



City of
Wanneroo

**BRIEFING PAPERS
FOR ELECTED MEMBERS'
BRIEFING SESSION**

Draft Only

to be held at
the Civic Centre,
Dundebar Rd, Wanneroo
on 20 May, 2014 commencing at 6:00PM



City of Wanneroo

Briefing Papers for Tuesday 20 May, 2014

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L A T E I T E M S A G E N D A

Item 5 To Be Tabled

5.1 Tender 01402 Brazier Road Stage 2, Yanchep Kiosk to existing Brazier Road, Yanchep.

File Ref: 10949 – 14/108100
Responsible Officer: Director Infrastructure
Disclosure of Interest: Nil
Attachments: 1

Issue

To consider Tender 01402 for Brazier Road Stage 2, Yanchep Kiosk to existing Brazier Road, Yanchep.

Background

Council at its meeting of 11 December 2012 (IN03-12/12 refers) resolved to:

- "1. ENDORSES Option 2 Construction of the Southern Portion of Brazier Road Including a Cul-De-Sac at the Yanchep Kiosk, for the commencement of the realignment of Brazier Road as shown on Attachment 3 - City of Wanneroo Drawing No. 2680-91-0;*
- 2. AUTHORISES Administration to give Public Notice of the proposed closure of Brazier Road from Monday 8 April 2013 in accordance with Section 3.50 of the Local Government Act 1995;*
- 3. NOTES that Administration will present a further report to Council if any submissions are received from the Public Notice for the temporary closure of Brazier Road that have a significant impact on this project;*
- 4. LISTS an amount of \$458,000 for consideration in the draft 2013/2014 Capital Works Budget as part of funding allocated for construction of the proposed Option 2 for the realignment of Brazier Road; and*
- 5. NOTES that the Concept Plan for the Yanchep Surf Life Saving Club Facility will be presented for consideration at the 5 February 2013 meeting of Council."*

As per the requirements of the Local Government Act 1995, Sections 3.50.(4) and (3) the City placed a public notice on the 28 November 2013 in Joondalup/Wanneroo Weekender newspaper, notifying the public of its intention to carry out the realignment and alteration to the level of Brazier Road between the Yanchep Kiosk and the existing Brazier Road, during the 2013/2014 financial year. Submissions on the proposed realignment and alteration to levels were requested to be forwarded to the City by no later than 10 January 2014.

Residents/owners adjacent to the proposed works and the Yanchep Lagoon Kiosk tenants were directly notified by mail of the proposed realignment and alteration to the level of Brazier Road Stage 2 as detailed in the City's Drawing No 2933-2-0 (refer **Attachment 1**).

A further public notice for the temporary closure of Brazier Road was advertised on the 3 April 2014 in Joondalup/Wanneroo Weekender newspaper, notifying the public of the City's intention to close Brazier Road at Yanchep Beach Road to through traffic to accommodate the proposed second stage of the realignment of Brazier Road commencing 10 May 2014 until 8 April 2015. This aligns with the previous notification for temporary road closure of Brazier Road for the Stage 1 portion of the works that was completed in December 2013. Submissions on the proposed temporary road closure to through traffic were requested to be forwarded to the City by no later than 17 April 2014.

An application for Development Approval for works within Lot 503 (ie: located on the seaward side of Brazier Road) was submitted to the Department of Planning (DoP) on 24 February 2014. These works relate to temporary access works required to allow for the continued use of the existing car parking facilities located to the north of the Yanchep Kiosk until such time the proposed Yanchep Surf Life Saving Club and Public Amenities Facility (YSLSC) is constructed.

Application for a Clearing Permit for the temporary works within Lot 503 and the proposed YSLSC development was submitted to the Department of Environment and Regulation (DER) on 5 March 2014.

Detail

Tender 01402 for the Construction of Brazier Road (Stage 2) – Yanchep Kiosk to existing Brazier Road, Yanchep was advertised on 22 February 2014 and closed on 1 April 2014.

Essential details of the proposed contract are outlined below:

Contract Type	Lump Sum
Contract Duration	26 weeks
Commencement Date	9 June 2014
Practical Completion Date	8 December 2014

Tender submissions received:

Tenderers	Price
Monford Group Pty Ltd	\$1,569,288.00
Valmec Australia Pty Ltd	\$1,780,196.09
Griffin Plant Hire Pty Ltd	\$1,789,810.00
WBHO Civil Pty Ltd	\$1,894,599.17
Brierty Limited	\$ 1,986,466.20
Stonecivil	\$ 1,992,694.94
Ertech Pty Ltd	\$ 2,115,765.00
Advantearing Civil Engineers	\$ 2,216,401.00
RJ Vincent & Co	\$ 2,413,890.51

The Tender Evaluation Team, consisting of the Project Manager Yanchep Infrastructure, Project Manager Infrastructure Development, two Project Engineers and the Contracts Officer, evaluated the tender submissions in accordance with the following selection criteria:

Item No	Description	Score
1	Price for the services offered	40%
2	Methodology Safety Management	20%
3	Safety Management	20%

Item No	Description	Score
4	Tenderer's experience and ability to do the work	10%
5	Tenderer's resources	10%

Price for the Services Offered (40%)

Nine tenders were received, with Monford Group Pty Ltd submitting the lowest tender price. The ranking of tender submission based on price is:

Tenderer	Ranking
Monford Group Pty Ltd	1
Valmec Australia Pty Ltd	2
Griffin Plant Hire Pty Ltd	3
WBHO Civil Pty Ltd	4
Brierty Limited	5
Stonecivil	6
Ertech Pty Ltd	7
Advanteering Civil Engineers	8
RJ Vincent & Co	9

It is noted that all tender submissions included omissions in tender schedules and some included clarifications/conditions in support of submissions as presented. Further assessment of tender submissions in this regard was therefore scheduled following evaluation of the selection criterion.

Methodology (20%)

Ertech Pty Ltd provided a good methodology statement and conveyed a more detailed understanding of the works to be carried out. A Gantt chart was included that clearly outlines the timelines proposed for each phase of the works.

The tender submissions were subsequently assessed based on the standard of the Ertech submission as the benchmark and were ranked as follows:

Tenderer	Ranking
Ertech Pty Ltd	1
Brierty Limited	2
WHBO Civil Ltd	3
RJ Vincent	4
Griffin Plant Hire Pty Ltd	4
Stonecivil	5
Valmec Australia Limited	5
Monford Group Ltd	5
Advanteering Civil Engineers	6

Safety Management (20%)

The assessment for safety management was based on Tenderers responses to the Occupational Health and Safety Management System Questionnaire included within the tender documentation. Ertech Pty Ltd provided good Safety Management Systems in it's submission, including examples of JSA's, incident and safety audit reports.

As a consequence and based on the information provided, using Ertech's submission as a benchmark tender submissions were assessed and ranked as follows:

Tenderer	Ranking
Ertech Pty Ltd	1
Brierty Limited	2

Tenderer	Ranking
RJ Vincent & Co	3
WHBO Civil Ltd	4
Griffin Plant Hire Pty Ltd	5
Advanteering Civil Engineers	5
Monford Group Ltd	5
Valmec Australia Limited	6
Stonecivil	6

Tenderers Experience and Ability to do the Works (10%)

Ertech Pty Ltd provided a number of examples of similar projects undertaken, demonstrating their relevant experience and ability to undertake the requirements of the proposed works.

The other tender submissions were ranked based upon what each tenderer supplied in support of its construction experience and resulted in the following ranking for this criterion:

Tenderers	Ranking
Ertech Pty Ltd Brierty Limited	1
Brierty Limited	2
RJ Vincent & Co	3
WHBO Civil Ltd	4
Griffin Plant Hire Pty Ltd	4
Valmec Australia Limited	4
Advanteering Civil Engineers	5
Monford Group Ltd	5
Stonecivil	6

Tenderers Resources (10%)

Ertech Pty Ltd provided a good level of resources along with staff experience in support and more than meets the requirements sought. Assessment of this criterion considered staff resources, vehicles, plant/equipment and workshop support to manage the contract.

In each instance ranking of tenderer's resources was based upon the individual capacity, number of staff, and what sub-contractors each tenderer offered to assist it to construct the works. Tender submissions based upon resources were assessed as follows:

Tenderer	Ranking
Ertech Pty Ltd	1
Brierty Limited	2
RJ Vincent & Co	3
WHBO Civil Ltd	3
Stonecivil	4
Valmec Australia Limited	4
Griffin Plant Hire Pty Ltd	5
Monford Group Ltd	5
Advanteering Civil Engineers	5

Overall Weighted Score

The overall ranking of the tenders submissions based on the weighted selection criteria is presented as follows:

Tenderer	Ranking
Ertech Pty Ltd	1
Brierty Limited	2
WHBO Civil Ltd	3
Monford Group Ltd	4
Griffin Plant Hire Pty Ltd	5
Valmec Australia Limited	6
RJ Vincent & Co Stonecivil	7
Stonecivil	8
Advanteering Civil Engineers	9

As a number of submissions included omissions in tender schedules and some included clarifications/conditions in support of submissions as presented, further evaluation was therefore required to be undertaken, with the top three tender submissions assessed accordingly.

Brierty Limited confirmed that its submission was subject to additional fees on top of its submitted lump sum price and was therefore removed from further evaluation.

Ertech Pty Ltd and WBHO Civil Ltd, upon further evaluation, confirmed that their respective lump sum prices were fully inclusive.

Having confirmation that its lump sum price was fully inclusive of its submission, Ertech Pty Ltd was assessed as having achieved the highest weighted ranking in accordance with the weighted score analysis process, and having the necessary resources, previous experience, ability and safety management systems to undertake the works prescribed in the tender.

Consultation

A Public Information Session was held on the 5 March 2014 at the Yanchep Community Centre for the proposed realignment of Brazier Road Stage 2.

Thirty three members of the public attended the meeting including the north ward Councillors. Despite the meeting being a presentation of information for the proposed works, approximately two thirds of the attendees were against any changes to the existing Yanchep Lagoon area.

Administration regularly provides updates and information to the lessee at the Yanchep Lagoon Kiosk via written and verbal correspondence regarding Brazier Road Stage 2. The lessee has been made fully aware of the anticipated start and finish times of the project and that the City will endeavour to alleviate impact to the Kiosk to the best of its ability during that time.

The City is to erect advanced warning signs at Yanchep Beach Road/Wilkie Avenue and Two Rocks/Yanchep Beach Road to advise motorists of the temporary closure of Brazier Road in the vicinity of Lagoon Beach, and of the alternative route to the beach and the Yanchep Kiosk via Wilkie Avenue. Wording on the signs will read:

"Brazier Road will be closed at Yanchep Beach Road between June 2014 - Nov 2015. Access to Yanchep Lagoon Beach and Kiosk will be via Wilkie Avenue during this period. Further information can be obtained on the City's website or by contacting the Project Manger Yanchep Infrastructure on 9405 5566."

Prior to construction, a further letter will be sent to residents within the proximity of the works advising of the construction period and the contact details of the successful Tenderer pending Council's decision in this regard.

Comment

The Construction Estimate for Brazier Road Stage 2 prepared prior to advertising for tender was \$1,851,600. This estimate in retrospect, based on tender prices submitted, did not fully reflect the impact of complexity of the work to be undertaken and the need to coordinate a number of services including power, telecommunications, water and sewer. Furthermore, current tender rates have also increased over the twelve month in comparison with Stage 1 works.

Administration supports the award of this tender to Ertech Pty Ltd, with the outcome being that it will enable the second stage of the Brazier Road Realignment Project to proceed in a timely manner to ensure the overall realignment of Brazier Road completed by the end of 2014.

Statutory Compliance

No submissions in relation to the proposed realignment, alteration to levels or road closure were received by the City. As a consequence, the proposed construction is therefore able to proceed unencumbered for Brazier Road Stage 2 works.

In March 2014 the City received notification from the DoP that it considered that the works within Lot 503 Brazier Road constitute "Public Works" and therefore do not require Development Approval.

Tenders were invited in accordance with the requirements of Section 3.57 of the Local Government Act 1995. The tendering procedures and evaluation complied with the requirements of Part 4 of the Local Government (Functions and General) Regulations 1996.

On 7 May 2014 the City received Clearing Permit CPS6038/1 from DER, which included management conditions for the control of dieback and weed control. This constitutes no further cost to the City, in relation to both the Brazier Road Stage 2 and the YSLSC development as currently designed.

A Building Permit is to be issued by the City's Building Services for the retaining walls to be constructed as part of the second stage of Brazier Road realignment.

Strategic Implications

The proposal aligns with the following objective within the Strategic Community Plan 2013 – 2023:

"2 Society - Healthy, safe, vibrant and active communities.

2.2 Healthy and Active People - We get active in our local area and we have many opportunities to experience a healthy lifestyle."

Risk Management Considerations

In consideration of risk associated with this tender it is advised that Ertech Pty Ltd tender assessment was further scrutinised with the following comments:

- a) Reference Check:
The City obtained a reference check from Cossill & Webley and Tabec Consulting Engineer's, who all provided a positive reference for Ertech Pty Ltd.
- b) Financial Check:
From *Corporate Score Card* – on the basis of information obtained, the subject has been assigned with a score of *(Figure to be provided at the Briefing Session)*, indicating that it has a *(Figure to be provided at the Briefing Session)* financial capacity to undertake the contract in question.

Apart from possible impact of weather given the works will be undertaken over the winter months, no other risks were identified.

Policy Implications

Nil

Financial Implications

The cost of works associated with the realignment of Brazier Road (i.e. Stages 1 and 2) presently stands as follows:

Brazier Road Realignment (PR-2600)		
Item	Expenditure	Budget
<i>Project Budget</i>		
PR-2600 – 2013/2014 Construction		\$2,500,000
PR-2600 – 2014/2015 Construction (Proposed)		\$1,585,000
PR-1048 – 2013/2014 Yanchep Surf Life Saving Club – Retaining Wall Component		\$302,500
PR-1048 – 2013/2014 Yanchep Surf Life Saving Club – Hydraulic Services Component		\$34,000
<i>Stage 1 Works (Actual)</i>		
Project Management	\$25,000	
Tender Advertising and Signage	\$7,383	
Retaining Walls – Stonecivil (contract 01312)	\$1,085,482	
Drainage & Road Construction – Internal Resources	\$1,382,635	
<i>Stage 2 Works (Estimated)</i>		
Project Management	\$35,000	
Tender Advertising and Signage	\$4,500	
Retaining Walls, Drainage & Road Construction – (Ertech Pty Ltd Tender 01402)	\$2,115,765	
Contingency Sum @ 5% of Stage 2 Works	\$105,735	
Total Funding	\$4,761,500	\$4,421,500
Funding Shortfall		\$340,000

The funding shortfall is impacted by additions to the project scope since original budget approval as follows:

- Addition of temporary access ramp to the existing car park due to delay in commencement of construction for the YSLAC originally planned to follow after construction of Stage 2 works totaling \$40,000; and
- Addition of permanent stairs adjacent to the retaining wall in the vicinity of the Yanchep Kiosk due to the delay in commencement of construction for the YSLSC, totaling \$28,000.

Given the above additions to the project scope of \$68,000 in total, the balance of \$272,000 in shortfall is primarily accounted for through complexity of the work being undertaken and current market construction rates. This has been reflected by the tender prices received, with all but one above the Construction Estimate prepared by Administration based on typical rates for the work proposed. A review of the scope of works was undertaken and there are no opportunities to delete any items to reduce the tender price.

The shortfall of \$340,000 is recommended by Administration to be added to funding against PR-2600 as part of the City's draft 10-year Capital Works Program – Roads for 2014/2015, with current documentation in this regard to be modified accordingly.

It is noted that an amount of \$336,500 is to be transferred from budget allocated to PR-1048 in the City's 2013/2014 Capital Works Budget to provide for the retaining wall component and the installation of Hydraulic Services that directly effects the development of the YSLSC. This amount has been included in the above table as budget amounts of \$302,500 and \$34,000.

A contingency of 5% has been included to allow for additional design and/or construction variation requirements during the course of the Stage 2 construction phase.

Voting Requirements

Simple Majority

Recommendation

That Council:-

1. **ACCEPTS** Tender No 01402 submitted by Ertech Pty Ltd for the Construction of Brazier Road Stage 2, Yanchep Kiosk to the existing Brazier Road, Yanchep, for the fixed lump sum price of \$2,115,765, in accordance with the terms and conditions specified in the tender document;
2. **NOTES** that the Public Information Session held on 5 March 2014 did not raise any issues that would have a direct impact on the design as approved; and
3. **LISTS** an additional amount of \$340,000 for Stage 2 works associated with the realignment of Brazier Road in the City's draft 10-Year Capital Works Program – Roads (2014/2015).

Attachments:

1. 2933-2-0 Public Information Plan 13/228414 Minuted

