

1.4: CONTRACT C13001-TENDER FOR CONSTRUCTION CONTRACTOR SERVICES FOR MOUNT CLARENCE

Land Description	: Crown Land vested in City of Albany. Reserves R27068, R2682 and R27116
Proponent	: City of Albany
Owner	: City of Albany
Responsible Officer(s)	: Chief Executive Officer (G Foster)

Maps and Diagrams: Nil

IN BRIEF

- The tender for construction contractor services for the Mount Clarence Precinct is for the delivery of the infrastructure upgrade. Request for tender C13001.
- AECOM Pty Ltd have been appointed as the Superintendent to act on the City's behalf during the construction phase of the project and will administer the contractual requirements. AECOM were involved in the tender evaluation and recommendation.
- A decision is required in order to award the construction contract and commence works, achieving a completion prior to ANZAC day 2014.

RECOMMENDATION

ITEM 1.4: RESPONSIBLE OFFICER RECOMMENDATION
VOTING REQUIREMENT: SIMPLE MAJORITY

THAT Council ACCEPT the Tender from Wauters Enterprises and AWARD Contract C13001 for the Mount Clarence infrastructure Upgrade, Construction Works.

BACKGROUND

1. In 2006 the Mounts Management Concept Plans for Mount Clarence was adopted by Council. The components within the Mount Clarence Precinct were identified in the Mounts Management Plan to undergo an infrastructure upgrade which forms part of the construction programmes leading up to the ANZAC Centenary in 2014/15.
2. Detailed design for the Mount Clarence precinct was actioned, with the Mt Clarence design being adopted by Council on the 20 April 2010. The upgrade involves hard and soft landscaping works, interpretive signage and car park for the Avenue of Honour, Memorial Place, Approach Steps, Desert Mounted Corps Memorial and Surrounds and the car park at the base of Apex Drive.
3. The Premier of Western Australia visited Albany on 16 August 2012 and announced funding for the Anzac Centenary from the Western Australian Government. The announcement included a sum of \$5.836 million for restorative works to be undertaken on Mt Clarence.
4. Site Workshop with Council to discuss and observe designs was undertaken on the 17 October 2012. Subsequent redesign of the Desert Mounted Corps Memorial was requested by Council, actioned and redesign adopted by Council on the 7th February 2013.

5. Funds from the State Government of \$5.836 million have been secured by the City to undertake the refurbishment of the Mount Clarence Precinct in preparation for the Anzac Centenary, with the intention to commence and complete construction before Anzac Day 2014.

DISCUSSION

6. The Padre White Lookout project which was funded from the same funding source and is due for completion prior to Anzac Day 2013.
7. The City of Albany advertised locally and at a state level seeking tenders for the Construction services for the Mt Clarence infrastructure upgrade.
8. A total of 57 sets of documents were downloaded from the City of Albany tender website.
9. Two completed tender documents were submitted to the Procurement and Contracts Office on/before the stipulated closing date and time. Tenders were subsequently opened, the name of the tenderer/s were recorded in the tender register and logged into Records.
10. Evaluation of Tenders.

The tender panel evaluated tenders using the weighted (out of 10) criteria methodology. Criteria and weighting were evaluated in four key areas;

Criteria	% Weighting
Relevant Experience	15%
Technical Resources	10%
Demonstrated Understanding	25%
Safety & Environment Management	5%
Quality Accreditation	5%
Cost	40%
Total	100%

11. Relevant Experience
 - Provide details of similar work;
 - Provide scope of the Tenderer's involvement including details of outcomes;
 - Provide details of issues that arose during the project and how these were managed;
 - Demonstrate competency and proven track record of achieving outcomes.
 - Reference checking responses.
12. Technical Resources
 - Personnel technical skills as evidenced by CV's of key site personnel.
 - Provide evidence of technical backup and support staff.
 - Resourcefulness of the contractor including number of Sub-Contractors.
 - Demonstrate their ability to supply and sustain the necessary:
 - Plant, equipment and materials; and
 - Any contingency measures or back up of resources including personnel (where applicable).

REFER DISCLAIMER

13. Demonstrated Understanding
- A project schedule/timeline;
 - The project methodology/process for the delivery of the services;
 - A demonstrated understanding of the scope of work.
 - Demonstrated abilities to deliver work on time.
 - Flexibility of the contractor to align with minor deviation from original Schedule of works.
 - Provide evidence of any abilities to deliver under budget.
14. Safety & Environment Management
- Provide a safety management plan
 - Provide proof of a OH&S policy or plan
 - Detail safety concerns and how these will be addressed
 - Provide a Risk Management Policy or plan
 - Provide an Environmental Management Policy or plan
15. Quality Accreditation
- Accreditation to a quality standard (or demonstrated evidence to attain QA accreditation if in progress)
 - Provide a Quality Management/Quality Plan and;
16. Cost
17. On the basis of the total evaluation score, the highest weighting being applied to cost, relevant experience, technical resources and safety & environment management the most suitable company is considered to be Wauters Enterprises.

Tenderer	Total
Wauters Enterprises	494.80
BGC Construction	476.70

The tender submitted by Wauters Enterprises addressed all areas satisfactorily, there were no deficiencies. The tender met all criteria and was deemed to be a conforming tender.

18. AECOM Pty Ltd comments on the 8th March 2013 "... Both contractors have demonstrated a good level of expertise and understanding to undertake this work. Our judgement would be that Wauters Enterprises have provided a slightly stronger tender on the basis of the COA scoring criteria. Our judgement would be that Wauters Enterprises also received a slightly more favourable recommendation from the referees that we contacted. Wauters Enterprises have also provided a tender with a contract sum approximately \$200,000.00 less than BGC Construction. We note that Wauters Enterprises have the strongest Tender based on the elements of the Tender we have compared, but await the Client's decision on who to award the contract.'

GOVERNMENT CONSULTATION

19. There is no government consultation required for the appointment of the Construction Contractor for the Mount Clarence Infrastructure Upgrade.
20. The funding sponsor will be contacted in relation to the arrangement of allocated costs to each component of work once finalised.

PUBLIC CONSULTATION / ENGAGEMENT

21. There is no public consultation required for the appointment of the Construction Contractor for the Mount Clarence Infrastructure Upgrade.
22. Once a programme of works is finalised, all stakeholders will be notified, together with internal and external directorates.

STATUTORY IMPLICATIONS

23. *Local Government Act 1995*, in accordance with Division 2 – Section 11 of the *Local Government (Functions and General) Regulations 1996* requires Council to publicly tender if the contract is, or is expected to be, more, or worth more, than \$250,000.
24. 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.

STRATEGIC IMPLICATIONS**Key Focus Area***Lifestyle and Environment***Community Priority***Preservation of Albany's uniqueness***Proposed Strategies***Retain Albany's unique heritage aspects (ANZAC story, first European settlement, Indigenous history).***POLICY IMPLICATIONS**

25. Council Policy – Purchasing Policy (Tenders and Quotes) as it relates to Tenders and a Major Purchase.

RISK IDENTIFICATION & MITIGATION

26. The risk identification in the City's Risk Management Framework, as it relates specifically to the awarding of the tender for Construction of the Mount Clarence Infrastructure Upgrade.

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
<i>Council rejects/fails to support recommendation for tender award</i>	<i>Possible</i>	<i>Major</i>	<i>High</i>	<i>Detailed Council agenda item</i>
<i>Construction tender responses higher than available budget</i>	<i>Possible</i>	<i>Major</i>	<i>High</i>	<i>Peer review of documentation before negotiation with preferred tenderer. Undertake value management</i>
<i>Delayed procurement of granite items due to lead and manufacturing times</i>	<i>Possible</i>	<i>Medium</i>	<i>High</i>	<i>Award tender without delay to provide successful tenderer with the best opportunity to mitigate this risk</i>
<i>Delays in construction put project behind schedule</i>	<i>Possible</i>	<i>Minor</i>	<i>Medium</i>	<i>Ensure contract requirements are adhered to</i>

FINANCIAL IMPLICATIONS

27. The value of this tender is in excess of \$250,000 and therefore the approval is referred to Council for consideration.
28. Wauters Enterprises has the highest tender score and meets the total project budget.

LEGAL IMPLICATIONS

29. Contractual terms for all aspects of this project will need to be rigorous.

ALTERNATE OPTIONS

30. The options are:
- Council can elect to approve the recommended tender
 - Not approve any tender, or
 - Appoint a different submitted tender.
31. Any variation from the recommended tender would need to be motivated as a variation of the current Procurement Policy and tender assessment guidelines.

SUMMARY CONCLUSION

32. On reviewing the submissions, Wauters Enterprises was assessed as being the most suitable tenderer across the evaluation criteria for the Mount Clarence infrastructure upgrade. Their tender was well detailed and demonstrated a good understanding of the tender objectives.
33. Wauters Enterprises be awarded the Mount Clarence Infrastructure Upgrade contract.

Consulted References	:	Purchasing Policy CM.STD.7/NP072938_5
File Number (Name of Ward)	:	PR.DEC.4 Synergy File Number – Frederickstown Ward
Previous Reference	:	OCM 20.04.10 / OCM 07.02.13 / OCM 18.05.10 / 20.09.11