

Item 10.

Exemption from Tender - Joynton Avenue and Zetland Avenue East Roadworks

File No: **S105609**

Summary

This report seeks an exemption from tender to enter into a contract under extenuating circumstances for the delivery of the Joynton Avenue and Zetland Avenue road works adjoining the Gunyama Park Aquatic Recreations Centre.

The project is part of the Essential Infrastructure and Public Domain Works for the Green Square Town Centre. The Town Centre is a new retail/commercial and residential precinct bounded by Botany Road, Bourke Street, Joynton Avenue and Hansard Street in Zetland and forms part of the Green Square Urban Renewal area.

The proposed infrastructure works for the project are centred on the creation of new streets of Zetland Avenue (from Victoria Park Parade in the east to Portman Street) and raising of Joynton Avenue. The works include new signalised intersections, associated below and above-ground infrastructure, comprehensive public domain works, including paved footpaths, trees and lighting, and new separated uni-directional cycleways on both sides of Zetland Avenue.

This contract has a strong interdependency with the construction and the opening of the Gunyama Park Aquatic and Recreation Centre, as Joynton and Zetland Avenue are two of the surrounding streets to this facility and the entrance to the aquatic centre is located off Zetland Avenue.

This report recommends that Council award the contract to Contractor A for the construction of Joynton Avenue and Zetland Avenue (East) as outlined in Confidential Attachment A.

Recommendation

It is resolved that:

- (A) Council approve an exemption from tender for the construction of Joynton Avenue upgrade and Zetland Avenue (East) noting that, because of extenuating circumstances, a satisfactory result would not be achieved by inviting tenders;
- (B) Council note the reasons why a satisfactory result would not be achieved by inviting tenders are:
 - (i) going to tender would not deliver a competitive outcome as the market has already been tested through a previous tender and negotiations to vary the Gunyama Park Aquatic and Recreation Centre contract;
 - (ii) Contractor A's offer demonstrates value for money, as described in Confidential Attachment A to the subject report;
 - (iii) there is insufficient time to undertake a competitive tender without impacting on the project delivery milestones of the Gunyama Park Aquatic and Recreation Centre
- (C) Council enter into a contract with Contactor A for the construction of Joynton Avenue upgrade and Zetland Avenue (East) for the amount set out in Confidential Attachment A to the subject report;
- (D) authority be delegated to the Chief Executive Officer to negotiate, execute and administer the contract with Contractor A, as outlined in Confidential Attachment A to the subject report, provided that the contract is consistent with this resolution;
- (E) Council note the financial implications detailed in Confidential Attachment A to the subject report;
- (F) Council note the outcome of the negotiations to vary the Gunyama Park Aquatic and Recreation Centre contract for the construction of Joynton Avenue upgrade and Zetland Avenue (East) as set out in Confidential Attachment A to the subject report; and
- (G) Councillors be advised of the outcome of contract negotiations with Contractor A via a CEO Update.

Attachments

- Attachment A.** Financial Implications of Roadwork Package of Joynton and Zetland East Avenue (Confidential)

Background

1. The proposed Essential Infrastructure and Public Domain Works for the Green Square Town Centre is part of the City's Green Square Urban Renewal program. The Green Square Town Centre is primarily located in the suburb of Zetland that covers an area of 13.74 hectares and includes land bounded by Botany Road, Bourke Street, Joynton Avenue and Hansard Street.
2. On 8 March 2013, the Central Sydney Planning Committee provided conditional consent to the development application for Green Square Town Centre Essential Infrastructure.
3. On 29 February 2016, Council endorsed the detailed design for the new and upgraded streets network for Green Square Town Centre, which includes the streets in this report.
4. The proposed infrastructure works are centred on the creation of the new streets of Zetland Avenue (East) and the raising of Joynton Avenue. The works for the project include:
 - (a) construction of Zetland Avenue (from Victoria Park Parade in the east to Joynton Avenue) and raising of Joynton Avenue;
 - (b) new signalised intersections of Joynton Avenue / Zetland Avenue and a signalised pedestrian crossing on Joynton Avenue;
 - (c) upgrade of Joynton Avenue along the Green Square Town Centre boundary; and
 - (d) associated below and above-ground infrastructure works comprising comprehensive public domain works including paved footpaths, trees and lighting, and new separated uni-directional cycleways on each side of Zetland Avenue.
5. The upgrade of Joynton Avenue and the construction of Zetland Avenue (East), originally awarded by Resolution of Council on 19 June 2017, was terminated in July 2018 (as noted in the CEO Update of 3 August 2018).
6. The delivery of this infrastructure has strong interdependencies with the construction and the eventual opening of Gunyama Park Aquatic and Recreation Centre, as Joynton and Zetland Avenue are surrounding the Aquatic Centre and Park, and the entrance to the aquatic centre is located on Zetland Avenue.
7. On 10 December 2018, Council resolved to delegate authority to the Chief Executive Officer to negotiate for the construction of the Joynton Ave and Zetland Ave (East) street infrastructure project, and if successful vary the existing contract for the Gunyama Park Aquatic and Recreation Centre. This report provides recommendations on the conclusion of the negotiations to construct the street infrastructure as outlined in Confidential Attachment A.

Key Implications

Strategic Alignment - Sustainable Sydney 2030 Vision

8. Sustainable Sydney 2030 is a vision for the sustainable development of the City to 2030 and beyond. It includes 10 strategic directions to guide the future of the City, as well as 10 targets against which to measure progress. This report is aligned with the following strategic directions and objectives:
 - (a) Direction 3 - Integrated Transport for a Connected City - The commencement of the construction of the key artery of Zetland Avenue, as well as the upgrade to Joynton Avenue, is a significant milestone for the implementation of the Connecting our City Policy.
 - (b) Direction 4 - A City for Walking and Cycling - The construction of these roads includes provision for extension of the cycle path network. Zetland Avenue's construction expands the footpath network within and through the Green Square precinct.
 - (c) Direction 5 - A Lively and Engaging City Centre - This project is a key element of the overall Green Square design for connectivity to public transport and community facilities.

Social / Cultural / Community

9. The consequences of not delivering the roadwork (Joynton Avenue and Zetland Avenue (East)) concurrently with the Gunyama Park Aquatic and Recreation Centre project include the following:
 - (a) the community would not be able to access Gunyama Park Aquatic and Recreation Centre for a protracted period while adjoining roadworks were being constructed;
 - (b) Joynton Avenue being partially closed for an extended amount of time, which would have a detrimental impact on the lives of the residents, on traffic, on public transport and on adjoining development.

Budget Implications

10. Refer to Confidential Attachment A.

Relevant Legislation

11. 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.
12. 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

13. The contract date for practical completion is currently at 7 April 2020 for the delivery of Gunyama Park Aquatic and Recreation Centre (Stage 1).

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