

**Item 7.****Tender - 343 George Street, Sydney - Façade Remediation - Stage 1 Barrack Lane****File No: X011030.001****Tender No: T-2021-562****Summary**

This report provides details of the tenders received for 343 George Street, Sydney Façade Remediation - Stage 1 Barrack Lane.

The 343 George Street Façade Remediation Stage 1 works in Barrack Lane represents the first stage of the broader 343 George Street Façade Remediation and Lighting project.

The project works were previously tendered as a single package for the entire façade in 2020. On 24 August 2020, Council resolved to cancel the tender for the façade remediation and lighting.

Following the resolution of Council, the delivery strategy was reviewed and it was determined that a staged remediation of the façade works would be pursued. This tender report is for the delivery of Stage 1 - Barrack Lane works.

Works for Stage 1 - Barrack Lane are focused on the façade remediation works to cement render, concrete, steel and bronze windows and copper weatherings.

Future stages of this project will be focused on façade remediation works to stonework, steel and bronze window repairs and façade lighting.

This report recommends that Council accept the tender offer of Tenderer A for 343 George Street Façade Remediation - Stage 1 Barrack Lane.

## **Recommendation**

It is resolved that:

- (A) Council accept the tender offer of Tenderer A for 343 George Street Façade Remediation - Stage 1 Barrack Lane for the price and contingency outlined in Confidential Attachment A to the subject report;
- (B) Council note that the total contract sum and contingency for 343 George Street Façade Remediation - Stage1 Barrack Lane is outlined in Confidential Attachment A to the subject report; and
- (C) 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. 343 George Street is historically significant as the former headquarters of one of the leading banks in New South Wales, the Commercial Banking Company of Sydney Ltd., which had occupied this site since the 1850s until its merger with the National Bank in the 1980s. The building was constructed in two stages between 1921 and 1925.
2. The building is significant as a good and early example of the Commercial Palazzo style. The façades, ground floor, lower ground floor, safe deposit vault, and surviving original interiors of the executive areas are exceptionally fine and rare examples of design and craftsmanship.
3. A revision of the 2002 Conservation Management Plan (CMP) dated June 2018 has been prepared for 343 George Street by Design 5 - Architects Pty Ltd. The Conservation Management Plan states that 'the upper steel windows facing George Street, Barrack Street and Barrack Lane all require repainting.'
4. A condition assessment of all façade windows was undertaken in 2019/20 and tender documentation was prepared based on their attributed condition rating by heritage architects, Lucas Stapleton Johnson & Partners Pty Ltd. Windows on the Barrack Lane facade presented a more immediate need for remediation based on their comparative condition rating to windows on other façades.
5. The 343 George Street Façade Remediation Stage 1 works in Barrack Lane represents the first stage of the broader 343 George Street Façade Remediation and Lighting project.
6. The project works (Stage 1 and Stage 2) were previously tendered as a single package in 2020.
7. On 24 August 2020, Council resolved to cancel the Tender - Façade Remediation and Lighting - 343 George Street, Sydney, on the basis the tender offers were non-compliant. The resolution stated:

It is resolved that Council:

(A) decline to accept the tender offer of Tenderer A for 343 George Street Façade Remediation and Lighting; and

(B) cancel the tender for 343 George Street Façade Remediation and Lighting.
8. Following the resolution of Council, the delivery strategy was reviewed and it was determined that a staged remediation of the façade would be pursued. This tender report is for the delivery of Stage 1 - Barrack Lane works.
9. Works for Stage 1 - Barrack Lane are focused on the remediation works to cement render, concrete, steel and bronze windows and copper weatherings.
10. Future stages of this project will be focused on façade remediation works to stonework, steel and bronze window repairs and façade lighting.

### Invitation to Tender

11. A two-step procurement process was undertaken for the construction work for 343 George Street Façade Remediation - Stage 1 Barrack Lane, including an initial Expression of Interest followed by a Request for Tender.
12. The Request for Expression of Interest was advertised through Tenderlink on 7 July 2021 and closed on 2 August 2021. Eleven submissions were received and a shortlist of five suitably qualified suppliers were selected to progress to Tender.
13. The Request for Tender was advertised through Tenderlink on 2 November 2021 seeking submissions from the five shortlisted suppliers only and closed 30 November 2021.
14. Additional project requirements were identified post Tender close regarding tenancy access. On 20 December 2021 Tenderers were requested to clarify their Tender submissions based only on the additional identified requirements. Responses were required by 18 January 2022.

### Tender Submissions

15. Four submissions were received from the following suppliers:
  - Belmadar Pty Ltd;
  - GrowthBuilt Pty Ltd;
  - HBS Group; and
  - RM Watson Pty Ltd.
16. One late submission was received from one of the above tenderers.
17. One of the shortlisted suppliers did not submit a tender.

### Tender Evaluation

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

20. All submissions were assessed in accordance with the approved evaluation criteria being:
- (a) the schedule of rates and lump sum price;
  - (b) proposed intended works delivery methodology including traffic management, site management, communication management and environmental management;
  - (c) specified personnel and sub-contractors' skills and qualifications including position, percentage of time on the project and project team role for each nominated personnel on the contract and Aboriginal and Torres Strait Islander involvement;
  - (d) proposed program and capacity to achieve the program / deliverables;
  - (e) Work, Health and Safety; and
  - (f) financial and commercial trading integrity, including insurances.

### **Performance Measurement**

21. The performance of the contractor under the 343 George Street Façade Remediation Stage 1 Barrack Lane contract will be evaluated and measured by:
- (a) reviewing the contractor's program and methodology;
  - (b) reviewing the contractor's samples and submissions;
  - (c) attending regular inspections of the works including safety inspections;
  - (d) conducting regular site meetings with the contractor; and
  - (e) ensuring the works are in accordance with the contract documents, such as the drawings and specifications, preliminaries and general conditions of contract.

### **Financial Implications**

22. There are sufficient funds allocated for this project within the current year's capital works budget and future years' forward estimates.
23. The total contract sum and contingency for 343 George Street Façade Remediation Stage 1 works in Barrack Lane is detailed in Confidential Attachment A.

### **Relevant Legislation**

24. The tender has been conducted in accordance with the Local Government Act 1993, the Local Government (General) Regulation 2021 and the City's Procurement and Contract Management 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. 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.
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**

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|---|----------------|
| 28. Award contract                      | March 2022.    |
| 29. Construction commencement           | June 2022.     |
| 30. Anticipated construction completion | December 2023. |

### **Public Consultation**

31. All tenants within the 343 George Street property have been consulted regarding Stage 1 - Barrack Lane façade works and informed of future Stage 2 - Barrack Street and George Street façade works. Tenants will be regularly informed and consulted throughout the construction period to ensure clear communication. The contractor will have a nominated tenant liaison officer who will work in collaboration with the City's managing agent to provide a `look ahead' work schedule, outline of construction activities and define access requirements to help minimise disruption to tenants.
32. The adjoining property owner from 341 George Street has been consulted and a deed of agreement to access the shared laneway for the purposes of the construction works, has been negotiated by the City and the property owner of 341 George Street. Clear access at ground level will be maintained throughout the construction period and the adjoining property owner will be regularly informed of scheduled works.

### **AMIT CHANAN**

Director City Projects and Property

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