

CM13.3. Wonga Wetlands Water Main Contract No. 21/02109

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CONFIDENTIAL	No		
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Purpose of Report

To recommend a preferred contractor for the construction of the Wonga Wetlands Water Main – McLeod Court to Wonga Wetlands, through a qualitative and quantitative assessment.

Background

The Wonga Wetlands Water Main construction from McLeod Court to Wonga Wetlands is the first stage of the Wonga Wetlands Visitor Education and Experience Centre Redevelopment project. The purpose of this contract is to provide mains water to the Wonga Wetlands site, to service the upcoming redevelopment project.

This contract forms part of the NSW Regional Growth Environment and Tourism Fund (RGETF) project. The Wonga Wetlands Visitor Education and Experience Centre Redevelopment will provide a gateway to one of our riverside jewels, the beautiful Wonga Wetlands. The Visitor Education and Experience Centre project will also include landscaping and car park improvements to provide an enhanced experience for an estimated 4,000 visitors per month with a focus on educating school groups, community, and regional visitors about the wonders of the wetlands.

The Visitor Education and Experience Centre will strengthen the city's lifestyle and nature-based tourism offer while also providing a venue that can cater to large events and functions, right at the doorstep to the network of lagoons that make up habitat for thousands of native birds and animals. The Visitor Education and Experience Centre will commence construction in 2022 and is planned to be completed in the 2022/2023 year.

There are two RGETF projects at Wonga Wetlands. The second involves the construction of a further 12 kilometres of the Wagirra Trail around Wonga Wetlands following the Murray River. The construction of the water main will provide critical infrastructure to support both projects.

Additionally, this main will service five existing residential dwellings along the route.

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

- Supply and installation of approximately 1530m of 150mm diameter mPVC water main from McLeod Court, West Albury to Laboratory Lane.

- Supply and installation of approximately 1800m of 100mm diameter mPVC water main from Laboratory Lane to Wonga Wetlands, and east along the Riverina Highway to service five residential properties.
- Supply and installation of approximately 130m of 125mm diameter HDPE water main and 130m of 200mm diameter HDPE water main in locations requiring under-boring of creeks.
- Supply and installation of all associated fittings and materials to complete the water main construction.
- Construction of two water main bridge crossings along the Wagirra Trail.
- Supply and install five residential property water services.

The water main alignment begins at McLeod Court, West Albury, and heads westerly along Annette Avenue through private land (Waterview Wastewater Treatment Plant) and southerly along Laboratory Lane. Towards the end of Laboratory Lane, the watermain takes two directions:

1. In an easterly direction along Riverina Highway to service five existing dwellings; and
2. In a westerly direction with the alignment to follow the Riverina Highway, at the outside of the road reserve, terminating at the Wonga Wetlands Education Precinct.

Tenders were invited for Contract No. 21/02109 Wonga Wetlands Water Main – McLeod Court to Wonga Wetlands and advertised in the Border Mail and on Tenderlink. Tenders closed at 12 noon on Tuesday 31 August 2021.

The contract duration is estimated to be 16 weeks and will be completed in the 2021/22 financial year. Council's budget allocation for the project is \$902K including GST.

A location plan is attached for information.

Tender Assessment

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

- Abbott Construction (Ettamogah NSW);
- Cartwright Civil (Wodonga VIC);
- Longford Civil (Howlong NSW);
- Trazlbat Pty Ltd (Yagoona NSW); and
- Utilstra Pty Ltd (Fyshwick ACT).

All tenders were evaluated in accordance with Council's Procurement Policy and Guidelines. The assessment panel for the tender comprised Brad Willis – Team Leader Quality & Systems, Kyal Sharpe – Project Engineer, Vaisakh Harikumar – Project Engineer, Jordan Clancy – Acting Supervisor Mechanical Maintenance & Construction and Brooke Starkey – Sourcing Co-ordinator in consultation with Elisha Lieschke – Team Leader Procurement Services and Darren Millar – Senior Design Engineer.

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
Abbott Construction Pty Ltd	✓	✓	✓	Conforming
Cartwright Civil Contracting Pty Ltd	✓	✓	✓	Conforming
Longford Civil Pty Ltd	✓	✓	✓	Conforming
Trazilbat Pty Ltd	✓	✓	✓	Conforming
Utilstra Pty Ltd	✓	✓	✓	Conforming

As indicated above, all submissions were assessed as conforming tenders. Local companies, Abbott Construction Pty Ltd, Cartwright Civil Pty Ltd and Longford Civil Pty Ltd are WHS registered with Council. All others provided the necessary documentation to meet Council's WHS registration requirements.

Quantitative Assessment (100%)

All submissions were assessed on their quantitative merits, the lump sum tender prices and ratings relative to the lowest price are tabulated below.

Company	Estimated Contract Value (including GST)	Rating (100)
Abbott Construction Pty Ltd	\$494,588.99	100
Longford Civil Pty Ltd	\$537,807.31	92
Cartwright Civil Pty Ltd	\$742,005.00	67
Utilstra Pty Ltd	\$1,058,328.44	47
Trazilbat Pty Ltd	\$1,951,234.00	25

The budget allocation for the project is \$902K including GST, with three submissions being within the allocated budget. The budget allocation for the project is based on an estimate utilising construction rates from recent water main construction projects. It is noted that multiple submissions were received ranging from \$162K to \$408K below the estimated budget. This is likely due to the project involving a large component of the construction being within greenfield site in contrast to recently completed projects which have involved more complex site conditions. Additionally, other recent procurement activities have demonstrated highly competitive market conditions in the construction industry.

As detailed above, the submission from Abbott Construction Pty Ltd was the most favourable from a cost perspective, being approximately \$43K (9%) more favourable than Longford Civil Pty Ltd, \$247K

(50%) more favourable than Cartwright Civil Pty Ltd and between approximately \$564K (114%) and \$1.46M (295%) more favourable than the other submissions.

As the submissions from Utilstra Pty Ltd and Trazlbat Pty Ltd exceed the budget allocation by a considerable amount, the panel determined not to progress these submissions to the qualitative assessment, and they are therefore not considered further in this report.

Qualitative Assessment

The shortlisted contractors were assessed based on their qualitative merits. 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 and proposed program timeline.
- Capacity – Current and future commitments and workload.
- Capability – Including availability of resources, equipment, and contract management capabilities.
- 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%)
Abbott Construction Pty Ltd	23	24	13	11	8	79
Longford Civil Pty Ltd	23	23	11	13	7	77
Cartwright Civil Pty Ltd	23	23	10	13	7	76

Abbott Construction Pty Ltd is a locally owned company based in Ettamogah NSW. Their recent projects include a variety of infrastructure and civil works for both public and private enterprise throughout the local region. Most recently they completed underground drainage, kerb, channel and road reconstruction for Greater Hume Council and a four-lot subdivision including sewer construction in North Albury.

Their current work commitments include a project in Mulwala combining civil works and infrastructure elements for a private developer (anticipated completion November 2021), and they are currently undertaking a civil works contract in Porepunkah (anticipated completion September 2021). Capacity to deliver this project is considered adequate at this time.

Referee information indicated that the company is a good to superior contractor that typically provides a high-quality finished product and are well managed. Although they are a smaller company, their past performance has demonstrated competent project management ability; this was emphasised by their referees.

The contractor has delivered several projects for Council over the past two years. Recently they have completed a water main construction project in Schubach Street, East Albury and a stormwater drain

reconstruction at Twin Crescent last year. Abbott Construction have demonstrated that they are a capable and cooperative contractor across these projects for Council, having delivered all projects to a high standard.

Abbott Construction provided a detailed methodology and program that demonstrated a good understanding of the project's technical requirements and a logical sequence of events. Their proposed completion time for these works is 11 weeks from site possession which is considered to be optimistic. However, the impact to service delivery is considered low should the project slightly exceed the estimated duration.

Abbott Construction has indicated that, should they be awarded this project, the majority of materials, plant, equipment and labour will be sourced from the local region. Their proposed subcontractors are local, known to Council, and are well respected within their field.

Abbott Construction has indicated that they have increased their workforce capability by employing an additional two staff and have invested in plant and equipment to support their businesses expansion. The business has employed an Office Manager and is undergoing ISO9001 training to upskill and retain a local workforce.

Information provided to Council indicates that the business has the financial capacity to support the delivery of this project.

Longford Civil Pty Ltd is a locally owned company, based in Howlong NSW. Their recent projects include a trunk gravity sewer main consisting of approximately 3km of gravity sewer for Greater Hume Council.

Longford Civil Pty Ltd has indicated current work commitments with Federation Council, (anticipated completion October 2021) and Moira Shire Council (anticipated completion December 2021). At the close of tenders, neither contract had commenced which may present scheduling concerns and impacts on their capacity to deliver this project. In addition, they noted 90% completion on a third contract for a private developer based in Wangaratta (anticipated completion September 2021).

Longford Civil Pty Ltd has an experienced workforce. Several key roles are filled by individuals with significant experience in the construction industry. Referee information was generally favourable and indicated that Longford Civil Pty Ltd is cooperative and generally well organised on site.

Longford Civil Pty Ltd has completed several infrastructure projects for AlburyCity, specifically, the construction of the Gerogery Road watermain, Kerr Road trunk watermain and various watermain renewals throughout the city, amongst other civil works. All projects completed for AlburyCity have been delivered to a high standard, with a high level of cooperation demonstrated by the Contractor.

Longford Civil Pty Ltd has provided a detailed methodology and program with a logical sequence of events. Their expected timeline for completion is approximately 18 weeks from site possession.

Longford Civil Pty Ltd has indicated that, should they be awarded this project, the majority of materials, plant, equipment and labour will be sourced from the local region. They contribute to community through sporting club sponsorship in the local area.

Information provided to Council indicates that the business has the financial capacity to support the delivery of this project.

Cartwright Civil Pty Ltd is a locally owned company with their head office located in Wodonga VIC. Their recent projects consist of a subdivision including water main installation in Thurgoona for a private developer, construction of trunk water main for Griffith City Council and a water main construction in Ettamogah Rise Stage 2.

Cartwright Civil Pty Ltd list their current commitments as Brewer Drive, Wodonga (anticipated completion December 2021), Hillford Estate Stage 3 & 4 (anticipated completion November 2021), Hillford Estate Froglet Ponds (anticipated completion September 2021), Ruby Court Albury (anticipated completion October 2022), Lakeside Estate Stages 2 & 3 (anticipated completion July 2022) and Watson Road, Griffith (anticipated completion June 2022). At the close of tenders, the Lakeside Estate Stages 2 & 3 and Watson Road, Griffith projects had not commenced.

Cartwright Civil Pty Ltd is well resourced with superior numbers of skilled operators in key roles. Referee information provided was generally favourable.

Although they have not completed any capital works for Council in recent times, they are a member of Council's Earthworks and Plant Hire Panel Contract. The company has been established in the local area for many years and is known to Council as a capable and cooperative contractor.

Cartwright Civil Pty Ltd provided a detailed methodology and program with a logical sequence of events. Their expected date of completion is 14 weeks from site possession.

Cartwright Civil has indicated that, should they be awarded this project, the majority of materials, plant, equipment and labour will be sourced from the local region. The company indicated they would increase their workforce by one as a result of this procurement activity.

Information provided to Council indicates that the business has the financial capacity to support the delivery of this project.

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

Risk

- **Business Risk** – Financial risks are a possibility most likely associated with scope creep, delays as results of the COVID-19 pandemic or with latent conditions. Location of existing services, as well as environmental investigations, have been undertaken to reduce this risk. Due to the nature of the project and the contractors entering submissions, this risk is considered low.
- **Corporate Risk** – It is acknowledged that there is the possibility of corporate risk to the AlburyCity image and brand. Primarily this may be as a result of delays to the construction timelines or significant costs discrepancies; however the risk is overall considered low.
- **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 undergo safety inspections. Further, the contractor is required to submit COVID safety plans, complete AlburyCity's COVID-19 declaration and abide by Federal and State Government Public Health Orders.
- **Environmental Risk** – A Review of Environmental Factors (REF) has been undertaken for these works to identify any risks and suitable measures to mitigate them. As part of the REF, a Biodiversity Assessment Report and Aboriginal Due Diligence Report were undertaken. Collectively, it was determined that all predicted environmental impacts can be avoided, mitigated and/or managed such that the proposal would not lead to significant impacts on the environment. Due to the detailed environmental investigation completed, the risk at this time is considered low.
- **Delivery Program Risk** – Standard delivery program risks are possible, such as delays due to inclement weather, contractor delays and latent conditions. The current operating environment must also take into consideration the changing landscape that is impacted by the global pandemic COVID-19. The risk at this time is considered medium.

Community Engagement

The project 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 2020/21 Delivery Program, which was endorsed by Council following community consultation.

The Wonga Wetlands Visitor Information and Education Centre Stakeholder Engagement Plan identifies relevant themes in Albury 2030:

1. A Growing Sustainable Economy
 - 1.1 Increase visitors to Albury and the surrounding region.
 - 1.1.2 Improve access to and experiences available at Lake Hume and the Murray River - Maximizing use of natural assets.
 - 1.1.3 Further develop and strengthen the City's visitor product and infrastructure. Ensure its effective marketing and promotion.

3. A caring Community

3.4 Albury offers a diverse and accessible range of facilities and activities for all ages.

3.4.3 Promote and encourage healthy lifestyles through development and efficient use of sporting, recreational, educational, and cultural facilities, and infrastructure.

Community engagement activity is linked to Master Plans:

- Murray River Experience; and
- Wonga Wetlands Tourism Product Development Master Plan.

Summary

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

Company	Quantitative	Qualitative
Abbott Construction Pty Ltd	100	79
Longford Civil Pty Ltd	92	77
Cartwright Civil Pty Ltd	67	76

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

From a quantitative perspective the submission from Abbott Construction Pty Ltd was assessed as being the most advantageous. The submission was between \$43K (9%) and \$247K (50%) more favourable than the other shortlisted submissions.

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

Conclusion

Council invited tenders for Wonga Wetlands Water Main – McLeod Court to Wonga Wetlands and received five submissions.

The Wonga Wetlands Water Main construction will provide critical infrastructure to the Wonga Wetlands Visitor Education and Experience Centre Redevelopment project. This infrastructure will also support the second RGTEF project, the extension of the Wagirra Trail, and will provide five existing residential dwellings with access to reticulated water services.

A quantitative and qualitative assessment indicated that Abbott Construction Pty Ltd was the most favourable submission. Their tendered price of \$494,588.99 including GST is within the budget allocation of \$902K, including GST, for this project.

Recommendation

That Council accepts the tender from Abbott Construction Pty Ltd for Contract No. 21/02109 – Wonga Wetlands Water Main – McLeod Court to Wonga Wetlands for the lump sum amount of \$494,588.99 (including GST).

Attachments

1. Locality map (DOC21/218448).
2. Review of Environmental Factors (DOC21/173996).