

Tender - T-2023-917 - Oxford Street West and Liverpool Street Cycleway Construction

File No: X037203

Tender No: T-2023-917

Summary

This report provides details of the tenders received for the construction of a separated bi-directional cycleway along the northern kerb side lane of Liverpool Street and Oxford Street between Elizabeth Street and Flinders Street, Darlinghurst.

Oxford and Liverpool Streets are important connections in Sydney's Bike Network (Attachment B), identified in Council's Cycling Strategy and Action Plan 2018-2030. This project will connect existing cycleways on Castlereagh and College Streets in the City Centre and on Bourke Street.

In February 2022, Council approved the scope for the project. The Local Pedestrian, Cycling and Traffic Calming Committee (LPCTCC) endorsed the proposal in April 2023, subject to Transport for NSW approving the Traffic Management Plan.

The first stage of the tendering process for the Oxford Street West and Liverpool Street Cycleway was an Expression of Interest (EOI) process that short-listed five suitable contractors. The Request for Tender was then released to the shortlisted contractors in May 2023.

This report recommends that Council accept the tender of Tenderer D for the construction of the Oxford Street West and Liverpool Street Cycleway. The report also recommends Council approve additional funding as outlined in Confidential Attachment B.

Recommendation

It is resolved that:

- (A) Council accept the tender of Tenderer D for the construction of a separated bi-directional cycleway along the northern kerb side lane of Liverpool Street and Oxford Street between Elizabeth Street and Flinders Street, Darlinghurst for the price and contingency outlined in Confidential Attachment B to the subject report;
- (B) Council note that the total contract sum and contingency for the construction of the Oxford Street West and Liverpool Street cycleway is outlined in Confidential Attachment B to the subject report;
- (C) authority be delegated to the Chief Executive Officer to finalise, execute and administer the contracts relating to the tender; and
- (D) Council approve the additional funds as outlined in Confidential Attachment B to the subject report.

Attachments

Attachment A. Sydney Bike Network Map

Attachment B. Tender Evaluation Summary (Confidential)

Background

1. In November 2018, Council endorsed the Cycling Strategy and Action Plan 2018-2030, for incorporation into the City's community strategic plan Sustainable Sydney 2030. The Strategy includes an overall proposed Bike Network. Priority 1 of the Strategy and Action Plan is to connect the bike network, with a target to complete 80 per cent of the regional route network by 2024 and 100 percent by 2030. The Cycling Strategy and Action Plan includes an overall proposed Bike Network which is being implemented over time.
2. Oxford and Liverpool Streets are important connections in Sydney's Bike Network, identified in Council's Strategy and Action Plan. This project will connect existing cycleways along Bourke Street and in the city centre on Castlereagh and College Streets.
3. There are over 2,000 daily bike trips on Oxford Street. Oxford Street has the highest number of reported bike crashes in the Sydney Local Government Area. The most common causes of reported bicycle crashes over the last ten years on Oxford Street are opening car doors, poor surface conditions, left turns and left side swipes. A dedicated cycleway would be expected to eliminate these crash causes.
4. Council consulted residents and businesses in the area during the concept and detail design stages of the project. The majority were supportive of the cycleway works, with several suggestions made to improve the designs.
5. Council endorsed the design at its May 2021 meeting. The Local Pedestrian, Cycling, and Traffic Calming Committee endorsed the proposed changes at its April 2023 meeting.
6. In November 2022, the City accepted grant funding from the NSW Government for the proposed cycleway on Liverpool and Oxford Streets.

Invitation to Tender

7. An open Expression of Interest was issued on 20 September 2022 and closed on 18 October 2022. The Expression of Interest process resulted in the selection of five contractors to be invited to tender.
8. The Request for Tender was released to the shortlisted contractors through TenderLink on 8 May 2023. A pre-tender briefing was held on site 16 May 2023, an extension of time was provided for submissions and the tender closed on 14 June 2023.

Tender Submissions

9. Five submissions were received from the following organisations:

- CA&I Pty Ltd (ABN 40 158 442 436)
- Ford Civil Contracting Pty Ltd (ABN 24 002 542 814)
- Haslin Constructions Pty Limited (ABN 85 051 102 124)
- Mack Civil Pty Limited (ABN 94 163 885 943)
- Sydney Civil Pty Ltd (ABN 90 078 474 665)

10. No late submissions were received.

Tender Evaluation

11. All members of the Tender Evaluation Panel have signed Pecuniary Interest Declarations. No pecuniary interests were noted.
12. The relative ranking of tenders as determined from the total weighted score is provided in the Confidential Tender Evaluation Summary – Attachment B.
13. All submissions were assessed in accordance with the approved evaluation criteria being:
- (a) The lump sum price and schedule of prices.
 - (b) Company information including technical capability and Indigenous inclusion.
 - (c) Demonstrated managerial capability, qualifications, experience and number of personnel including: Project team structure, % allocation, experience and capacity of key project team members, including site staff and subcontractors.
 - (d) Project program including the ability to meet completion dates. Demonstrated understanding of program issues, including activities or approvals prior to site establishment and hand over activities at completion.
 - (e) Project understanding and methodology including a clear understanding of project issues and risks, considered methodology for the coordination and delivery of the project including staging, proposed site management, and traffic and pedestrian management.
 - (f) Work, Health and Safety, including Chain of Responsibility.
 - (g) Financial and commercial trading integrity including insurances.

Performance Measurement

14. The City will ensure that performance standards are achieved during construction through regular assessment of the following Key Performance Indicators:
 - (a) Safety and Environment - works performed safely, to avoid incidents and nonconformances. The site management plan is to be developed and implemented in such a way as to ensure the safety of all personnel.
 - (b) Communication - weekly site meetings and daily online / phone correspondence.
 - (c) Programming and Resources - approach and methodology strategically planned to maximise the efficient and effective use of resources and materials while ensuring all documentation and contract requirements are submitted on time.
 - (d) Quality Assurance - inspections, witness and hold points as necessary to meet the quality standards set out by the City.
 - (e) Cost Variations - all efforts made to mitigate a variation to the contract with negative cost implications.
 - (f) The City will ensure the works are in accordance with the contract documents including the General Conditions of Contract, Preliminaries, Specifications, and Schedules.
 - (g) At the end of construction, the City will assess the Contractor and complete a performance review including any lessons learnt to be shared and utilised in future projects.

Financial Implications

15. Additional funds are required for this project due to significant market price increases in the construction industry since the current project budget was approved. A larger project contingency is also recommended for potential risks through the construction phase. Acceptance of the tender will require Council to increase the project budget, as detailed in Confidential Attachment B.
16. The total contract sum and contingency for the Oxford Street West and Liverpool Street Cycleway is detailed in Confidential Attachment B.

Relevant Legislation

17. The tender has been conducted in accordance with the Local Government Act 1993 and the Local Government (General) Regulation 2021.
18. 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.
19. Attachment 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.
20. 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

21. The following key dates will apply to this project if the recommended tender is approved:
 - (a) Contract Execution September 2023
 - (b) Site Possession October 2023
 - (c) Estimated Practical Completion October 2024

Options

22. Alternative options have been considered and include:
- (a) Not proceeding or deferring the tendered works. This option is not recommended because it would not support Priority 1 of the City of Sydney's Cycling Strategy Action Plan 2018-2030, which is to connect the network. This option may also have implications to the availability of funding grants provided by the NSW government.
 - (b) Undertaking further value engineering in addition to that undertaken prior to tender. This option is not recommended as the opportunity for further value engineering is limited without large reductions in scope, resulting in the project not fulfilling its objectives. This option would delay the project substantially and incur additional consultant costs for redesign. Continuation of the current market volatility will likely mean that potential costs savings will be minimal despite reducing scope.
23. No other viable options have been identified during the tender evaluation process.

Public Consultation

24. At the concept design stage, the City exhibited the concept design for the cycleways on Oxford and Liverpool Streets and consulted with the community over four weeks between 28 October and 25 November 2021. A notification letter was sent to 12,500 properties. Two information sessions were held online, being a lunch time session on 10 November 2021 and an afternoon session on 11 November 2021. Three in-person drop-in sessions were held at Taylor Square on 16, 17 and 18 November 2021.
25. At the detailed design stage, there were 1,550 letters sent to the nearby residents and businesses requesting feedback on the proposal in February 2023. A newspaper advertisement was published in the Sydney Morning Herald on Wednesday 22 February 2023. The details of the proposal were available on the Sydney Your Say website with feedback able to be provided between 20 February 2023 and 23 March 2023 by mail or email.
26. Notification letters will be sent to property owners and businesses prior to construction.
27. During construction, there will be close liaison between property owner, businesses, City staff and the contractor to minimise disruption to properties in the area.

KIM WOODBURY

Chief Operating Officer

Mir Hossain, Project Manager