

REF: CMI69/09

**CLIFF STABILISATION WORKS AT HARRY GRAHAM DRIVE, KEMBLA HEIGHTS -
TENDER NO. T09-19**

Report of Manager Infrastructure (PS) 8/09/09

04.17.02.344

PRECIS

This tender is for the stabilisation of the cliff face along Harry Graham Drive, Kempl Heights. This is the second stage of the Harry Graham Drive project. The first stage involved road stabilisation which is scheduled to be completed in October 2009.

RECOMMENDATION

- 1 In accordance with the Local Government (General) Regulation 2005, Clause 178 (1) (a), Council accept the tender of Specialised Geo Pty Ltd for the tendered sum of \$347,430 (GST Excl) and authorise the General Manager to finalise and execute the contract.**
- 2 Council delegate to the General Manager the authority to finalise and execute the contract and any other documentation required to give effect to this resolution.**
- 3 Council grant authority for the use of the Common Seal of Council on the contract and any other documentation, should it be required, to give effect to this resolution.**

BACKGROUND

Works are currently proceeding and nearing completion to stabilise a section of Harry Graham Drive located about 2km north of the intersection with Cordeaux Road which has suffered from slope scours and movement. The current stabilisation works involve the construction of a deep trenched subsurface drainage line, 10m deep bored cast-in-place reinforced concrete piles and the reconstruction of the road. These works are scheduled to be completed by 7 October 2009. Harry Graham Drive has been closed to traffic during these works.

This tender covers the remaining cliff stabilisation works which were previously discontinued due to the unsafe conditions of the area at that time. Work activities to be undertaken include the installation of galvanized meshing, rockbolting, rock face drainage and shotcreting of the cliff face. The construction will continue to require the complete closure of Harry Graham Drive for the duration of the contract. The works will be scheduled to commence no later than the end of October and are expected to take approximately eight weeks to complete. The access along Cordeaux Road or Mt Keira Road will continue to be the alternate access.

Tenders were invited by the open tender method for the provision of cliff stabilisation works for Harry Graham Drive with tenders closing at 3.00 pm on Wednesday, 19 August 2009. Five tenders were received by the close of tenders and all tenders have been assessed by a Tender Assessment Panel comprising representatives of the following divisions: Infrastructure, Finance, Human Resources and Governance + Information. Two tenders were received after the closing time and in accordance with the provisions of the Local Government (General) Regulation 2005 were not considered.

The Tender Assessment Panel assessed all tenders in accordance with the following assessment criteria, as set out in the formal tender documents:

- 1 Cost to Council;
- 2 Demonstrated experience of tenderer and proposed team;
- 3 OH&S and risk management policies and procedures;
- 4 Environmental management policies and procedures;
- 5 Quality Management System;
- 6 Project Schedule;
- 7 Referees.

The Tender Assessment Panel utilised a numerical scoring method for the assessment of tenders which allocates a numerical score out of five in relation to the level of compliance offered by the tenders to each of the assessment criteria as specified in the tender documentation. The method then takes into account pre-determined weightings for each of the assessment criteria which provides for a total score out of five to be calculated for each tender. The tender with the highest total score is considered to be the tender that best meets the requirements of the tender documentation in providing best value to Council. Table 1 below summarises the results of the tender assessment and the ranking of tenders.

Table 1 – Summary of Tender Assessment

Tenderer	Price \$ (excl GST)	Assessment Score	Ranking
Specialised Geo Pty Ltd	347,430	4.25	1
Pan Civil	429,004	3.86	2
The RIX Group Pty Ltd	468,170	3.83	3
Alterrain Pty Ltd	796,493	2.80	4
Silver Raven Pty Ltd	981,361.52	2.39	5
Brefni Excavation and Earthmoving Pty Ltd	**	**	**
MacDonald Contracting Australia Pty Ltd	**	**	**

** - these tenders were received after the tender closing time and in accordance with the provisions of the Local Government (General) Regulation 2005 were not considered.

PROPOSAL

It is proposed to engage the preferred tenderer, Specialised Geo Pty Ltd, to carry out the works in accordance with the drawings and specifications developed for the project. The recommended tenderer offers a team with experience in the construction of similar works. The recommended tenderer has satisfied the Tender Assessment Panel that it is capable of undertaking the works to Council's standards and in accordance with the drawings and technical specifications.

CONSULTATION AND COMMUNICATION

- Members of the Tender Assessment Panel, consisting of representatives from Governance and Information (Legal Services), Infrastructure, Finance (Procurement) and Human Resources (OH&S).
- The Review of Environmental Factors (REF) considered the requirements of many agencies to ensure compliance with statutory requirements.
- Consultation has occurred with affected community members and further consultation will be undertaken leading up to the commencement of works onsite to ensure that the community is aware of the proposed works.

PLANNING AND POLICY IMPACT

The impact of this project has been assessed in accordance with the Local Government requirements under Part 5 of the *Environmental Planning and Assessment (EP&A) Act 1979*. The results of the REF indicate that the proposal will have no significant environmental impacts provided the safeguards identified in the REF are implemented.

This tender process has been conducted in line with Council's Procurement Policy and Procedures.

FINANCIAL IMPLICATIONS

Council has previously allocated \$2.16 million in the 2009/10 Capital Budget for the stabilisation of Harry Graham Drive Kembla Heights. Table 2 below summarises the proposed expenditure required to complete this project which exceeds this allocation and it is proposed to fund the additional \$176,000 required from the 5-year Roads to Recovery funding allocated to Council.

Table 2 – Proposed Expenditure for Project Completion

	Description	Amount \$
Stage 1	T09/03 (Contract awarded to Glennos Constructions 26/5/09)	1,624,917
Stage 2	T09/19 Proposed Tender	347,430
	Allowance for Design, Contingencies, Project Management	363,653
	Total	2,336,000

BUDGETARY IMPLICATIONS							\$000	
TYPE	Yr 1* 2009-10	Yr 2 2010-11	Yr 3 2011-12	Yr 4 2012-13	Yr 5 2013-14	Yr 6-50 2014-15	TOTAL \$000	
Net Expense Variation								
Operating Costs								
Asset Maintenance	10	10	10	10	10	450	500	
Financing Costs								
Depreciation & Amortisation	7	7	7	7	7	312	347	
TOTAL	17	17	17	17	17	762	847	
Net Income Variation								
Fees, Charges & Other Revenue								
Operating Grants & Contributions								
Profit (loss) on Sale of Assets								
Investment Revenue								
TOTAL								
NET SURPLUS / [DEFICIT] PROPOSAL [Pre Capital]								
NET SURPLUS / [DEFICIT] *	[17]	[17]	[17]	[17]	[17]	[762]	[847]	
ORGANISATION [Pre Capital]								
* Forecast results as at 31 August 2009								

CONCLUSION

Specialised Geo Pty Ltd has satisfied the Tender Assessment Panel that it is capable of undertaking the proposed works to Council's standards in accordance with the drawings and technical specification and the Tender Panel recommends the acceptance of the tender by Specialised Geo Pty Ltd.

Name	Position Title
Author:	
Pas Silveri	Project Manager
Authorised by:	
Steve Marsh	Manager Infrastructure
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ATTACHMENTS

There are no attachments for this report.