

## Item 12.

### **Cancellation of Tender - T-2022-736 - Alexandra Canal Depot Workspace Relocation Stage 2 Construction**

**File No:** X038195.022

**Tender No:** T-2022-736

#### **Summary**

This report provides details of the tenders received for Alexandra Canal Depot Workspace Relocation Stage 2 Construction.

Alexandra Canal Depot was constructed in 2016 and is a purpose-built depot for the operational amenities required by the various teams within the City Services division including Depot Management, Fleet Services, City Infrastructure and Traffic Operations, and Cleansing and Waste.

A workspace relocation project was phased with three separate stages.

Stage 1 included the consolidation and relocation of the Fleet Services workspaces within the Alexandra Canal Depot to create space for the Parks Maintenance Team and was completed in January 2021.

Stage 2 works, to which this tender relates, included the proposed construction of four new bulk storage bays beside three existing City Infrastructure and Traffic Operations bays, supply and installation of a dust suppression system to all bulk storage bays and the link bin areas, and supply and installation of two motorised retractable covers to the new bays. The proposed works included civil, hydraulic and electrical services reticulation.

Stage 3 construction works for a new Parks Office space and plant stock area was completed in early November 2022.

This report recommends that Council decline to accept the tender offer for the Alexandra Canal Depot Workspace Relocation Stage 2 Construction, cancel the tender and note that a proposed adjustment of scope and procurement method will be developed for the Alexandra Canal Depot Workspace Relocation Stage 2 Construction.

## **Recommendation**

It is resolved that Council:

- (A) decline to accept the tender offer for Alexandra Canal Depot Workspace Relocation Stage 2 Construction;
- (B) cancel the tender for the Alexandra Canal Depot Workspace Relocation Stage 2 Construction for the reasons outlined in Confidential Attachment A to the subject report; and
- (C) note that a proposed adjustment of scope and procurement method will be developed for the Alexandra Canal Depot Workspace Relocation Stage 2 Construction.

## **Attachments**

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

## Background

1. Alexandra Canal Depot was constructed in 2016 and is a purpose-built depot for the operational amenities required by the various teams within the City Services division including Depot Management, Fleet Services, City Infrastructure and Traffic Operations, and Cleansing and Waste.
2. The Alexandra Canal Depot was constructed with capacity for future adaptation with opportunities across the entire site for co-location of services.
3. A workspace relocation project was phased with three separate stages:
  - (a) Stage 1 included the consolidation and relocation of the Fleet Services workspaces within the Alexandra Canal Depot to create space for the Parks Maintenance Team and was completed in January 2021.
  - (b) Stage 2 works, to which this tender relates, included the proposed construction of four new bulk storage bays beside three existing City Infrastructure and Traffic Operations bays, supply and installation of a dust suppression system to all bulk storage bays and the link bin area, and the supply and installation of two motorised retractable covers to the new bays. The proposed works included civil, hydraulic, and electrical services reticulation.
  - (c) Stage 3 included the construction of a new outdoor plant stock area, as well as the relevant services and amenities required by the Park Maintenance Team, within an existing workshop space and new mezzanine level, and reached completion in early November 2022.
4. The Parks Maintenance Team was located in the Nursery Depot within Sydney Park in Barwon Park Road, St Peters. Termite damage was uncovered in early 2020 requiring a temporary relocation of the City's Parks Maintenance team from the Nursery Depot in Sydney Park to Alexandra Canal Depot.
5. After extensive consultation with all relevant staff, it was determined that the future operations of the Nursery Depot would remain at Alexandra Canal Depot. This project aligns with the updated Depot Strategy 2021 and Sydney Park Plan of Management 2014.
6. The Alexandra Canal Depot Workspace Relocation project has facilitated the temporary and permanent relocation of the Parks Maintenance team into the Alexandra Canal Depot.

## Invitation to Tender

7. The tender was advertised on Tenderlink on Thursday 26 May 2022 and closed on Tuesday 21 June 2022.

### **Tender Submissions**

8. One submission was received from the following organisations:
  - Rogers Construction Group Pty Ltd (ABN 56 615 190 517).
9. No late submissions were received.

### **Tender Evaluation**

10. All members of the Tender Evaluation Panel have signed Pecuniary Interest Declarations. No pecuniary interests were noted.

### **Financial Implications**

11. If this tender is cancelled, the scope will be reviewed and the financial implications for adjusted scope will be reviewed prior to any procurement process commencing.

### **Relevant Legislation**

12. The tender has been conducted in accordance with the Local Government Act 1993 and the Local Government (General) Regulation 2021.
13. 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.
14. 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.
15. 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**

16. The following key dates apply to this project:

- |   |               |
|---|---------------|
| (a) Council approval to cancel tender                           | December 2022 |
| (b) Analysis of options (scope adjustment / procurement method) | early 2023    |
| (c) New Stage 2 procurement                                     | early 2023    |
| (d) Stage 2 Contract execution                                  | mid 2023      |
| (e) Practical Completion  | mid-late 2023 |

**Options**

17. Options are detailed in Confidential Attachment A.

**KIM WOODBURY**

Chief Operating Officer

Lillian Luxon, Project Manager