

## ITEM 6 TENDER T1000048 - WEST DAPTO ROAD UPGRADE STAGE 1

As part of the West Dapto Access Strategy, Council had taken the initiative to carry out works in stages for the upgrade of West Dapto Road. This report recommends that Council decline to accept any of the tenders submitted for West Dapto Road Upgrade Stage 1 (between Shone Avenue, Wongawilli and Rainbird Drive, Kembla Grange) in accordance with Section 178(1)(b) of the Local Government (General) Regulation 2021.

The Tender Assessment Panel has concluded that both submissions received included qualifications that would require negotiation and hence are not considered conforming submissions. It is anticipated that negotiation with one or both tenderers, or another party, in relation to the works will result in a satisfactory outcome being achieved.

### RECOMMENDATION

- 1 a In accordance with Section 178(1)(a) of the Local Government (General) Regulation 2021, Council decline to accept the tenders received for West Dapto Road Upgrade Stage 1 and resolve to enter into negotiations with one or both 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 both of the tenderers or another 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 one or both tenderers, and, in the event of failure of negotiations with one or both 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: Glenn Whittaker, Manager Project Delivery

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

### ATTACHMENTS

- 1 Location Plan

### BACKGROUND

The upgrade of West Dapto Road is part of Council's plan to meet the changing needs of current and future residents of the West Dapto area over the next 50-years. Over the past 10-years, Council has invested more than \$100 million in researching, designing, upgrading, and building new roads, bridges, paths and stormwater structures in West Dapto.

Council has a long-term commitment to extend this upgrade along the whole length of West Dapto Road as outlined in the West Dapto Development Contributions Plan (2020). The upgrade of West Dapto Road east of Rainbird Drive, Kembla Grange will form part of a separate project.

The upgrade of West Dapto Road between Shone Avenue, Wongawilli and Rainbird Drive, Kembla Grange includes:

- Road, pavement, and drainage works
- Upgrades which improve access during flood events

- Boom gates and flashing gates at the Shone Avenue rail crossing
- New shared pathways and a pedestrian bridge
- New traffic signals.

West Dapto Road Upgrade Stage 1 extends from the Shone Avenue intersection east to the first large culvert located adjacent to the private railway bridge. This scope of works includes but is not limited to the following:

- Site establishment, including erection and maintenance of all environmental controls and temporary construction compound
- Stormwater drainage
- Services relocation
- Earthworks
- Pavements
- Kerb and gutter
- Line marking and signage
- Signals (traffic and rail)
- Staging of the Works including installation of temporary pavements or other suitable means to maintain two (2) trafficable lanes for the duration of the Works
- Site disestablishment, including removal of all environmental controls as appropriate.

Tenders were invited for this project by open tender method with a close of tenders on 10:00 am on Thursday, 14 April, 2022.

Two (2) tenders were received by the close of tender and the tenders have 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 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 Tenderers to have a compliant WHS Management System complying with ISO45001:2018 and is certified by a JAS-ANZ accredited company or accredited by a NSW Government Agency
- 4 Tenderers to have an accredited Environmental Management System complying with ISO14001:2015 and is certified by a JAS-ANZ accredited company or equivalent
- 5 Level 1 and Level 2 Accredited Service Provider certification
- 6 Sydney Water Capability to carry out pressure reducing valve works
- 7 Tenderers to have accreditation under RMS Prequalification and Accreditation Scheme R3/F10/TS (minimums)
- 8 Demonstrated experience working in and around railway corridor, including signalling works.

## Assessable Criteria

- 1 Cost to Council – 40%
- 2 Demonstrated strengthening of local economic capacity – 10%
- 3 Appreciation of scope of works and construction methodology – 20%
- 4 Experience and satisfactory performance in undertaking projects of similar size and scope, including staff qualifications and experience – 15%
- 5 Project Schedule – 5%
- 6 Workplace Health and Safety Management System and Environmental Management Policies and Procedures – 5%
- 7 Proposed sub-contractors – 5%

## PROPOSAL

The Tender Assessment Panel has concluded that none of the tenders are acceptable and recommend that all tenders be declined, and negotiations be undertaken with one or all of the tenderers, 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 qualifications included by both tenderers within their submissions would require further negotiation and could not be resolved without entering into negotiations with both tenderers to come to an agreement on terms for the Panel to determine a preferred tenderer.

## CONSULTATION AND COMMUNICATION

- 1 Members of the Tender Assessment Panel

## PLANNING AND POLICY IMPACT

This report contributes to the delivery of Our Wollongong 2028 goal 6 “We have affordable and accessible transport”. It specifically delivers on the following:

Community Strategic Plan	Delivery Program 2018-2022	Operational Plan 2021-22
Strategy	4 Year Action	Operational Plan Actions
6.1.3 Effective and integrated regional transport, with a focus on road, bus, rail and freight movement (including the port of Port Kembla)	6.1.3.1 Plan and implement an integrated and sustainable transport network	Council to work with key agencies and partners to progress the provision of an effective and integrated regional transport network

## 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 medium 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 civil works to develop this part of West Dapto Road.

## 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 works incorporates the reuse of site worn materials where possible.

## FINANCIAL IMPLICATIONS

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

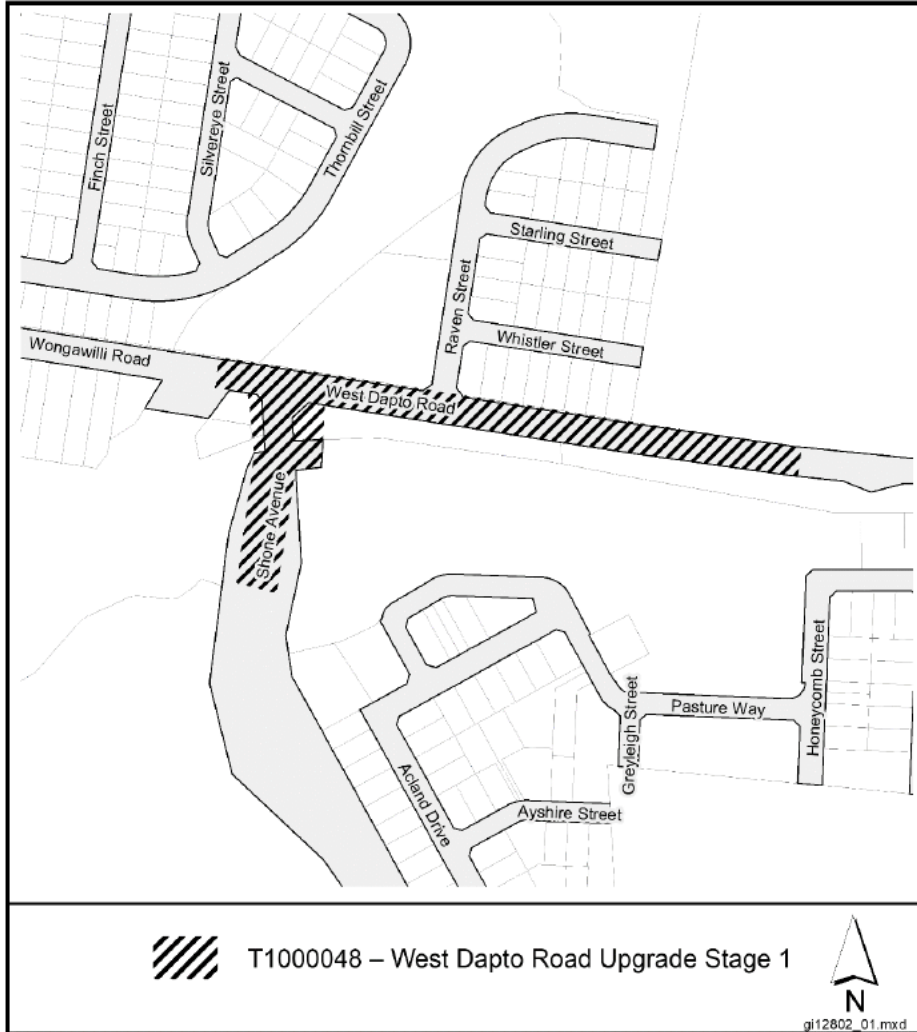
2021/22 Capital Budget  
2022/23 Capital Budget

The construction of the project is fully funded by grant funding under the following program:

- NSW Government Restart - NSW Housing Acceleration Fund (HAF)

## CONCLUSION

It is anticipated that the best outcome for Council can be achieved through direct negotiations with one or both of the tendering parties, or any other party who has demonstrated capacity and ability to undertake the works. Council should endorse the recommendations of this report.



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