

### **10.3 Contract Award: Rowley Road, Aldinga Beach, Reconstruction Tender # 09003 OT**

*This report is seeking Council approval to award the contract for the reconstruction of Rowley Road, Aldinga Beach.*

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Attachments: 1. Tender evaluation summary (2 pages)

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## **1 Executive summary**

### **1.1 Topic**

This report is seeking Council approval to award the contract for the reconstruction of Rowley Road, Aldinga Beach.

### **1.2 Context**

Tenders were received through an open tender process and assessed through our Tender Management System (TMS) Tender # 09003 OT.

The contract value of the Rowley Road, Aldinga Beach reconstruction project falls outside the Chief Executive Officer's delegated authority (\$500,000) therefore requiring a decision of Council to approve the expenditure.

It is suggested that Council consider this item in confidence. Section 90(3)(k) of the Local Government Act 1999 is suggested as the most appropriate to use for this purpose.

This item is presented as a confidential item as it presents commercial tenders for the carrying out of works for Council's consideration and award. Our procurement policy and process focuses on ensuring that the confidentiality of all information in the course of tendering is preserved.

### **1.3 Suggested outcome**

The proposed outcome of this report is that Council approves the awarding of the contract as determined by the assessment team in conjunction with the Manager Infrastructure to AR Contracting.

## **2 Recommendation(s)**

### **1. That**

- a. **under the provisions of Section 90(2) of the Local Government Act 1999 an order be made that the public be excluded from attendance at the meeting in order to consider in confidence this item.**



Ertech Pty Ltd	\$1,015,430.00	\$923,118.18
SEM Group	\$1,044,868.00	\$949,880.00
DML Construction	\$1,070,190.00	\$972,900.00
ADCIV Pty Ltd	\$1,211,312.00	\$1,101,192.72
M&B Civil	\$1,680,597.00	\$1,527,815.45

The tenders were assessed in accordance with Clause 23 'evaluation of tenders' of the City of Onkaparinga's administration procurement procedure. This procedure requires that tenders are assessed by an evaluation panel using a weighted matrix to rank the tenderers in order of preference.

Invitations to be part of the evaluation panel were extended to and accepted by Canberra Investment Corporation Limited (CIC) and Klinkhem Pty Ltd (Bayswood) given their involvement with the project.

A list of the evaluation panel members is provided in attachment 1, table 2.

### **3.3 Tender management system (TMS)**

We use the TMS database program to enter all tender prices. The database calculates (using the Australian Consulting Engineers Association calculation) the price score based on the median price.

All evaluation scores (other than price) are determined by the evaluation panel based on the weighted criteria nominated for this tender as shown in the City of Onkaparinga Tender Evaluation Summary (attachment 1, table 3). The selection criteria are made available in the tender document.

#### **3.3.1 Criteria assessment**

The tender evaluation panel scored the tenders in accordance with the selection criteria agreed. The selection criteria are made available to tenderers within the tender document.

AR Contracting were the preferred contractor through the weighted scoring they provided detailed relevant examples of works previously undertaken highlighting their appreciation of the task and demonstrated ability in similar types of works. Their tender submission provided specific information on staff (including their relevant skills and abilities) that will be directly involved in the project and the methodology of how the works would be undertaken along with a commitment to the project duration.

AR Contracting has been assessed as having the highest weighted score and is the preferred contractor to undertake the work.

### 3.4 Budget details

The table below provides a summary of the budget allocation requirements for this contract, based on the percentage split calculation for the three respective organisations.

<b>Funding</b>	<b>Actual costs (GST inclusive)</b>	<b>Actual costs (GST exclusive)</b>
City of Onkaparinga PID #7891	<b>\$240,224</b>	<b>\$218,385</b>
Canberra Investment Corporation Pty Ltd (CIC)	<b>\$480,449</b>	<b>\$436,771</b>
KLINKHEM Pty Ltd (Bayswood)	<b>\$240,224</b>	<b>\$218,385</b>
<b>Project Total</b>	<b>\$960,898</b>	<b>\$873,543</b>

It should be noted that any cost variance incurred through the project will be shared in accordance with the agreed cost split between the three parties.

City of Onkaparinga funds are required to complete other core elements of the project as described in the non-confidential report. These are tabled below to provide a full cost.

<b>Cost to council</b>	<b>Estimated costs (GST exclusive)</b>
Shared path	\$21,500
Street lighting contribution to CIC	\$16,250
Driveway crossovers to existing residences	\$15,000
Contract costs open tender	\$218,385.90
<b>Total project cost</b>	<b>\$271,135.90</b>

### 3.5 Conclusion

There are sufficient funds available to complete all works associated with the contract and ancillary works outside of the contract for the reconstruction of Rowley Road, Aldinga Beach.