

## Item 6.

### Tender - Structures Maintenance Works

**File No:** X007808

**Tender No:** 1933

### Summary

This report provides details of the tenders received for the Structures Maintenance Works schedule of rates contract.

The tender is for a contract to carry out maintenance works on the City's structural assets consisting of bridges, cliffs and retaining walls, sea walls, jetties and pontoons, stairs/steps/ramps and fences and Smartpoles.

This report recommends that Council accept the tender offer of Tenderer I for Structures Maintenance Works. Refer to Confidential Attachment A for ranking of tenderers and selection support for this recommendation.

### Recommendation

It is resolved that:

- (A) Council accept the tender offer of Tenderer I for Structures Maintenance Works for a period of three years, with the option of one extension of two years if appropriate;
- (B) authority be delegated to the Chief Executive Officer to negotiate, execute and administer the contract with Tenderer I referred to in (A) above for the Schedule of Rates detailed in Confidential Attachment B and otherwise on the terms acceptable to the City; and
- (C) authority be delegated to the Chief Executive Officer to exercise the option and enter into any documentation required to enter into contract documents associated with the options.

### Attachments

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

**Attachment B.** Price and Schedule of Rates (Confidential)

## Background

1. The City of Sydney manages a large portfolio of structural assets. These include bridges, cliffs and retaining walls, sea walls, jetties and pontoons, stairs/steps/ramps, fences and Smartpoles, with an approximate asset value of \$190M.
2. The City intends to use contract resources to repair, restore and maintain its structural assets and Smartpoles. This tender is to appoint a suitably qualified and well experienced contractor to deliver the City's annual structural maintenance programs and Smartpole maintenance works.
3. The successful tenderer will be required to provide professional repair, restoration and maintenance services, with consideration of all community and other stakeholder requirements. They must have relevant experience and be capable of delivering a high standard of works to set time constraints.
4. This contract has an estimated annual value of approximately \$15 million for the maintenance of bridges, seawalls, retaining walls, steps and ramps, fences and Smartpoles maintenance programs.
5. The work to be delivered as part of this tender is based on the City's structures maintenance works maintenance specifications and Smartpole design specifications to be used by the Contractor and service authorities that work in the City.
6. The City does not guarantee any minimum quantity of work to the tenderers.
7. The initial term of the contract will be for a period of three years, with an option to extend for a period of two years.
8. Tenderers were assessed on their long-standing experience, professional capability, organisational policies, safe work practices and their commitment to corporate social responsibility initiatives supporting Aboriginal and Torres Strait Islander employment.
9. This tender also specifies the use of sustainable materials and industrially accredited innovative ethical engineering processes with particular reference to energy, water, waste and fuel consumption.

## Invitation to Tender

10. The Tender was advertised on 3 December 2019 in The Daily Telegraph, Sydney Morning Herald and online through Tenderlink and closed on 3 March 2020.

## Tender Submissions

11. Submissions were received from the following organisations:

- Burton Contractors Pty Ltd;
- Ecospec Pty Ltd;
- Eptec Pty Ltd;
- Eywad Pty Ltd;
- Fadel Designs & Steel Fabrications Pty Ltd;
- Ford Civil Contracting Pty Ltd;
- Fortec Australia Pty Ltd;
- Freyssinet Australia Ptd Ltd;
- Marine & Civil Maintenance Pty Ltd;
- McElligott Partners Pty Ltd;
- Quality Management & Constructions Pty Ltd;
- Retaining Specialists Pty Ltd;
- Bedrule Pty Ltd (trading as TOBCO); and
- Ward Civil & Environmental Engineering Pty Ltd.

12. No late submissions were received.

## Tender Evaluation

13. All members of the Tender Evaluation Panel have signed Pecuniary Interest Declarations. No pecuniary interests were noted.
14. The relative ranking of tenders as determined from the total weighted score is provided in the Confidential Tender Evaluation Summary – Attachment A.
15. All submissions were assessed in accordance with the approved evaluation criteria being:
- (a) Schedule of Rates;
  - (b) Resources including company profile, personnel, subcontractors, plant and equipment;
  - (c) Program Methodology, Quality and Environmental Management;
  - (d) Site Management, Traffic and Pedestrian Control;

- (e) Experience in Work/Services of similar nature;
- (f) Documentation and reports;
- (g) Work, Health and Safety; and
- (h) Financial and commercial trading integrity including insurances.

### **Performance Measurement**

16. The City will ensure that the contractor meets the required performance standards by:
  - (a) undertaking safety and quality assurance inspections;
  - (b) complying with the scope of work described in the tender specifications which clearly states the level of service required by the City;
  - (c) monitoring the works undertaken by the tenderer to ensure the City's structures maintenance works specifications, Smartpole specifications and other applicable specifications that may be issued from time to time are met; and
  - (d) completing all work instructions within the allocated time-frame, in accordance with the conditions of contract.
17. Formal performance reviews will be conducted in accordance with the City's standard contract management practices. This tender specifies an annual formal performance review.
18. The Contractor will have their performance assessed against the following key performance indicators (KPI's);
  - (a) Work Health and Safety performance;
  - (b) standard of contract administration;
  - (c) standard of site management;
  - (d) data management;
  - (e) environmental performance;
  - (f) coordination with service utilities;
  - (g) community engagement;
  - (h) program management; and
  - (i) quality of construction work.

### Financial Implications

19. Individual capital and maintenance projects hold the capital and operating budgets that include the works performed under this tender.
20. The quantity of work awarded each year is subject to approved maintenance and capital works programs and activities required to achieve desired service levels for the City within allocated funding included in the City's 10 year Long Term Financial Plan.
21. Where appropriate, the City will supply materials through existing City supply contracts, such as Smartpole parts, to reduce the overall costs for the City.
22. The financial assessment of the recommended tenderers rates is provided in the Confidential Tender Evaluation Summary – Attachment A.
23. The rates of the recommended tenderer rates is provided in the Schedule of Rates – Attachment B.

### Relevant Legislation

24. 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.
25. 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.
26. Attachments A and B 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.
27. 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

28. The initial contract term is for three years
29. This contract has an option to extend for a further two years subject to the satisfactory performance of the contractor.

**Public Consultation**

30. No public consultation is required, however the structures maintenance works will include:
- (a) appropriate site management, signage, preparation and implementation of traffic management plans in accordance with specific job requirements; and
  - (b) notification letters to be provided to residents of affected nearby properties of the structures maintenance work outlining duration of works and contact details.

**DAVID RIORDAN**

Director City Services

George Angelis, Chief Engineer

Anand Doraiswamy, Project Coordinator