

Exemption from Tender - Variation to Existing Consultancy Services Contract for Green Square Town Centre Essential Infrastructure and Public Domain

File No: S105606

Tender No: 1299

Summary

This report seeks approval to vary the contract for consultancy services for additional design works for Green Square Town Centre Essential Infrastructure and Public Domain.

On 29 April 2013, Council resolved to award the tender to AECOM Australia Pty Ltd to provide consultancy services for the design and certification of Green Square Town Centre Essential Infrastructure.

During the period of design consultancy services, there have been a number of events that have generated additional works under the contract, including additional scope design works, studies and consultant services undertaken for areas and streets interfacing with the original contract area.

This report recommends that Council vary the contract for the existing consultancy services with AECOM for Green Square Town Centre Essential Infrastructure and Public Domain.

Recommendation

It is resolved that:

- (A) Council approve a variation to the existing contract with AECOM Australia Pty Limited to include additional scope relating to the following:
 - (i) Green Square to Ashmore Connector Conceptual Design and Associated Studies;
 - (ii) Zetland Avenue East design package and associated studies, report documents and specifications;
 - (iii) Portman Lane, Navins Lane and Merton Street Upgrade Construction Stage Documentation - part of the Town Centre Interface Works Project; and
 - (i) interface issue resolution with adjoining projects including Gunyama Park Aquatic and Recreation Centre and South Sydney Hospital Site projects - predominantly part of the Joynton Avenue Upgrade (Hansard to Elizabeth Street) Project;
- (B) authority be delegated to the Chief Executive Officer to negotiate, and enter into any documentation required to vary the existing contract relating to consultancy services for Green Square Town Centre Essential Infrastructure and Public Domain; and
- (C) Council endorse the contract budget as allocated in Confidential Attachment A to the subject report.

Attachments

- Attachment A.** Certified Financial and Contractual Implications to the Existing AECOM Services Contract - Green Square Town Centre Essential Infrastructure and Public Domain (Confidential)

Background

1. The Green Square Town Centre is primarily located in the suburb of Zetland and covers an area of 13.74 hectares, including land bounded by Botany Road, Bourke Street, Portman Street, Portman Lane, Joynton Avenue, Hansard Street and Tosh Lane.
2. This project is part of the City's Green Square Town Centre development program, which is the heart of the Green Square urban renewal area. The Green Square renewal area, incorporating the suburbs of Zetland, Beaconsfield and parts of Roseberry, Alexandria and Waterloo, is located within the most important economic corridor in the country.
3. On 29 April 2013, Council resolved to award the tender to AECOM Australia Pty Ltd to provide consultancy services for the design and certification of Green Square Town Centre Essential Infrastructure. The scope of works included design of Ebsworth Street, Barker Street, Tweed Place, Fellmonger Place, Hinchcliffe Street, Woolpack Street, Geddes Avenue, Paul Street, Sonny Leonard Street, Tosh Lane, Portman Street, Zetland Avenue, Joynton Avenue and Botany Road. During the period of design consultancy services, the following additional works have been identified and are added to the original scope:

- (a) Green Square to Ashmore Connector conceptual design and associated studies

At the time of AECOM's engagement, the Green Square to Ashmore Connector Road project had not yet commenced. A need emerged to commence road alignment works to enable the ongoing land subdivision and purchase considerations. The design needed to be consistent with aspects of the Green Square Town Centre street design, and it is therefore deemed appropriate to engage AECOM to carry out this work.

- (b) Zetland Avenue East design and certification package and associated studies

During the Development Application stage of the Gunyama Park Aquatic and Recreation Centre (GPARC), the main entrance into the facilities on Zetland Avenue East required further design development to allow for a drop-off/pick-up zone, loading zone, in lane bus stop, accessible parking provisions and vehicular access. Consequently additional design works to Zetland Avenue East were required to allow integration with GPARC along the northern boundary. This additional scope was added to AECOM's scope of works as they developed the designs for Zetland Avenue.

- (c) Portman Lane, Navins Lane and Merton Street Upgrade construction stage documentation - part of the Town Centre Interface Works project

Through the development of Green Square, and during ongoing consultations with the community, it became evident that the level of activation on the Town Centre interface roads was increasing. The laneways to the north of the Town Centre were at the end of their service life and design works were required to ensure a safe usable solution for the community was achieved. These neighbouring streets were added to the scope to ensure concurrent upgrade of adjoining streets with the Town Centre.

- (d) Interface issue resolution with adjoining projects including GPARC and South Sydney Hospital site projects - predominantly part of the Joynton Avenue Upgrade (Hansard to Elizabeth Street) Project

Design development and staging of works along Joynton Avenue is particularly challenging. The staging of works need to ensure that adjoining private developers, at different stages of development, must make adequate provision for stormwater and other underground services with accurate interface with Joynton Avenue. Noting that the street itself is undergoing significant re-design and level raising at the same time. In addition, the City's two major projects, namely South Sydney Hospital site and Gunyama Park Aquatic and Recreation Centre, have significant frontage along Joynton Avenue and both needed sophisticated design and staging advice to allow integration with the future state of the Joynton Avenue. AECOM is best placed to provide staging and design advice on the progression of this site.

4. Along with these additional work requirements, significant latent conditions were encountered across the site which have contributed to an increase in the design service works and delivery support requirement. The ground conditions underlying the site had either/or insufficient bearing capacity, saturated soils / high water table, unrecorded utilities and contaminated finds.
5. The scope of service requires the consultant to develop the infrastructure and public domain design, and prepare the detailed design and construction documentation for all works related to the project.

Performance Measurement

6. AECOM Australia Pty Ltd design consultancy has consistently scored highly in mandatory performance reviews.

Financial Implications

7. There are sufficient funds allocated in the project under the current budgets and future year's forward estimates.

Relevant Legislation

8. Attachment A contains confidential commercial information 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. Program Key Milestones:

- (a) Design Documentation and Support present to early 2019
- (b) Construction Stage Services present to early 2020

Risk

11. The impacts of not proceeding with the currently engaged design consultancy services would result in the following:

- (a) loss of existing project knowledge and less value for money – the design services can be provided by a supplier already engaged on the specific project. The continuum of service will provide value for money through the retention of existing project knowledge and experience, gained over the past five years of project service; and
- (b) delay in the rate of delivery and programme synergy for the street design documentation, construction works delivery and thus key project milestones – currently, the rate of streets design delivery is in synergy with overall staging programmes for both private and public realms. Any design consultant service delays would contribute to time variances and result in programme delays and project construction cost increases.

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