CM13.6. Albury Waste Management Centre - Northern Valley Cell Construction Contract No.18/02393

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CONFIDENTIAL	No		
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Purpose of Report

To recommend a preferred contractor for the construction of Northern Valley Cell No. 2 and associated earthworks at the Albury Waste Management Centre (AWMC).

Background

The AWMC is located on Mudge Street, Hamilton Valley and accepts approximately 200,000 tonnes of waste per annum. Of this waste received, 50% is separated and recycled for reuse while the remaining waste is buried in engineered disposal cells on site.

The development of the Northern Valley waste cells for the disposal of non-putrescible waste commenced in 2014, with the construction of Cell No. 1 at the western end of the site. This cell is near capacity. The construction of Cell No. 2 in the Northern Valley is required to increase the available capacity of the waste cell to accommodate the projected non-putrescible waste volumes through to 2022.

Previously constructed waste cells at the AWMC have been lined with an impervious clay layer to prevent the migration of leachate. NSW EPA revised their Environmental Guideline for Solid Waste Landfills in 2016, and it now requires all new waste cells to be lined with geosynthetic clay and geomembrane liners.

The excavation of the Northern Valley Cell No. 2 will generate approximately 60,000 cubic metres of spoil. As part of this project, this material will be placed and compacted for:

- Material Recycling Facility (MRF) foundations,
- creek re-alignment earthworks, and
- Southern Valley landfill capping.

The scope of the contract includes:

- excavation of the Northern Valley Cell No. 2, approximately. 60,000m^3;
- supply and installation of 10,200m^2 of geosynthetic clay liner, including treatment of seams and testing;
- supply and installation of 10,200m^2 of 2.0mm HDPE geomembrane and cushion geotextile liner, including welding and testing;

- supply and installation of 140Lm of leachate collection pipe and sump;
- supply and installation of 1,200 tonnes of drainage aggregate;
- placement and compaction of 20,500m^3 of general fill at the MRF foundation, including provision of Level 1 geotechnical supervision;
- placement and compaction of 4,000m^3 of general fill at the old creek alignment;
- placement and compaction of capping layer to 1.8Ha in the Southern Valley, the capping layer consisting of a 300mm thick gravel seal-bearing layer and a 600mm thick clay gas-sealing layer;
- placement of an 800mm thick revegetation layer, and 200mm thick topsoil layer over the 1.8Ha of capping layer; and
- provision of Level 1 geotechical supervision to oversee the capping layer construction.

The 2018/19 budget is $1.54M (including GST), which includes; $1.43M for the Northern Valley Cell No. 2 construction and $110K for the MRF foundation. The Southern Valley capping is scheduled to be performed during 2019/20, with a budget allocation of $165K. Therefore, total budget for this project is $1.705M.

An open invitation for tenders was placed on Tenderlink and advertised in the Border Mail and Sydney Morning Herald on Saturday 27 and Tuesday 30 October 2018, respectively. Tenders closed at 12 noon on Tuesday 20 November 2018.

A compulsory site inspection was included within the tender documentation to ensure all tenderers were fully aware of site conditions and project requirements.

Tender Evaluation

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

- Walsh Wodonga Pty Ltd (Wodonga, VIC);
- Extons Pty Ltd (Benalla, VIC);
- AP Delaney & Co Pty Ltd (Albury, NSW);
- Keystone Civil Pty Ltd (Geelong, VIC);
- Cartwright Civil Contracting Pty Ltd (Wodonga, VIC);
- Ertech Pty Ltd (Dandenong South, VIC); and
- PLC Consulting Pty Ltd (Melbourne, VIC).

The submissions were evaluated in accordance with Council's Procurement Policy and Guidelines. The Evaluation Panel consisted of Peter Hanes (Procurement and Contract Management Co-ordinator), Andrea Baldwin (Team Leader Waste Management), and Ross Tuckwell (Senior Project Engineer).

Conformity Check

A conformity assessment was undertaken to ensure all submissions were in accordance with the tender documentation.

Tenderer	Pricing Details	Supporting Information	WHS Compliance	Site Inspection	Comments
Walsh Wodonga Pty Ltd	✓	✓	✓	✓	Compliant
Extons Pty Ltd	✓	✓	✓	✓	Compliant
AP Delaney & Co Pty Ltd	✓	✓	✓	✓	Compliant
Keystone Civil Pty Ltd	✓	✓	✓	✓	Compliant
Cartwright Civil Contracting Pty Ltd	✓	✓	✓	✓	Compliant
Ertech Pty Ltd	✓	✓	✓	✓	Compliant
PLC Consulting Pty Ltd	x	x	x	x	Non-compliant

All companies, except PLC Consulting Pty Ltd, attended the site inspection, and submitted the priced schedule and supporting information.

PLC Consulting Pty Ltd submitted the schedules and supporting documentation for another tender package. Based on these errors, PLC Consulting Pty Ltd was deemed non-compliant and was not further considered for this contract.

Walsh Wodonga Pty Ltd, AP Delaney & Co Pty Ltd and Cartwright Civil Contracting Pty Ltd are all currently WHS registered with Council, and Extons Pty Ltd, Keystone Civil Pty Ltd and Ertech Pty Ltd all demonstrated the appropriate systems to gain Council WHS registration, hence all companies were considered fully compliant with the requirements of the tender invitation and therefore progressed to the next stage of the tender evaluation.

Qualitative Assessment

The qualitative assessment was based on the following criteria:

- 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.

The assessment process was complemented with feedback from referees which were nominated by the tenderers.

The scoring for the qualitative assessment is tabulated below:

Tenderer	Experience and expertise (max 35)	Methodology and Program (max 30)	Capacity (max 12.5)	Capability (max 12.5)	Benefit to Local Region (max 10)	Total (max 100)
Walsh Wodonga Pty Ltd	28	23	10	10	7	78
Ertech Pty Ltd	32	26	9	8	3	78
Keystone Civil Pty Ltd	32	24	10	8	3	77
Extons Pty Ltd	27	20	10	10	4	71
AP Delaney & Co Pty Ltd	22	20	10	10	8	70
Cartwright Civil Contracting Pty Ltd	21	14	9	7	7	58

Walsh Wodonga Pty Ltd is based in Wodonga and is very experienced in civil engineering and bulk earthworks projects within the region. They have previous experience with the construction of waste cells at the Myrtleford and Corryong landfills. Their current commitments include four projects, all scheduled for completion in November 2018. They are a selected Panel Contractor for AlburyCity and have recently completed civil works at the AWMC. They have access to an extensive fleet of earthmoving plant and equipment and have an experienced workforce. Their submission included a 17-week program, and a sound methodology. Referees for Walsh Wodonga Pty Ltd advised they are very capable contractors who deliver high quality projects. Their submitted financial report was assessed and raised some concerns that this project could extend their capacity to financially handle any unforeseen issues arising from this project. However, as this project is predominantly earthworks and progress payments will be made for completed works only, this was considered a low risk to Council. Walsh Wodonga Pty Ltd's benefit to local region was rated well as they are a local company employing and resourcing locally, and they provide sponsorship to local sporting clubs.

Ertech Pty Ltd is based in Dandenong South, Victoria. They are very experienced in landfill cell projects, having recently completed landfill cells in Victoria and Queensland. Their referee report advised they are an excellent contractor, who is very professional in their management of projects, especially with regard to their systems and documentation. They have listed sufficient resources, both management and plant, to complete the project. Ertech Pty Ltd have provided a very extensive methodology for the construction, and a 29-week construction program. Ertech Pty Ltd have demonstrated the appropriate systems to manage the project. Their benefit to local region was rated low, as they are not based in the Albury region, however they did nominate some subcontractors and materials to be sourced locally.

Keystone Civil Pty Ltd is based in Geelong, Victoria. They are very experienced in landfill cell projects and are currently completing similar works at the Benalla landfill. Their current commitments include thee projects that are scheduled to continue into 2019. Keystone Civil Pty Ltd have also recently completed two landfill projects including liner installation, and their referees advised that they are very knowledgeable in this sector and are able to provide cost saving initiatives. They have listed sufficient resources, both management and plant, to complete the project. Keystone Civil Pt Ltd have provided a very extensive methodology for the construction, however their 26-week program includes works in both the Northern and Southern Valleys simultaneously, which is not possible as the Southern Valley will be used for the disposal of non-putrescible waste, whilst the Northern Valley Cell No. 2 is being constructed. Keystone Civil Pty Ltd have demonstrated the appropriate systems to manage the

project. Their benefit to local region was rated low, as they are not based in the Albury region, however they did nominate some subcontractors and materials to be sourced locally.

Extons Pty Ltd is based in Benalla, Victoria and is very experienced in bulk earthwork projects. They have previously completed the earthworks for waste cells at the Benalla landfill, however the lining scope was completed under a separate contract. Their current commitments include three ongoing maintenance projects all scheduled to continue through 2019. Extons Pty Ltd have also recently completed the earthworks for two lined channel projects, again where the lining contract has been awarded separately. They own the plant and equipment proposed for the project, and referee reports confirmed that all plant are new models and well maintained. Extons Pty Ltd has nominated a 16-week construction period and provided a detailed methodology for the construction. Extons Pty Ltd have demonstrated the appropriate systems to manage the project. Their benefit to the local region was rated moderately lower as they are based in Benalla but have nominated local subcontractors and suppliers for this project.

AP Delaney & Co Pty Ltd is based in Albury and is very experienced in civil engineering and bulk earthworks projects within the region, however they haven't listed any experience with lined landfill cell construction. Their current commitments include three projects, all scheduled for completion in December 2018. They have recently completed the Travelstop Way roundabout and Nexus subdivision contracts for Council. They own an extensive fleet of earthmoving plant and equipment and have an experienced workforce. Their submission included an anticipated 22-week program, and a sound methodology. Referees for AP Delaney & Co Pty Ltd advised they are a very professional contractor who delivers high quality projects. AP Delaney & Co Pty Ltd's benefit to local region was rated highly as they are a long-established local company employing and resourcing locally, and they provide sponsorship to a wide variety of local clubs and charities.

Cartwright Civil Contracting Pty Ltd is based in Wodonga and is very experienced in civil projects within the region, however they haven't listed any previous experience with landfill cell construction. Their current commitments include six projects that are scheduled for completion in February 2019. They own a fleet of earthmoving plant and equipment and have an experienced workforce. Their submission included a basic methodology for the construction, however their 20-week program also includes works in both the Northern and Southern Valleys simultaneously, which is not possible as the Southern Valley will be used for the disposal of non-putrescible waste, whilst the Northern Valley Cell No. 2 is being constructed. Referees for Cartwright Civil Contracting Pty Ltd advised they are very capable contractors, who are very co-operative and deliver a good project. Cartwright Civil Contracting Pty Ltd's benefit to local region was rated highly as they are a local company employing and resourcing locally.

Quantitative Assessment

The tender prices and ratings relative to the lowest price are tabulated below:

Tenderer	Tender Price (including GST)	Rating (max 100)

Walsh Wodonga Pty Ltd	$ 1,318,218.55	100
Extons Pty Ltd	$ 1,846,228.34	71
AP Delaney & Co Pty Ltd	$ 1,881,770.00	70
Keystone Civil Pty Ltd	$ 2,003,105.50	66
Cartwright Civil Contracting Pty Ltd	$ 2,021,998.00	65
Ertech Pty Ltd	$ 3,016,013.90	44

As indicated in the above table, the lowest tender of $1,318,218.55 (including GST) was submitted by Walsh Wodonga Pty Ltd which is $528,010 or 29% more favourable compared to the next lowest price submitted by Extons Pty Ltd.

The tender submissions from Walsh Wodonga Pty Ltd is within Council's budget of $1.705M (including GST).

Summary

Tenderer	Quantitative ($) Assessment Score	Qualitative Assessment Score
Walsh Wodonga Pty Ltd	100	78
Extons Pty Ltd	71	71
AP Delaney & Co Pty Ltd	70	70
Keystone Civil Pty Ltd	66	77
Cartwright Civil Contracting Pty Ltd	65	58
Ertech Pty Ltd	44	78

The qualitative assessment highlighted that Walsh Wodonga Pty Ltd, Keystone Civil Pty Ltd and Ertech Pty Ltd have had previous landfill experience and were considered the most capable tenderers to undertake a project of this scope and scale. Each tenderer provided the methodology describing construction and a construction program timeframe within Council's expectations.

The quantitative assessment score simply reflects the mathematical relativity in the prices and clearly, Walsh Wodonga Pty Ltd is the most favourable in this regard, being 29% lower than the next lowest price and within Council's budget.

Walsh Wodonga Pty Ltd's submission was fully compliant, they scored highest in the quantitative and qualitative assessment, indicating they are the most capable of completing the project. Therefore, the tender received from Walsh Wodonga Pty Ltd provides the best value to deliver the Northern Valley Cell No. 2 construction and associated earthworks.

Risk

- Business Risk - the non-putrescible landfill in the Northern Valley was established to prolong the life of the existing Albury Waste Management Centre. The Northern Valley Cell No. 1, which was constructed in 2014, is nearing capacity, requiring the construction of a new cell to allow separate disposal of non-putrescible waste to continue. The design of the new cell has been changed from previously constructed cells at the AWMC to meet the requirements of NSW EPA's Guidelines for Solid Waste Landfills. Council have also engaged a Construction Quality Assurance Engineer to oversee the cell lining installation and provide verification to the EPA.

- Corporate Risk – the construction of the Northern Valley Cell No. 2 will allow the Council to continue being an industry leader in the field of waste management, by allowing the separate disposal of putrescible and non-putrescible waste at the AWMC.
- WHS and Public Risk - during the construction of the Northern Valley Cell No. 2, non-putrescible waste will be disposed of in the Southern Valley to avoid interface between the works and the public. WHS risks during the construction works will be controlled in accordance with AlburyCity procedures, ie, the contractor will be WHS registered with AlburyCity, and will be required to implement relevant Safe Work Method Statements and safety instructions. No risk to the public is anticipated from this project as the site will be inaccessible to the public, and areas of interface on haul roads will be controlled by qualified traffic controllers.
- Delivery Program Risk –standard construction risks are possible, ie, delays due to inclement weather and latent/unknown construction issues. As the construction is scheduled to occur during summer, and there is a good understanding of the expected excavations, following the construction of Cell No. 1, the Delivery Program Risks are considered low.

Community Engagement

As part of the Council's ongoing communication with the local community, a bulletin detailing the upcoming projects at the Albury Waste Management Centre, including the Northern Valley Cell No. 2 construction, was mailed to neighbouring residents during October 2018. No feedback regarding this project has been received. Operational changes, during construction, will be provided to customers via the gatehouse operators.

Conclusion

The development of the Northern Valley waste cells for the disposal of non-putrescible waste commenced in 2014, with the construction of Cell No. 1 at the western end of the site. This cell is now near its capacity and the construction of Cell No. 2 in the Northern Valley is required to increase the available capacity.

The scope of the works includes excavation of approximately 60,000 cubic metres of spoil and lining of the newly formed cell with geosynthetic clay and geomembrane liners. The spoil from the excavation will be used for other earthworks at the AWMC, including the Material Recovery Facility foundation and the Southern Valley capping.

Council invited tenders for the construction of the Northern Valley Cell No. 2 and received seven submissions. Six were considered compliant, and one non-compliant as they had not attended the compulsory site inspection nor submitted the tender schedules.

The outcome of the tender assessment evaluation process supported that the submission from Walsh Wodonga Pty Ltd was the most favourable for Council. Walsh Wodonga Pty Ltd rated the highest in the quantitative and qualitative assessments, and it was assessed they have the expertise, capacity and management systems to successfully complete the project. Therefore, the acceptance of this tender is duly recommended. The submission from Walsh Wodonga Pty Ltd is within Council's budget allocation.

Recommendation

That Council accepts the tender from Walsh Wodonga Pty Ltd for Contract No. 18/02393 - Albury Waste Management Centre Northern Valley Cell No. 2 and Associated Earthworks in the lump sum amount of $1,318,218.55 (including GST).

Attachments

1. Albury Waste Management Centre Northern Valley Cell No. 2 Site Plan (DOC18/155522)