

ITEM 9

TENDER T1000054 - BALFOUR ROAD, AUSTINMER - RETAINING WALL RECONSTRUCTION

A section of dry stacked rock retaining wall collapsed in the storms of August 2020 resulting in closure of one lane of Balfour Road while repairs could be designed and submitted to tender. This report recommends that Council decline to accept any of the tenders submitted for Balfour Road, Austinmer Retaining Wall Reconstruction in accordance with Section 178(1)(b) of the Local Government (General) Regulation 2021.

The Tender Assessment Panel has concluded that the single tender received is not acceptable for the reason that the cost does not represent fair value and it is anticipated that negotiations with the tenderer or any other party in relation to the works will result in a satisfactory outcome being achieved.

RECOMMENDATION

- 1 a In accordance with Section 178(1)(b) of the Local Government (General) Regulation 2021, Council decline to accept the single tender received for Balfour Road, Austinmer Retaining Wall Reconstruction and resolve to enter into negotiations with the single tenderer or any other party with a view to entering into a contract in relation to the subject matter of the tender.
- b In accordance with Section 178(4) of the Local Government (General) Regulation 2021, the reason for Council hereby resolving to enter into negotiations with the single tenderer or any other party and not inviting fresh tenders is that it is anticipated that a satisfactory outcome can be achieved with one of those parties who demonstrate a capacity and ability to undertake the works.
- 2 Council delegate to the General Manager the authority to undertake and finalise the negotiations, firstly with the single tenderer, and, in the event of failure of negotiations with this tenderer, any other party, with a view to entering into a contract in relation to the subject matter of the tender.
- 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.

REPORT AUTHORISATIONS

Report of: Glenn Whittaker, Manager Project Delivery

Authorised by: Joanne Page, Director Infrastructure + Works - Connectivity Assets + Liveable City

ATTACHMENTS

- 1 Location Plan

BACKGROUND

Tenders were required to be invited for the reconstruction of a section of failed retaining wall adjacent to and on the downstream end of a culvert passing under Balfour Road, Austinmer. The road is heavily used by residents of Austinmer to the west of the rail line including Rural Fire Service members accessing their station on Foothills Road. The traffic between Asquith Street and Railway Avenue has been operating under portable traffic light-controlled contra flow conditions to minimise the load on the embankment while the investigation, design and approvals were completed. This project also includes the construction of pram ramps across Railway Avenue, the reconstruction of the footpath along Balfour Road between Railway Avenue and 25 Balfour Road, the installation of palisade fencing between the footpath and embankment and the full width reconstruction of the roadway at the embankment reconstruction site.

Tenders were invited by the open tender method with a close of tenders of 10.00 am on Tuesday, 12 April 2022.

One (1) tender was received by the close of tenders and has been scrutinised and assessed by a Tender Assessment Panel constituted in accordance with Council's Procurement Policies and Procedures and comprising representatives of the Project Delivery, Infrastructure Strategy and Planning and Governance and Customer Service Divisions.

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

Mandatory Criteria

- 1 Provision of satisfactory references from referees for previous projects of similar size and scope
- 2 Financial assessment acceptable to Council which demonstrates the tenderer's financial capacity to undertake the works
- 3 Tenders have as a minimum a Health and Safety Policy and Work Health and Safety Management System Manual or Plan

Assessable Criteria

- 1 Cost to Council – 35%
- 2 Appreciation of scope of works and construction methodology – 20%
- 3 Experience and satisfactory performance in undertaking projects of similar size, scope and risk profile, including staff qualifications and experience – 15%
- 4 Proposed sub-contractors – 5%
- 5 Project Schedule – 5%
- 6 Workplace Health and Safety Management System and Environmental Management Policies and Procedures – 10%
- 7 Demonstrated Strengthening of Local Economic Capacity – 10%

PROPOSAL

The Tender Assessment Panel has concluded that the tender submission received is not acceptable and has recommended that the tender be declined and negotiations be undertaken with the tenderer, or any other party, with a view to entering into a contract for the subject matter of the tender.

The Panel anticipates that a satisfactory outcome will be achieved through a negotiation process conducted in accordance with Council's Procurement Policies and Procedures.

During the tender assessment it became evident that certain considerations may not have been fully understood or taken into account when determining the tender price however this cannot be confirmed without the ability to negotiate. Some items also appear more inflated than expected.

CONSULTATION AND COMMUNICATION

- 1 Members of the Tender Assessment Panel
- 2 Internal Consultants – Design and Technical Services

PLANNING AND POLICY IMPACT

This report contributes to the delivery of Our Wollongong 2028 goal 5 "We have a healthy community in a liveable city".

It specifically delivers on core business activities as detailed in the Infrastructure Planning and Support Service Plan 2021-22.

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 Council's Procurement Policies and Procedures and the Local Government Act 1993.

The risk of the project works is considered high based upon Council's risk assessment matrix and appropriate risk management strategies will be implemented.

There are significant community impact risks along with environmental, safety, financial and reputational risks that should be considered if Council does not undertake the embankment reconstruction works to this piece of infrastructure.

SUSTAINABILITY IMPLICATIONS

The following sustainability implications have been considered:

- Sustainable procurement by providing open tender to give local companies the opportunity to tender for the work.
- Weighting in tender assessment provided for using local services, labour and materials.
- The design for the reconstruction works incorporates reusing materials where possible and the incorporation of heavy duty, recycled and long-life span materials/products. These will provide a long-term and low maintenance finished product.

FINANCIAL IMPLICATIONS

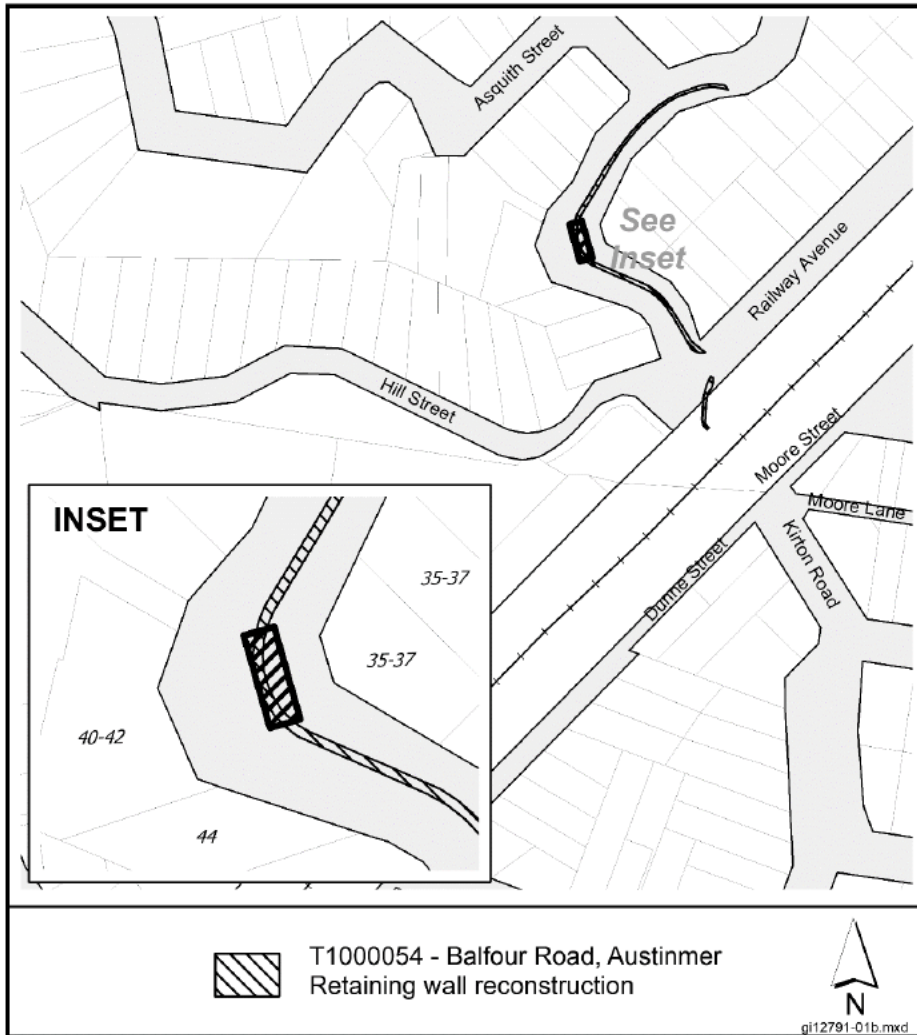
It is proposed that the total project be funded from the following source/s as identified in the Operational Plan –

2021/22 Capital Budget

CONCLUSION

It is anticipated that the best value outcome can be achieved via a direct negotiation with the tendering party, or any other party who has demonstrated a capacity and ability to undertake the works. Council should endorse the recommendations of this report.





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