

## **Tender - Project Management of City of Sydney Heritage Study of Activity Street Precincts S1 to S9**

**File No:** X021612.003

**Tender No:** 1909

### **Summary**

This report provides details of the tenders received for the Project Management of City of Sydney Heritage Study of Activity Street Precincts S1 to S9.

The purpose of the heritage studies of activity street precincts is to investigate and analyse the historic, physical and comparative context of the activity streets in the study areas, with a particular focus on the contributory buildings and listed heritage items within each precinct. Findings of each heritage study will inform an urban design study of the same area and ultimately updated planning controls for the area.

The Strategic Planning and Urban Design Unit requires a Project Manager for the procurement and delivery of the heritage study of each activity street precinct.

This report recommends that Council decline to accept any of the tenders submitted for Project Management of City of Sydney Heritage Study of Activity Street Precincts S1 to S9, and cancel the proposal for the contract for Project Management of City of Sydney Heritage Study of Activity Street Precincts S1 to S9.

### **Recommendation**

It is resolved that Council:

- (A) decline to accept any of the tenders submitted for Project Management of City of Sydney Heritage Study of Activity Street Precincts S1 to S9; and
- (B) cancel the proposal for the contract for Project Management of City of Sydney Heritage Study of Activity Street Precincts S1 to S9.

### **Attachments**

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

## Background

1. In recent times, the City of Sydney has received development applications in a number of sensitive areas in the activity street precincts within the local government area, including 18-32A Darlinghurst Road, Potts Point. Activity streets are sometimes known as the 'high streets' in the heritage conservation areas.
2. The activity street precincts are diverse and complex places at the heart of each of the villages of the City of Sydney. They are generally located in heritage conservation areas, comprise mixed-use business zones and are identified as active frontages in the City's Development Control Plan (DCP). They are places of considerable economic importance and character, often with a distinctive urban form. Existing development can include whole or remnant nineteenth century buildings, mid-twentieth century and inter-war buildings, uncharacteristic mid-to-late twentieth century tower forms and contemporary alterations and additions. The fine urban grain of these streets provides a framework for a rich variety of uses.
3. The City's Draft Local Strategic Planning Statement includes an action to review planning controls for activity streets to protect character, provide amenity and ensure an appropriate mix of uses given their function. Comprehensive urban design and heritage reviews of the activity street precincts are planned with the intention to develop design principles specific to each precinct which will inform updated planning controls in the Local Environmental Plan (LEP) and DCP. The updated planning controls will assist good planning outcomes and timely consideration of development applications.
4. The heritage study for an activity street precinct is to run concurrently with the related urban design study. The primary objective of the heritage study is to inform the urban design study. The urban design study informs the preparation of built form controls for every street block.
5. The City will establish a Panel of Preferred Heritage Consultants to undertake the heritage studies of activity street precincts. The panel was subject of a recent tender RFT 1910 (to be considered by the Tender Review Group on 31 July 2019) UPDATE AFTER TRG. Selection of heritage consultants to undertake each of the heritage studies of activity street precincts S2 to S9 will be made by requesting quotations from members of the panel. The Heritage Study of Study Area S1 was the subject of a separate, recent tender RFT 1911, (to be considered by the Tender Review Group on 31 July 2019) UPDATE AFTER TRG.
6. This tender is for consultants to act as the Project Manager for the program of heritage studies in the activity streets precincts S1 to S9, including for the procurement and delivery of each heritage study. The heritage study objectives are to investigate and analyse the historic, physical and comparative context of the activity streets within the precinct. The Project Manager is to direct heritage consultants engaged by the City to ensure that the objectives of the heritage study of each activity street precinct are delivered to the satisfaction of the City.
7. To facilitate the project delivery, it is anticipated that the Project Manager is to work alongside key personnel in the City of Sydney Strategic Planning and Urban Design Unit, at Town Hall House, 456 Kent Street, Sydney, for two to three days per week for the duration of the project period.

## Invitation to Tender

8. The tender was advertised in The Sydney Morning Herald, the Australian Financial Review and on the City's tendering portal, Tenderlink, on Tuesday 16 April 2019. The Tender was open for a period of five weeks and closed on Tuesday 21 May 2019.

## Tender Submissions

9. Eight submissions were received from the following organisations:
  - APP Corporation Pty Ltd;
  - Aver Pty Ltd;
  - BG & E Pty Ltd;
  - Coffey Services Australia Pty Ltd;
  - ConnellGriffin Pty Ltd;
  - DJ Gabriel Consulting Pty Ltd;
  - Hunter Scott Pty Ltd; and
  - SPG Projects Pty Ltd.
10. No late submissions were received.

## Tender Evaluation

11. All members of the Tender Evaluation Panel have signed Pecuniary Interest Declarations. No pecuniary interests were noted.
12. The relative ranking of tenders as determined from the total weighted score is provided in the Confidential Tender Evaluation Summary – Attachment A.
13. All submissions were assessed in accordance with the approved evaluation criteria being:
  - (a) Project appreciation outlining the tenderer's understanding of the project context, including but not limited to:
    - (i) the guidelines for heritage assessment and conservation management;
    - (ii) the processes involved in historical and physical investigation and analysis; assessment of heritage significance; and identification and evaluation of key heritage issues relating to heritage items and heritage conservation areas; and
    - (iii) application of the City of Sydney planning instruments, development controls and policies in the role of development control and assessment.

- (b) Demonstrated experience, including personnel allocation, qualifications, capacity and experience in carrying out works of a similar size and nature, including but not limited to:
  - (i) coordination and management of complex projects, and development of detailed project plans to monitor and track progress;
  - (ii) ability to undertake administrative tasks associated with tender and quotation processes and contract governance;
  - (iii) excellent verbal, written and graphic skills and proficiency in the use of relevant software packages (Excel, Word, Office, PowerPoint, the State Heritage Inventory web application); and
  - (iv) ability to assimilate information quickly and translate complex, technical information into easy to understand, plain English policy, reports and communication material.
- (c) Financial and commercial trading integrity, including insurances.
- (d) Program and deliverables: agreement with suggested program and deliverables.
- (e) Work, Health and Safety.
- (f) Schedule of Rates.

### Relevant Legislation

14. 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.
15. 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.
16. 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

17. External time frame: The information provided by the heritage studies is to inform the related urban design studies. The urban design studies are to inform preparation of site-specific Development Control Plans for precincts in the heritage conservation areas; the development controls will inform the preparation of the DCP review.

18. Project time frame: The tender is for a consultant to manage a program of heritage studies of the nine activity streets precincts. Activity Streets Precinct S1, centred on Kings Cross, Potts Point and Darlinghurst, is the area of greatest complexity and is the highest priority. The Heritage Study of Activity Streets Precinct S1 is subject to a separate tender RFT1911 (to be considered by Tender Review Group on 31 July 2019) UPDATE AFTER TRG. Allowing time to execute the contract and mobilise the consultant, work could be expected to commence six weeks later, completion could be expected in twenty-two weeks, depending on time allowed for internal review. The related urban design work would be expected to commence after the initial assessment stage of the heritage study, at about week eight in the program.
19. Implications of deferring a decision: If the decision to decline to accept any of the tender submissions was deferred, the City would still proceed on the Heritage Study of Activity Streets Precinct S1, with the program managed in-house within the Strategic Planning and Urban Design Unit. The related urban design study would also proceed. Later heritage studies may follow on a reduced and longer program, and related urban design studies would be delayed to reflect the availability of heritage assessments.

### Options

20. Alternatives to declining to accept any of the tender submissions were discussed during the tender evaluation process. The option of rejecting tenders and negotiating directly with one of the tenderers was discarded, as no tenderer demonstrated that they understood the City's requirements for the project or had a suitable candidate for the role, experienced in heritage policy development.
21. The program of heritage studies in the activity streets precincts was intended to proceed with the studies running mostly in parallel, with staggered starts approximately four to six weeks apart. If a consultant is not engaged to manage the heritage studies program, and deal with the often lengthy internal review process, then the studies may have to be managed in-house, within the Strategic Planning and Urban Design Unit.
22. To limit impact on the ongoing work of the unit, the heritage expertise available within the Strategic Planning and Urban Design Unit will need to be focused on managing technical aspects of the activity streets program, with planners allocated to provide administrative support. A recent assessment of the Strategic Planning and Urban Design Unit work program and budget suggests that the heritage studies could proceed consecutively – in series, rather than in parallel with a longer overall timeframe for the both the heritage and urban design studies. The timetable to roll out activity streets heritage studies could be adjusted to suit the availability of staff resources with the appropriate skills. If project priorities change, for example, in response to controversial development applications, particular activity streets precincts could be prioritised.

**Public Consultation**

23. No consultation has been undertaken with the public for this tender. Heritage studies will provide background material for the public consultation for any changes to planning controls.

**GRAHAM JAHN, AM**

Director City Planning, Development and Transport

Peter Hill, Urban Designer, Strategic Planning and Urban Design