

ITEM 15. TENDER - BURTON STREET TABERNACLE - REPAIR AND REMEDIATION WORKS**FILE NO: S038716****TENDER NO: 0670****SUMMARY**

The purpose of this report is obtain Council's approval to reject all tender submissions received and negotiate to engage a contractor to carry out the repairs and remediation works at the Burton Street Tabernacle (being Stage 1 of works).

The Burton Street Tabernacle is a landmark building with local, historical, social and aesthetic significance and is listed as a heritage item in the City of Sydney LEP. The building is in a dilapidated state with noticeable deterioration. The objective of the repair and remediation works is to return the perimeter envelope to a watertight condition including repairs to the roof and its structural elements, repairs to the perimeter walls, facades and windows prior to the Stage 2 refurbishment of the building.

It should be noted that the works now proposed are considered essential to prevent further deterioration and will not inhibit the choice of use of the building in the future.

RECOMMENDATION

It is resolved that:

- (A) Council reject all tenders for the Burton Street Tabernacle for the reasons set out in the subject report, as it is not considered a satisfactory outcome would be achieved by appointing any of the conforming tenderers;
- (B) Council enter into negotiations with suitably qualified contractors that can demonstrate a capability to undertake the scope of works, as it is considered a satisfactory outcome can best be achieved in this way;
- (C) authority be delegated to the Chief Executive Officer to enter into a contract subject to the conclusion of negotiations with suitable contractors for the scope of works; and
- (D) Tender Evaluation Summary, Attachment A to the subject report, remain confidential in accordance with Section 10A(2)(D) of the Local Government Act 1993.

ATTACHMENTS

Attachment A: Tender Evaluation Summary (confidential)

BACKGROUND

1. The Burton Street Tabernacle is a two storey Victorian Free Classical style church built in 1887, located in East Sydney, bounded by Burton Street to the north, Palmer Street to the east and Kells Lane to the south. Council purchased the Tabernacle building in 2003.
2. The building is in a dilapidated state with noticeable deterioration of the structural elements due to a combination of termite damage and deterioration through age, water damage and damage caused by the dislodgement of the roof sheeting in August 2004. Temporary covering was provided to the building's roof and perimeter walls after the roof damage.
3. Structural and condition reports were commissioned in order to understand the extent of repairs required to make the building sound. These reports were completed along with a timber inspection report from NSW Forests.
4. The reports prepared included a comprehensive assessment of the heritage elements of the building by consultant heritage architects.
5. There are two stages of works recommended including:
 - (a) Stage 1: Essential repair and remediation works to ensure the building is in a sound, watertight and secure condition. The objective of this first stage is to return the perimeter envelope to a watertight condition including repairs to the roof and its structural elements, repairs to the perimeter walls, facades and windows in accordance with the heritage architectural advice. Only after this can the internal refurbishment works be completed; and
 - (b) Stage 2: Refurbishment works for future use of the building. Stage 2 refurbishment works include upgrade to internal finishes and services and BCA compliance and the precise detail will need to be tailored to future use(s) of the building. Stage 2 works are dependent upon consideration of community consultation for future uses.

INVITATION TO TENDER

6. The Tender for Stage 1 was advertised on 24 October 2006 and closed on 14 November 2006.
7. Tenderers were asked to provide lump sum tender price for the repairs and remediation works at the Burton Street Tabernacle and to complete the Schedule of Rates relating to specific trades identified within the documentation.

TENDER SUBMISSIONS

8. A total of six submissions were received from the following organisations:

- ANC Developments
 - Andersal Engineering
 - C&M Construction Group
 - G&C Waller Builders
 - Growth Built
 - Sydney Building Services
9. Three of the submissions were deemed non-conforming due to insufficient information that was essential for assessing the tender provided in the submission including programmes, provision of key trades omitted in submissions, sub-contractor resources and contractual qualifications.

TENDER EVALUATION

10. The aim of the Tender Evaluation Process is to assess the capability of each tenderer to provide the best value and quality services and to identify the preferred tenderer.
11. All members of the Tender Evaluation Panel have signed Pecuniary Interest Declarations. No pecuniary interests were noted.
12. All submissions were assessed in accordance with the approved evaluation criteria as agreed by the Evaluation Panel:
- (a) Tender Price / Schedule of Rates
 - (b) Standard of compliance with specification
 - (c) Service provision including heritage experience
 - (d) Occupational Health and Safety
 - (e) Financial and commercial trading integrity
13. All tender evaluation panel members resolved that the recommendation be to reject all tender submissions and negotiate with suitable contractors who are judged to have the capacity and experience to carry out a project of this size and nature.
14. It is considered that negotiation is required in order to achieve a contract with suitably qualified contractors that demonstrate a capability to undertake the scope of works.

PERFORMANCE MEASUREMENT

15. In entering into a contract the City will ensure that performance standards are monitored during construction by:
- (a) Attending weekly site meetings and inspection of works with the Contractor.
 - (b) Undertaking Quality Assurance Inspections with Council's Design Officer at hold points in the specification.

- (c) Ensuring that the Contractor delivers all necessary OH&S Plans, work method statements, inspection and test plans and certificates of compliance as specified in the tender documents for Council review.
- (d) Monitoring Contractor's programme and assessing monthly progress claims.

FINANCIAL IMPLICATIONS

16. Funds are provided in the 2006/2007 Capital Works Budget for the Burton Street Tabernacle – Refurbishment.

RELEVANT LEGISLATION

17. The tender has been conducted in accordance with the Local Government Act 1993, the Local Government (General) Regulation 2005 and the City's Contracts Policy.
18. 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.

CRITICAL DATES / TIME FRAMES

19. The following details the programme to be followed for the repairs and remediation works at the Burton Street Tabernacle:
- (a) Council Resolution: December 2006
 - (b) Negotiations with suitably qualified Contractors: January 2007
 - (c) CEO approval and Contract Award: February 2007
 - (d) Preparations for work: Late February 2007
 - (e) Commencement of works on site: March 2007
 - (f) Construction works completed: September 2007

OPTIONS

20. Council has the following options:
- (a) Reject all tenders and invite fresh tenders. This option is not recommended as it is considered that Council would not attract additional submissions through this process. The works are required to be done by Contractor's with specialised heritage conservation experience and this narrows the market. It would also delay the project.
 - (b) Reject all tenders and negotiate with suitable contractors who are judged to have the capacity and experience to carry out a project of this nature. It is considered that these negotiations will result in a contract with suitable contractors who are judged to have the capacity and experience to carry out a project of this size and nature.

21. During the works proposed under the Stage 1 contract, investigations as to use, including public consultation covering facilities in the area, will be undertaken.

RUSSELL J. LLOYD

Director City Projects

Samantha Carroll, Project Manager