

CM13.5. Kerr Road Reconstruction Stage 6 Contract No. 19/03632

DATE	26 November 2019	FIL REFERENCE	FIL19/03632
CONFIDENTIAL	No		
FURTHER ENQUIRIES	Andrew Lawson City Projects	PHONE	02 6023 8111
AUTHOR	Kamrul Hasan		

Purpose of Report

To recommend a preferred contractor for the reconstruction of Kerr Road Stage 6, through a qualitative and quantitative assessment.

Background

Kerr Road is in poor condition and requires a full reconstruction. Five stages of the Kerr Road upgrade have already been completed and this stage is to improve the intersection with Thurgoona Drive. Kerr Road also forms critical infrastructure as part of Council's Local Environmental Plan (2010) and the Thurgoona/Wirringa Precinct Structure Plan, being a key access avenue to the City's growth area.

As part of Council's ongoing commitment to improving the standard and safety of Council's road network, Kerr Road has been identified for major reconstruction. Council is also committed to provide a high-quality water supply to our community. The water main construction under this contract forms a part of a greater network of future water mains that will deliver high-quality water to the Thurgoona/Wirringa growth area.

The scope of the works included in this contract is summarised below:

- relocation of 420 metres of electrical assets from overhead to underground including installation of light poles and a new switching station;
- 480 metres of 750 diameter and 600 diameter water supply pipe installation;
- 230 metres of sewer main reconstruction;
- construction of a roundabout and reconstruction of 500 metres of associated roads;
- 9,500 square metres of pavement reconstruction;
- 700 metres of kerb and gutter;
- 220 metres of piped drainage;
- 135 metres of box culvert drainage;
- line marking and traffic sign installation;
- 1,010 metres shared path construction; and
- landscaping including topsoiling, filling, shaping and hydro seeding.

Tenders were invited for Contract No.19/03632 – Kerr Road Reconstruction Stage 6, and advertised in the Border Mail, Sydney Morning Herald and on Tenderlink. Tenders closed at 12 noon on Tuesday 29 October 2019.

The contract duration is estimated at 24 weeks and will be completed in the 2019/20 financial year.

Council's budget allocation for the project is \$3.245M including GST.

A location plan is attached for information.

Tender Assessment

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

- Excell Gray Bruni Pty Ltd (Wodonga VIC);
- A P Delaney & Co Pty Ltd (Albury NSW); and
- Cartwright Civil Contracting Pty Ltd (Wodonga VIC).

All tenders were evaluated in accordance with Council's Procurement Policy and Guidelines. The assessment panel for the tender comprised Corporate Accountant – Glen Sherlock, Senior Design Engineer – Alan Rodgers, Engineering Designer – Kamrul Hasan and Senior Project Engineer – Ross Tuckwell.

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
Excell Gray Bruni Pty Ltd	✓	✓	✓	Fully Complies
A P Delaney & Co Pty Ltd	✓	✓	✓	Fully Complies
Cartwright Civil Contracting Pty Ltd	✓	✓	✓	Fully Complies

As indicated above, all submissions were assessed as conforming tenders. Excell Gray Bruni Pty Ltd and A P Delaney & Co Pty Ltd are WHS registered with Council and Cartwright Civil Contracting Pty Ltd provided enough information to be WHS registered with Council.

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 methodology 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 (30%)	Methodology & Program (25%)	Capacity (20%)	Capability (15%)	Local Benefit (10%)	Total (100)
Excell Gray Bruni Pty Ltd	28	20	16	15	7	86
A P Delaney & Co Pty Ltd	28	14	16	15	8	81
Cartwright Civil Contracting Pty Ltd	24	18	16	12	6	76

Excell Gray Bruni Pty Ltd is a locally based company and has undertaken a number of similar projects throughout New South Wales and Victoria. Recently the company has completed High, South and Bond Street reconstruction in Wodonga, and Drome Street, Alexandra Street and Borella Road roundabout for Bunnings Group in Albury. Excell Gray Bruni Pty Ltd also successfully completed all previous stages of Kerr Road (Stages 1-5). Their current work commitment includes Greta Road roundabout project in Wangaratta expected to be completed in December 2019.

Referee information indicated that the company typically completed projects to a high standard on or before the date of practical completion. The company has good coordination procedures and is professional in managing the construction site, their suppliers and subcontractors.

Overall, Excell Gray Bruni Pty Ltd's standard of works and procedures has been to a high standard on similar projects for AlburyCity including Kerr Road Reconstruction Stages 1 - 5 and the Wagga Road Beautification Project - Stage1. The company has extensive experience on similar projects.

The company has submitted a detailed works methodology, outlining their intended works methods and staging of the project. The attached works program provided a clear timeline of works and indicated a contract period of 16 weeks. The company has submitted an extensive range of their management systems including Safe Work Method Statements, Environmental Management System, Workplace Health and Safety Management System, and Quality Management System.

Excell Gray Bruni Pty Ltd have indicated that should they be awarded this tender, 100% of the materials, plant and labour will be sourced from the local region. The company has also listed a number of local community groups, sporting groups and fundraising events which they sponsor.

A P Delaney & Co Pty Ltd is a locally based company and has undertaken a number of similar projects in Victoria and New South Wales. Recently the company has completed bulk earthworks, building bench and car park extension for Department of Defence; civil and pavement works for Albury Wodonga Health and roads and associated services for Woolshed Estate Stage 3, Thurgoona. Their current commitments include a number of large-scale projects, Ettamogah Rail Hub – Siding Extension (expected to be completed in February 2020), Brooklyn Fields – Stage 2 (expected to be completed in April 2020) Monument Hill Redevelopment (expected to be completed in March 2020), Lavington Sports Ground Redevelopment (expected to be completed in February 2020) and White Box Rise Estate – Stage 26 (expected to be completed in November 2019).

Referee information indicated the company completed projects to a very high standard and typically completed projects within the allocated time frames. The company is quick to respond to scope changes and is very professional in operation.

A P Delaney & Co Pty Ltd's work and procedures have met high standards on similar projects for AlburyCity (Nexus Industrial Subdivision Stage 1 and Travelstop Way roundabout).

The company has indicated a contract period of 18 weeks within their submission, provided a brief construction methodology but a detailed program of works. The company listed an extensive amount of equipment available and robust management systems.

A P Delaney & Co Pty Ltd have indicated within their submission that should they be awarded this contract, 100% of the suppliers, subcontractors and materials for this project would be sourced locally. A P Delaney & Co Pty Ltd also note a significant number of community groups, sports teams and events for which they provide sponsorship within the local region, as well as a history of providing opportunities for Engineering students to gain valuable work experience within the construction industry.

Cartwright Civil Contracting Pty Ltd is a locally based company and has undertaken a number of similar projects in Victoria and New South Wales. Recently the company has completed a number of subdivisions including Yarrabee Park Stages 1, 2 and 4, Illuka Estate Stages 2 and 3 in Thurgoona, Collina Estate Stages 1-3 in Griffith, Ettamogah Rise Estate in Springdale Heights, Chisholm Estate in Albury as well as Cambourne Park in Wodonga.

They currently have five projects in hand including Collina Estate Stages 5, 7 and 9, Griffith (expected to be completed in November 2019), Yarrabee Estate Stage 3, Thurgoona (expected to be completed in December 2019), Albury Airport Stage 4 (expected to be completed in November 2019), Ceres Drive, Thurgoona (expected to be completed in February 2020) and Dan Mara Estate, Thurgoona (expected to be completed in May 2020).

Referee information indicated the company typically completed projects to a high standard and within the allocated time frames. The company is cooperative and has been involved in a number of projects throughout the region.

Overall Cartwright Civil Contracting Pty Ltd's standard of works and procedures have met the requirements on similar projects for AlburyCity (Racecourse Road Stage 2).

The company has submitted a detailed methodology which highlighted how they plan to deal with a number of key site issues. The works program included in the submission gave a clear timeline of works and indicated a contract period of 24 weeks.

Cartwright Civil Contracting Pty Ltd has stated that if successful 100% of the labour, plant and materials for this project will be sourced locally. The company has also indicated that they are open to assisting people looking for work and they will hire an additional traffic controller if successful.

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

Quantitative Assessment (100%)

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

Company	Tendered Price (including GST)	Rating (Max. 100)
Excell Gray Bruni Pty Ltd	\$3,314,986.48	100
A P Delaney & Co Pty Ltd	\$3,352,580.00	99
Cartwright Civil Contracting Pty Ltd	\$3,506,042.63	95

The budget allocation for the project is \$3.245M including GST. All submissions were slightly higher than the budget provision.

As detailed above, the submission from Excell Gray Bruni Pty Ltd was the most favourable from a cost perspective, being \$37.5K (1%) more favourable than A P Delaney & Co Pty Ltd and \$191K (6%) more favourable than Cartwright Civil Contracting Pty Ltd.

Risk

- Business Risk – financial risks are possible if latent/unknown construction issues are encountered, a geotechnical investigation, as well as environmental investigations have been undertaken to reduce this risk. Risks associated with failing to comply with environmental conditions and mitigation measures are outlined in the Review of Environmental Factors and Test of Significance.
- Corporate Risk – this project is located within one of the primary growth corridors of the Albury Wodonga region and as such, will be highly visible to the community. The completion of this project will support both the continued development occurring within this area and Council's ongoing commitment to efficiently and effectively managing community assets. This risk area is considered low.
- WHS and Public Risk - WHS risks due to the construction works will be controlled in accordance with AlburyCity procedures, ie the contractor will be WHS registered by AlburyCity and will be required to implement relevant Safe Work Method Statements and safety inspections.
- Delivery Program Risk – standard risks associated with construction are possible, ie delays due to inclement weather and changes due to latent/unknown construction issues. However, the construction is scheduled to occur during summer and site investigations have been undertaken during the design and planning phase. Therefore, Delivery Program Risks are considered low.

Community Engagement

This project is within a major growth corridor of the City and is included as an initiative within the Thurgoona Wirlinga Structure Plan, Council's Infrastructure Contributions Plan and is consistent with various themes within The Community Strategic Plan - Albury 2030, all of which have undergone extensive community consultation prior to adoption. The project was subsequently included in the 2019/20 Delivery Program, which was endorsed by Council following community consultation.

Summary

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

Company	Qualitative	Quantitative
Excell Gray Bruni Pty Ltd	86	100
A P Delaney & Co Pty Ltd	81	99
Cartwright Civil Contracting Pty Ltd	76	95

From the qualitative assessment, all companies have the required management systems, experience, resources and availability to successfully undertake this project.

From a quantitative perspective the submission from Excell Gray Bruni Pty Ltd was the most advantageous being between \$37.5K and \$191K (1% and 6%) 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 to deliver this project.

Conclusion

Council invited tenders for Kerr Road Reconstruction Stage 6 and received three submissions. Tender submissions were received for this project from Excell Gray Bruni Pty Ltd, Cartwright Civil Contracting Pty Ltd and A P Delaney & Co Pty Ltd.

The scope of the contract includes electrical asset relocation, water supply main installation, sewer main reconstruction, construction of a roundabout, pavement reconstruction, kerb and gutter, drainage, shared path construction and landscaping of the area.

A quantitative and qualitative assessment indicated that Excell Gray Bruni Pty Ltd was the most favourable submission. Their tendered price of \$3,314,986.48 is slightly higher than the budget allocation of \$3.245M. This minor shortfall in general fund can be accommodated within the overall 2019/20 budget, including potential savings from other projects and/or the allocation of additional funds.

Recommendation

That Council accepts the tender from Excell Gray Bruni Pty Ltd for Contract No.19/03632 – Kerr Road Reconstruction Stage 6, in the lump sum amount of \$3,314,986.48 including GST.

Attachment

Location Plan (DOC19/170513)