

**SUBJECT: LATE ITEM OF BUSINESS - CCL 28/02/23 – TENDER REPORT – PASSMORE OVAL – CONSTRUCTION OF NEW GRANDSTAND – CONTRACT 2023/058T**

**REPORT BY: CITY INFRASTRUCTURE**  
**CONTACT: EXECUTIVE DIRECTOR CITY INFRASTRUCTURE / EXECUTIVE MANAGER PROJECT MANAGEMENT OFFICE**

## **PURPOSE**

To accept the tender for Passmore Oval – Construction of New Grandstand in accordance with Contract No. 2023/058T.

Due to the estimated total value of the contract exceeding \$1 million, the Chief Executive Officer's delegation requires a resolution of Council to accept the tenders.

## **REASON FOR CONFIDENTIALITY**

The confidential attachments have been classified confidential in accordance with the provisions of the *Local Government Act 1993 (Act)* as follows:

- Section 10A(2)(d) of the Act provides that Council can close a meeting to consider commercial information of a confidential nature that would if disclosed prejudice the commercial position of the person who supplied it.
- Section 10B(1)(a) and (b) of the Act provides that the discussion of the item in a closed meeting must only:
  - (a) include as much of the discussion as is necessary to preserve the relevant confidentiality, privilege or security, and
  - (b) occur if the Council is satisfied that discussion of the matter in an open meeting would, on balance, be contrary to the public interest.

## **GROUND FOR CLOSING PART OF THE MEETING**

In respect to section 10D(2) of the Act, the grounds on which part of a meeting is to be closed for the discussion of the particular item must be stated in the decision to close that part of the meeting and must be recorded in the minutes of the meeting. Accordingly, an appropriate resolution to proceed is required first.

## **MOTION TO PROCEED**

The discussion of the confidential attachments take place in a closed session, with the press and public excluded, for the following reasons:

- A The matter relates to tenders for Passmore Oval – Construction of New Grandstand for Contract No. 2023/058T.
- B It is contrary to the public interest to discuss tenders in an open meeting because the information provided to Council by tenderers is provided on the basis that it will be

treated by Council as commercial-in-confidence. A practice of disclosing sensitive commercial information to the public, including competitors, could result in the withholding of such information by tenderers. This would lead to a reduction in the supply of information relevant to Council's decision. A disclosure of confidential information by Council could result in Council being the subject of litigation for breach of confidence.

- C The closed session involves only as much of the discussion as is necessary to preserve the relevant confidentiality, privilege or security.
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## **RECOMMENDATION**

- 1 At **Attachment A**.

## **KEY ISSUES**

### **Tender**

- 2 To upgrade and extend the existing grandstand by undertaking alterations and additions to improve amenity, accessibility and storage at Passmore Oval, Wickham.

### **Contract Term**

- 3 The contract term is 12 months, with a defect liability period of 12 months.

### **Advertising of Tenders**

- 4 The tenders were advertised nationally on the Tenderlink website on Saturday, 3 December 2022.

### **Tenders Received**

- 5 Tenders closed at 2pm on Tuesday, 24 January 2023. Tender submissions were received from:
- i) Cerak Constructions Pty Ltd,
  - ii) MRW Building Pty Ltd,
  - iii) Precise Building Pty Ltd,
  - iv) Kingston Building Pty Ltd,
  - v) RTC Construction Pty Ltd,
  - vi) F&D De Vitis Builders, and
  - vii) Greg Weeks Construction Pty Ltd.

### **Evaluation Process**

- 6 The tenders were assessed against the following criteria:
- i) Tender Price 50%
  - ii) Contract Program 15%

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|------|------------------------------------|-----|
| iii) | Referees/Previous Experience       | 20% |
| iv)  | Supplier Diversity                 | 5%  |
| v)   | Work Health and Safety             | 5%  |
| vi)  | Environmentally Sustainable Design | 5%  |
- 7 The tenders were assessed by a Tender Assessment Panel of City of Newcastle (CN) officers. The panel was selected based on experience and knowledge of the project.
- 8 Probity oversight was provided by the Contracts Management Unit, who were present during all panel meetings and included in all relevant correspondences in accordance with CN's Procurement Policy.

### **Recommended Tender**

- 9 The recommended tenderer is a NSW-based construction company. They have completed a range of multi-million dollar commercial developments and have ISO accredited occupational health and safety, and environmental management systems.

### **FINANCIAL IMPACT**

- 10 The total estimated cost of this project including the proposed contract amount, allowances for project management, contingency and other associated project costs, is within the multi-year budgeted amount allocated for this project.

### **IMPLICATIONS**

#### **Policy Implications**

- 11 The project aligns with the Newcastle 2040 Community Strategic Plan as follows:

#### **Liveable**

- 1.1 Enriched neighbourhoods and places
    - 1.1.1 Greats Spaces
    - 1.1.2 Well-Design Places
  - 1.2 Connected and fair communities
    - 1.2.1 Connected communities
    - 1.2.2 Inclusive communities
    - 1.2.4 Healthy communities
- 12 CN's Parkland and Recreation Strategy (2014) focuses on the significance of built infrastructure and its necessity in supporting the health and wellbeing of the Community. CN's Development Contributions Plan has identified allocation of \$1 million toward the upgrade of sporting facilities at Passmore Oval (Wickham Park).
- 13 The recommendation within CN's Strategic Sports Plan (2020) is to develop a masterplan for Wickham Park incorporating improved amenity, connectivity / surveillance, landscape, community, recreation, and sports outcomes recognising

heritage considerations. It is also recommended in the plan to retain existing uses including rugby league, rugby union and cricket.

### **Environmental Implications**

- 14 The recommended tenderer has an ISO accredited environmental management system to address environmental risks associated with construction activities. All contractors are required to comply with CN's work health safety and environmental requirements during project delivery.

### **Social Implications**

- 15 The project works will provide facilities for Hamilton Hawks Rugby Union Club (HHRUC), Hamilton Wickham District Cricket Club and Newcastle Cricket Zone, sharing a common building that services both the Hawkins Oval and Passmore Oval playing fields.

### **Ecological Sustainability**

- 16 The recommended tenderer has a specific ecological sustainable development policy in place. The recommended tenderer has not been prosecuted for environmental offences, nor is it involved in any of the prescribed activities such as uranium mining, wood chipping, nuclear energy or timber harvesting.

## **IMPLEMENTATION**

- 17 Works have been scheduled to be undertaken during the 2022/23 and 2023/24 financial years and provision has been made for a demountable amenity building to be installed at Passmore Oval to minimise disruption for the sports group users of the facility.

## **CONSULTATION/COMMUNICATION**

- 18 Consultation throughout the planning phase of the project has been undertaken with key user groups, including development of architectural plans in consultation with the HHRUC, Hamilton Wickham District Cricket Club and Newcastle Cricket Zone.

## **BACKGROUND**

- 19 The HHRUC have been successful in a NSW Office of Sport Greater Cities Sport Facility Fund application for \$1 million, contributing to the cost of the upgrade to the existing grandstand. The funding was provided for female changerooms, community rooms and disability access. The proposed upgrade will provide a modern amenity that delivers accessible sports facilities and viewing for both Passmore Oval and Hawkins Oval, serving both the HHRUC, Hamilton Wickham District Cricket Club and Newcastle Cricket Zone.
- 20 The calling of tenders was in accordance with the requirements of section 55 of the Act. The process followed was in accordance with Part 7 of the Regulation. Council is required to accept tenders in accordance with clause 178 of the Regulation (see Options).

## **OPTIONS**

**Option 1**

21 The recommendation as at **Attachment A**. This is the recommended option.

**Option 2**

22 Council defers a decision at this time to allow further consideration of the tenders received. This is not the recommended option.

**Option 3**

23 Council resolves not to accept any tender and invite fresh tenders. This is not the recommended option.

**Option 4**

24 Council resolves not to accept any tender and enter into negotiations with any party with a view to entering into a contract. Council must state a reason for this in its resolution. This is not the recommended option.

**Option 5**

25 Council resolves not to accept any tender and not proceed with the contract. Council must state a reason for this in its resolution. This is not the recommended option.

**ATTACHMENTS**

**Attachment A:** Confidential Recommendation

**Attachment B:** Confidential Tender Evaluation Matrix - Summary