

**ITEM 6 TENDER T1000130 - COASTAL HAZARDS STUDIES FOR WOLLONGONG COAST**

Tenders were invited for a consultant to undertake Coastal Hazards Studies for Wollongong Coast to inform development of a Coastal Management Program. Under the *Local Government Act 1993* and *Local Government (General) Regulation 2021*, Council may decline to accept any of the tenders submitted and resolve to enter into direct negotiations to procure consultancy services.

The Tender Evaluation Panel has undertaken an assessment of the submitted tenders. The tenders deemed to be satisfactory did not fall within the allocated budget, so are not acceptable. It is anticipated that direct negotiation may achieve a suitable outcome.

**RECOMMENDATION**

- 1 a In accordance with Section 178(1)(b) of the *Local Government (General) Regulation 2021*, Council decline to accept any of the tenders received for Coastal Hazards Studies for Wollongong Coast and resolve to enter into negotiations with one or all tenderers 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 one or all of the tenderers 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 satisfactory tenderers, and, in the event of failure of negotiations with those tenderers, 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: Chris Stewart, Manager City Strategy

Authorised by: Linda Davis, Director Planning + Environment - Future City + Neighbourhoods

**ATTACHMENTS**

There are no attachments for this report.

**BACKGROUND**

The NSW *Coastal Management Act 2016* provides the framework for councils to prepare and implement Coastal Management Programs (CMPs). CMPs set the long-term strategy for the coordinated management of the coast. The preparation of a CMP is prescribed by the NSW Coastal Management Framework, including the NSW Coastal Management Manual.

There are five stages to develop a CMP, as prescribed in the Manual -

- Stage 1: Identify the scope of the CMP
- Stage 2: Determine risks, vulnerabilities, and opportunities
- Stage 3: Identify and evaluate opportunities
- Stage 4: Prepare, exhibit, certify and adopt the CMP
- Stage 5: Implement, monitor, evaluate and report

Council prepared a CMP for Lake Illawarra, in partnership with Shellharbour Council, which was gazetted in 2020. The remainder of Wollongong's coastal zone, including its open coastline, the smaller estuaries and associated areas is now subject to the CMP process. The resulting CMP will replace the Wollongong Coastal Zone Management Plan (CZMP) which lapsed in December 2023. The CMP is likely to include actions relating to dune and estuary management which will replace the existing Dune Management Strategy and Estuary Management Plans.

The Stage 1 Scoping Study phase of the project was completed in March 2023, and involved reviewing previous and current coastal management issues and engaging with Council staff, agency stakeholders and community to develop a shared understanding of the current coastal management situation and identify the priorities and focus of the CMP. The Scoping Study included a Forward Program of activities recommended to prepare the CMP, including a suite of technical studies to fill information gaps.

The Scoping Study was endorsed by Council in March 2023. Council also endorsed progressing to Stage 2 of the CMP framework (technical studies), including a suite of coastal hazard studies, which is the subject of this tender. Since this time, funding has been sought and subsequently awarded by the NSW Coastal and Estuary Program to fund 2/3 of the project costs.

This project will involve the preparation of coastal hazard studies (including modelling and mapping of hazard extents up to 100 years), risk assessment, technical report and easy-to-understand community summary.

Tenders were invited for this project by the open tender method which closed at 10.00 am on 16 January 2024.

Four tenders were received by the close of tenders. All tenders have been scrutinised and evaluated by a Tender Evaluation Panel constituted in accordance with Council's Procurement Policies and Procedures and comprising representatives of the City Strategy, Infrastructure Strategy and Planning, Governance and Customer Service Divisions and the NSW Climate Change, Energy, the Environment and Water (DCCEEWS).

The Tender Evaluation Panel evaluated all tenders in accordance with the following Evaluation 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 Capacity: Commitment to provide the information required by an independent financial assessment provider engaged by Council. Council will review and determine whether such financial assessment is acceptable to Council and demonstrates the tenderer's financial capacity to undertake the works.
- 3 Prior experience in preparing and delivering Coastal Hazard Studies.

#### **Evaluation Criteria**

- 1 Cost to Council - 30%
- 2 Appreciation of scope of works and methodology for delivery - 30%
- 3 Demonstrated prior experience and satisfactory performance in undertaking projects of similar size, scope and risk profile - 10%
- 4 Staff qualifications and experience, including sub-contractors - 15%
- 5 Project schedule - 5%
- 6 Demonstrated strengthening of local economic capacity - 10%

The Tender Evaluation Panel utilised a weighted scoring method for the evaluation of tenders which allocates a numerical score out of 5 in relation to the level of compliance offered by the tenders to each of the evaluation criteria as specified in the tender documentation. The method then takes into account pre-determined weightings for each of the evaluation criteria which provides for a total score out of 5 to be calculated for each tender. The tender with the highest total score is considered the tender that best meets the requirements of the tender documentation in providing best value to Council. Table 1 below lists the tenderers.

**TABLE 1 – NAME OF TENDERERS**

Name of Tenderer
Baird Australia
Salients Pty Ltd
Stantec Australia Pty Ltd
Worley Limited

## PROPOSAL

The Tender Evaluation Panel has concluded that none of the tenders are acceptable and has recommended that all tenders be declined, and negotiations be undertaken with the satisfactory tenderers, and, in the event of failure of negotiations with those tenderers, any other party, with a view to entering into a contract in relation to 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.

## CONSULTATION AND COMMUNICATION

Members of the Tender Evaluation Panel consisting of representatives of the following Divisions and the NSW Government -

- City Strategy
- Infrastructure Strategy and Planning
- Customer + Business Integrity (Governance and Procurement business units)
- NSW Climate Change, Energy, the Environment and Water

## PLANNING AND POLICY IMPACT

This report contributes to the delivery of Our Wollongong 2032 Goal 1 "We value and protect our environment". It specifically delivers on the following -

Community Strategic Plan 2032	Delivery Program 2022-2026
Strategy	Service
1.2 Manage and effectively improve the cleanliness, health, biodiversity of land and water including creeks, lakes, waterways and oceans.	Environmental 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 Council's Procurement Policies and Procedures and the *Local Government Act 1993*.

The highest-ranking tenderers have the necessary experience and capability to undertake the project however there is not sufficient budget allocated to undertake the full scope of works proposed. It is envisaged that the negotiation process is likely to result in a satisfactory outcome.

## SUSTAINABILITY IMPLICATIONS

The long-term management of the coastal zone is integral to maintaining the economic, cultural, environmental and social values of the area. This coastal hazard studies project will provide important information to inform a long-term strategy for the coordinated management of land within the coastal zone and prepare for future implications of climate change.

## FINANCIAL IMPLICATIONS

It is proposed that the total project be funded from the following source as identified in the Operational Plan – Coastal Management Program for the Open Coast Project. Council has secured State Government assistance to fund two-thirds of this project. As this budget amount is already secured and there is no guarantee of the availability of additional funding, the Panel is recommending a negotiation process in accordance with Council's Procurement Policies and Procedures.

## CONCLUSION

The Tender Evaluation Panel has concluded that submissions received for the Coastal Hazards Studies for Wollongong Coast project which were evaluated as satisfactory exceeded the allocated budget, so are not acceptable. It is anticipated that negotiation may achieve a suitable outcome.