

Item 7.**Exemption from Tender - Supply and Installation of Hoardings for Fig and Wattle Streets Depot and The Bulk Store at Bay Street Depot**

File No: S101696

Summary

The City of Sydney undertakes periodic reviews of the structural integrity of the facades and awnings for all the buildings in the City's property portfolio. Currently there are two City of Sydney sites that require hoardings in place as a Temporary Control Measure to ensure public and stakeholder safety. Hoardings have been installed at Fig and Wattle Streets Depot and The Bulk Store at Bay Street Depot, Ultimo.

This report recommends maintaining the City's Temporary Control Measures - the ongoing installation of these hoardings through an extension of the current hoarding contract for a further period of 36 months to 31 March 2023. The hoarding hire rates are the same as the originally agreed fees, providing value to the City.

This 36 month extension will permit the capital works project for the next stage of structural reinforcement works to commence for The Bulk Store at Bay Street Depot and permit the structural reinforcement works for the remaining buildings at Fig and Wattle Streets Depot to commence.

Recommendation

It is resolved that:

- (A) Council approve an exemption from tender for the extension of the hire of B Class hoardings for a period of 36 months from 30 March 2020 to 31 March 2023, due to extenuating circumstances, as a satisfactory result would not be achieved by inviting tenders;
- (B) Council note the reasons a satisfactory result would not be achieved by inviting tenders for the hoarding installations at Fig and Wattle Streets Depot and The Bulk Store at Bay Street Depot are:
 - (i) Fig and Wattle Streets Depot is in the process of being sold, it is necessary to urgently extend the existing contract in order to ensure public safety;
 - (ii) The Bulk Store at Bay Street Depot hoarding is essential for public safety until the completion of structural reinforcement works, it is necessary to urgently extend the existing contract;
 - (iii) if the City were to seek competitive quotes, additional costs for removal and reconstruction of the hoarding would need to be paid; and
 - (iv) the current rates for the hoarding rental remain competitive compared to market rates;
- (C) Council approve the variation of the current contracts for the construction and hire of B Class hoardings to protect pedestrians and vehicular traffic, by extending the contract term for a further 36 month period to 31 March 2023; and
- (D) authority be delegated to the Chief Executive Officer to negotiate, execute and administer the contracts relating to the construction and hire of B Class hoarding to protect pedestrians and vehicular traffic, referred to in clause (C) above.

Attachments

Attachment A. Financial Implications (Confidential)

Background

1. The City of Sydney undertakes periodic reviews of the structural integrity of the facades and awnings for all the buildings in the City's property portfolio. Currently there are two unoccupied buildings / sites that require hoardings in place as a Temporary Control Measure to ensure public and stakeholder safety. Hoardings have been installed at Fig and Wattle Streets Depot and The Bulk Store at Bay Street Depot, Ultimo.
2. This report recommends maintaining the City's Temporary Control Measures i.e. the ongoing installation of these hoardings through an extension of the current hoarding contract for a further period of 36 months.
3. This 36 month extension will permit the sale of the site to settle for Fig and Wattle Streets Depot and the capital works project for the next stage of structural reinforcement works to commence for The Bulk Store at Bay Street Depot.
4. The two hoarding installation projects are for public safety and heritage preservation reasons.

Fig and Wattle Streets Depot

5. The City-owned property at 14-26 Wattle Street, Ultimo is a 12,000 square metre site bounded by Jones, Fig and Wattle Streets, with the light rail station to its northern boundary. The depot operations conducted from the property since the turn of the century have changed considerably overtime and ceased in 1990. The site is currently used to store sandstone and smart-poles displaced through the construction works in George Street for the light rail.
6. In the mid 1990s, the site was cleared with the exception of six not occupiable, brick buildings of varying age fronting Fig and Wattle Streets. Subsequent demolition work carried out over the years has removed unstable sections and/or materials containing asbestos. The existing buildings contained on the site are in poor condition both structurally and diagnostically.
7. Consulting engineers have provided advice on these buildings since 2012 and continue to regularly conduct inspections recommending suitable temporary rectification to each building to ensure their structural stability.
8. In July 2019, Building 6 was demolished due to the structural engineer's recommendation, the remaining buildings may not be demolished in the next 36 months and therefore require the hoarding to remain in place to protect the public, until a decision is made on the future state of the structures.

Bay Street Depot – The Bulk Store

9. The Bulk Store is a heritage listed building located on the Bay Street side of the Bay Street Depot and is currently not occupiable. In January 2017, works were undertaken on the parapet of the Bulk Store to improve structural integrity of the facade. Structural engineers continue periodic inspections of all Bay Street Depot buildings and make recommendations which include a scope of works and temporary control measures for The Bulk Store.

10. A façade inspection found further works are required on the façade and the resulting report recommended the installation of Temporary Control Measures to ensure public and City staff safety and a scope of works for structural integrity works is being finalised. The hoardings will need to remain in place until these works are completed.
11. Class B hoardings were installed on 23 February 2017, protecting street frontages.
12. The future use of The Bulk Store will be informed by the strategic review of the Bay Street Depot site being undertaken by the City.

Key Implications

Risks

13. If the extension of the hoarding contracts are not approved , there is a risk that public safety will be compromised.
14. Continuation of the hoarding is critical to the ongoing safety management of pedestrians and vehicles accessing areas around the Fig and Wattle Streets Depot and Bay Street Depot.

Budget Implications

15. There are sufficient funds allocated for this project within City Projects and Property's 2020/21 operating budget and future years' forward estimates.

Relevant Legislation

16. Local Government Act 1993 - Section 10A provides that a Council may close to the public so much of its meeting as comprises information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business.
17. Attachment A contain confidential 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.
18. Discussion of the matter in an open meeting would, on balance, be contrary to the public interest because it would compromise the City's ability to negotiate fairly and commercially to achieve the best outcome for its ratepayers.

Critical Dates / Time Frames

19. 30 March 2020 - expiration of current hoarding contact.
20. Hoarding hire contract extension request from 30 March 2020 to 31 March 2023.

Options

21. The hoarding has been installed for a number of years protecting the public, there are no viable alternatives, the existing hoarding is site specific engineered with regular safety inspections, to remove the existing and install new hoarding would not be a viable process or value for money to the City . The hoarding is required for public safety.

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