

Technical Services Reports

Committee Consideration – 8 November 2011
Council Resolution – 22 November 2011

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Committee	8 November 2011
Council	22 November 2011

Applicant	City of Nedlands
Owner	City of Nedlands
Officer	Maria Hulls - A/Manager Engineering Services
Director	Ian Hamilton – Director Technical Services
Directors Signature	
File ref.	TEC/023
Previous Item No's	T10.10 - 30 March 2010 / Item 14.5 – 24 May 2011
Disclosure of Interest	No officer involved in the preparation of this report had any interest which required it to be declared in accordance with the provisions of the <i>Local Government Act (1995)</i> .

Purpose

The purpose of this report is to seek Council's approval to award the contract for stage one and two construction of the Beecham Road retaining wall to Italia Stone Group Pty Ltd.

Recommendation to Council

Council accepts the tender submitted by Italia Stone Group Pty Ltd for the construction of stage one and two of the Beecham Road retaining wall at a cost of \$710,976.00 (excluding GST).

Strategic Plan

- KFA 1: Infrastructure
 - 1.1 Implement a Capital Works Program based on 5 and 20 year forward work schedules linked to the Strategic Financial Plan.

Background

At its meeting on 30 March 2010, Council resolved the following:

- a) Beecham Road retaining wall option one as per sketch No. 2 in the attached report by BG&E Structural Engineers, be adopted as the preferred option, subject to community consultation and that work be staged over a five year period with priority being stages one and two as per drawing BGE-BEECH-02-B as shown in attachment 1.

- b) a local community meeting be held to outline Council's position, pertaining to the need to replace the existing retaining wall on Beecham Road and the program to remove and replace the existing trees over a nine year period with a report back to Council.
- c) Administration pursue all legal avenues and opportunities to recover costs and report back to Council; and
- d) any budget requirements be referred for consideration in the budget process.

Subsequently, a local community meeting was held at Mt Claremont Community Centre on Saturday 24 May 2010, with an additional Beecham Road vegetation & rehabilitation meeting held 3 July 2010. As a result of the community meeting and the Beecham Road vegetation and rehabilitation meeting a report was presented to Council on 24 May 2011 to award the Tender RFT 2010/11.07 for the rehabilitation of the Beecham Road retaining wall to the preferred Contractor. Council resolved to refer the item back to the Council Committee meeting held on 14 June 2011 for further clarification and discussion; and to conduct a workshop prior to this date.

A Council workshop was conducted on the 9 June 2011 with Council seeking further clarifications on the consultants (BG&E) preferred option; while exploring the various design options by independent engineering consultants.

Council was advised of delays in receiving this information before the 14 June 2011 meeting which were due to the heavy workloads and prioritisation of the projects by the independent consultants, and therefore the information could not be presented at the 14 June Council meeting.

Administration received final clarification documentation on the 13 July 2011 and convened a further workshop which was held on the 14 July 2011.

WALGA Procurement Consultancy Services (WPCS) was engaged to undertake the tender process to provide unbiased, expert advice and opinion in the recommendation of a suitable candidate.

Proposal Detail

Through the WALGA Procurement Consultancy Service, an evaluation panel analysed the key warrants for the request for tender (RFT) for stage one and two of the Beecham Road retaining wall. All tender submissions were evaluated and scored against each of the key warrants.

The three key areas as part of the selection criteria were:

1. Compliance
2. Qualitative
3. Price

Through this evaluation process, the evaluation panel recommended Italia Stone Group Pty Ltd for this contract as it provides the most advantageous outcome for the City.

Consultation

Required by legislation: Yes No

Required by City of Nedlands policy: Yes No

The local community has been consulted on the need to replace the existing retaining wall.

Legislation

The calling and assessment of tenders is outlined in Section 3.57 of the *Local Government Act 1995* and Regulation 11 of the *Local Government (Functions and General) Regulations 1996*.

Budget/financial implications

Budget:

Within current approved budget: Yes No

Requires further budget consideration: Yes No

Financial:

Funds that were allocated in the 2010/11 annual budget for stage one were carried over to the 2011/12 budget. In addition, Council also allocated funds for stage two of the project.

Risk Management

At their meeting of 30 March 2010, Council considered a report detailing the risks associated with this defective retaining wall.

Two surveys were undertaken the first being April 2005 and the second being April 2009 the outcomes of the surveys showed significant movement in the wall which is unlikely to stabilise in the future. It is emphasised that wall rotations are likely to continue until, ultimately, a more significant failure occurs which presents a catastrophic risk to residents, failure could occur without warning.

Any procurement risk has been addressed through the calling of and assessment of tenders in accordance with the Local Government Act 1995 and the Local Government (Functions and General) Regulations 1996.

Discussion

The tender process was managed by WALGA Procurement Consultancy Services (WPCS). All submissions were evaluated as part of the tender process.

<p>Demonstrated Capacity and Experience</p> <ul style="list-style-type: none"> • Provide details of at least three (3) retaining wall projects of a similar size and scope completed by your organisation including works description, project value, your role in the project and any photographs; • List your current and future projects including the percentage completed and the percentage of capacity that the projects represent to your organisation including this project. (A separate attachment has been provided for this Criterion available in the WALGA provider portal.) • Provide details on the Plant and Equipment that will be utilised in this Contract, including age, number of operating hours and estimated plant condition. • Outline your experience in working with Principal supplied contractors. • Outline your strategy as to how you will ensure that backup personnel, plant and equipment can be obtained to ensure continuity of the Works. 	<p>Weighting (%)</p> <p>35%</p>
<p>Personnel</p> <ul style="list-style-type: none"> • Detail the key personnel to be utilised in conducting the Requirements of this Request including; their role, length of service, any relevant Current Registrations or Licenses held and any relevant experience of qualifications held according to retrospective roles. • Detail the subcontractors to be utilised in conducting the Requirements of this Request including; their role, length of service, any relevant Current Registrations or Licenses held and any relevant experience of qualifications held according to retrospective roles. 	<p>30%</p>
<p>Performance</p> <ul style="list-style-type: none"> • Provide a detailed construction program detailing relevant: <ul style="list-style-type: none"> - Stages of the Work - Anticipated duration - Checkpoints key milestones - Detail how you propose to prevent or minimise: - Noise disturbance to households 	<p>35%</p>

<ul style="list-style-type: none"> - Damage to households within the Works area - Damage to footpaths - Traffic disruption • Outline the method you will use to install any sheet piling including the type of sheet piling. • Detail where you will obtain the materials to be used in this Contract in particular, filling material, limestone blocks and sheet piling. 	
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Price Considerations

The non-weighted cost method is used as functional considerations including, capacity, quality, transitional and adaptability are seen to be crucial to the outcome of the Contract. The Evaluation Panel will make a series of value judgements based on the capability of the Tenderers to complete the Requirements and a number of factors will be considered including:

- a) The qualitative ranking of each Tenderer; and
- b) The pricing submitted by each Tenderer.

Once the Tenders have been ranked, the Evaluation Panel will make a value judgement as to the cost affordability, qualitative ranking and risk of each Tender, in order to determine the Tender which is most advantageous to the Principal.

The proposed price will be considered along with related factors affecting the total cost to the Principal e.g. the lifetime operating costs of goods of the Principals Contract management costs may also be considered in assessing the best value for money outcome.

The final evaluation scores of the seven (7) conforming submissions which were received from the following organisations are as follows:

- Italia Stone 67.52%
- Lomwest 61.99%
- BE Projects 60.19%
- Broadway Marine 52.28%
- Dalcon 52.04%
- CPD Group 50.61%
- Environmental Industries 21.7%

The Evaluation Panel considered tender submissions against the compliance criteria, qualitative criteria and predetermined price structure.

In considering the compliance and qualitative criteria it was considered that Italia Stone Group Pty Ltd has demonstrated the ability to provide the required services to the City of Nedlands.

As a result of the Evaluation Panel determining Tenderers qualitative score and pricing structures, it was considered that Italia Stone Group Pty Ltd has provided the most advantageous outcome for the City of Nedlands.

Conclusion

Administration has considered the response from WPCS and is satisfied that Italia Stone Group Pty Ltd can undertake the works in accordance with the schedule and pricing submitted.

Based on the recommendations by WALGA Procurement Consultancy Services it is recommended that Italia Stone Group Pty Ltd be awarded the stage one contract for Beecham Road retaining wall at a cost of \$710,976.00 (excluding GST).

Attachments

Nil