

**ITEM 20. TENDER - VARIATION TO CONTRACT - SYDNEY PARK BRICK
KILNS - CHIMNEY REPAIR WORKS**

FILE NO: S097239

TENDER NO: 1619

SUMMARY

This report seeks to increase the existing contractor's contract value due to the required treatment of latent conditions and to manage additional remediation works not foreseen in the original scope of works for the Sydney Park Brick Kilns Chimney Repair works.

The Sydney Park Brick Kiln and Chimney Precinct is situated just south of King Street, Newtown, on the corner of the Princes Highway and Sydney Park Road, St Peters. The precinct contains substantial remains of the brick making industry which once dominated the area.

The brick chimneys constitute a powerful and striking landmark that contributes to the streetscape of the Princes Highway and Sydney Park Road, as well as Sydney Park. The chimneys have been iconic symbols of the St Peters area since their construction.

Remedial repairs are now required for Chimneys 2 and 4 to ensure these iconic chimneys are preserved in line with the objectives of the Sydney Park Brick Kilns Precinct-Conservation Management Plan. This contract is being funded from both Capital Works and Operating budgets.

RECOMMENDATION

It is resolved that Council approve a variation to contract to include the latent conditions and to manage additional remediation works as described in the subject report.

ATTACHMENTS

Attachment A: Financial and Contractual Implications (Confidential)

BACKGROUND

1. The Sydney Park Brick Kiln and Chimney Precinct is situated just south of King Street, Newtown on the corner of the Princes Highway and Sydney Park Road.
2. The precinct contains substantial remains of the brick making industry which dominated the whole area now included in Sydney Park and was also prevalent nearby.
3. The brickworks remains that have been preserved as a feature of Sydney Park were originally built by brick manufacturer Josiah Gentle who traded under the name Bedford Bricks. After it purchased Bedford Bricks in 1936, the Austral Brick Company further developed the works and continued to operate it until 1973, when it subsequently sold the St Peters site to the New South Wales government in 1980. The site was subsequently developed into Sydney Park and is currently owned by the City of Sydney Council.
4. The contracted scope of works for the Brick Kiln Chimneys includes:
 - (a) Chimney 2 remediation works, including:
 - (i) treat organic matter growing in mortar;
 - (ii) install helical reinforcement to stitch all cracks; and
 - (iii) make good the bed joints with a colour matched approved repointing mortar;
 - (b) external bracing of the chimney;
 - (c) Chimney 4 remediation works, including:
 - (i) treat organic matter growing in mortar;
 - (ii) rebuild the top section of the chimney to match the existing structure and where required source new compatible bricks; and
 - (iii) install a copper sheet metal cap to prevent ingress of water into the top of the chimney. The cap is to allow air flow through the flue; and
 - (d) installation of lightning protection to all four chimneys.
5. The contract was awarded on 16 May 2016. The contractor could only establish on site and commence works on 10 April 2017, due to project delays caused by the need to undertake geotechnical investigation required as a result of a ground subsidence event that occurred during late 2016. In addition, the following latent conditions were identified:
 - (a) this delay caused increased costs of materials and labour;
 - (b) amendments to methodology due to Civil Aviation Safety Authority (CASA) requirements;
 - (c) additional equipment and labour hire (due to change in methodology);

- (d) the removal of a corroding ladder found in Chimney 2; and
 - (e) additional demolition works required for top course of Chimney 4.
6. This contract is being funded from both capital works and operating budgets, due to the scope of the works, ie, new assets and maintenance.

FINANCIAL IMPLICATIONS

7. There are currently sufficient funds within the current year's capital works and operating budgets and future years' forward estimates to address these variations. Details of contract budget status are outlined in Confidential Attachment A.

RELEVANT LEGISLATION

8. 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.
9. 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

10. Internal: Program Key Milestones:
- (a) Construction works commenced: 10 April 2017
 - (b) Endorsed Project Completion Date: 20 July 2017
 - (c) New forecast project completion: 7 July 2017

PUBLIC CONSULTATION

11. A Brick Kilns Project update letter was sent to the BRICK community group representative (ie, a relative of a former brick works employee) plus local residents.

AMIT CHANAN

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