

## **Item 7.**

### **Tender - T-2024-1383 - City Structures Works**

**File No:** X118015.003

**Tender No:** T-2024-1383

### **Summary**

This report provides details of the tenders received for the City Structures Works tender.

This tender is for the provision of inspection, design, maintenance and construction services for the upgrade, addition, renewal, and repair of civil structures assets on City owned streets, parks, open spaces, and along foreshores, in line with the City of Sydney's operational plans.

The tender is for the replacement of specialist services currently provided through the Structures Maintenance Contract, which expires on 3 January 2026. The current contract has effectively supported the delivery of the City's capital works programs, and reactive and proactive maintenance programs since 2021.

The City of Sydney is responsible for managing a wide range of civil structural assets in the public domain across its local area. These include bridges, underpasses and boardwalks, retaining walls and cliffs, seawalls, jetties and pontoons, and stairs, ramps and fencing. The work is generally complex and high-risk, and the City requires the services of a capable and highly experienced service provider to effectively deliver the required work. The City Structures Works Tender was released in June 2025. The tendered services include design and construction works under a schedule of rates contract.

This report recommends that Council accept the tender offer of Tenderer E for the delivery of works required under T-2024-383 City Structures Works.

## Recommendation

It is resolved that:

- (A) Council accept the tender offer of Tenderer E for the City Structures Works contract for:
  - (i) the price and contingency outlined in Confidential Attachment A to the subject report; and
  - (ii) the Schedule of Rates outlined in Confidential Attachment B to this report, for a contract term of 4 years, with the option for 2 two-year extensions, subject to satisfactory performance and other relevant considerations;
- (B) Council note that the total contract value and contingency for City Structures Works Contract is outlined in Confidential Attachment A to the subject report;
- (C) authority be delegated to the Chief Executive Officer to finalise, execute and administer the contracts relating to the tender; and
- (D) authority be delegated to the Chief Executive Officer to exercise the options referred to in clause (A), if appropriate.

## Attachments

**Attachment A.** Tender Evaluation Summary (Confidential)

**Attachment B.** Schedule of Rates (Confidential)

## Background

1. The City of Sydney currently manages 36 assets classified as bridges, underpasses or boardwalks, 705 assets classified as retaining walls and cliffs, 2.8km of seawalls, 12 jetties and pontoons, and 408 assets classified as stairs, ramps or fencing with an approximate asset value of \$190m.
2. The City uses internal resources that are complemented by structures works service contractors to maintain and improve the City's civil structural assets. This arrangement has successfully operated the last 5 years, and it continues to ensure the City has a resilient and effective approach to delivering and managing civil structural infrastructure.
3. The successful tenderer will deliver the City's structural capital works programs, corrective and preventive maintenance programs, and civil structure asset inspection, design and investigation work. Much of the work is complex and high-risk, and the service provider must have relevant experience and be capable of delivering a high standard of work within set time constraints.
4. Each job is based on the tendered Schedule of Rates pricing.
5. Due to the variability of civil structural infrastructure, it is anticipated that there will be circumstances where works will be required that are not envisaged in the Schedule of Rates that are unusual, unique or unknown at the time of tender, but which are of the general nature contemplated by the contract. This may include works for cultural or heritage items, utility works or a customised design arrangement.
6. To cater for these circumstances, the City Structures Works contract allows for service providers to provide quotes on items not envisaged in the Schedule of Rates. The successful tenderer must obtain competitive quotes for any such services (except in limited circumstances where this is not feasible, including emergency works). This arrangement is restricted to a cumulative upper limit of \$250,000 inclusive of GST per project.
7. In circumstances where the total amount of non-Schedule of Rates items exceeds the cumulative upper limit per project, a separate procurement process or approval will be required.
8. The City Structures Works contract will ensure the City has the capability to:
  - (a) promptly respond to all forms of emergency civil structural work
  - (b) scale resources required for minor work through to programs and projects
  - (c) effectively coordinate a complex mix of service disciplines and high risk works
  - (d) foster innovation and sustainability improvements and
  - (e) ensure ongoing consistency of the City's approach to structural services.

### Invitation to Tender

9. The request for tender was advertised on Tenderlink on 6 June 2025 and closed on 28 July 2025.
10. The Request for Tender was also available on the Supply Nation and NSW Indigenous Chamber of Commerce websites via their member opportunity boards.

### Tender Submissions

11. 6 submissions were received from the following organisations:
  - Bayswater Projects Pty Ltd (ACN/ABN: 33 610 213 397)
  - Bedrule Pty Ltd T/as TOBCO (ACN/ABN: 37 158 027 260)
  - Marine & Civil Maintenance Pty Ltd (ACN/ABN: 15 097 350 957)
  - Quality Management & Construction Pty Ltd T/as QMC Civil (ACN/ABN: 82 073 170 279)
  - Rapid Construction Pty. Limited (ABN: 35ACN 003 963 620)
  - Stone Mason & Artist Pty. Limited (ABN: 80ACN 003 589 277)
12. No late submissions were received.

### Tender Evaluation

13. All members of the Tender Evaluation Panel have signed Pecuniary Interest Declarations. No pecuniary interests were noted.
14. The relative ranking of tenders as determined from the total weighted score is provided in the Confidential Tender Evaluation Summary – Attachment A.
15. All submissions were assessed in accordance with the approved evaluation criteria being:
  - (a) Demonstrated Experience, Capability
    - (i) The Tenderer is to demonstrate organisational experience relevant to the works delivered under the contract (including qualifications and experience of local technical staff), current resources and track record
    - (ii) Demonstrated experience delivering similar works across the range of civil structures
    - (iii) Company systems and capability to work within the City's nominated asset, data and business intelligence reporting requirements, including capability for Systems integration

- (b) Demonstrated Capacity to Deliver and Allocation of Resources/Personnel
  - (i) Ability to fully comply with the tender requirements set out in the RFT Returnable Schedules with quality of compliance assessed
  - (ii) The Tenderer is to provide details of all current and future commitments, start date, duration of project, expected end date. As well as resource management plan, Subcontractors, Plant and equipment, Contract Team and Management
- (c) Methodology and Program
  - (i) Detailed understanding of the Works
  - (ii) Site Management
  - (iii) Pedestrian and Traffic Management
  - (iv) Community Management
  - (v) Sample Quote Analysis and understanding of the SOR Application
- (d) Modern Slavery, and Work, Health and Safety
- (e) Social Procurement, Environment, Sustainability
  - (i) The Tenderer is to demonstrate capability to provide environmental and sustainable outcomes during the contract period with consideration given to innovation, and compliance with requirements for warranty conditions.
- (f) Schedule of Rates Pricing
  - (i) The Tenderer is to demonstrate capability to provide environmental and sustainable outcomes during the contract period with consideration given to innovation, and compliance with requirements for warranty conditions.

## Performance Measurement

16. The performance of the appointed service provider will be assessed against a comprehensive list of key performance indicators to manage, monitor and evaluate performance against the Contract requirements. These are:
- (a) work health and safety
  - (b) administration and document management
  - (c) data management
  - (d) environmental performance
  - (e) worksite and traffic management
  - (f) communications with the City

- (g) community engagement
  - (h) utility management
  - (i) quality
  - (j) program management and
  - (k) Aboriginal and Torres Strait Islander engagement.
17. Performance reviews will be held periodically against these criteria to ensure, quality of service, sustainability and contribution to the City's strategic objectives relevant to the services.

## Risks

18. A risk assessment was undertaken early in the procurement process to identify risks associated with the services. The risks associated with the services are high given the complexity of the assets, their location and accessibility, and the environmental and structural load bearing characteristics of assets such as bridges, stairs, boardwalks, seawalls, retaining walls and cliffs.
19. To address these risks, the tender evaluation focused on highly experienced and capable tenderers that demonstrated significant relevant experience, sufficient resources to deliver the work, and a high level of competency and understanding of the service requirements.
20. The Contract and works will be managed in line with the tolerances set out in the City's Risk Appetite Statement, particularly the following:
- (a) Financial Risk Appetite
    - The City has a responsibility to ensure that it has sufficient resources in the short, medium and long term to provide the levels of service that are both affordable and considered appropriate by the community.
  - (b) Environmental and Sustainability Risk Appetite
    - We are dedicated to actively identifying and addressing environmental risks associated with our activities and services. We prioritise prevention and proactive measures to minimise our ecological footprint, conserve resources and protect ecosystems
  - (c) Service Delivery Risk Appetite
    - We recognise that external threats, shocks and disasters may cause disruption to our services and core functions. We aim to enhance our resilience, crisis management and business continuity capabilities in readiness for these events.

(d) People

- We are committed to the health, safety and wellbeing of our workers, residents, visitors and others who interact with our assets, operations and services.

(e) Infrastructure, Technology, Assets and Property Risk Appetite

- We place a high priority on ensuring the continuity of essential services delivered through infrastructure assets. Our risk appetite emphasises the need to protect and maintain critical infrastructure to minimise disruption to services, meet community expectations and to ensure public safety.

(f) Legal and Compliance

- We make decisions that align with our corporate objectives, policies and strategies.

### Financial Implications

21. The total contract value and contingency for the Program City Structures Works contract is detailed in Confidential Attachment A.
22. The Schedule of Rates is detailed in Confidential Attachment B.
23. The Schedule of Rates offered are considered competitive and in numerous instances compare favourably to the rates presently available within the City's Structures Maintenance Contract.
24. Funds are allocated for these works within the relevant capital and operational budgets and future years' forward estimates.
25. The quantity of work awarded each year is subject to approved works programs required to achieve desired service levels set out in asset management plans and expected by the community. The City does not guarantee any minimum quantity of works in any year.

**Relevant Legislation**

26. The tender has been conducted in accordance with the Local Government Act 1993, and the Local Government (General) Regulation 2021.
27. Local Government Act 1993 - Section 10A provides that a council may close to the public so much of its meeting as comprises the discussion of information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business.
28. Attachments A and B contain 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.
29. 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**

30. The existing Structures Maintenance contract expires on 3 January 2026. The new contract is proposed to start on 1 February 2026.
31. Postponing the decision to award the tender would result in delays in the commencement of the required services, potentially disrupting service delivery and creating gaps in continuity. Such a deferral could negatively impact operational efficiency, stakeholder satisfaction, and the timely achievement of project objectives.
32. The proposed initial contract term is 4 years, with the option of up to 2 two-year extensions. The total proposed contract length if the options are exercised is 8 years, ending in 2034.



**Public Consultation**

33. Public consultation was not required prior to the tender being advertised.
34. The City Structures Works contract incorporates the requirement for the appointed service providers to support the City's public consultation activities, including:
  - (a) preparation of concepts, visualisations and designs
  - (b) distribution of notification letters to nearby residents and businesses about forthcoming civil works
  - (c) provision of site management, signage and traffic management plans
  - (d) preparation of Communications Management Plans that are scaled to suit the type and complexity of civil works
  - (e) dedicated project community liaison officers who continue to proactively engage with the community where warranted.

**VERONICA LEE**

Executive Director City Services

Simon Fay, Capital Programs Manager