

10.1. Young Street Plaza - Tender 34/2021

AUTHOR: Robert Esdaile, Engineering Project Manager

ENDORSED BY: Duncan Mitchell, Director Engineering and Property Services

ATTACHMENTS: Nil

PURPOSE:

This report is to provide Council with an analysis and recommendation of the tender process for Tender 34/2021 for Young Street Plaza Construction.

EXECUTIVE SUMMARY:

Tenders were called and were received 3:00pm, 30 November 2021 for the submission of tenders to undertake the Young Street Plaza Construction .

If the Council wishes to discuss the report, the meeting should be closed to the public to do so in accordance with s10A(2) (d)(i) commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it and because consideration of the matter would, on balance be contrary to the public interest as publication of all tendered amounts would discourage potential tenderers from submitting commercial information in future and would affect Council's ability to obtain value for money services.

FINANCIAL IMPLICATIONS:

The proposed Young Street Plaza is identified in the list of projects funded under a deed agreement between Council and Transport for New South Wales (TfNSW) endorsed by Council at its meeting of 29 October 2018. The funding agreement includes an allocation for the construction of a public plaza in Young Street including the required design, approvals and community consultation.

Should a tender not be accepted for the construction of the Young Street Plaza, in accordance with the terms of the funding agreement, the balance of the funding received by Council for the Young Street Plaza (approx \$1.9million) will need to be returned to TfNSW.

In addition, should Council resolve to reopen Young Street, the cost of the removal of the temporary closure, estimated at approximately \$100,000 will have to be provided from within Council's own budget.

RECOMMENDATION:

- 1. THAT** Council accept the tender of the highest ranked Tenderer for Tender 34/2021 for Young Street Plaza Construction.
- 2. THAT** the General Manager be authorised to take any necessary action to implement the decision including entering associated contracts.
- 3. THAT**, once Council has executed the Contract, information relating to the successful tender be published in Council's Register of Contracts as required by Government Information (Public Access) Act 2009 - Part 3 Division 5 - Government Contracts With Private Sector.
- 4. THAT** the Confidential Report relating to matters specified in Section 10A(2)(d) be treated as confidential and remain confidential until Council determines otherwise.

LINK TO COMMUNITY STRATEGIC PLAN

The relationship with the Community Strategic Plan is as follows:

1. Our Living Environment

1.4 Public open space and recreation facilities and services meet community needs

2. Our Built Infrastructure

2.1 Infrastructure and assets meet community needs

2.2 Vibrant centres, public domain, villages and streetscapes

BACKGROUND

At its meeting of 29 October 2018, Council considered a report regarding a funding deed with Transport for New South Wales (TfNSW) covering a range of public domain works proposed to improve amenity and access in the Neutral Bay Village and complement the Northern Beaches B-Line Bus Service. Council resolved at the meeting to execute the funding deed and list of projects to be funded.

One project identified in the funding deed was the proposal to create a Public Plaza in Young Street, Neutral Bay (between Military Road and Grosvenor Lane). The possible closure of Young Street was proposed by TfNSW to assist bus movements down Military Road and was originally identified as part of the B-Line project. Closing Young Street had the added benefit of delivering new community/open space and improving pedestrian accessibility in the Neutral Shopping Bay Village.

Consultation on a concept design for the proposed Public Plaza in Young Street took place from 31 May to 5 July 2019, the outcome of which was reported to Council at the 26 August 2019 meeting. Council at this meeting resolved to implement a three (3) month trial closure and undertake further community consultation and traffic impact assessments during the trial.

At its meeting of 28 September 2020, Council approved the construction works for the trial Young Street plaza. Implementation of the trial street closure was completed on 23 December 2020.

Council was briefed on the permanent design option for the street closure on 15 June 2021 and at its meeting of 28 June 2021, Council resolved to proceed with the detailed design and construction of the permanent road closure and new public plaza in Young Street, Neutral Bay. The current “temporary” Young Street closure and public plaza was to remain in place until the commencement of the permanent closure construction works.

On 28 March 2022, a report was brought to Council recommending the acceptance of a tender for the construction of the Young Street Plaza.

Council resolved to defer the report for a briefing.

RECOMMENDATION:

1. **THAT** Council accept the tender of the highest ranked Tenderer for Tender 34/2021 for Young Street Plaza Construction.
2. **THAT** the General Manager be authorised to take any necessary action to implement the decision including entering associated contracts.
3. **THAT**, once Council has executed the Contract, information relating to the successful tender be published in Council's Register of Contracts as required by Government Information (Public Access) Act 2009 - Part 3 Division 5 - Government Contracts With Private Sector.
4. **THAT** the Confidential Report relating to matters specified in Section 10A(2)(d) be treated as confidential and remain confidential until Council determines otherwise.

Council resolved:

1. **THAT** this matter be deferred for a Councillor briefing to be conducted as soon as practicable as determined by the General Manager.
2. **THAT** the Confidential Report relating to matters specified in Sections 10A(2)(d) be treated as confidential and remain confidential until Council determines otherwise

The Councillor Briefing was held on 12 April 2022.

It should be noted that Clause 7 of the Funding Agreement requires "*Where TfNSW is satisfied that the Project (or part of the Project) is unable to be performed by Council in accordance with this deed, the Funding relating to the Project (or part of the Project) must be immediately repaid by Council to TfNSW upon demand*"

The Funding Agreement also links the inability to deliver the project to the failure to obtain statutory approval for the road closure. Statutory approval of the permanent closure of Young Street was granted by TfNSW on 17 June 2021.

Therefore, should a tender not be accepted for the construction of the Young Street Plaza, in accordance with the terms of the funding agreement, the balance of the funding received by Council for the Young Street Plaza (approx \$1.9million) will need to be returned to TfNSW.

TENDERS RECEIVED

The methodology adopted to undertake the tender evaluation of Tender 34/2021 was based on selection criteria outlined in the tender documents and in accordance with the Local Government Act 1993 and the Local Government (General) Regulation 2005.

Open tenders were called and were received until 3:00pm, 30 November 2021 via Tenderlink. At close of tenders, nine tenders were received. One tender was considered nonconforming as they did not complete all the requirements of the submission.

Listed in **strict alphabetical order**, the tenderers were:

Tenderer
Bedrule Pty Ltd t/as Tobco
BR Durham Sons Pty Ltd
CA&I Pty Ltd
EzyPave Pty Ltd
Growth Civil Landscapes Pty Ltd
Kingsline Pty Ltd
Mack Civil Pty Ltd
Regal Innovations Pty Ltd
Statewide Civil Pty Ltd

Information provided by tenderers which is commercial-in-confidence has been protected and will not be disclosed in accordance with section 10A(2)(d) of the *Local Government Act 1993*. A consistent standard for all tenderers has been used in assessing any request for confidentiality by a tenderer.

Application for access to documentation should be through lodgement of a GIPA Public Information application form and payment of prescribed fees.

Project Program

Anticipated Start: May 2022

Anticipated Completion: September 2022

Responsible Officer: Robert Esdaile, Engineering Project Manager