

## Item 12.

### Tender - T-2021-568 - Construction of Wimbo Park, Surry Hills

File No: X009056

Tender No: T-2021-568

### Summary

This report provides details of the tenders received for the construction of Wimbo Park, Surry Hills.

Wimbo Park is located at 560 Bourke St, Surry Hills and extends east to South Dowling Street. The space has been created from the combination of the previous Wimbo Park and the open space created from the NSW Government's CBD and South East Light Rail project (CSELR).

These works are to construct a new public park and shared zone upgrade to Parkham Lane and Parkham Place, providing a valuable open space for the local community to gather for passive and active recreation. The site area for the works is approximately 6000m<sup>2</sup>.

Council endorsed the concept design on 27 February 2017. A Development Application was approved 24 September 2019 before a revised concept design for the park went to community consultation in early 2020.

On 23 June 2021, the Section 4.55 Development Application Modification was approved for the revised design of the park. The shared zone to Parkham Lane and Parkham Place was approved by the Local Pedestrian, Cycling and Traffic Calming Committee (LPCTCC) under the Roads Act 1993 on 18 March 2021. Following, the design was further developed in coordination with Transport for NSW and Transdev to satisfy their conditions of consent to enable the project to proceed to tender. The request for tender was released to market on 9 June 2022 for a period of six weeks.

This report recommends that Council accept the tender offer of Tenderer C for the construction of Wimbo Park, Surry Hills and approve additional funding required to undertake the works.

## **Recommendation**

It is resolved that:

- (A) Council accept the tender offer of Tenderer C for the construction of Wimbo Park, Surry Hills for the price and contingency as set out in Confidential Attachment A to the subject report;
- (B) authority be delegated to the Chief Executive Officer to negotiate, execute and administer the contracts relating to the tender; and
- (C) Council approve that the additional funds sought are brought forward from the provision for Open Space Renewal works in 2025/26, as shown in the forward estimates, included in the City's current Long Term Financial Plan as outlined in Confidential Attachment A to the subject report.

## **Attachments**

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

## Background

1. In October 2015, the CBD and South East Light Rail (CSELR) project commenced works to deliver light rail services between Circular Quay and Randwick. The project was delivered by TfNSW with construction to be undertaken by Acciona. Wimbo Park and Olivia Gardens multi-residential apartment building on the site to the east of the previous Wimbo Park was demolished. The CBD and South East Light Rail project used this site as the construction compound for the entire light rail project until mid-2019 when the care and maintenance of the site was handed back to the City of Sydney.
2. The City entered into a development agreement with Transport for NSW to ensure Transport for NSW dedicated the balance of any land not required for light rail purposes to the City for future use as a community area. This provided the opportunity to deliver a new public park in this location to meet the evolving needs of the community.
3. A new park will be created by extending the existing Wimbo Park, spanning the block between Bourke Street and South Dowling Street, on the southern side of the light rail line in Surry Hills. The new park will fill the space that was created through the removal of the Olivia Gardens apartment which was done to make way for the light rail project. The existing road on the southern border of this space, will be converted into a shared zone to improve connectivity and increase the pedestrian space of this site.
4. A head design consultant was engaged in July 2016 to create a concept design for the extension of Wimbo Park. The concept design for the park created a new space so that it filled the empty space created by the CBD and South East Light Rail project and the demolition of the Olivia Gardens apartment block at this location.
5. On 27 February 2017, Council resolved to approve the project concept design for Wimbo Park to allow for coordination with the CBD and South East Light Rail project team, to proceed with design development, and prepare relevant planning approvals, documentation and tender for construction works. A Development Application was approved 24 September 2019.
6. The site CBD and South East Light Rail project team delivered on completion of the light rail project in this area included a shared path running parallel to the light rail line, a large open lawn area and a half-delivered paved plaza area. The site offered little to no amenity to the community other than being a space to transit through. In late 2019, the Community expressed a desire to reduce the quantity of hard surfaces in the park, increase screening to adjoining residents and to increase the 'park-feel' of the space through the conversion of an existing road to become a low-speed shared zone for vehicles, cyclists and pedestrians.
7. Council further revised the concept design in response to this feedback by the community to improve the open space amenity as delivered by CBD and South East Light Rail project. The revised concept design for the park went to community consultation in early 2020. The design included undertaking improvement works to Parkham Lane and Parkham Place.
8. The revised concept design will deliver:
  - shade trees and open lawn with connecting pathways and sitting walls;
  - an increase in parkland and a reduction in hard pavement;

- a shared zone along Parkham Lane and shared path through the park to improve connectivity for people moving through the site from Central to Moore Park;
  - plants and screening to maintain privacy for adjacent homes to screen the existing substation and electrical kiosks next to Bourke Street;
  - improved stormwater drainage to better manage the flooding on this site;
  - retained fence and planting buffer separate the park from the light rail line; and
  - reinstatement of the Wimbo Park mosaic mural and stonemasons' memorial.
9. The Development Application Modification with Transport for NSW consent conditions was approved on 23 June 2021, for the design of the new park which will increase the existing Wimbo Park across the site to the east. Local Pedestrian, Cycling and Traffic Calming Committee approval was given on 18 March 2021 to convert Parkham Lane and Parkham Place into a shared zone.
10. Following the approval of the Development Application Modification, the design was further developed in coordination with Transport for NSW and Transdev to satisfy their conditions of consent to enable the project to proceed to tender.

### **Invitation to Tender**

11. A public open tender was run from 9 June 2022 for 6 weeks and closed on 21 July 2022. It was advertised on TenderLink, the City of Sydney electronic tendering portal. An online and on-site briefing was held during the tender.

### **Tender Submissions**

12. Three submissions were received from the following organisations:
- Growth Civil Landscapes;
  - Ford Civil Contracting; and
  - Regal Landscapes.
13. No late submissions were received.

### **Tender Evaluation**

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

16. All submissions were assessed in accordance with the approved evaluation criteria being:
- (a) The lump sum price and schedule of prices.
  - (b) Company profile with demonstrated experience in carrying out construction works of a similar scope, complexity and scale, company quality management system, company environmental management and commitment to sustainability and compliance with code of conduct.
  - (c) Personnel allocation, qualifications, experience, technical ability, and percentage of time on project; identified sub-contractors and their experience; and any Aboriginal and Torres Strait Islander Involvement.
  - (d) The tenderers ability to achieve the proposed program & deliverables based on their current commitments. Proposed construction program with staging shown to achieve the project and deliverables: program duration, sequencing and appropriately detailed breakdown of work tasks and lead times; and consideration of contract requirements including hold & witness points and milestones.
  - (e) Proposed construction methodology, including staging of works, environmental management and referencing to the proposed site management plans and proposed Pedestrian & Traffic Management Plans as submitted by the tenderer. The tendered methodology must be site and project specific and must demonstrate how the tenderer proposes to manage site constraints, conditions and risks. It must explain proposed staging of works including impact to vehicles, cyclists and pedestrians and the methods to minimise impact to surrounding residents.
  - (f) Work health and safety; and
  - (g) Financial and commercial trading integrity, including insurances.

### **Performance Measurement**

17. The City will ensure that performance standards are met during construction by:
- (a) holding weekly site meetings with the contractor to cover Work Health and Safety, 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, extension of time 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&E Management Plan; and
  - (c) monitoring and assessing the contractor's performance in accordance with the Principal's Key Performance Indicators including Work Health and Safety compliance, quality of work, time, reporting and communication.

### Financial Implications

18. Significant cost increases have recently been experienced in the building industry. Additional funds are required for this project due to the recommended tender exceeding pre-tender estimates. Acceptance of the recommended tender will therefore require Council to increase the project budget, as detailed in Confidential Attachment A.
19. The total contract sum and contingency for the construction of Wimbo Park, Surry Hills is detailed in Confidential Attachment A.

### Relevant Legislation

20. 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.
21. 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.
22. 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.
23. 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

24. The following key dates will apply to this project if approved:
  - (a) Contract Execution September 2022
  - (b) Site Possession October 2022

### Options

25. Alternative options have been considered and include:
  - (a) Not proceed with the tender and defer the works. This option is not recommended because it would not provide the required services to the community.

- (b) Undertake further value engineering in addition to that undertaken prior to tender. Further value engineering would reduce the function of the open space and therefore would impact on service delivery. This option would delay the project and incur additional consultant costs for redesign and given the current market volatility the time taken for redesign may offset any costs savings.
  - (c) Undertake the works in stages by constructing the new park space and upgrading the shared zone separately. This option is not recommended as it would result in increased disruption to the residents and will likely be substantially more costly.
26. No other viable options have been identified during the tender evaluation process.

### **Public Consultation**

- 27. 7 to 30 November 2015 – The City obtained early input from local residents and businesses with 209 pieces of feedback received from stakeholder meetings with businesses, Lord Mayor on site community consultation, letters sent to residents and businesses, social media posts via Sydney Your Say and an online survey.
- 28. 19 November to 19 December 2016 - Community engagement process to consult on the concept design, including letter drop, Sydney Your Say, hardcopies at the Surry Hills Library and Town Hall House and a consultation event held at Wimbo Park, on Saturday 19 November 2016 which was attended by the Lord Mayor.
- 29. February 2017 - Stakeholders emailed to give notice that the scoping report and design was going to Council in February 2017. One community stakeholder (neighbour) attended the Committee meeting.
- 30. January/February 2018 - Development Application had a 28-day public exhibition period of the design.
- 31. 30 November 2018 – City’s website updated with revised concept plan showing the addition of the shared zone and modification to the shared path.
- 32. 25 September 2019 - On site meeting with the Director of Centennial Parklands Trust, City design team representative and the Lord Mayor.
- 33. 14 to 31 July 2020 - Community feedback on the revised design for Wimbo Park through online engagement during Covid-19 with 33 submissions captured through letter drop, direct emails online meetings, social media and Sydney Your Say.
- 34. 9 September 2020 - Lord Mayor online community update and Q&A session.
- 35. January/February 2021 - Development Application modification 28-day public exhibition period of the design.
- 36. 13 October 2021 – Consultation with Bourke Street Public School for alternate drop-off/pick-up arrangement during construction.
- 37. 25 and 29 March 2022 - Door knock to Parkham Street, Parkham Lane and South Dowling Street residents to inform them of the project and likely impacts.

38. Future notification following engagement of the contractor includes:
- (a) Notifying Bourke Street Public School of the timeframe for the alternate drop-off/pick-up arrangement during construction.
  - (b) Communication to residents of planned commencement of construction and updating website.
  - (c) Contractor to install City signage boards on fencing.
  - (d) Contractor's communication for staging and impacts during construction.

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