

**DIS063: C17025 AWARD OF TENDER FOR UPGRADE OF
MIDDLETON ROAD, ALBANY (SLK0.19 - 2.57)**

Land Description	: Middleton Road - Centennial Park, Mount Clarence, Mira Mar, Middleton Beach.
Proponent / Owner	: City of Albany.
Business Entity Name	: City of Albany.
Supplementary Information & Councillor Workstation	: <i>Confidential Briefing Note has been distributed under separate cover.</i>
Report Prepared By	: Senior Civil Engineering Officer (A Greenwood)
Responsible Officers:	: Executive Director Infrastructure & Environment (M Thomson)

Note: A Confidential Briefing Note has been distributed under separate cover in accordance with section 5.23 of the Local Government Act 1995(2)(e)(iii), being a matter that if disclosed, would reveal information about the commercial affairs of a person other than the local government.

STRATEGIC IMPLICATIONS

1. This item relates to the following elements of the City of Albany Strategic Community Plan or Corporate Business Plan informing plans or strategies:
 - **Theme:** 3 - Clean, Green and Sustainable.
 - **Objective:** 3.2 - To build, maintain and renew city assets sustainably.
 - **Community Priority:** 3.3.2 - Design, construct and maintain infrastructure cost effectively in a manner that maximises its life, capacity and function.

Maps and Diagrams:

Location Plan.



In Brief:

- Tender award for the upgrade of 2.4km of Middleton Road (SLK 0.19 - 2.57), Dog Rock to Adelaide Crescent.
- 4 complying tenders received with Tricoast Civil the recommended contractor.
- Construction is scheduled to commence in January 2018 with completion by early April 2018.

RECOMMENDATION

DIS063: DRAFT MOTION

VOTING REQUIREMENT: ABSOLUTE MAJORITY

THAT DIS063: C17025 Award of Tender for Upgrade of Middleton Road, Albany (SLK 0.19-2.57) be ACCEPTED as an Urgent Item for consideration by Council.

DIS063: RESPONSIBLE OFFICER RECOMMENDATION

VOTING REQUIREMENT: ABSOLUTE MAJORITY

THAT Council:

1. **ACCEPT the tender from Tricoast Civil and award Contract C17025 Middleton Road, Albany (SLK0.19 - 2.57) upgrade.**
2. **AUTHORISE over budget expenditure as described in the report to be addressed at the mid-year budget review.**
3. **NOTE that City staff will write to the Great Southern Regional Road Group and advise them of the funding shortfall for this project and request that any unspent funds from the 2017/2018 funding pool, should it become available, be directed to this project.**

BACKGROUND

2. Middleton Road is the main connector road between Albany CBD and the suburb of Middleton Beach. The road is one of the oldest in Western Australia having been constructed in the 1830s. It is also a major tourism route and a key link to the Emu Point tourist precinct.
3. The road carries approximately 11,000 vehicles per day between Dog Rock and Campbell Road and 7,000 vehicles per day east of Campbell Road.
4. The proposed work involves the renewal of the existing road surface which has reached the end of its life. Many of the drainage pits and kerbing also require replacement. Red asphalt cycles lanes and centre median with kerbed islands are also to be installed.
5. Provision is made in the design for additional tree planting in future.
6. Design and specification documentation was prepared by City of Albany to the stage of 'Issue for Tender'. The tender was open from 4 October to 25 October 2017.

DISCUSSION

7. A total of 21 tender documents were issued by City of Albany.
8. Four (4) completed tender documents were submitted on or before the stipulated closing date and time.

9. The tenderers were evaluated using the weighted attributes methodology. This method scores the evaluation criteria and weights their importance to determine an overall points score for each tender. The criteria are tabled below.

Criteria	% Weighting
Cost	25%
Relevant Experience	20%
Key Personnel Skills & Experience	10%
Tenderer's Resources	20%
Demonstrated Understanding	20%
Corporate Social Responsibility	5%
Total	100%

10. The following table summarises the top tenderers and their weighted scores:

Tenderers	Weighted Score
Tricoast Civil	682.20
Tenderer B	608.34
Tenderer C	597.25
Tenderer D	417.21

GOVERNMENT & PUBLIC CONSULTATION

11. All relevant Government departments including the Department of Indigenous Affairs and SWALSC have been consulted on the project.
12. A request for tenders was published in the West Australian on Wednesday 4 October 2017 and the Albany Weekender on Thursday 5 October 2017.

STATUTORY IMPLICATIONS

13. Regulation 11 of the Local Government (Functions and General) Regulations 1996 (Regulations) requires Council to publicly tender if the contract is, or is expected to be, more, or worth more than \$150,000.
14. Regulation 18 of the Regulations outlines a number of requirements relating to choice of tender. Council is to decide which of the acceptable tenders is the most advantageous to Council. It may also decline to accept any tender.
15. Regulation 19 of the Regulations requires Council to advise each tenderer in writing the result of Council's decision.

POLICY IMPLICATIONS

16. Councils Purchasing Policy (Tenders & Quotes) and Buy Local Policy (Regional Price Preference) are applicable to this item.

RISK IDENTIFICATION & MITIGATION

17. The risk identification and categorisation relies on the City’s Enterprise Risk and Opportunity Management Framework.

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
People Health and Safety. <i>A vehicle accident occurs due to poor road conditions.</i>	<i>Possible</i>	<i>Major</i>	<i>High</i>	<i>Continue upgrading road as funding is available.</i>
Reputation. <i>The standard of Middleton Road reflects poorly on the City as one of its major tourist roads.</i>	<i>Likely</i>	<i>Minor</i>	<i>Medium</i>	<i>Upgrade of the road will improve road safety conditions and improve visual amenity.</i>
Finance. <i>Non-compliance with contract.</i>	<i>Unlikely</i>	<i>Moderate</i>	<i>Medium</i>	<i>Standard general conditions of contract protect the City by allowing for contractual remedies on the basis of failure to execute works in accordance with contract.</i>

FINANCIAL IMPLICATIONS

18. The value of this tender is in excess of \$500,000 and therefore the recommended tenderer requires approval from Council.
19. The budget for the project is \$2,000,000 (ex-GST) which is made up of Regional Road Group (RRG) funding (\$1,000,000) with the remaining fund coming municipal funds.
20. The preferred tender price exceeds the budget by approximately \$240,000.
21. This shortfall will be addressed in the mid-year budget review with funds either drawn from the road reserve funds or the deferral of other road projects. Funds may be offset from savings in other project however this will not be known until the budget review.
22. Council officers will advise the RRG of the funding shortfall as there may be an opportunity to access unspent funds from other Local Government projects, subject to these funds being made available. City officers will write to the RRG to keep them informed and to request that consideration be given to redirect any unspent funds to this project.

LEGAL IMPLICATIONS

23. There are no legal implications associated with this item.

ENVIRONMENTAL CONSIDERATIONS

24. No clearing of vegetation is proposed as part of this project.

ALTERNATE OPTIONS

25. Council can accept or reject tenders as submitted.

CONCLUSION

26. On reviewing the submissions, the evaluation team assessed Tricoast Civil as being the most suitable tenderer across the evaluation criteria in terms of cost, relevant experience, key personnel and experience, tenderer’s resources, demonstrated understanding and corporate social responsibility. Tricoast Civil is recommended to be awarded the Middleton Road contract.

Consulted References	:	<ul style="list-style-type: none"> • Local Government (Functions and General) Regulations 1995 • Council Policy – Purchasing • Council Policy – Buy Local (Regional Price Preference)
File Number (Name of Ward)	:	C17025 (Fredrickstown Ward)
Previous Reference	:	Not applicable