) the project capital and operational budgets be increased to engage Tenderer 'A' and to deliver the full scope of works as outlined in confidential Attachment A to the subject report.

ATTACHMENTS

Attachment A: Tender Evaluation Summary (Confidential)

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

BACKGROUND

1. The *City of Sydney Cycle Strategy and Action Plan 2007-2017* (the Strategy) is Council's commitment to making cycling an equal first choice transport mode along with walking and using public transport. Specific aims of the Strategy are to improve cycling safety and to create a comfortable and bicycle friendly environment in Sydney to encourage more residents, visitors and workers onto bicycles.
2. In February 2012, a report on the implementation of the Strategy identified the proposed regional bike corridors and key ancillary routes to provide safe cycling connection to popular destinations.
3. On 27 June 2016, Council received an update on the implementation of the Strategy. Works are focused on delivering the high priority regional bike routes to provide safe cycling connections to popular destination across the Local Government Area.
4. The project will deliver a shared path for pedestrians and cyclists on either side of the road, which will connect cyclists between the ends of the existing Bourke Street cycleway in Surry Hills with the Bourke Road cycleway near Green Square.
5. The project will provide a safer, more accessible and attractive streetscape for pedestrians and bike-riders. The remainder of work includes:
 - (a) improved footpaths and kerb ramps, including concrete unit pavers along the full length of the western side of Bourke Street;
 - (b) new shared paths on either side of Bourke Street between Phillip Street and Botany Road. This will ease pressure in the morning peak when bus stops on the western side are crowded, as well as meet demands from the growing number of residents on the eastern side;
 - (c) shared path line marking and easy-to-understand signage to make it clear to pedestrians and bike-riders they're using a shared path;
 - (d) new pavement and signage at driveways to prioritise pedestrian movements and remind drivers that they are crossing a pedestrian space;
 - (e) verge planting to encourage bike-riders to travel slowly and to help green the area;
 - (f) new slim-line bus stop designs to improve access and visibility. The layout will include tactile indicators, pavement and signage to remind bike-riders to slow down, and a minimum two-metre wide path behind the bus shelter;
 - (g) upgraded street lighting;
 - (h) the retention of 142 of the 146 existing street trees and the planting of 17 new street trees. Four trees of low retention value will be removed to provide adequate safe width for the shared path; and
 - (i) provision of cycle lanterns at five signalised intersections with Bourke Street.
6. On 17 March 2014, Council endorsed the concept design scope for the Bourke Street shared path project for progression to detailed design, documentation and construction tender.

7. On 29 June 2015, Council approved the tender offer of Hargraves Urban Pty Ltd to commence the construction of the Bourke Street shared path.
8. Hargraves Urban completed approximately 53 per cent of their originally contracted works before going into liquidation and abandoning the site in July 2016.
9. In the week following Hargraves Urban's abandonment of the site, the City's number-1 ranked contractor on the Civil Works Panel was engaged to make safe all fencing and temporary paving. This work is referred to as Stage 1 and is now complete.
10. The City's number-1 ranked contractor on the Civil Works Panel was subsequently engaged to close out works commenced, but not completed by, Hargraves Urban. This work, referred to as Stage 2, commenced in early September 2016 and is expected to be completed in February 2017.
11. Stage 3 (this Tender) represents the balance of unfinished work not commenced by Hargraves Urban. It is the final stage that will complete the project.

INVITATION TO TENDER

12. The tender for the Bourke Street shared path Stage 3 was advertised in The Sydney Morning Herald and The Daily Telegraph on 22 November 2016. The tender period closed on 13 December 2016.

TENDER SUBMISSIONS

13. Four submissions were received from the following organisations (listed alphabetically):
 - CA&I Pty Ltd
 - Celtic Civil Pty Ltd
 - Quality Management & Constructions Pty Ltd t/as QMC Group
 - Sydney Civil Pty Ltd
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 A
17. All submissions were assessed in accordance with the approved evaluation criteria being:
 - (a) demonstrated capacity and technical ability to carry out the work under the contract;
 - (b) demonstrated managerial capability, qualifications, experience and number of personnel;

- (c) the proposed construction methodology and environmental management;
- (d) the proposed construction program;
- (e) Work Health and Safety;
- (f) financial and commercial trading integrity, including insurances; and
- (g) lump sum price and schedule of rates.

PERFORMANCE MEASUREMENT

18. 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 out 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) Communication – day-to-day liaison (including weekly site meetings) and inspection with contractor;
 - (c) Planning – works are carried out in a planned manner and with a proactive, rather than reactive, approach to reduce technical and community issues;
 - (d) Program and resources – including timely completion of separate blocks / phases in a coordinated manner, reducing the overlapping of phases, and monitoring of project resources to mitigate delays;
 - (e) Quality assurance inspections undertaken by head consultant; and
 - (f) Cost variations – all efforts made to reduce the number and value of variations. Variation amounts and options are to be provided in a timely manner to give the City the opportunity to mitigate the impact of variations.

FINANCIAL IMPLICATIONS

19. Additional funds are required for this project as the previous contractor's bankruptcy and abandonment of the project led to significantly increased costs and project delays. Acceptance of the recommended tender would therefore require Council to increase the budget, as detailed in confidential Attachment A.

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 A 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. Dates/time frames are as follows:

(a) Letter of Notification to approved Tenderer	March 2017
(b) Commencement of construction	April 2017
(c) Construction completion	October 2017

PUBLIC CONSULTATION

24. Community feedback on the concept design was sought from 25 November to 16 December 2013. The consultation activities included:
- (a) a mail out to 4,362 local residents and businesses announcing the consultation period;
 - (b) information, including detailed drawings, was available for viewing at the City's Customer Service Centre at Town Hall House;
 - (c) a webpage on the City of Sydney website where submissions could be made;
 - (d) face-to-face meetings with key stakeholders;
 - (e) door knocking along the route, which included 20 local businesses; and
 - (f) additional consultation was undertaken with Bicycle NSW, Bike Sydney and Leichhardt Bicycle User Group.
25. Approximately half the submissions received (22) expressed the importance of connecting the existing Bourke Street and Bourke Road cycleways. Some submissions noted that a separated cycleway was a better option than the proposed shared path. However, a separated facility was supported by the RMS due high traffic volumes and site constraints.
26. The project design has been amended to incorporate suggestions and concerns raised during the consultation, wherever possible.
27. On 8 August 2016, a further letterbox drop was undertaken to notify residents regarding the liquidation of the first contractor.

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