

Item 9.

Tender - T-2023-1062 - Head Contractor - Hyde Park Lighting, Electrical, CCTV Upgrade and Associated Works and Contract Variation - Head Design Consultant

File No: X019616

Tender No: T-2023-1062

Summary

This report provides details of the tenders received for the construction of the Hyde Park Lighting, Electrical, CCTV Upgrade and Associated Works project.

The project will deliver an extensive upgrade of the electrical and power infrastructure across Hyde Park, including new lights to paths, lawn areas, monuments and artworks, new power bollards for events, new CCTV cameras to boost security, new main switchboards, distribution boards and associated pits and conduiting, a central management system to facilitate smart controlling of the new lights and high-quality landscape make good reinstatement works.

Council endorsed the concept design Scoping Report in December 2022. Approvals have been obtained under the Heritage Act 1977 and the Environmental Planning and Assessment Act 1979 to construct the proposed works, as well as the required approvals from Ausgrid (electrical ASP3 certified design).

This report recommends that Council accept the tender of Tenderer B, approve additional contract contingency for the Head Design Consultant, and approve additional funds to increase the project budget as outlined in Confidential Attachment A.

Recommendation

It is resolved that:

- (A) Council accept the tender of Tenderer B for Hyde Park Lighting, Electrical, CCTV Upgrade and Associated Works for the price and contingency in Confidential Attachment A to the subject report,
- (B) Council note that the total contract sum and contingency for Hyde Park Lighting, Electrical, CCTV Upgrade and Associated Works is outlined in Confidential Attachment A to the subject report;
- (C) authority be delegated to the Chief Executive Officer to finalise, execute and administer the contracts relating to the tender;
- (D) Council approve additional contract contingency for the Head Design Consultant for additional design services during the construction stage of the Hyde Park Lighting, Electrical, CCTV Upgrade and Associated Works project as outlined in Confidential Attachment A to the subject report; and
- (E) Council approve the additional funds required to deliver the Hyde Park Lighting, Electrical, CCTV Upgrade and Associated Works project as outlined in Confidential Attachment A to the subject report.

Attachments

Attachment A. Tender Evaluation Summary and Financial Implications (Confidential)

Background

1. Hyde Park is Australia's oldest designated public park and is a culturally significant heritage landscape. This iconic park is used by three million local, interstate, and international visitors each year and hosts many significant outdoor events.
2. Hyde Park is Crown Land and was dedicated for public recreation in 1878. The City of Sydney is the appointed Crown Land / Reserve Trust Manager, responsible for the care, control, and management of Hyde Park in accordance with the Crown Land Management Act 2016.
3. Hyde Park is located within the Governor's Domain and Civic Precinct, a National Heritage Listed place, listed on the State heritage register and listed in Schedule 5 of the Sydney Local Environmental Plan 2012.
4. In October 2006, Council adopted the Plan of Management and Masterplan which identified a range of works to replace failing infrastructure and provide improvements to address the impacts on the park caused by increasing use and popularity.
5. The Plan of Management and Masterplan identified a need for the existing lighting to be rationalised and improved with particular emphasis on the central avenue, secondary paths, and the need to improve safety and security within the park.
6. In 2016, the lighting and electrical assets within Hyde Park were transferred from Ausgrid to the City of Sydney to own and maintain.
7. In December 2022, Council endorsed the concept design Scoping Report.
8. The scope of the Hyde Park Lighting, Electrical, CCTV Upgrade and Associated Works across Hyde Park north and south includes:
 - (a) New post top lights with LED fixtures along the central avenue and secondary paths to replace the Ausgrid 1990's deteriorating cast iron poles. The profile (pole and sphere) of the new post top lights will be consistent with the existing lights along the central avenue.
 - (b) New mast lighting with LED fixtures to lawn areas to provide a consistent wash of low-level ambient lighting.
 - (c) New lighting to monuments and artworks.
 - (d) New main switchboard and distribution boards.
 - (e) New pits and conduiting for electrical, communication and fibre optics services.
 - (f) New power bollards to provide power for events.
 - (g) Additional CCTV cameras to boost security in the park.
 - (h) High-quality hard and soft landscape make good reinstatement works.
 - (i) A Central Management System (CMS) integrated with the City's existing CMS system to allow smart controlling of the new lights.

9. The Council consulted with the NSW Heritage Office and the Anzac Memorial Trust throughout the development of the master plan and detailed lighting design. The Anzac Memorial Trust endorsed the proposed works in April 2024.
10. Formal approvals to construct the proposed works have been secured from NSW Heritage Office (Section 60) in November 2023, Ausgrid (electrical ASP3 certified design) in December 2023 and the City's Planning Assessments team (Review of Environmental Factors) in April 2024.

Contract Variation - Head Design Consultant

11. In 2016-2017, AECOM were engaged to review the lighting, assess the existing power supply and electrical services, and provide a coordinated palette of lighting fixtures.
12. In 2019, AECOM were awarded the design engagement through a reject and negotiate process to continue the design refinement and documentation of the lighting palette, event power and additional CCTV within the park.
13. In 2022, additional contract contingency for the Head Design Consultant was endorsed by Council due to project delays and additional consultancy services required.
14. It is recommended that Council further increase the value of the Head Design Consultancy contract contingency due to the extended project period / construction program, and additional services required to complete the project as outlined in Confidential Attachment A.

Invitation to Tender

15. An Expression of Interest was undertaken to shortlist suitable contractors to proceed to a select tender process, in accordance with s.55(4) of the Local Government Act 1993.
16. The City invited submissions through an open Expression of Interest (E-2022-777) via Tenderlink on 30 August 2023 and closed on 19 October 2023. The Expression of Interest was listed with Supply Nation and NSW Indigenous Chamber of Commerce. Six suppliers provided submissions. Three companies were shortlisted to submit a Tender.
17. The Request for Tender (T-2023-1062) was released to the three shortlisted contractors via Tenderlink on 18 April 2024 and closed on 28 May 2024.
18. An online briefing was held during the tender period.

Tender Submissions

19. Two submissions were received from the following organisations:
 - (a) New Era Enterprises Pty Ltd - (ABN 17 139 259 993) (submitted as New Era Degan Joint Venture)
 - (b) Quality Management & Construction Group Pty LTD (ABN 29 067 829 323)
20. The third shortlisted entity did not submit a tender. No late submissions were received.

Tender Evaluation

21. All members of the Tender Evaluation Panel have signed Pecuniary Interest Declarations. No pecuniary interests were noted.
22. The relative ranking of tenders as determined from the average qualitative score is provided in the Confidential Tender Evaluation Summary – Attachment A.
23. All submissions were assessed in accordance with the approved evaluation criteria being:
 - (a) The lump sum price and schedule of prices.
 - (b) Project Team Suitability and Capacity:
 - (i) Demonstrated experience in delivering fully integrated electrical, lighting, CCTV infrastructure and landscape / public realm projects of a similar scale and nature in highly visited city centers and heritage sites including the management of multiple stakeholders.
 - (ii) Demonstrated ability of the principal contractor in leading and managing a multi-disciplinary delivery team of specialist contractors.
 - (iii) Demonstrated capacity to deliver this high-profile, large-scale project. Compliance with the Modern Slavery Act.
 - (c) Delivery Structure and Personnel Capability:
 - (i) Defined delivery team structure that demonstrates how the principal contractor will manage and oversee key project team and nominated subcontractors to deliver an integrated electrical, lighting, CCTV infrastructure and landscape / public domain project.
 - (ii) Proposed project team (key project team / principal contractor and sub-contractors) including their experience, project examples, technical ability / qualifications, and percentage of time on project.
 - (iii) Demonstrated capabilities of nominated subcontractors in delivering a project of similar scope, scale, and complexity to the works.
 - (d) Program:
 - (i) Capacity to achieve the proposed construction program and deliverables based on current commitments.

Program to demonstrate realistic staging to achieve the project deliverables: program duration, sequencing, and appropriately detailed breakdown of work tasks and lead times; and consideration of contract quality management requirements including hold and witness points and milestones.

- (e) Proposed Methodology:
 - (i) Construction methodology to demonstrate how a coordinated electrical and landscape package of works will be delivered including detailed staging, sequencing of works, location of site amenities and plant and measures to mitigate disruption to park users, park operational staff, and events within and adjacent the park.
 - (ii) The methodology is to be site and project specific and demonstrate how site complexities, conditions, constraints, and risks (heritage, trees, soils, existing services and infrastructure, authority management etc.) will be managed. Works must plan for temporary services and make good solutions between decommissioning of old infrastructure and the implementation of new works.
 - (iii) Provide a detailed Site Management Plan, Pedestrian and Traffic Management Plan, Proposed Fleet and Methodology and Schedule of Plant, Equipment and Material Schedule to demonstrate management of construction works, pedestrians, cyclists, and vehicles.
- (f) Financial and commercial trading integrity.
- (g) Modern Slavery Act compliance.
- (h) Insurances are compliant with the City's standard insurance requirements, as confirmed by the Risk Office.
- (i) Material acceptance of the City's Standard Form Contract.

Performance Measurement

24. 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 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.

25. 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

26. Additional funds are required for this project due to the preferred tenderer exceeding pre-tender estimates. Acceptance of the recommended tenderer will therefore require Council to increase the budget, as detailed in Confidential Attachment A.
27. The total contract sum and contingency for Hyde Park Lighting, Electrical, CCTV Upgrade and Associated Works is detailed in Confidential Attachment A.
28. An increase to the contract contingency is sought for the Head Design Consultancy contract for additional design services required during construction, as outlined in Confidential Attachment A.

Relevant Legislation

29. The tender has been conducted in accordance with the Local Government Act 1993 and the Local Government (General) Regulation 2021.
30. 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.
31. 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.
32. 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

33. The following key dates apply to this project:
 - Construction commencement Late 2024
 - Construction completion Mid 2026

Options

34. Not proceed with the recommendation. This option will not address the identified failing electrical and power infrastructure and will not improve safety and security within Hyde Park.

Public Consultation

35. Community consultation was undertaken on the concept design between 13 October and 8 December 2021.
36. Consultation on the detailed documentation was undertaken with the broader community and key stakeholders between 29 January 2024 to 26 February 2024 as part of the planning approval process.
37. Additional public, community and property owner consultation will be undertaken throughout the project as it progresses.
 - (a) Prior to construction, notification letters will be sent to 1,093 adjoining property owners and businesses.
 - (b) During construction, the contractor will include a nominated community liaison officer to ensure ongoing communication and coordination with all stakeholders.
 - (c) There will be regular updates on the City of Sydney web pages.

KIM WOODBURY

Chief Operating Officer

Katheen Ng, Senior Project Manager