

**Item 6.****Tender - Macdonald Street Widening and Trunk Drainage, Erskineville****File No: X004092****Tender No: 1990****Summary**

This report provides details of the tenders received for Macdonald Street Widening and Trunk Drainage, Erskineville.

The widening of the street accommodates the trunk drain upgrade and delivers an increase in the quantity and quality of the public domain for pedestrians, cyclists and vehicles. The scope of works was approved by Council in September 2019 and the Review of Environmental Factors (REF) was approved in December 2019.

This report recommends that Council accept the tender offer of Tenderer E for Macdonald Street Widening and Trunk Drainage, Erskineville.

**Recommendation**

It is resolved that:

- (A) Council accept the tender offer of Tenderer E for Macdonald Street Widening and Trunk Drainage, Erskineville, for the price and contingency set out in Confidential Attachment A to the subject report; and
- (B) authority be delegated to the Chief Executive Officer to negotiate, execute and administer the contracts relating to the tender.

**Attachments**

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

## Background

1. Both the widening of Macdonald Street and upgrade to Goddard Street represent the major component of City works described in the Ashmore Public Infrastructure Concept Design, most of which is being delivered as works in kind.
2. The City of Sydney's upgrade of Erskineville's Ashmore Precinct will include the road widening of Macdonald and Goddard Streets and a new stormwater trunk drain, along with plans for new cycleways, footpaths, pedestrian crossings, trees, swale gardens, street parking, utilities and service improvements and lighting upgrades. These public domain works will facilitate improved visual amenity, and a high level of landscape character and functionality for local residents, visitors and the greater community of Erskineville.
3. Macdonald Street is a major overland flow-path carrying storm water from the railway bridge east. An integral part of the road widening works is the installation of the City's new trunk drain which augments the existing Sydney Water trunk drain that drains to the Alexandra Canal, thereby mitigating the impacts of flooding across the precinct.

## Invitation to Tender

4. Six tenderers were selected from an open to market Expression of Interest that closed on 3 October 2019.
5. The RFT 1990 "Macdonald Street Widening and Trunk Drainage" tender period for the six tenderers commenced on 2 March 2020, closing on 4 May 2020.

## Tender Submissions

6. Five submissions were received from the following organisations:
  - (a) Christie Civil Pty Ltd;
  - (b) Burton Contractors Pty Ltd;
  - (c) Ford Civil Contracting Pty Ltd;
  - (d) Abergeldie Contractors Pty Ltd and
  - (e) Ward Civil & Environmental Engineering Pty Ltd.
7. No late submissions were received.

## Tender Evaluation

8. All members of the Tender Evaluation Panel have signed Pecuniary Interest Declarations. No pecuniary interests were noted.
9. The relative ranking of tenders as determined from the total weighted score is provided in the Confidential Tender Evaluation Summary – Attachment A.

10. All submissions were assessed in accordance with the approved evaluation criteria being:
  - (a) the lump sum price and schedule of prices;
  - (b) personnel allocation (including percentage of time staff members are committed to the project), qualifications, relevant experience and capacity, including sub-contractors;
  - (c) proposed methodology, including pedestrian and traffic management and environmental management, demonstrated capability in achieving high quality detailed finishes;
  - (d) proposed program;
  - (e) Work Health and Safety; and
  - (f) financial and commercial trading integrity, including insurances.

### **Performance Measurement**

11. The City will ensure that performance standards are met during construction by:
  - (a) holding weekly site meetings with the Contractor to cover WHS, environment, progress of work against contract program, sub-contractor items, design issues and requests for information, hold and witness points, quality non-conformances, public enquires and planned liaison activities, EOT claims and variations;
  - (b) undertaking regular site inspections and completing a monthly construction site verification checklist to identify any non-compliance with the approved project WHS and Emergency Management Plan; and
  - (c) monitoring and assessing the Contractor's performance in accordance with the Principal's Key Performance Indicators including WHS compliance, quality of work, time, reporting and communication.

### **Financial Implications**

12. There are sufficient funds allocated for this project within the draft 2020/21 capital works budget and future years' forward estimates, the subject of a separate report in this Council cycle, as detailed in Confidential Attachment A.

### Relevant Legislation

13. The tender has been conducted in accordance with the Local Government Act 1993, the Local Government (General) Regulation 2005 and the City's Procurement and Contract Management Policy.
14. 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.
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. June 2020 - Award contract.
18. October 2021 - Forecast date of project completion.

### Options

19. Timeframes are critical to meet commitments under Planning Agreement requirements between the City and interfacing development sites. Alternative options for elements of the project to address constructability issues were considered during the tender evaluation process.

**Public Consultation**

20. The City managed a community engagement process to inform the community about this proposal and to provide feedback at [sydneyoursay.com.au](http://sydneyoursay.com.au) on the proposal. The community engagement period ran from 3 June 2019 to 1 July 2019.
21. People who participated in this process indicated support for the project, however many raised concerns about loss of parking, existing trees and the eventual opening of MacDonald Street through to Mitchell Street. Feedback from this consultation with residents, adjacent developers and authorities has been considered and where practical, informed the design development and a number of key changes. For example, the introduction of continuous footpath treatment to the southern footpath of Macdonald Street and an additional two raised pedestrian crossings which was approved by the September 2019 Council Meeting.
22. The communications and engagement activities included:
  - (a) letterbox drops;
  - (b) targeted emails to strata managers and community groups; and
  - (c) attending a community information session hosted by Friends of Erskineville.
23. Ongoing consultation with the community will continue during the construction phase of the project.

**AMIT CHANAN**

Director City Projects and Property

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