

ITEM 12 TENDER T1000150 - ROAD RESURFACING, PATCHING AND MAINTENANCE - PRIMARY SUPPLIERS (MAINTENANCE SERVICES ONLY)

This report recommends acceptance of four (4) subpanels from a tender for road maintenance services, i.e. spray sealing, crack sealing, rejuvenation and pothole repairs, in accordance with the requirements of the *Local Government Act 1993* and the *Local Government (General) Regulation 2021*.

Roads comprise the largest value infrastructure assets that Council manages on behalf of the community. Council manages approximately 1,186km (8.7 million square metres) of road pavement, and 480,000 square metres of car park pavement. Our community expects that we will continue to provide safe, well-maintained and sustainable road pavements.

In addition to spray sealing, crack sealing, rejuvenation and pothole repairs this tender also requested responses from suitably experienced contractors to provide asphalt patching and resurfacing services. These asphalt patching and resurfacing services were expedited and awarded in February 2025. The evaluation of the remaining services (sub-panels); Crack sealing, Spray sealing, Rejuvenation and Pothole repairs are now completed, and this report has been prepared to recommend their acceptance.

RECOMMENDATION

- 1 In accordance with Section 178(1)(a) of the *Local Government (General) Regulation 2021*, Council accept the tender of:
 - a State Asphalt Services Pty Ltd, and NA Group Pty Ltd for Spray sealing services under a schedule of rates for Spray Sealing Services. Nominating State Asphalt Services Pty Ltd as Primary Supplier and NA Group Pty Ltd as Secondary Supplier.
 - b Supersealing Pty Ltd, and Fulton Hogan Industries Pty Ltd for Crack sealing services under a schedule of rates for Crack Sealing Services. Nominating Supersealing Pty Ltd as a Primary Supplier and Fulton Hogan Industries Pty Ltd as Secondary Supplier.
 - c Colas Solutions Pty Ltd, and Supersealing Pty Ltd for Rejuvenation services. Nominating Colas Solutions Pty Ltd as Primary Supplier, and Supersealing Pty Ltd as Secondary Supplier.
 - d Fulton Hogan Industries Pty Ltd and ANJ Paving Pty Ltd for Pothole repair services. Nominating Fulton Hogan Industries Pty Ltd as Primary Supplier and ANJ Paving Pty Ltd as Secondary Supplier.
- 2 The contract be awarded for an initial term of 5 years, with five (5) optional extensions of one (1) year/s each for a maximum term of ten (10) years. Any such extensions being exercised at the sole discretion of Council.
- 3 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.
- 4 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.

REPORT AUTHORISATIONS

Report of: Greg Knight, Manager City Works (Acting)
 Authorised by: Joanne Page, Director Infrastructure + Works

ATTACHMENTS

There are no attachments for this report.

BACKGROUND

This Tender was called to replace the existing contract and establish new Primary Supplier Agreements with suitably experienced and qualified contractors. This Tender also aimed to establish Primary Supplier Agreements for other Road Maintenance Activities Respondents were able to apply for one or more services on this Tender. The services requested were:

- Asphalt Resurfacing (to replace CN100551 – Asphalt patching and resurfacing primary suppliers, due to expire 31 March 2025)
- Asphalt Patching (to replace CN100551 – Asphalt patching and resurfacing primary suppliers, due to expire 31 March 2025)
- Spray Sealing (to replace CN100447 – Spray seal primary suppliers, expired on 24 September 2024)
- Crack sealing
- Rejuvenation
- Pothole repairs

Spray sealing, Crack sealing and rejuvenation types of preventive maintenance on our roads. Where asphalt cracking is repaired and sealed to prevent water entering the lower pavement layers. When water enters pavements, we start to see further failures that result in potholes and other deeper failures, which become more expensive for council to repair.

Council uses the 'Primary and / or Secondary Supplier' model which allows for more efficient planning and delivery of works and where in place contractor performance, quality of work and service to our community have been to a good standard

Tenders were invited for these services via open tender method with a close of tenders of 10.00 am on 22 October 2024. Seventeen (17) tenders across the six services were received by the close of tenders and all tenders have been scrutinised and evaluated by a Tender Evaluation Panel comprising representatives of the City Works, and Project Delivery Divisions in consultation with representatives from the Procurement and Supply and Governance business units.

The Tender Evaluation Panel evaluated all tenders for these maintenance services in accordance with the following Evaluation criteria and weightings as set out in the formal tender documents:

Mandatory Criteria

- 1 Satisfactory References from referees for previous projects of similar size and scope
- 2 Financial assessment acceptable to Council which demonstrates the tenderers financial capacity to undertake the works.
- 3 Workplace health and safety system (completion of works valued less than \$250,000 Including GST) – Tenderers must have as a minimum Health and Safety system manual or plan.
- 4 Workplace Health and Safety Accreditation (completion of works valued at \$250,000 or greater) – Tenderer must have as a minimum a third-party accredited Health and Safety Management System
- 5 Acknowledgement of requirements

This process meant all non-price criteria (criteria 3 to 7) were assessed first as 'Envelope B'. Suppliers who scored 3 or greater in all non-price criteria were deemed satisfactory. The satisfactory tenderers were progressed to the second stage of evaluation. For 'Envelope A' cost to council was assessed and weighted at 90% and Strengthening of Local Economic Capacity at 10%.

Evaluation Criteria

Envelope B (non-price criteria) – satisfactory / unsatisfactory

- 1 Appreciation of scope and proposed methodology for delivery of services
- 2 Demonstrated experience and satisfactory performance in undertaking projects of similar size, scope and risk profile, including staff qualifications and experience
- 3 Staff qualifications and experience
- 4 Proposed sub-contractors
- 5 Workplace health and safety management system, policies and procedures
- 6 Environmental management policies and procedures

Envelope A (price and local economic capacity)

- 1 Cost to Council (schedule of rates) – 90%
- 2 Demonstrated Strengthening of Local Economic Capacity – 10%

Due to the need to assess, award and establish the new contract for Asphalt resurfacing and patching before the expiry of the current contract, only two services (sub-panels) were evaluated and awarded in February. This is to ensure level of service for our Asphalt programs are maintained. The remaining schedules (sub-panels) were evaluated after, and results of these are presented below.

TABLE 1 – SUMMARY OF TENDER ASSESSMENT – SPRAY SEALING

| NAME OF TENDERER | OUTCOME |
|----------------------------------|--------------|
| STATE ASPHALT SERVICES PTY LTD | PRIMARY |
| NA GROUP PTY LTD | SECONDARY |
| FULTON HOGAN INDUSTRIES PTY LTD | UNSUCCESSFUL |
| COLAS SOLUTIONS PTY LTD | UNSUCCESSFUL |
| BERNIPAVE ROAD SOLUTIONS PTY LTD | UNSUCCESSFUL |
| D & M EXCAVATIONS AND ASPHALTING | UNSUCCESSFUL |
| NSW BUILDING AND CIVIL | UNSUCCESSFUL |
| PLANET CIVIL PTY LTD | UNSUCCESSFUL |
| ROADWORX SURFACING PTY LTD | UNSUCCESSFUL |

TABLE 2 – SUMMARY OF TENDER ASSESSMENT – CRACK SEALING

| NAME OF TENDERER | OUTCOME |
|--|--------------|
| SUPERSEALING PTY LTD | PRIMARY |
| FULTON HOGAN INDUSTRIES PTY LTD | SECONDARY |
| COLAS SOLUTIONS PTY LTD | UNSUCCESSFUL |
| ANJ PAVING PTY LTD | UNSUCCESSFUL |
| BERNIPAVE ROAD SOLUTIONS PTY LTD | UNSUCCESSFUL |
| CONVIL GROUP PTY LTD | UNSUCCESSFUL |
| D & M EXCAVATIONS AND Asphalting PTY LTD | UNSUCCESSFUL |
| NSW BUILDING AND CIVIL PTY LTD | UNSUCCESSFUL |
| PLANET CIVIL PTY LTD | UNSUCCESSFUL |
| ROADWORX SURFACING PTY LTD | UNSUCCESSFUL |

TABLE 3 – SUMMARY OF TENDER ASSESSMENT – REJUVENATION

| NAME OF TENDERER | OUTCOME |
|--|--------------|
| COLAS SOLUTIONS PTY LTD | PRIMARY |
| SUPERSEALING PTY LTD | SECONDARY |
| D & M EXCAVATIONS AND ASPHALTING PTY LTD | UNSUCCESSFUL |
| PLANET CIVIL PTY LTD | UNSUCCESSFUL |
| ROADOWRX SURFACING PTY LTD | UNSUCCESSFUL |

TABLE 4 – SUMMARY OF TENDER ASSESSMENT – POTHOLE REPAIRS

| NAME OF TENDERER | OUTCOME |
|--|--------------|
| FULTON HOGAN INDUSTRIES PTY LTD | PRIMARY |
| ANJ PAVING PTY LTD | SECONDARY |
| CONVIL GROUP PTY LTD | UNSUCCESSFUL |
| D & M EXCAVATIONS AND ASPHALTING PTY LTD | UNSUCCESSFUL |
| KNIGHT CIVIL PTY LTD | UNSUCCESSFUL |
| NORTH SHORE BUILDING AND CIVIL PTY LTD | UNSUCCESSFUL |
| PLANET CIVIL PTY LTD | UNSUCCESSFUL |
| ROADWORX SURFACING PTY LTD | UNSUCCESSFUL |

PROPOSAL

Council should authorise the engagement of the following suppliers to carry out maintenance services as listed in accordance with the scope of works and technical specifications developed for the project.

- Spray Sealing Services:**
 State Asphalt Services Pty Ltd, and NA Group Pty Ltd for Spray sealing services under a schedule of rates for Spray Sealing Services. Nominating State Asphalt Services Pty Ltd as Primary Supplier and NA Group Pty Ltd as Secondary Supplier.
- Crack Sealing Services:**
 Supersealing Pty Ltd, and Fulton Hogan Industries Pty Ltd for Crack sealing services under a schedule of rates for Crack Sealing Services. Nominating Supersealing Pty Ltd as a Primary Supplier and Fulton Hogan Industries Pty Ltd as Secondary Supplier.
- Rejuvenation Services:**
 Colas Solutions Pty Ltd, and Supersealing Pty Ltd for Rejuvenation services. Nominating Colas Solutions Pty Ltd as Primary Supplier, and Supersealing Pty Ltd as Secondary Supplier.
- Pothole Repair Services:**
 Fulton Hogan Industries Pty Ltd and ANJ Paving Pty Ltd for Pothole repair services. Nominating Fulton Hogan Industries Pty Ltd as Primary Supplier and ANJ Paving Pty Ltd as Secondary Supplier.

The recommended tenderers have satisfied the Tender Evaluation Panel that it is capable of undertaking the works to Council's standards and in accordance with the technical specification.

Referees nominated by the recommended tenderer have been contacted by the Tender Evaluation Panel and expressed satisfaction with the standard of work and methods of operation undertaken on their behalf.

CONSULTATION AND COMMUNICATION

- Members of the Tender Evaluation Panel
- Nominated Referees

PLANNING AND POLICY IMPACT

This report contributes to the delivery of Our Wollongong 2032 Goal 6 – 'We have affordable and accessible transport'. It specifically delivers on the following:

| Community Strategic Plan 2032 | Delivery Program 2022-2026 |
|---|----------------------------|
| Strategy | Service |
| 6.7 Maintain the service levels of our roads, footpaths and cycleways to an acceptable standard | Transport Services |

RISK ASSESSMENT

The risk in accepting the recommendation of this report is considered low on the basis that the tender process has fully complied with direction and instruction from the Procurement and Supply and Governance business units and the *Local Government Act 1993*.

The risk of the project works or services is considered Moderate based upon Council's risk assessment matrix and appropriate risk management strategies will be implemented. This includes advanced planning of works, advanced community notification, implementation of traffic control and road closures as needed to safely complete the works. These contractors will also be operating under their own third-party accredited safety and environmental management systems for the works to safely complete the works.

SUSTAINABILITY IMPLICATIONS

The engagement of a Primary Supplier and / or Secondary Suppliers promotes more efficient and improved service delivery through collaboration and forward programming to align works with Council's wider program, events and funding agreements. There are significant efficiencies gained using schedule of rates contracts and through the continual planning and collaboration between Council staff and contractors to successfully plan and deliver our works program to a high standard.

The two-envelope system used in this tender is primarily intended to obtain the best value for money for all tenders that pass the first stage and are deemed acceptable.

FINANCIAL IMPLICATIONS

It is proposed that the total project be funded from the following source/s as identified in the Operational Plan –

All projects / scope of works delivered under this Tender will be funded from the Operational Program from the following source/s: 2024/25 to 2029/30 Roads Maintenance Budget.

The maximum estimated cost of these services collectively is \$400,000 per year.

CONCLUSION

Council has a network of more than 9 million square metres of asphalt on our road pavements and carparks that need to be maintained. It is recommended that Council endorse the recommendations of this report for these maintenance services.