

CM13.3. Albury Riverside Precinct Construction Contract No. 20/02769

DATE	30 June 2021	FIL REFERENCE	FIL20/02769-02
CONFIDENTIAL	No		
FURTHER ENQUIRIES	Andrew Lawson City Projects	PHONE	6023 8111
AUTHOR	Anthony Bisignano		

Purpose of Report

To recommend a preferred contractor for the construction of Albury Riverside Precinct, through a qualitative and quantitative assessment.

Background

In 2007, Albury City Council (Council) endorsed the Murray River Experience Master Plan. This Master Plan identified future improvements along the Murray River with the objective to:

- strengthen the relationship between the community and the Murray River;
- provide greater access to the Murray River;
- provide quality amenities in all open spaces;
- promote and develop a diversity of experiences; and
- significantly improve the health of the Murray River.

The development of the riverside area behind the Albury Swim Centre along the Murray River between Hume Street and the Bungambrawatha Creek, known as the Riverside Precinct, was one of the key projects identified in this Master Plan. Conceptual designs for the Riverside Precinct development were produced in 2016 which accompanied grant applications at the time.

In 2018, Council obtained \$4.7M in funding from the NSW Government through the Regional Growth, Environment and Tourism Fund to assist in the delivery of the Albury Riverside Precinct project. Since this time, Council has been working collaboratively with landscape architect Group GSA Pty Ltd to develop the design documentation for the construction of the Riverside Precinct development. In parallel, Council has been working with several consultants to obtain the Review of Environmental Factors Determination for the development, whilst also performing community consultation and consultation with the regulatory authorities with interest in the development.

In 2021, Council obtained an additional \$3.0M in funding from the NSW Government through the NSW Public Spaces Legacy Program to assist in the delivery of the Albury Riverside Precinct project. This saw an increase in the footprint of the Riverside Precinct development further south along Hovell Tree Drive.

The Albury Riverside Precinct development will transform this section of the river and will change the way both residents and visitors interact with the Murray River and the surrounding open space. The scope of works for the project includes the development of the following public infrastructure:

- a boardwalk along the river;
- a floating jetty with access and mooring points;
- car parking improvements including lighting;
- built shade structures;
- improved pedestrian links with the Wagirra Trail, central business district, and Hovell Tree Park; and
- both soft and hard landscaping improvements.

Tenders were invited for Contract No. 20/02769 – Albury Riverside Precinct, and advertised in the Border Mail, Sydney Morning Herald and on Tenderlink. Tenders closed at 12 noon on Tuesday 15 June 2021. The contract duration is estimated at 53 to 63 weeks (ie. 265 to 315 working days) and the project will commence in the 2021/22 financial year and will be completed in the 2022/23 financial year.

Council's budget allocation for the project is \$9.4M including GST which includes \$4.7M and \$3.0M in funding through the NSW Government's Regional Growth, Environment and Tourism Fund, and NSW Public Spaces Legacy Program respectively.

The budget allocation above was informed by a cost plan developed by quantity surveyors Wilde and Woollard using the tender design documentation which was \$8.8M. Not captured in this estimate are bank stabilisation works (\$460K including GST) being performed by Soil Conservation Service NSW and associated project management and suitable contingency cost allowances.

Locality and concept plans are attached for information.

Tender Assessment

At the close of tenders, submissions were received from the following companies:

- Dalski Pty Ltd (Smithfield, NSW);
- Excell Gray Bruni Pty Ltd (Wodonga, VIC);
- Colin Joss & Co t/a Joss Construction (Albury, NSW); and
- Regal Innovations Pty Ltd (Mulgrave, NSW).

All tenders were evaluated in accordance with Council's Procurement Policy and Guidelines. The assessment panel for the tender comprised of Team Leader Project Delivery – Anthony Bisignano, Team Leader Design – Ian Redman, Project Portfolio Coordinator – Rob Sharpe, and Team Leader Procurement Services – Elisha Lieschke.

Conformity Check

A conformity assessment was undertaken to ensure all submissions received were in accordance with the contract documentation and specification.

Company	Pricing Details	Supporting Information	WHS Documentation	Comment
Dalski Pty Ltd	Yes	Partial	Yes	Conforming
Excell Gray Bruni Pty Ltd	Yes	Yes	Yes	Conforming
Colin Joss & Co t/a Joss Construction	Yes	Yes	Yes	Conforming
Regal Innovations Pty Ltd	Yes	Yes	Yes	Conforming

As indicated above, all submissions were assessed as conforming tenders. Although only Excell Gray Bruni Pty Ltd is WHS registered with Council, all other tenderers provided the necessary documentation to demonstrate the ability to meet Council's WHS requirements.

Qualitative Assessment

A qualitative assessment considered a range of issues including:

- past performance – including referee checks, relevant experience, and expertise in performing same or similar projects;
- methodology and program – project work methods, management, and proposed program;
- capacity – current and future commitments and workload;
- capability – including availability of resources, equipment, and contract management capabilities; and
- benefit to local region – social and community benefit to the Albury/Wodonga region.

Company	Past Performance (35%)	Methodology & Program (25%)	Capacity (20%)	Capability (10%)	Local Benefit (10%)	Total (100%)
Colin Joss & Co t/a Joss Construction	26	23	17	7	8	81
Excell Gray Bruni Pty Ltd	28	20	13	7	7	75
Regal Innovations Pty Ltd	23	12	17	8	2	62
Dalski Pty Ltd	19	10	12	7	3	51

To provide Council with confidence that the works would be carried out safely and in an environmentally sensible manner, Tenderers were asked to:

- outline their proposed construction methodology for the works over the Murray River, including trimming of existing trees on the riverbank, piling works and structural steelworks to the boardwalks over the river;

- outline specific details of their proposed traffic control devices to maintain pedestrian and bike path traffic along the Murray River, and parking to the Albury Swim Centre car park; and
- submit a draft Construction Environmental Management Plan (CEMP) setting out how they will avoid and minimise impacts on key sensitive environments, taking into consideration the Review of Environmental Factors Determinations.

Colin Joss & Co t/a Joss Construction is a locally based company. Their submission did not highlight any notable projects that are similar to the Albury Riverside Precinct.

Their current work commitments include 16 separate projects primarily across the defence industry. They have sufficient capacity to perform this project. In addition, their submission indicated that they have the required insurances and are financially viable to deliver this project.

Referee information indicated that Joss Construction deliver a high-quality product, use reputable subcontractors and suppliers, are invested in their projects, and demonstrate a high level of professionalism.

Council does not have any recent experience with Joss Construction (ie. within the past 10 years). With that said, Joss Construction did deliver the Flying Fruit Fly Circus Redevelopment in 2011, which Council staff project managed on behalf of the Flying Fruit Fly Foundation. This project was undertaken with a high level of service with a quality product being delivered.

Joss Construction's proposed project delivery team is well resourced and consists of a project director, a project manager, and a site foreman with additional support from head office for safety and health, environment, and quality disciplines. Collectively, their full-time staff dedicated to the project have over 40 years of relevant construction industry experience.

Joss Construction's program emphasises delivering the more challenging works over the riverbank in the first instance with the boardwalk. Once complete, the footprint of the works will progress away from the riverbank along the peninsula (i.e. the area between the Murray River and Bungambrawatha Creek) working back towards Hume Street. In parallel to this, the works along Hovell Tree Drive will occur. Their construction program is 225 working days in duration. Although slightly shorter than Council's estimates, it is entirely reasonable and has a logical sequence of activities, demonstrating a clear understanding of the interdependencies of the works. It identifies an opportunity for the early handover of a portion of works between Hume Street and Hovell Tree Drive.

Joss Construction's submission indicated the piling works will be performed using a large crane reaching out and/or through the trees along the riverbank. Smaller cranes and elevated work platforms will be used to place and fix the steelwork to the boardwalks over the river. Tree trimming would be performed as required in line with the environmental conditions to enable these works to occur. Council believes this proposed construction methodology is entirely reasonable and viable. In addition, their proposed draft CEMP is entirely reasonable and suitable for the environmental hazards associated with the project.

Joss Construction's submission demonstrates a sound understanding of the various users of the Riverside Precinct area, and their proposed traffic control devices are in line with Council's

expectations. For most of the works, the Albury Swim Centre car park will have reduced capacity and Hovell Tree Drive will be closed completely. The parking along Hume Street will remain available. Pedestrian and bike path traffic will be diverted around the site through Hovell Tree Park and the Albury Swim Centre car park.

Joss Construction's submission indicated that should they be awarded this tender, the majority of the materials, plant, equipment and labour will be sourced from the local region. A majority of their proposed key subcontractors and suppliers are local and well respected in their respective fields. Their submission indicated community benefit within the local region with extensive sponsorship of various local sporting groups and volunteer organisations.

Excell Gray Bruni Pty Ltd is a locally based company and their submission highlighted a notable similar project in the Lake Mulwala Foreshore Erosion Protection Works project for Goulburn-Murray Water. This project entailed the construction of sheet piling along River Road in Yarrawonga for a retaining wall, and associated demolition, earthworks, stormwater works and landscaping.

Excell Gray Bruni Pty Ltd's submission indicated its current commitments include Kerr Road Reconstruction Stage 6 and Keene Street Reconstruction Stage 1 for Council (anticipated completion in August 2021 and July 2021 respectively), Lawrence Street Bridge Abutments for Wodonga City Council (anticipated completion June 2021), and Glanmire Park for a private developer (anticipated completion July 2021). With these works proposed to start in October 2021, they have capacity to perform the project. However, it should be noted that their proposed project delivery team represents close to half of the staff in their office, which is a significant component of the local office resources. In addition, their submission indicated that they have the required insurances and are financially viable to deliver this project.

Referee information indicated that Excell Gray Bruni Pty Ltd deliver projects to a high standard and are professional in how they manage their construction sites.

Council has extensive experience dealing with Excell Gray Bruni Pty Ltd on many civil infrastructure projects. Most notably with the Kerr Road Reconstruction and Wagga Road Beautification works where they have completed multiple stages respectively. These projects have been undertaken with a high level of service and a quality product being delivered, whilst maintaining minimal disruption to the relevant stakeholders.

Excell Gray Bruni Pty Ltd's proposed project delivery team is well resourced and consists of a project director, two project managers and a site foreman with additional support from head office for safety and health, environment, and quality disciplines. Collectively, their full-time staff dedicated to the project have over 50 years of relevant construction industry experience.

Excell Gray Bruni Pty Ltd's construction program emphasises delivering the more challenging works over the riverbank in the first instance. Beginning with the piling works to the boardwalk. Once this work is complete, the footprint of the works will progress away from the riverbank along the peninsula (i.e. the area between the Murray River and Bungambrawatha Creek) working back towards Hume Street. In parallel to these works, the works along Hovell Tree Drive will occur. It should be noted that the timber decking works to the boardwalks will be performed mid-program. Their construction

program of 162 working days in duration is significantly shorter than Council's estimates, and although it details a logical sequence of activities, the timeframe appears highly optimistic. It identifies an opportunity for the early handover of the portion of works between Hume Street and Hovell Tree Drive.

Excell Gray Bruni Pty Ltd's submission indicated the piling works will be performed with a long-reach piling rig with a 'temporary bench' constructed mid-riverbank-batter to achieve reach where not permissible from the top of the current riverbank. Structural steelwork would be erected using a small crane with elevated work platforms for fixing. Tree trimming would be performed as required in line with the environmental conditions to enable these works to occur. Council believes this proposed construction methodology is entirely reasonable and viable. In addition, Excell Gray Bruni Pty Ltd's proposed draft CEMP is entirely reasonable and suitable for the environmental hazards associated with the project.

Excell Gray Bruni Pty Ltd's submission demonstrates a sound understanding of the various users of the Riverside Precinct area, and their proposed traffic control devices are in line with Council's expectations. For most of the works, the Albury Swim Centre car park will have reduced capacity and Hovell Tree Drive will be closed completely. The parking along Hume Street will remain available. Pedestrian and bike path traffic will be diverted around the site through Hovell Tree Park and the Albury Swim Centre car park.

Excell Gray Bruni Pty Ltd's submission indicated that, should they be awarded this tender, the majority of the materials, plant, equipment, and labour will be sourced from the local region. A majority of their proposed key subcontractors and suppliers are local and well respected in their respective fields. Their submission indicated community benefit within the local region with the sponsorship of various local sporting groups and volunteer organisations.

Regal Innovations Pty Ltd is a company based in Mulgrave NSW. Their submission highlighted a notable similar project in The Drying Green project for the City of Sydney. This project included bulk and detailed earthworks, pavements, walls, metalworks, soft landscaping, electrical works including lighting, shelters, street furniture, signage, etc.

Regal Innovations Pty Ltd's current commitments include The Drying Green for the City of Sydney (anticipated completion December 2021), UNSW Alumni Park for the University of NSW (anticipated completion September 2021), Boongaree Reserve for Shoalhaven City Council (anticipated completion December 2021) and The Milton Park for Campbelltown City Council (anticipated completion July 2021). They have sufficient capacity to perform the project. In addition, their submission indicated that they have the required insurances and are financially viable to deliver this project.

Referee information indicated that Regal Innovations Pty Ltd deliver a high-quality product, use reputable subcontractors and suppliers, and are invested in their projects.

Council does not have any experience with Regal Innovations Pty Ltd.

Regal Innovations Pty Ltd's proposed project delivery team is well resourced and consists of a project director, a project manager and a site foreman with additional support from head office for safety and health, environment, and quality disciplines. Collectively, their full-time staff dedicated to the project have over 40 years of relevant construction industry experience.

Regal Innovations Pty Ltd's construction program indicates the delivery of the bulk earthworks and in-ground utility services prior to starting the more challenging works over the riverbank. Once these elements are complete, the footprint of the works will progress away from the riverbank along the peninsula (i.e. the area between the Murray River and Bungambrawatha Creek) working back towards Hume Street. In parallel to these works, the works along Hovell Tree Drive will occur. Their construction program of 200 working days in duration is slightly shorter than Council's estimates. However, it is considered reasonable and achievable. It should be noted that it is unusual to perform the bulk earthworks and in-ground utility services prior to the piling works over the riverbank, as staging the works in this manner increases the risks of both an environmental incident and damage to completed in-ground utility services. It identifies an opportunity for the early handover of the portion of works between Hume Street and Hovell Tree Drive.

Regal Innovation Pty Ltd's submission indicated little-to-no detail regarding their approach to the piling works and erection of structural steelworks on the riverbank. However, Regal Innovation Pty Ltd's proposed draft CEMP is entirely reasonable and suitable for the environmental hazards associated with the project.

Regal Innovations Pty Ltd's submission indicated a sweeping generalised understanding of the various users of the Riverside Precinct area and did not outline any specific proposed traffic control requirements.

Regal Innovations Pty Ltd's submission indicated that should they be awarded this tender, the majority of the materials will be sourced from the local region. It should be noted that a majority of their proposed key subcontractors and suppliers are not local to the region. In addition, their submission indicated no community benefit within the local region.

Dalski Pty Ltd is a company based in Smithfield NSW. Their submission highlighted a notable similar project in the Dobroyd Road Seawall project for Inner West Council which entailed the construction of the Dobroyd Point Seawall, including rock revetments, seawall steps and salt marsh berms, and associated demolition, earthworks, stormwater works and landscaping.

Dalski Pty Ltd's submission indicated its current commitments include Muswellbrook Animal Shelter for Muswellbrook Shire Council (anticipated completion in December 2021), Banksia Station for Downer (anticipated completion July 2021), Tug Harbour for John Holland Group (anticipated completion August 2022), and Dobroyd Road Seawall for Inner West Council (anticipated completion December 2021). With these works proposed to start in October 2021, they have capacity to perform the project. In addition, their submission indicated that they have the required insurances and are financially viable to deliver this project. With this said, if they were awarded this project, this project would be their biggest current project and would represent a majority of their cashflow.

Referee information indicated that Dalski Pty Ltd deliver a high-quality product, use reputable subcontractors and suppliers, and manage their site works effectively.

Council has no experience dealing with Dalski Pty Ltd.

Dalski Pty Ltd's proposed project delivery team is well resourced and consists of a project director, a project manager and two site foremen with additional support from head office for safety and health, environment, and quality disciplines. Collectively, their full-time staff dedicated to the project have over 55 years of relevant construction industry experience.

Dalski Pty Ltd's construction program emphasises delivering the more challenging works over the riverbank in the first instance. Beginning with the piling works to the boardwalk. Once these works are complete, the footprint of the works will progress away from the riverbank along the peninsula (i.e. the area between the Murray River and Bungambrawatha Creek) working back towards Hume Street. In parallel to these works, the works along Hovell Tree Drive will occur. It should be noted that the timber decking works to the boardwalk will be performed mid-program. Their construction program is 155 working days in duration, which is significantly shorter than Council's estimates, and although it has a logical sequence of activities, the timeframes appear optimistic. It identifies an opportunity for the early handover of the portion of works between Hume Street and Hovell Tree Drive.

Dalski Pty Ltd's submission provided no detail regarding their approach to the piling works and erection of structural steelworks on the riverbank. In addition, their submission provided no draft CEMP.

Dalski Pty Ltd's submission indicated that for most of the works, the Albury Swim Centre car park will have reduced capacity. However, their submission did not indicate any other traffic control measures. In doing so, their submission did not demonstrate a sound understanding of the various users of the Albury Riverside Precinct area.

Dalski Pty Ltd's submission indicated that should they be awarded this tender, the majority of the materials, plant, equipment, and labour will be sourced from the local region. A majority of their proposed key subcontractors and suppliers are local and well respected in their respective fields. Their submission indicated no community benefit within the local region.

In summary, from the information provided, all companies demonstrate the required management systems, experience, construction plant, resources, and availability to provide AlburyCity with a quality product.

With the above said, the tender assessment panel deemed both Excell Gray Bruni Pty Ltd and Joss Construction as best placed to deliver the project.

Tenderers were asked to specifically outline:

- their construction methodology for the works over the Murray River;
- their proposed traffic control devices to maintain pedestrian and bike path traffic along the Murray River, and parking to the Albury Swim Centre car park; and

- a draft Construction Environmental Management Plan (CEMP) which includes work method statements that set out how it will avoid and minimise impacts on key sensitive environments.

Both Regal Innovations Pty Ltd and Dalski Pty Ltd failed to adequately address the items above and this presents a high risk to Council. Notwithstanding this, they have been considered in the quantitative assessment. However, based on this qualitative assessment, engaging either Regal Innovations Pty Ltd or Dalski Pty Ltd presents a risk to Council.

Quantitative Assessment (100%)

The lump sum tender prices and ratings relative to the lowest price are tabulated below.

Company	Estimated Contract Value (including GST) for 3 Year Term	Rating (100)
Excell Gray Bruni Pty Ltd	\$8,744,120.00	100
Dalski Pty Ltd	\$8,835,674.84	99
Colin Joss & Co t/a Joss Construction	\$8,997,456.45	97
Regal Innovations Pty Ltd	\$11,986,741.23	73

The budget allocation for the project is \$9.4M including GST, with all submissions being within the allocated budget, with the exception of the submission from Regal Innovations Pty Ltd. As previously noted, Council received a revised cost plan from quantity surveyors Wilde and Woollard (based on the tender design documentation) of \$8.8M including GST, which is consistent with the submissions received.

As detailed above, the submission from Excell Gray Bruni Pty Ltd was the most favourable from a cost perspective, being \$92K (1%) more favourable than Dalski Pty Ltd, \$253K (3%) more favourable than Joss Construction and \$3.2M (37%) more favourable than Regal Innovations Pty Ltd.

Risk

- **Business Risk** – Financial risks are possible, most likely associated with scope creep or latent conditions associated with differing inground conditions than those anticipated. However, these risks have been minimised through a clearly defined scope of works, geotechnical investigations, and conservative pile depths nominated in the tender documentation. The Coronavirus (COVID-19) pandemic and its impact on the construction and building industry is ever evolving. It is unknown at this time what this risk may be to Council.
- **Corporate Risk** – Corporate risks are possible primarily associated with the disruptions to the Albury Swim Centre. The project will utilise some of the car park footprint, and any delays during construction will prolong the reduced capacity of the car park potentially damaging the AlburyCity Brand.
- **WHS and Public Risk** – WHS risks due to the construction works will be controlled in accordance with AlburyCity procedures. The contractor will be WHS registered with AlburyCity

and will be required to implement relevant Safe Work Method Statements and safety inspections.

- **Environmental Risk** – The contractor will be required to submit a Construction Environmental Management Plan and Environmental Control Plans, addressing environmental controls to be implemented; in particular, erosion and sediment controls, noise, and air quality.
- **Delivery Program Risk** – Standard delivery program risks are possible, such as delays due to inclement weather, delays due to latent conditions and contractor-caused delays.

Community Engagement

The Albury Riverside Precinct is identified in the Council endorsed Murray River Experience Master Plan, which included extensive stakeholder engagement and a public exhibition process. In addition, the Albury Riverside Precinct concept designs were subject to a further public exhibition process in 2019.

To keep the community informed of both the design and construction process of the project, the Albury Riverside Precinct has been included in the Major Projects section of the website. In addition, updates will be provided through News from AlburyCity and via social media.

The project is relevant to a number of strategic plans such as Albury 2030 and the Two Cities One Community Strategic Plan as outlined below:

1. **Albury 2030;**

This project identifies with Albury 2030's theme of 'a caring community' and specifically with outcome 3.4 'Albury offers a diverse and accessible range of facilities and activities for all ages'. Specifically, the delivery of this project promotes and encourages health lifestyles through development and efficient use of sporting, recreational, educational, and cultural facilities and infrastructure;

2. **Two Cities One Community Strategic Plan;**

This project identifies with the Two Cities One Community Strategic Plan community aspiration of 'our community' and specifically with outcome 3.3 'our community is healthy and has a strong sense of wellbeing'. The delivery of this project improves the user experience along the Murray River and Hovell Tree Park. As a premier regional facility, users of the Albury Riverside Precinct will travel from both sides of the border in the local government areas of Albury City Council, City of Wodonga, Federation Council, Indigo Shire, Greater Hume Council and Towong Shire.

Summary

The scoring for the qualitative and quantitative assessment is summarised in the following table:

Company	Quantitative	Qualitative
Excell Gray Bruni Pty Ltd	100	75
Dalski Pty Ltd	99	51
Colin Joss & Co t/a Joss Construction	97	81
Regal Innovations Pty Ltd	73	62

From the qualitative assessment, both Joss Construction and Excell Gray Bruni Pty Ltd have the required management systems, experience, resources, and availability to successfully undertake this project. The tender assessment panel deemed Dalski Pty Ltd and Regal Innovations Pty Ltd as presenting a high risk to Council in achieving a quality product as their submissions failed to address specific questions regarding their proposed construction methodology, traffic management and environmental controls.

As detailed in the qualitative assessment, the timeframes to complete the project provided by Excell Gray Bruni and Dalski Pty Ltd were also considered to be optimistic with the project more likely to be in line with those detailed by Council's estimate (i.e. 265 to 315 working days). The pricing provided in both submissions is consistent with the estimate and budget provided and therefore provides confidence around the required delivery timeframes.

From a quantitative perspective, the submission from Excell Gray Bruni Pty Ltd was assessed as being the most advantageous. The submission was between \$92K (1%) and \$3.2M (37%) more favourable than the other submissions.

Therefore, based on the qualitative and quantitative assessments, it is deemed that the submission from Excell Gray Bruni Pty Ltd provides the best value for Council to deliver this project.

Conclusion

Council invited tenders for Albury Riverside Precinct and received four submissions.

The development of the riverside area behind the Albury Swim Centre along the Murray River between Hume Street and the Bungambrawatha Creek, known as the Riverside Precinct, was one of the key projects identified in the Murray River Experience Master Plan.

The Albury Riverside Precinct development will transform this section of the river within the Riverside Precinct and will change the way both residents and visitors interact with the Murray River and its surrounding open space. The scope of works for the project includes the development of the following public infrastructure:

- a boardwalk along the river;
- a floating jetty with access and mooring points;

- car parking improvements including lighting;
- built shade structures;
- improved pedestrian links with the Wagirra Trail, central business district, and Hovell Tree Park; and
- both soft and hard landscaping improvements.

A quantitative and qualitative assessment indicated that Excell Gray Bruni Pty Ltd was the most favourable submission. Their tendered price of \$8,744,120.00 including GST is within the budget allocation of \$9.4M including GST.

Recommendation

That Council accepts the tender from Excell Gray Bruni Pty Ltd for Contract No. 20/02769, the 'Albury Riverside Precinct' for the lump sum amount of \$8,744,120.00 including GST.

Attachments

1. Riverside Location Plan (DOC21/145934).
2. Riverside Precinct Concept Plans (DOC21/56517).