

Item 11.

Tender - T-2022-901 - George Street North Pedestrianisation

File No: X089947.006

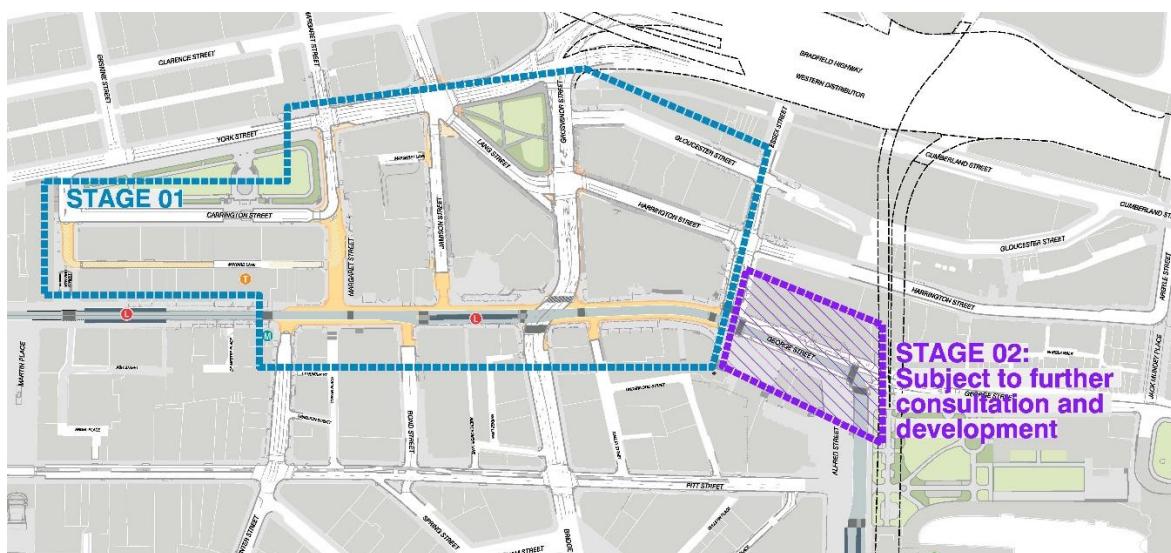
Tender No: T-2022-901

Summary

On 5 December 2022, Council approved the concept design for the George Street North Pedestrianisation project.

The project will be delivered in two stages:

- (a) Stage 1 from Hunter Street to Essex Street and
- (b) Stage 2 from Essex Street to Alfred Street.



This report provides details of the tenders received for the George Street North Pedestrianisation - Stage 1 permanent works.

This tender builds on the following temporary vehicle closures and early works:

- (a) George Street, between Hunter and Bridge Grosvenor Streets - completed in January 2023; and
- (b) George Street, between Bridge/ Grosvenor and Essex Street - completed in July 2023.

The temporary closure was implemented to remove vehicle traffic along George Street by using interim measures, like concrete barriers and coloured road markings.

Stage 1 of the George Street North Pedestrianisation project includes public domain improvements to:

1. Hunter Street and George Street footpath continuation;
2. Wynyard Street and Wynyard Lane shared zones and upgrades;
3. Margaret Street improvements - closure between George Street and Wynyard Lane; the shared zone between Wynyard Lane and Carrington Street, and the footpath extensions and upgrades between Carrington Street and York Street;
4. Bond Street closure at George Street and creation of public plaza;
5. Jamison Street closure at George Street and the creation of a public plaza;
6. Jamison Street, Lang Street and York Street - intersection upgrade, including footpath extension on Jamison Street and footpath continuation across Margarete Lane;
7. Footpath extension of Grosvenor Street and intersection upgrades at Grosvenor Street, Lang Street and Harrington Street; and
8. Dalley Street closure at George Street and creation of a public plaza.

The streetscape improvement works will deliver approximately 4,500m² of additional public space for pedestrians and contributes towards the Sustainable Sydney 2030-2050 Continuing the Vision goal for George Street to establish a world-class civic spine for our city centre. Additional trees will be delivered that help the City reach its canopy cover targets and cooling of our city.

As a result of recent community, stakeholder and Transport for NSW feedback, the project will also deliver additional scope on the surrounding street network due to legacy intersection configurations and accessibility issues. This extra work will deliver public domain improvements to existing footpaths, roadways and street lighting that do not comply with current standards. Refer to Attachment A for details on the additional scope.

This additional scope of work and the recent significant increases in market prices for construction works have required extra budget to be allocated to the project.

Once upgraded, these pedestrian-friendly streetscape upgrades are likely to attract more footfall for businesses over time and provide more space for people to congregate and continue the activation of the city centre, as has been successfully demonstrated with the implementation of the George Street South Pedestrianisation project.

To support freight and servicing tasks in the city centre area, the City of Sydney has been working with Transport for NSW to assess and validate that there is no impact on delivery bays and that there are adequate access routes to service the area.

This report recommends that the Council accept the tender offer of Tenderer U for the design and construction of Stage 1 of the pedestrianisation of George Street North.

Recommendation

It is resolved that:

- (A) Council accept the tender offer of Tenderer U for the design and construction of Stage 1 of the George Street North Pedestrianisation project;
- (B) Council note the total contract sum and contingency for Stage 1 of the George Street North Pedestrianisation project as outlined in Confidential Attachment B to the subject report;
- (C) Council note the tendered rates provided in Confidential Attachment C to the subject report;
- (D) authority be delegated to the Chief Executive Officer to finalise, execute and administer the contracts relating to the tender; and
- (E) Council approve the additional funding for the project, as outlined in Confidential Attachment B to the subject report.

Attachments

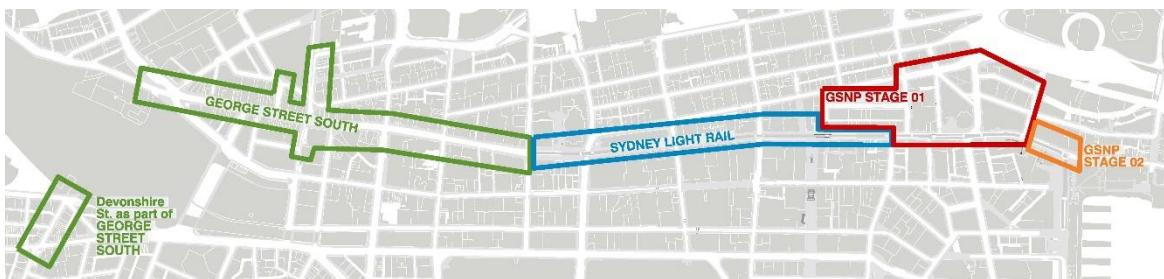
Attachment A. Additional Project Scope of Work

Attachment B. Tender Evaluation Summary, Financial and Contractual Implications (Confidential)

Attachment C. Schedule of Rates (Confidential)

Background

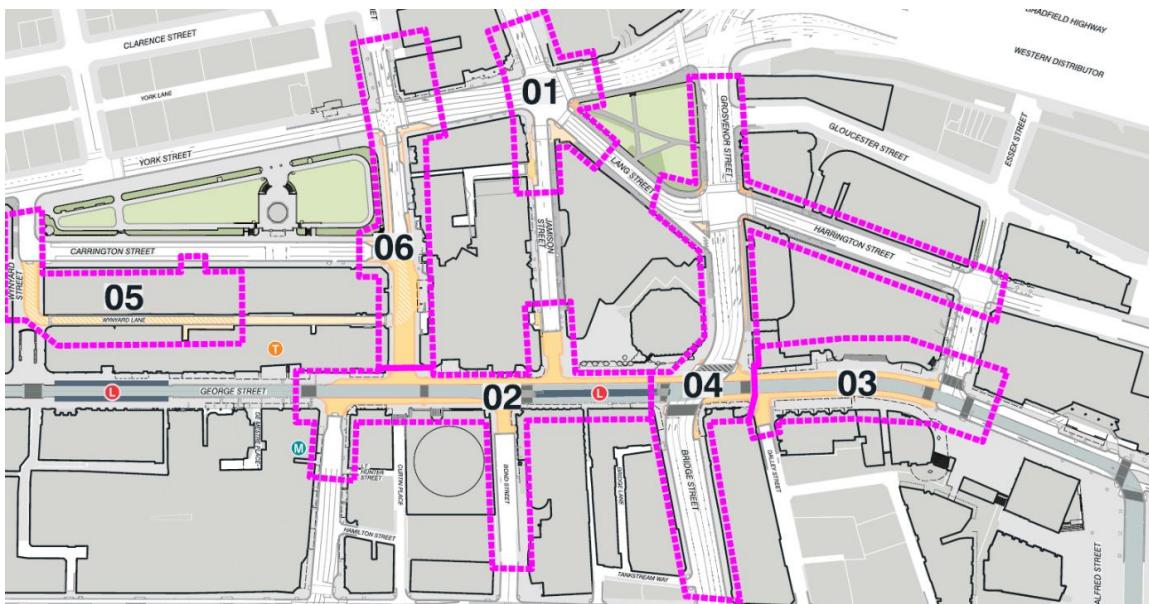
1. In 2007, Gehl Architects recommended transforming the entire length of George Street into a pedestrian boulevard in their Public Spaces, Public Life study. The project was first adopted in the 'Sustainable Sydney 2030 vision' in 2008.
2. The City's 'Sustainable Sydney 2030 Vision' and the 'Sustainable 2030-2050 continuing the Vision' have re-confirmed the goal of George Street becoming a pedestrian boulevard - connecting Circular Quay and Central Station.



3. The NSW Government's Sydney Light Rail project completed the first portion of the George Street pedestrianisation between Bathurst Street and Hunter Street. The CBD and South East Light Rail from Circular Quay to Randwick and Kingsford were opened in stages from December 2019 to April 2020.
4. The City's George Street South Pedestrianisation project completed the pedestrianisation of George Street South between Bathurst Street and Rawson Place. It also extended George Street footpaths between Rawson Place and Pitt Street. The project was completed in July 2023.
5. An early works project facilitated the closure of George Street (between Hunter and Essex Streets) to general traffic by using temporary measures - utilising concrete barriers and coloured road markings in August 2023.
6. The City has developed a concept design that aims to pedestrianise George Street between Hunter Street and Essex Street (and in development Essex to Circular Quay) to continue transforming George Street into a globally recognisable and highly visited boulevard.



7. The George Street North Pedestrianisation project will create more public space to meet the needs of the growing number of people visiting and working in the Sydney city centre while balancing complex access and servicing requirements.
8. The George Street North Pedestrianisation project will be delivered in two stages. Stage 1 is from Hunter Street to Essex Street, and Stage 2 is from Essex Street to Alfred Street.
9. This tender relates to Stage 1 of the project. Construction will be undertaken in packages to reduce the impact on local businesses. The existing footpath will remain in place to provide wide, clear pedestrian access and enable local businesses to continue trading during construction.
10. The project requires the successful tenderer to undertake the detailed design and construction of Stage 1 of the Project, comprising the following packages of work:
 - (a) Package 1: Jamison Street, York Street and Lang Street Intersection, including Margaret Lane;
 - (b) Package 2: George Street between Hunter Street and Grosvenor Street / Bridge Street;
 - (c) Package 3: George Street between Grosvenor Street / Bridge Street and Essex Street;
 - (d) Package 4: Grosvenor Street / Bridge Street between York Street and Pitt Street. Harrington Street at the intersection of Grosvenor Street and Essex Street;
 - (e) Package 5: Wynyard Street and Wynyard Lane; and
 - (f) Package 6: Margaret Street between George Street and York Street.



11. The proposed George Street North Pedestrianisation works for Stage 1 are similar to those successfully completed in the George Street South Pedestrianisation project. Construction works along George Street include removing existing kerbs, extending granite footpaths to the light rail corridor, increasing seating, and planting street trees. Construction works on the side streets include major public domain upgrades to footpaths, additional street furniture, tree planting and street lighting.
12. Stage 2 of the George Street North Pedestrianisation project will not proceed until after the private building development at 1 Alfred Street is complete, and the extent of the upgrade of Circular Quay by TfNSW is better known. Consultation for that stage will now likely take place in mid-2024.

Scope of Work

13. The City has developed a design and construction methodology for the project delivery. In summary, the following design and construct activities are to be undertaken:
 - (a) site investigation and detailed design work to confirm the viability of the City's Preliminary Design for the project and to develop the side street closures;
 - (b) liaison with authorities to obtain 'approval in principle' for the contractor's developed preliminary design;
 - (c) update construction methodology and sequencing;
 - (d) preparation of 'for construction' design drawings - to be completed in stages;
 - (e) 'take-off' of quantities from the 'for construction' drawings to establish an updated forecast construction cost for staged implementation (based on approved contract rates);
 - (f) design services during construction to provide quality assurance to ensure that the design intent is achieved; and
 - (g) completion and handover of construction work in stages to the City's asset owners.
14. The detailed design components include, but are not limited to, stormwater modelling and design, traffic design (including Traffic Control Signal (TCS) plan preparation and approval), electrical and lighting design, public domain design (including paving, street tree planting and street furniture), utility services design, structural design for walls, changes to awnings and Smartpole foundations (including reports, calculations and certifications), and road and pavement design.
15. Refer to Attachment A for a more detailed description of the increased scope of work since the project was first approved.

Invitation to Tender

16. The City issued a Request for Tender to appoint a suitably experienced design and construction contractor to undertake the project.

17. The tender was advertised on Tender Link on 27 June 2023 and closed on 29 August 2023, allowing tenderers nine weeks to finalise submissions.

Tender Submissions

18. Six submissions were received from the following organisations:
- (a) CA&I Pty Ltd (ABN 40 158 442 436)
 - (b) Ford Civil Contracting Pty Ltd (ABN 24 002 542 814)
 - (c) Mack Civil Pty Ltd (ABN 94 163 885 943)
 - (d) Quality Management & Construction Pty Ltd (ABN 29 067 829 323)
 - (e) Sydney Civil Pty Ltd (ABN 90 078 474 665)
 - (f) Ward Civil & Environmental Engineering Pty Ltd (ABN 65 098 942 459)

19. No late submissions were received.

Tender Evaluation

20. All members of the Tender Evaluation Panel have signed Pecuniary Interest Declarations. One member of the panel declared a potential conflict of interest. After a review of the potential conflict, it was decided that he be allowed to act as a non-scoring member of the panel, being provided access to 'anonymised' financial tender submission data only.
21. The Confidential Tender Evaluation Summary- Attachment B provides the relative ranking of tenders as determined from the total weighted score.
22. All submissions were assessed in accordance with the approved evaluation criteria:
- (a) Company profile with demonstrated experience in carrying out detailed design and construction works of a similar size, complexity, and scale in a similar environment (dense commercial city centre with complex utilities & servicing requirements), proven capacity to deliver high-quality public spaces, robust company quality management system and commitment to sustainability and corporate social responsibility.
 - (b) Personnel allocation, qualifications, technical ability, proven capacity to design and deliver high-quality public spaces, and percentage of time on the project; identified sub-contractors/suppliers and their experience; and Aboriginal and Torres Strait Islander involvement.
 - (c) The tenderer's ability to achieve the proposed program and deliverables based on their current commitments. A well-developed program with staging is shown to achieve the project with a clear overall construction duration.

- (d) Proposed methodologies:
 - (i) Design – methodology to ensure the feasibility of high-quality public spaces, accounting for all project stages, including prompt and efficient integration of all necessary design services throughout the construction process to resolve unforeseen site conditions.
 - (ii) Construction - including staging of works, pedestrian and traffic management, and environmental management.
 - (iii) Supply - include the tenderer's proposal for sourcing and securing items not supplied by the City for the project.
- (e) Work, Health and Safety.
- (f) Financial and commercial trading integrity, including insurances.
- (g) A weighted price assessment of the tender sum, which was determined using provisional quantities issued by the City and rates provided by each tenderer in the returnable schedule of quantities.

Financial Implications

- 23. The combination of the increased scope and the recent significant increases in market prices for construction works has led to the need for extra funding to be allocated to the project.
- 24. The acceptance of the recommended tender will therefore require Council to increase the current budget for the project, as detailed in Confidential Attachment B.
- 25. The total contract sum and contract contingency for Stage 1 of the George Street North Pedestrianisation project are detailed in Confidential Attachment B.

Relevant Legislation

- 26. The tender process and evaluation have been conducted in accordance with the Local Government Act 1993 and the Local Government (General) Regulation 2021.
- 27. 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.
- 28. Attachments B and C contain confidential commercial information about 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.

29. Discussion of the matter in an open meeting would, on balance, be contrary to the public interest because it would compromise the Council's ability to negotiate fairly and commercially to achieve the best outcome for its ratepayers.

Critical Dates / Time Frames

30. Key dates for the project are as follows:

(a) Appointment of Design and Construction Contractor	October 2023.
(b) Contract Execution	November 2023.
(c) Detail Design Commencement	December 2023.
(d) Construction Commencement	Early to Mid 2024.
(e) Construction Completion in Stages	Mid 2026.

Options

31. No other alternative viable options have been identified during the tender process.

Public Consultation

32. The consultation was undertaken to inform the community that the City of Sydney is working with the NSW Government to pedestrianise the northern end of George Street. The objective was to:
- (a) Ensure affected stakeholders along the route understand how the proposed changes affect them and are kept well-informed throughout the project.
 - (b) Encourage the community – visitors, workers, residents, and key stakeholders to provide feedback during the consultation period.
 - (c) Work with the community to help build a vision for the proposed pedestrianised areas and to help minimise any impacts.
33. The City of Sydney sought feedback about the proposed pedestrian boulevard of George Street from Hunter Street to Essex Street, Sydney, from 10 October to 16 November 2022. Multiple channels were used to allow members of the public to contribute.

34. The City sought community feedback on three documents that were available on the Sydney Your Say webpage, all of which contained information about different aspects of the proposed changes. The documents were:
 - (a) Concept design – proposed plan for the new pedestrian areas.
 - (b) Local access plan – proposed traffic and access arrangements.
 - (c) Review of environmental factors (REF)– addresses the proposal's impacts and how they will be managed.
35. Council unanimously approved the George Street North Pedestrianisation project scoping report on 12 December 2022.
36. The relevant changes to traffic were also unanimously supported by the Local Pedestrian, Cycling and Traffic Calming Committee on 8 December 2022.

KIM WOODBURY

Chief Operating Officer

Bridget Smyth, City Architect / Executive Manager City Design and Public Art

Ana Carrillo Restrepo, Delivery Manager