



**Planning and Strategy
Committee of the Whole**

SUPPLEMENTARY

AGENDA

11 March 2020

Commencing at 5.30pm

**Council Chambers
253 Crawford St, Queanbeyan**

****On-site Inspections****

List any inspections or indicate “Nil”

1 SUPPLEMENTARY REPORTS

- 1.1 Tender Recommendation for South Jerrabomberra Northern Entry Road
(Contract 2019-54)3

LIST OF ATTACHMENTS –

(Copies available from General Manager’s Office on request)

Open Attachments

Nil

Closed Attachments

- Item 1.1 Tender Recommendation for South Jerrabomberra Northern Entry Road (Contract 2019-54)
- | | |
|---------------------|--|
| <i>Attachment 1</i> | <i>Technical Tender Assessment Report (Under Separate Cover)</i> |
| <i>Attachment 2</i> | <i>Tenderer Order (Under Separate Cover)</i> |

1.1 Tender Recommendation for South Jerrabomberra Northern Entry Road
(Contract 2019-54) (Ref: ; Author: Tooth/Ramsland)

File Reference: 104107-9-06

Summary

Tenders were called for construction of the South Jerrabomberra Northern Entry Road (NER). The tenders were assessed and scored. The award of tender was delayed. Council resolved at its 26 February 2020 meeting to delegate the consideration of Tender 2019-54 to the March 2020 Planning and Strategic meeting.

Recommendation

That Council

- 1. award Contract 2019-54 to the preferred Tenderer no 1 and manage the precinct projects within the allocated grant funding and budgets**
 - 2. execute the funding deed for the South Jerra Innovation Precinct grant.**
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Background

Council had identified the South Jerrabomberra area as employment lands in its LEP, and having noted both Governments' appetite for investment in defence, space, energy and waste technology and export, framed a bold plan to incentivise clusters of business and related government agencies aligned to those specialities into the zoned business and industrial areas of South Jerra.

Council worked with NSW government agencies to then optimise the potential integration of the planned regional sports facility, the proposed Jerra high school and new concepts for a university-led innovation hub and a regional freight intermodal. It was identified that should Council and the Government provide funding to build the enabling infrastructure (road, energy, fibre, gas and trunk water and sewer) from Tomsitt Dr to Jerra Creek, then that became the catalyst for the private sector to develop the precinct. Council endorsed that approach in June 2018, committing up to \$8m to fund the relevant trunk and reticulated water and sewer infrastructure. A Growing Local Economies grant application was then lodged with the NSW Government. An application was also lodged under the Commonwealth Building Better Regions Fund to construct the innovation hub building.

A grant of \$10m was also secured from the NSW Government to support Stage 1 of the regional sports centre, to be also accessed and serviced by the NER project.

In exchange for the above public investment, the private sector (Poplars and Village Building Company) would dedicate lands to enable that infrastructure and the sports, school and other sites. That agreement was outlined in the LPA exhibited following the P&S Committee in February 2020. Poplars have constructed their separate Stage 1 retail precinct with fast food, medical and supermarket facilities now under development, while VBC have commenced construction of their Stage 1 residential subdivision.

**1.1 Tender Recommendation for South Jerrabomberra Northern Entry Road
(Contract 2019-54) (Ref: ; Author: Tooth/Ramsland) (Continued)**

Following announcements by the Deputy Premier and Member for Monaro John Barilaro in November 2018 committing \$23M for the construction of the Northern Entry Road (NER), Council has progressed the design. The proposed road will provide access to the proposed Regional Sport Centre, a proposed new High School and proposed South Jerrabomberra Innovation Precinct. Relevant REFs and DA modifications have progressed. Council agreed to name the NER as Environa Drive once constructed and commissioned.

Tenders for the construction of the NER were called in August 2019 and were assessed following an 8 week tender period. Council received tenders from 6 companies. The assessment was completed and the order of preference is attached.

The tender was not able to be awarded due to a delay in receipt of the grant funding deed for the NSW Government funding component. The grant funding deed has now been received and award of tender can proceed.

Following a previous decision by Council (433/19), clarification with the highest scoring tenderer was undertaken in regards to reviewing milestones shifts on the construction program, confirming the validity of the tendered rates and removal of the Tompsitt Drive gas main from the scope of works. The highest scoring tenderer confirmed during the negotiations that the tender rates still held with the modified scope.

Implications***Legal***

Council called and assessed open tenders in accordance with the provisions of the *Local Government Act 1993* and the *Local Government (General) Regulation 2005*. Council will also be entering into a Local Planning Agreement with the relevant developers for provision of land and infrastructure in the area.

Policy

The tender has been conducted in accordance with Council's Procurement Policy and that of the NSW Government.

Environmental

The tendered works have had environmental assessment as part of a development application. The preliminary gas works were undertaken as per the Review of Environmental Factors (REF) with works almost completed by Zinfra.

Asset

The proposed works will result in the creation of new assets in the South Jerrabomberra area owned by Council.

Social / Cultural

The Northern Entry Road is a significant piece of infrastructure required to service the:

- Regional Sports Centre (RSC)
- Jerra High School
- QPRC Innovation Hub

1.1 Tender Recommendation for South Jerrabomberra Northern Entry Road
(Contract 2019-54) (Ref: ; Author: Tooth/Ramsland) (Continued)

The project includes pedestrian connectivity between Jerrabomberra, the new high school and the RSC and facilities the extension of the road through to the new urban release area in South Jerrabomberra (South Tralee).

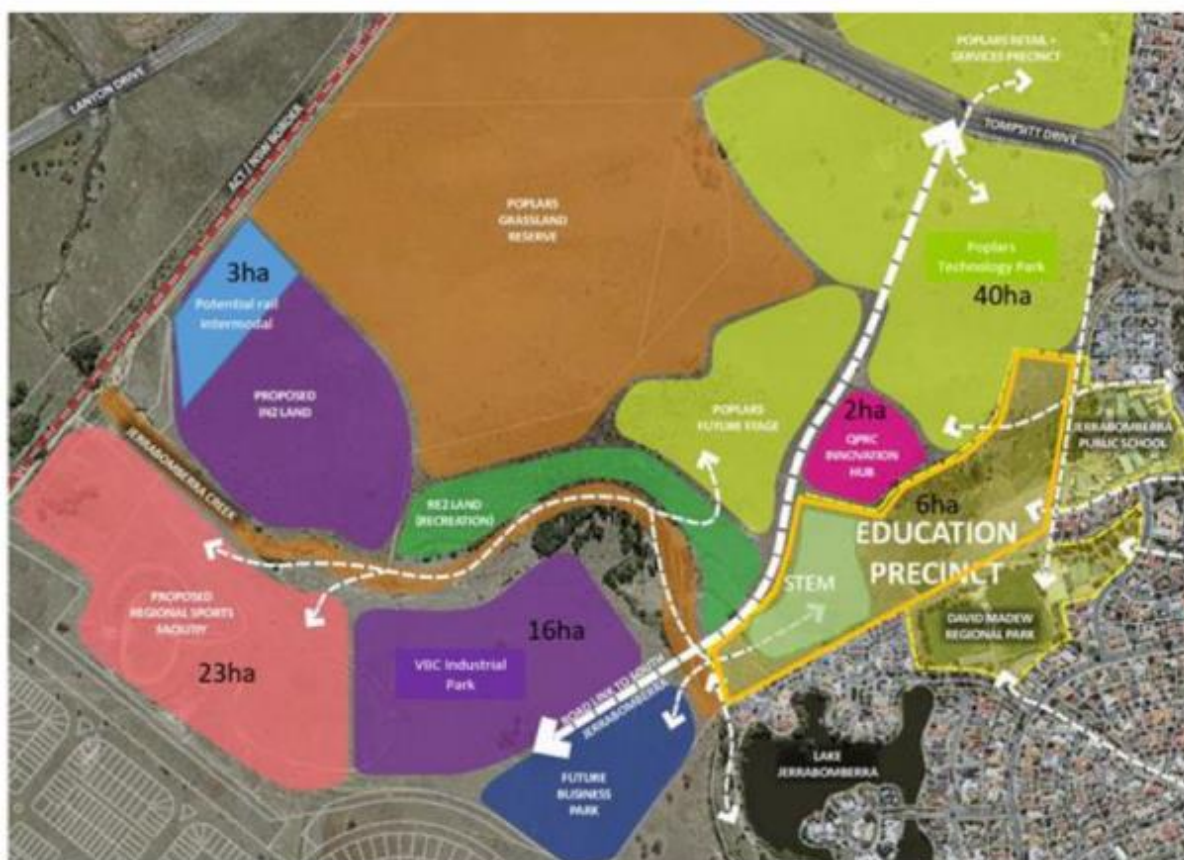
Economic

The project enables the road and utilities infrastructure envisioned in the Growing Local Economies grant application for \$23M lodged by Council, and supported by up to \$8M in water and sewer infrastructure works in accordance with Council resolution on 27 June 2018.

The application proposed that infrastructure would be the catalyst to open up the business and industrial zoned lands in South Jerrabomberra focused on defence, space, energy and technology enterprise, and capable of connection to related government agency business. It also connects to infrastructure provided by Village Building Company to the South Jerrabomberra (Tralee) residential development.

The infrastructure provides connection to the sports, school and innovation hub sites. In return for that infrastructure investment, Poplars and Village Building Company gift those sites in addition to the road, pathways and intermodal site to Council and the NSW Government.

A planning agreement has been drafted between the parties to formalise the relationship between the infrastructure works and gifting of sites, and was presented to Council at its previous meeting. The LPA is based on the letter of agreement executed in 2019.



The project will establish access to employment and educational lands. Specifically the emerging innovation precinct will provide much needed employment B7 zoned lands within the QPRC area.

1.1 Tender Recommendation for South Jerrabomberra Northern Entry Road (Contract 2019-54) (Ref: ; Author: Tooth/Ramsland) (Continued)

Strategic

The proposed projects supports Council's Strategic Pillars:

- Pillar 1 – connections to sports & recreation facilities
- Pillar 2 – expanding the region's economic assets through employment land
- Pillar 3 – providing employment closer to Queanbeyan
- Pillar4 – establishing connection to education & sports facilities through quality infrastructure

Financial

The works are funded by a NSW Grant, with water and sewer components funded by QPRC Water and Sewer Fund. The LPA includes Schedules 4-6 that outlines the scope of works and estimates to be undertaken by Council.

Program Code	Expense Type	Funding source	Amount
		NSW Government Grant	\$ 23,000,000
		QPRC Water and Sewer Reserve	\$ 8,000,000

Resources (including staff)

Staff have worked for many months with Poplars and VBC to coordinate design and construction elements. The Contracts and Projects branch will oversee delivery of the project. A specialist Project Manager (consultant) will be engaged to provide support and to manage day-to-day project activities.

Integrated Plan

This project is included in both Council's Operational and Delivery Plans. This project meets the Community Strategic Plan objectives and is a key part of Strategic Pillars of Council and our Community.

Conclusion

The grant funding deed has been received from NSW Government and is currently in the process of being executed. Awarding the construction Tender to the preferred Tenderer will progress the much needed infrastructure works required for the other projects in the localised region.

Attachments

- Attachment 1 Technical Tender Assessment Report (*Under Separate Cover*) - **CONFIDENTIAL**
- Attachment 2 Tenderer Order (*Under Separate Cover*) - **CONFIDENTIAL**