CM13.1. Albury Airport Taxiway Bravo Upgrade Contract No. 23/01221

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CONFIDENTIAL	No		
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Purpose of Report

To recommend a preferred contractor for the upgrade of Taxiway Bravo at Albury Airport, through a quantitative and qualitative assessment.

Background

Albury Airport (ABX) is owned and operated by Albury City Council and is located on the eastern side of Albury, less than a 10-minute drive from the Albury CBD. ABX occupies an area of approximately 106.9 hectares and services a range of aviation industries including Regular Passenger Transport (RPT), aircraft maintenance and other general aviation. The airport also provides support to both New South Wales and Victorian aerial firefighting and aeromedical capabilities, and the Department of Defence.

Taxiway Bravo is the primary Code C taxiway that connects the General Aviation (GA) Apron and Southern Apron to Runway 07/25 via Taxiway Alpha. This taxiway services both New South Wales and Victorian Large Aerial Tankers, and heavier Defence aircraft. Additionally, during times of maintenance and construction the Southern Apron acts as the secondary RPT apron for prescribed air services.

Taxiway Bravo is exhibiting various signs of pavement failure due to its age and the inadequate strength of the pavement for the design loading. The upgrade of Taxiway Bravo will increase safety and amenity through improved strength and surface geometry, ensuring continuous operation of the taxiway and its connections into the future.

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

- provide an asphalt overlay to strengthen the existing pavement, and to establish sealed shoulders incorporating the previously installed aeronautical ground lighting (Code C); and
- create a larger intersection between Taxiway B and the Southern Apron including appropriate markings and lighting to ensure compliance with the regulations, thereby facilitating the safe movement of air and ground transport.

Tenders were invited for Contract No. 23/01221, and advertised in The Border Mail, Sydney Morning Herald and on Tenderlink. Tenders closed at 12 noon on Tuesday, 4 July 2023.

The contract duration is estimated at 18 weeks and will be completed in the 2023/24 financial year.

Included in the 2023/24 Operational Plan is a multi-year budget allocation of $4.631M (including GST) comprising $1.0M in grant funding under the Regional Airport Program Round 2, for the delivery of four projects including:

- Extension of Taxiway C Stage 2;
- General Aviation Development Western Precinct;
- Northern Apron Resurfacing; and
- Reshape & Strengthen Taxiway Bravo (this contract).

Of the $4.631M (including GST) in the Operational Plan, $3.751M (including GST) is allocated in the 2023/24 delivery year.

The original budget estimate of $1.1M (including GST) for this project was developed in early 2021. Following detailed planning and design a pre-tender estimate was completed in May 2023 by Council's independent design consultant valuing the project at approximately $2.569M (including GST).

A location plan is attached for information.

Tender Assessment

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

- AP Delaney & Co Pty Ltd (Albury, NSW);
- Ace Infrastructure Pty Ltd (Nunawading, VIC);
- Bild Infrastructure Pty Ltd (Moama, NSW);
- Downer EDI Works Pty Ltd (North Ryde, NSW);
- Symal Infrastructure Pty Ltd (T/A Grampian Excavations) (Spotswood, VIC);
- Huon Contractors Pty Ltd (Fyshwick, ACT); and
- Winslow Constructors Pty Ltd (Wodonga, VIC).

All tenders were evaluated in accordance with Council's Procurement Policy and Guidelines. The assessment panel for the tender comprised Sourcing Coordinator – Paul Dwyer, Team Leader Project Delivery – Isaac Greene and Senior Project Engineer - Kyal Sharpe.

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
AP Delaney & Co Pty Ltd	Yes	Yes	Yes	Conforming
Ace Infrastructure Pty Ltd	Yes	Partial	Yes	Non-Conforming
Bild Infrastructure Pty Ltd	Yes	Yes	Yes	Conforming
Downer EDI Works Pty Ltd	Yes	Partial	Yes	Non-Conforming
Huon Contractors Pty Ltd	Yes	Yes	Yes	Conforming
Symal Infrastructure Pty Ltd	Yes	Partial	Yes	Non-Conforming
Winslow Constructors Pty Ltd	Yes	Yes	Yes	Conforming

As indicated above, all submissions were assessed as conforming tenders other than the submission received from Ace Infrastructure, Downer EDI Works Pty Ltd, and Symal Infrastructure Pty Ltd. The submissions received from the aforementioned companies contained significant qualifications and commercial departures that were inconsistent with the Request for Tender documentation. Therefore, the submissions from Ace Infrastructure, Downer EDI Works Pty Ltd, and Symal Infrastructure Pty Ltd were not considered further for this contract.

AP Delaney & Co Pty Ltd is WHS Registered with Council; all other companies provided the necessary documentation to demonstrate the ability to meet Council's WHS requirements.

Quantitative Assessment (100%)

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

Company	Contract Value (including GST)	Rating (100)
AP Delaney & Co Pty Ltd	$2,089,450.00	100
Winslow Constructors Pty Ltd	$2,265,207.98	92
Bild Infrastructure Pty Ltd	$2,944,796.80	71
Huon Contractors Pty Ltd	$3,632,295.00	58

The original budget estimate for this project was $1.1M (including GST), with no submissions received within the allocated budget. In May 2023 a pre-tender estimate for the project was developed which indicated a project cost in the order of $2.569M (including GST) with two submissions being within this estimate.

As detailed above, the submission from AP Delaney & Co Pty Ltd was the most favourable from a cost perspective, being $176K (8%) more favourable than Winslow Constructors Pty Ltd, and $855K (41%) more favourable than Bild Infrastructure Pty Ltd. The remaining submission from Huon Contractors Pty Ltd is substantially higher than the other submissions (between 23% and 74%) and the May 2023 cost estimate (41%) and for this reason was not considered further for this contract.

A multi-year budget allocation of $4.631M is included in the 2023/24 Operational Plan for the delivery of four airport projects which are all currently at varying stages in the planning and delivery process and planned to be delivered over multiple years. Sufficient funding is available in the current year ($3.751M including GST) to deliver this contract with any required funding adjustments for the remaining three projects, following detailed design and estimates, capable of being made at future Quarterly Budget Reviews and in the development of the 2024/25 Operational Plan considering project timing/scheduling, project savings and/or allocation of additional funds as required.

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 (30%)	Capacity (20%)	Capability (10%)	Local Benefit (10%)	Total (100%)
AP Delaney & Co Pty Ltd	26	24	17	9	8	84
Bild Infrastructure Pty Ltd	20	24	17	9	2	72
Winslow Constructors Pty Ltd	22	18	16	8	6	70

AP Delaney & Co Pty Ltd is a local company based in Albury NSW and has undertaken a wide range of civil infrastructure projects in the local area. The company has completed numerous previous projects for Council; recent projects include Glenmorus Gardens Road Extension ($200K), Nexus Stormwater Basin ($300K) and Monument Hill Redevelopment ($1.5M). AP Delaney & Co Pty Ltd previously completed the upgrade of the Regular Public Transport (RPT) apron and adjoining taxiways at Albury Airport in 2013 ($2.5M).

Their current work commitments include Logic Drainage Basin (expected completion, October 2023), Brooklyn Fields Stage 5 (expected completion, December 2023), and Corowa Saleyards Upgrade (expected completion, December 2023). The assessment panel considered the company's current commitments and available resources and determined that should AP Delaney & Co Pty Ltd be awarded this tender, they would have sufficient capacity to undertake the project.

Referee information indicated that AP Delaney & Co Pty Ltd is a capable and cooperative contractor that delivers projects to a high standard. Council has extensive experience with AP Delaney & Co Pty Ltd, throughout which the company has consistently provided quality outcomes.

The submission provided by AP Delaney & Co Pty Ltd included a construction methodology and detailed construction program. The methodology provided addresses key elements of the project and is consistent with the required staging of construction. The construction program includes a logical work breakdown addressing all activities; the program indicates a construction duration of 23 weeks (inclusive of a two-week Christmas holiday shut down).

The company indicated that should they be awarded this tender, 100% of materials and labour would be sourced locally. AP Delaney & Co Pty Ltd provides sponsorship to numerous local organisations, including Albury Tigers Football Club, Albury Golf Club, Ronald McDonald House (Wodonga), and Stars of the Border (Cancer Council), amongst others.

Bild Infrastructure Pty Ltd is a civil construction company based in Campbellfield VIC with offices throughout Australia, including a regional office in Moama NSW. The company has extensive experience in various forms of civil construction and has completed subcontract works for several airport projects. Previous projects completed by Bild Infrastructure Pty Ltd include Hay Regional Airport Aerodrome Works ($150K), Norfolk Island Airport Runway Upgrade ($2.2M), and Alice Springs Airport Upgrade ($800K).

Their current work commitments include Henty Highway Culvert Replacement (expected completion, January 2024), Midland Highway Stage 6 (expected completion, December 2024), Girgarre-Rushworth Bridge Replacement (expected completion, August 2023), Deniliquin Airport Runway & Lighting Upgrade (expected completion, September 2023), and flood recovery works for MRPV (expected completion, July 2023). Based on the company's current commitments and available resources, the tender assessment panel determined that Bild Infrastructure Pty Ltd would have adequate capacity to undertake the project, should they be awarded this tender.

Referee information indicated that the company's experience in airport construction works is limited in contrast to their extensive road construction experience, however the company is generally cooperative and well performing. Bild Infrastructure Pty Ltd has not previously undertaken projects for Council.

Bild Infrastructure Pty Ltd provided a high-quality submission inclusive of a detailed methodology and construction program. The methodology was consistent with the required construction staging and provided clear information on each key element of the project. The construction program included a logical work breakdown with a total duration of 17 weeks, which is considered an efficient timeframe.

The company indicated that should they be awarded this tender, the majority of labour and subcontractors would be sourced locally. Notwithstanding, the company provides limited benefit to the local community as they are not locally based and do not provide sponsorship to local organisations.

Winslow Constructors Pty Ltd is a civil construction company based in Campbellfield VIC, with additional offices throughout the eastern seaboard, including locally in Wodonga. The company has extensive experience in civil construction and has previously completed multiple airport projects. Previous projects completed by Winslow Constructors Pty Ltd include the Mount Beauty Airport Upgrade ($2M), Moorabbin Airport Upgrade ($2.5M), and Warrnambool Airport Upgrade ($1.5M).

The company's current work commitments include Leneva Valley Estate – Stage 2 (expected completion February 2024), Silverwoods Estate – Stage 9B & 9C (expected completion March 2024), and Cobram 88 – Stages 1-3 (expected completion December 2023). Based on the company's current commitments and available resources, the assessment panel deemed that should Winslow Constructors Pty Ltd be awarded this tender, they would have sufficient capacity to undertake the project.

Referee information indicated that Winslow Constructors Pty Ltd is capable and cooperative. The company has not completed any previous projects for Council.

Winslow Constructors Pty Ltd provided a basic methodology and construction program in their tender submission. The methodology and program identified the requirement for construction staging to facilitate continuous access to the Southern Apron, however the methodology was otherwise limited in detail. The construction program indicated a duration of 10 weeks, which is considered optimistic.

The company indicated that should they be awarded this tender, the majority of labour and materials would be sourced locally. Winslow Constructors Pty Ltd provides sponsorship to the Wodonga Bulldogs Football and Netball Club.

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

Risk

- **Business Risk** – financial risks during construction are possible if latent/unknown conditions are encountered. Risks during construction have been mitigated through an extensive site investigation, which informed detailed requirements within the contract.

- **Corporate Risk** – this project is located within the Albury Airport which is subject to high levels of public visitation as well as commercial operations; hence, the project will be visible to the community. The works will be undertaken in several stages to ensure stakeholder disruption is minimised through the duration of the project. The successful delivery of this project will provide improved amenity for users of the Albury Airport, and overall risk in this area is considered low.

- **WHS and Public Risk** – WHS risks due to the construction works will be controlled in accordance with AlburyCity and Albury Airport procedures. The contractor will be WHS registered with AlburyCity and will be required to implement a relevant WHS Management Plan, including Safe Work Method Statements and safety inspections. The works will be supervised by an Airport Reporting Officer (ARO) at all times during construction.

- **Environmental Risk** – a Review of Environmental Factors (REF) has been undertaken for these works to identify any risks and suitable measures to mitigate them. The REF determined that the risks identified were considered low, particularly given that the work area is already heavily disturbed by airport operations and previous construction activities. Sediment and erosion practices will be implemented throughout the project.

- **Delivery Program Risk** – standard risks associated with construction are possible, including delays due to inclement weather and changes due to latent/unknown construction issues. Notwithstanding, the work site is a constructed environment with existing drainage and pavement which will provide good access, minimising potential delivery risk. Extensive site investigations have been undertaken during the design and planning phase, with results indicating the risk to delivery is low.

Community Engagement

The project is consistent with various themes within the Towards Albury 2050 Community Strategic Plan, which has undergone extensive community consultation prior to adoption.

The project aligns with several outcomes contained within Towards Albury 2050 including:

1.1 Albury is a liveable city supporting sustainable population growth through the provision of high-quality infrastructure, industry leading services and high levels of amenity.

1.1.1 Responsibly provide residential and commercial development options for our growing city, whilst prioritising sustainability.

1.2 Albury *has an accessible, integrated transport network that connects our city through safe and efficient travel options.*

1.2.1 Effectively plan, upgrade, and maintain our network of roads, bridges, cycleways, footpaths, walkways, and street lighting.

The project was subsequently included in the 2023/24 Delivery Program, which was endorsed by Council following extensive community consultation.

Summary

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

Company	Quantitative	Qualitative
AP Delaney & Co Pty Ltd	100	84
Winslow Constructors Pty Ltd	92	70
Bild Infrastructure Pty Ltd	71	72

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 AP Delaney & Co Pty Ltd was assessed as being the most advantageous. The submission was between $176K (8%) and $855K (41%) more favourable than the other submissions.

Therefore, based on the qualitative and quantitative assessments, it is deemed that the submission from AP Delaney & Co Pty Ltd provides the best value for Council to deliver this project.

There are sufficient funds included in the 2023/24 Delivery Program to deliver this contract with any future adjustments required to deliver the remaining airport projects capable of being accommodated at future Quarterly Budget Reviews and in the development of the 2024/25 Operational Plan considering project timing/scheduling, project savings and/or allocation of additional funds as required.

Conclusion

Council invited tenders for the upgrade of Taxiway Bravo at Albury Airport and received seven submissions.

Taxiway Bravo is the primary Code C taxiway that connects the General Aviation (GA) Apron and Southern Apron to Runway 07/25 via Taxiway Alpha. Taxiway Bravo is exhibiting various signs of pavement failure due to age and inadequacy of the pavement for the design loading. The upgrade of Taxiway Bravo will increase safety and amenity through improved strength and surface geometry, ensuring continuous operation of the taxiway and its connections into the future.

The scope of works includes an asphalt overlay to strengthen the existing pavement, asphalt shoulders incorporating previously installed AGL lighting, and reconstruction of the intersection of the Southern Apron, Taxiway Juliet, and Taxiway Bravo to improve geometry.

A quantitative and qualitative assessment indicated that AP Delaney & Co Pty Ltd was the most favourable submission. Their tendered price of $2,089,450.00 including GST is considered value for money and the most advantageous for Council.

Recommendation

That Council accepts the tender from AP Delaney & Co Pty Ltd, for Contract No. 23/01221 Albury Airport – Taxiway Bravo Upgrade, for the lump sum amount of $2,089,450.00 (including GST).

Attachments

1. Review of Environmental Factors (DOC23/226551)
2. Locality Plan (DOC23/350739)