

**ITEM 4 TENDER T1000150 - ROAD RESURFACING, PATCHING AND MAINTENANCE - PRIMARY SUPPLIERS (ASPHALT RESURFACING AND ASPHALT PATCHING ONLY)**

This report recommends an acceptance of two (2) sub-panels from the tender for road resurfacing, patching and maintenance 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.

This tender requested responses from suitably experienced contractors to provide the following services: asphalt patching and resurfacing, spray sealing, crack sealing, rejuvenation and pothole repairs. Due to the importance of asphalt patching and resurfacing in maintaining and renewing our roads and the upcoming expiration of the current contract, the assessment of these services has been expedited. The evaluation of the remaining services (sub-panels); Crack sealing, Spray sealing, Rejuvenation and Pothole repairs will be completed by March 2025 and a subsequent report prepared for Council as these services are not currently critical to meet capital and maintenance projects

### RECOMMENDATION

- 1 In accordance with Section 178(1)(a) of the Local Government (General) Regulation 2021, Council accept the tenders of Bitupave Limited and Fulton Hogan Industries Pty Ltd for Asphalt Patching and Resurfacing Services, under a schedule of rates and nominating Bitupave Limited as Primary Supplier and Fulton Hogan Industries Pty Ltd as Secondary Supplier.
- 2 The contract be awarded for an initial term of 5 years, with 5 optional extensions of 1 year with a maximum term of 10 years. Any such extensions being exercised at the sole discretion of Council.
- 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.

### REPORT AUTHORISATIONS

Report of: Roger Stewardson, Manager City Works  
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

Asphalt resurfacing works are completed when the full road segment has consistent damage and failures, but the underlying road material is consistent and of good quality. Asphalt patching is undertaken when only a portion of the road needs to be repaired. Asphalt is one of the key materials used in the construction and maintenance of our roads and carparks. The supply and placement of asphalt in large quantities requires special plant and equipment including profilers, trucks, pavers and rollers to prepare, lay and compact asphalt. 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.

17 tenders across the 6 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.

Due to the urgency to replace CN100551 to ensure continuity of services to our community, this report has been prepared to cover two (2) services (sub-panels) – Asphalt resurfacing and Asphalt patching services only. The evaluation of the remaining non-critical services; crack sealing, spray sealing, rejuvenation and pothole repairs will be completed by March 2025 and a subsequent report prepared for Council.

The Tender Evaluation Panel evaluated all tenders for these two (2) 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 tenderer's financial capacity to undertake the works
3. Workplace Health and Safety System (completion of works valued less than \$250,000 including GST) – Tenders must have as a minimum a Health and Safety Management System Manual or Plan
4. Workplace Health and Safety Accreditation (completion of works valued at \$250,000 including GST or greater) – Tenders must have as a minimum a third-party accredited Health and Safety Management System Manual or Plan
5. Acknowledgement of Requirements

The mandatory assessment criteria have been met by the recommended tenderers.

The Tender Evaluation Panel undertook a trial of the '2-envelope' process for the evaluation of this Tender. 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. This is to ensure level of service for our Asphalt programs are maintained.

Table 1 and 2 below summarises the results of the tender evaluation and outcome.

**TABLE 1 – SUMMARY OF TENDER ASSESSMENT – ASPHALT RESURFACING**

<b>Name of Tenderer</b>	<b>Outcome</b>
Bitupave Limited T/A Boral Asphalt	Primary
Fulton Hogan Industries Pty Ltd	Secondary
A N J Paving	Unsuccessful
Bernipave Road Solutions Pty Ltd	Unsuccessful
Convil Group Pty Ltd	Unsuccessful
D & M Excavations and Asphaltting	Unsuccessful
Mack Civil	Unsuccessful
North Shore Paving Co. Pty Ltd	Unsuccessful
NSW Building and Civil Pty Ltd	Unsuccessful
Planet Civil Pty Ltd	Unsuccessful
Roadworx Surfacing Pty Ltd	Unsuccessful
Stateline Asphalt Pty Ltd	Unsuccessful

**TABLE 2 – SUMMARY OF TENDER ASSESSMENT – ASPHALT PATCHING**

<b>Name of Tenderer</b>	<b>Outcome</b>
Bitupave Limited T/A Boral Asphalt	Primary
Fulton Hogan Industries Pty Ltd	Secondary
A N J Paving	Unsuccessful
Bernipave Road Solutions Pty Ltd	Unsuccessful
Convil Group Pty Ltd	Unsuccessful
D & M Excavations and Asphaltting	Unsuccessful
Mack Civil	Unsuccessful
North Shore Paving Co. Pty Ltd	Unsuccessful
NSW Building and Civil Pty Ltd	Unsuccessful
Planet Civil Pty Ltd	Unsuccessful
Roadworx Surfacing Pty Ltd	Unsuccessful
Stateline Asphalt Pty Ltd	Unsuccessful

**PROPOSAL**

Council should authorise the engagement of Bitupave Limited as the Primary Supplier and Fulton Hogan Industries Pty Ltd as the Secondary Supplier to carry out the Asphalt Patching and Resurfacing works in accordance with the scope of works and technical specifications developed for the project. The

recommended tenderers have satisfied the Tender Evaluation Panel that they can undertake the works to Council's standards and in accordance with the technical specification. The recommended tenderers have satisfied the Evaluation Panel that they have the necessary experience and can undertake the works / providing the required services to Council's standards in accordance with any technical specification.

Referees nominated by the recommended tenderers 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

- 1 Members of the Tender Evaluation Panel
- 2 Nominated Referees

## PLANNING AND POLICY IMPACT

This report contributes to the delivery of Our Wollongong 2032 Goal 6 – 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.

In addition, the disposal of Reclaimed Asphalt Profiling (RAP) is included in the asphalt cost, during normal operational hours, rather than using a separate contractor, which was the previous practice which will lead to additional savings. The asphalt mix designs can now reuse this product up to 40% of its aggregate volume, improving sustainable practice and reducing waste volumes and costs associated with the works.

The disposal and recycling of RAP will have long term cost and sustainability benefits to Council and the community with this recycled material being used to repair and renew deteriorated roads.

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

All projects / scope of works delivered under this Tender will be funded from the Operational and Infrastructure Delivery Program from the following source/s:

2024/25 to 2033/34 Capital Budget

2024/25 to 2033/34 Roads Maintenance Budget

The estimated cost of these services is \$3.8M 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 and renewed. It is recommended that Council endorse the recommendations of this report for this work to continue.