

#	Date	Item Title	Confidential Order Details	Item being kept confidential - Agenda/ Attachment/ Minutes	Reason regarding retention or recommend-action to release	Resolution Regarding Action	Last Review Date	Next Review Date	Date Released
44	15 March	Mann / Cameron / Gawler Roundabout	<b>Reasons:</b> (k) tenders for the supply of goods, the provision of services or the carrying out of works.	Discussion, reports, attachment and minutes	Release	Release and make public	N/A		6 Sept 10

**73.3**            **REPORT TITLE:**        **CONFIDENTIAL REPORT: TENDER  
2009.009 CONSTRUCTION OF 120ML  
TREATED WASTEWATER STORAGE  
DAM**  
**DATE OF MEETING:** **18 JANUARY 2010**  
**AUTHOR:**                **MATTHEW DAWKINS**  
**AUTHOR'S TITLE:**    **SENIOR PROJECT MANAGER -  
INFRASTRUCTURE**  
**FILE NUMBER:**        **70/030/217  
70/040/175**  
**DEPARTMENT:**        **GOVERNANCE & PROJECTS**  
**DEPARTMENT**  
**MANAGER:**            **BRIAN CLANCEY**

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Moved Councillor Stokes that Council:

1. Pursuant to Section 90(2) and 90(3) of the Local Government Act 1999 orders that the public be excluded from attendance at the meeting to consider in confidence matters regarding:
  - (k) tenders for the supply of goods, the provision of services or the carrying out of works.
2. Determine that the Acting Chief Executive Officer, General Manager Governance & Projects, General Manager Vision and Compliance, Manager Projects, Senior Project Manager – Infrastructure and the Minute Secretary be permitted to remain in the room.

Seconded Councillor Bails and CARRIED

Moved Councillor Kuchel that Council:

3. Awards tender 2009.009 Construction of 120ML Treated Wastewater Storage Dam to Morgan Earthmoving for \$ 1,425,085 (ex GST) comprised of an initial contract sum of \$ 995,532 plus an allowance for rock excavation and removal of \$ 300,000 with contingency allowances of \$ 129,553 and note that the project manager will assess the cost-benefit ratio to minimise the cost of rock excavation recognising the obligations of Council to meet the Federal government's funding conditions.

4. Authorises the Chief Executive Officer or his delegated officer to execute relevant contract document for Tender 2009.009, Construction of 120ML Treated Wastewater Storage.
5. Orders that pursuant to Section 91(7), (8) and (9) of the Local Government Act 1999 that the discussion, reports, attachments and minutes (other than the name of the successful tenderer with the approved tender price) relating to this item be kept confidential and that the revocation of confidentiality be delegated to the CEO to determine when there is no legal or commercial need for continued confidentiality, and that this order be reviewed every 12 months.

Seconded Councillor Irvine and CARRIED

**17.2**      **REPORT TITLE:**      **CONFIDENTIAL ITEM:**  
**TENDER – MANN/CAMERON/GAWLER**  
**ROUNABOUT, MOUNT BARKER**

**DATE OF MEETING: 15 MARCH 2010**

**AUTHOR:**                      **MATTHEW DAWKINS**

**AUTHOR'S TITLE:**      **SENIOR PROJECT MANAGER -**  
**INFRASTRUCTURE**

**REPRESENTORS:**      **NIL**

**FILE NUMBER:**              **70/030/219**

**ATTACHMENTS:**      **ATTACHMENT 1 – ROUNABOUT**  
**CONCEPT PLAN**  
**ATTACHMENT 2 - TENDER ASSESSMENT**  
**SUMMARY**

**DEPARTMENT:**              **GOVERNANCE & PROJECTS**

**DEPARTMENT**  
**MANAGER:**                  **BRIAN CLANCEY**

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**PURPOSE**

To gain Council's approval to award tender 2009.021 Construction of Permanent Roundabout at the intersection of Gawler Street, Mann Street and Cameron Road.

**RECOMMENDATION**

That Council:

1. Pursuant to Section 90(2) and 90(3) of the Local Government Act 1999 orders that the public be excluded from attendance at the meeting to consider in confidence matters regarding:  
(k) tenders for the supply of goods, the provision of services or the carrying out of works.
2. Determine that the Chief Executive Officer, General Manager Governance & Projects, General Manager Corporate, General Manager Vision and Compliance and the Minute Secretary be permitted to remain in the room.
3. Approves increasing the 2009/10 budget allocation from \$277,700 to \$523,700 to account for actual tendered price for construction plus United Water alteration to cathodic protection pillar, tree replacement work, Telstra pit raising and project

management costs and contingency allowance, noting that \$112,000 of the increase of \$246,000 can occur without unfavourably impacting on the 2009/10 budget and that Council is also requesting a further increase in Blackspot funds.

4. Awards tender 2009.021 Construction of a Permanent Roundabout at Gawler Street, Mann Street and Cameron Road to Beltrame Civil for \$464,345 (ex GST and including 10% contingencies).
5. Authorises the Chief Executive Officer or his delegate to execute relevant contract documents for Tender 2009.021, Construction of Permanent Roundabout at Gawler Street, Mann Street and Cameron Road.
6. Orders that pursuant to Section 91(7), (8) and (9) of the Local Government Act 1999 that the discussion, reports, attachments and minutes (other than the name of the successful tenderer with the approved tender price) relating to this item be kept confidential and that the revocation of confidentiality be delegated to the CEO to determine when there is no legal or commercial need for continued confidentiality, and that this order be reviewed every 12 months.

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### **BACKGROUND**

Within the 2009/10 Council Budget under "Traffic Control and Other Road Service" Council has allocated \$277,700 for Mann Gawler Cameron Street Roundabout. The project involves the construction of a permanent roundabout to replace the temporary device at this location. The temporary roundabout was established and approved on the basis that it would ultimately be replaced by a permanent device. Of the allocated budget value, there is \$180,000 in Blackspot grant funding which must be expended in FY 2009/10.

Council has previously and most recently considered this project on 2 November 2009 when it:

- approved the preliminary design,
- approved the removal of two (2) non-significant trees,
- approved making a development application for the removal of one significant tree
- approved a tree replacement plan, and
- noted the establishment of a traffic management reference group for the project.

Based on the resolution of 2 November 2009, Council has gained development approval for the significant tree removal, formed and consulted with the traffic management reference group, completed the detailed design and called tenders for the construction of the

works. Tenders closed on 12 February 2010. Attachment 1 illustrates the general arrangement of the roundabout with fully mountable annulus, unimpeded by obstacles to accommodate the large truck movements that occur at this site.

### **DISCUSSION**

In accordance with Council's Procurement policy, an open tender process commenced on 19 January 2010 inviting suitably qualified contractors to tender for the works. The tender period closed at 2pm on the 12<sup>th</sup> of February 2010.

The open tender call attracted only two (2) tender submissions from:

1. Beltrame Civil, and
2. Watpac

The tender evaluation panel comprised:

1. Matthew Dawkins – Senior Project Manager - Infrastructure
2. Ian Powell – Project Manager
3. Andrew Whitehead – Contract Project Manager, DC Mt Barker

In accordance with the evaluation criteria provided with the tender documents, this tender has been evaluated against the following criteria and weightings (%):

- a) NON-FINANCIAL
  1. Relevant Experience (15%)
  2. Past Performance (10%)
  3. Management and Technical Skills (10%)
  4. Resources (15%)
  5. Methodology (10%)
- b) FINANCIAL
  1. Lump sum price scenario (40%).

This project is primarily a kerbing and road pavement project involving the removal of trees, widening of the outer kerblines and installation of a pattern-pave roundabout annulus.

As described above, at the November 2, 2009 meeting, Council sought the formation of a traffic management reference group to consider the management of traffic during construction. A key outcome from the reference group was the desire that major components of the road works were undertaken at night. In this regard, a set of special conditions were written specifically for this project and the submitted tenders were therefore based on a lump sum price for the roundabout construction inclusive of night works and fully attended traffic control.

The construction timeframe, as proposed by the preferred tenderer, is anticipated to comprise approximately three weeks of pre construction notifications, programming of works and stakeholder consultations followed by approximately 6 weeks of construction work subject to weather and any unforeseen circumstances.

It is likely therefore that the completion of construction will be somewhat delayed by wet weather however the funding grant requires that the project must be completed by 30 June 2010. So whilst the timing is not ideal, it is considered preferable to proceed under the circumstances.

During the construction period, night works involving closure of the intersection with detours will occur during the hours of 7.30pm and 5.30am typically. Day works between 7am and 5pm under traffic control will also occur for activities that occur on the outer edges of the intersection and footpath areas.

#### **BASIS OF DECISION**

Of the two tenders received, the Beltrame Civil tender was significantly lower (approximately 20%) in price than the other. Since Beltrame Civil have worked for Council previously and produced workmanship of a good - high standard, most recently the upgrading of Dutton Road, the focus of Council's post tender assessment has been to clarify and confirm the pricing of the works and ensure that Beltrame Civil fully appreciate the complexities of the project in their price structure.

Other than price, 5 other criteria were closely reviewed and scored by the tender assessment panel to ensure that the final selection is well considered and not focussed solely on price. The Beltrame Civil tender received the highest and most favourable score.

Attachment 2 presents the final tender assessment summary sheet.

#### **POLICY IMPLICATIONS**

##### **1. Financial/budget**

Based on the above discussion, when considering all of the assessment criteria, Beltrame civil scored the highest. The contract value for which Council approval is sought is \$464,345 (ex GST) comprised of:

- Lump Sum Tender Price \$ 422,132
- 10% Contingency \$ 42,213

The above contract value exceeds the FY09/10 budget allocation of \$277,700. Additional items that have incurred higher than expected project costs relate to:

- deep lift asphalt pavement,
- the specification of manually operated traffic control and nights works to reduce disruption,
- Telstra service modifications and protection,
- Relocation of public lighting poles and water main cathodic protection pillar due to much larger than anticipated swept path for buses, and
- Specification of pedestrian fencing on adjacent footpaths to prevent conflicts with kerb overhang of large controlled access buses moving through the roundabout.

In addition to the proposed contract sum, expenditure to date together with costs associated with service alterations, project management and contract supervision, must also be allowed for. In summary:

Expenditure on design and project management	\$ 31,355
Construction contract sum	\$ 464,345
Telstra Pit alterations (est)	\$10,000
Cathodic Protection pillar modification (est:United Water)	\$5,000
Remaining Design Fees	\$4,000
Project Management	\$5,000
Tree replacement works	\$4,000
<b>TOTAL</b>	<b>\$523,700</b>

Based on the construction tenders exceeding earlier project cost estimates, Council is applying for increased Blackspot funds. On the basis that no additional Blackspot contribution is received, the project shortfall is \$246,000.

To assist in offsetting the additional project costs, it is proposed that the nett Council contribution (\$78,000) to the FY2009/10 budget allocation for Bald Hills Road/Princes Highway within the "Projects" area be reallocated to the Gawler/Mann/Cameron roundabout on the basis that it has been established that a junction treatment on the Princes Highway at Bald Hills Road would be undertaken and funded by the Department for Transport, Energy and Infrastructure (DTEI), as has been the case in 2009/10 with two roundabouts being constructed by DTEI on the Princes Highway in Littlehampton.

Council continues to advocate to DTEI to construct a roundabout on the Princes Highway at Bald Hills Road. DTEI has indicated that this is most likely to occur concurrently with a new freeway interchange but is looking at possible interim measures to improve this junction.

Additionally, the current budget for the Gawler/Mann/Cameron roundabout reflects \$146,000 in Blackspot income whereas the



currently approved contribution is actually \$180,000 as Council successfully had the funding increased by \$34,000 several months ago. These combined budget adjustments (\$78,000 plus \$34,000) offset \$112,000 of the \$246,000 shortfall which it is hoped can be further reduced if Council's request for a further increase in Blackspot funds is supported.

Possible opportunities to bring other 2009/10 capital expenditure items to completion under budget will be pursued as a further means to reduce the impact of the increased cost of this project.

## **2. Legal**

The tendering process will be completed in accordance with Council's procurement policies and procedures. A formal agreement will be established with the successful tenderer.

In accordance with Council's Procurement policy the name of the contractor and the total value of the contract will be available to the public.

## **3. Staffing/Work Plans**

The tendering process will be completed by existing staff. The construction works will be overseen by internal Projects Group staff.

## **4. Environmental**

Council has previously approved the required tree removals and associated tree replacement plan.

Soil erosion and drainage management will be managed in accordance with the relevant EPA codes of practice.

## **5. Social**

The project will provide outcomes that enable safer negotiation of this busy intersection. Further, delays during construction will be mitigated via a traffic management plan that focuses on major road pavement works being undertaken at night.

## **6. Strategic Plans**

The recommendations within this report connects with Council's Strategic Plan 2009 – 2019 with:

Strategy 4.5 – "Improved transportation services; a safe and integrated transport network" together with the associated target, T27 – "Implement the 2009 Transport Masterplan as required and as funding resources become available."

**COMMUNITY CONSULTATION****1. Customer Needs Analysis**

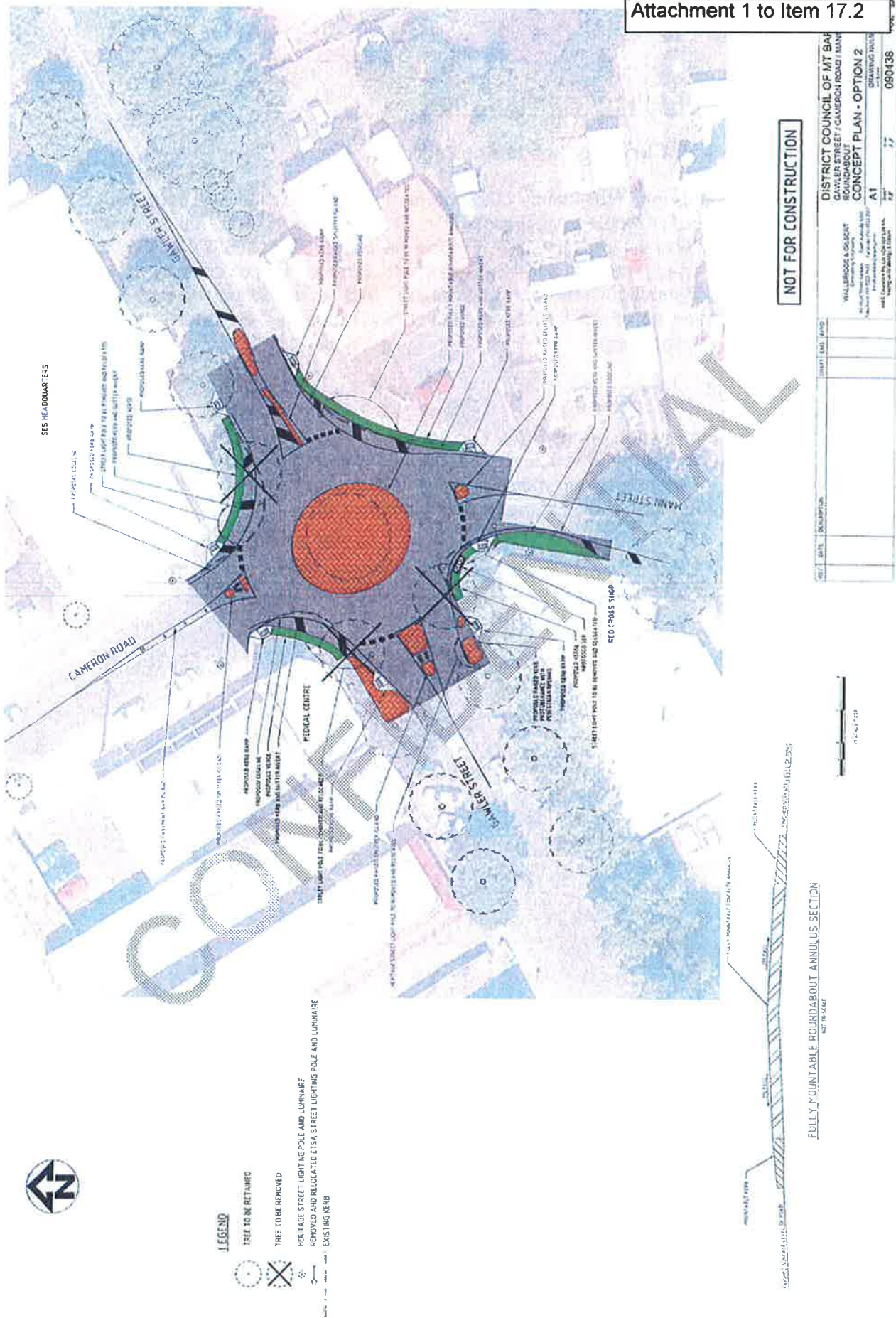
Through the Traffic Management Reference group comprising Council representatives in Cr Bruce Gamble and Mr Matthew Dawkins, Transitplus, St Francis de Sales School, SAPOL, Gawler Street Traders and Business Mt Barker, traffic control during construction has been considered. Advance warning of works on each approach to the intersection will be carried out prior to works commencing.

**2. Promotion**

Information on the project, is updated regularly on Council's web site and quarterly newsletter. Information will also be distributed via the Reference Group membership and directly to all properties within a 250 metre radius of the project location.

CONFIDENTIAL

Attachment 1 to Item 17.2



## Attachment 2 to Item 17.2

[illegible]

The Tender Selection System is a weighted point score system which allows both price and non-price attributes to be taken into account in the selection of the preferred tender.

The following criteria will form the basis for the comparative evaluation of Tenders: Relevant experience, Past Performance, Management and Technical Skills, Resources, Methodology and Price.

During the evaluation process, each tender will be evaluated on the criteria nominated in the Tender. Point scores will be allocated in the range 0 to 10 on the following basis:

After the allocation of point scores to criteria, they will be multiplied by the relevant nominated weights and summed to determine an overall

For the assessment of price, the following point score formula will be used:

$$P = 5 + 10 (\$M - \$T) / \$M$$

where:

$\$T$  = tender price

\$M = \text{mean price}

assessment panel

adopted price scenario

Abnormally low or high tenders, of more than 30% from the mean may be rejected.

Mean Price Calculation	\$	465,665
30% below	\$	325,966
30% above	\$	605,365

Points	Description
10	Exceptional
8-9	Superior
6-7	Good
4-5	Adequate
1-3	Poor to deficient
0	Unacceptable