

5.6. CONTRACT WO5243 - JUNCTION CREEK CYCLEWAY BRIDGE CONSTRUCTION

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DEPARTMENT: Infrastructure Services

RECOMMENDATION

That Council resolves to:

- 1. Enter into contract WO5243 Junction Creek Cycleway Bridge Construction Project with King Concreting (QLD) Pty Ltd (Civform) ABN 70 075 411 422 to the value of \$648,784.00 (GST Exclusive) ; and**
- 2. Delegate authority under Section 257 of the *Local Government Act 2009* to the Chief Executive Officer be to negotiate, finalise and execute any and all matters associated with the contract.**

EXECUTIVE SUMMARY

Under the Cycle Network Local Government Grants Program (CNLGGP), Queensland Government and Councils work together to improve and deliver principal cycle networks across the State, to achieve the Queensland Cycling Strategy 2017-2027 vision of 'more cycling, more often'.

In the Ordinary Council Meeting on 1 October 2019, Council resolved to enter into a funding agreement with the State of Queensland (represented by the Department of Transport and Main Roads) under the Cycle Network Local Government Grants Program for the construction of Junction Creek Cycleway Bridge.

An open tender for construction of the proposed Junction Creek Cycleway Bridge was advertised through the Vendor Panel Online Platform. Five contractors submitted tenders with two of them submitting alternate options. Council therefore received seven submissions in total. Only four of them conformed however. These tenders were accepted and evaluated by Douglas Shire Council staff.

The evaluation in accordance with Council's purchasing procedures resulted in the submission from King Concreting (Qld) Pty Ltd, trading as "Civform", ranking the highest.

The tender price of \$648,784.00 (GST exclusive), submitted by Civform, was the lower of the four conforming tenders and their submission scored above average across all the assessment categories. Civform has been operating as a Principal Contractor delivering similar projects in the region and successfully delivered the Poletti Bridge renewal project for Council.

This report recommends that Council resolve to enter into a contract with King Concreting (QLD) Pty Ltd (Civform) to deliver the construction phase of the Junction Creek Cycleway Project.

BACKGROUND

The new structure will be a single span steel, dual purpose cycle / pedestrian bridge. The new bridge will mitigate the risk associated with cyclists and pedestrians crossing Junction Creek by providing them with a separate facility to the combined transport tramway bridge

Council called an open invitation for contractors to submit a tender for construction of the bridge, as part of a request for tender (RFT) process through the Vendor Panel Online Platform. The request for tender closed on 28 October 2020. A mandatory site meeting was held on Wednesday 14 October 2020 to provide an overview of the project and allow contractors to identify site constraints and site risks.

The *Local Government Act 2009* (the Act) and the *Local Government Regulation 2012* (the Regulation) provide the legislative framework for local government procurement in Queensland. More specifically, section 104 of the Act states that when entering a contract, the local government must have regard to sound contracting principles.

Chapter 4 - 6, Part 3 of the Regulation outlines the process for tendering to enter a large-sized contract (i.e. \$200,000.00 or more). Council must invite written tenders before making a contract for the carrying out of work, or the supply of goods or services with a contract sum greater than \$200,000.00 (excluding GST) or another amount as set out in the Act or Regulation.

To assist with achieving legislative compliance and to meet Council's objectives for the project, Council prepared an evaluation methodology outlining the process for managing the RFT procurement process. The objectives of this evaluation methodology are to:

- document the proposed approach intended to ensure principles of conformity, accountability, competition, fairness, equity and integrity;
- provide a professional, fair and equal framework for the evaluation of responses to the RFT;
- ensure that adequate records are kept of the evaluation process to provide a suitable audit trail, and
- ensure that decisions made during the selection process are transparent and defensible.

The evaluation methodology defined criteria weightings to be applied in the assessment of tenders received. Council officers formed the evaluation panel to administer, facilitate and assess RFT submissions.

Seven (7) submissions from five (5) tenderers were received. The relevant companies and their respective lump sum values are listed below:

Table 1.

NAME OF TENDERER - CONFORMING TENDERS	PRICE (excl. GST)
King Concreting (QLD) Pty Ltd (Civform)	\$ 648,748.00
Davbridge Construction	\$ 1,043,290.00
Novar Group	\$ 728,242.00
Wagners CFT Manufacturing Pty Ltd	\$ 805,769.00

Table 2.

NAME OF TENDERER - NON CONFORMING TENDERS	PRICE (excl. GST)
Wagners CFT Manufacturing Pty Ltd (Alternative Deck Unit)	\$ 665,767.00
NQ Civil Contractors Pty Ltd (Late Submission)	\$ 691,955.00
NQ Civil contractors Pty Ltd (Late Submission and alternative configuration – Prestressed Concrete Girders	\$ 655,855.00

In accordance with the evaluation methodology, the panel evaluated each tender using the assessment criteria and applied the following weightings:

- **Management and Control Systems - (mandatory)** Management and Control systems in regards to Safety, Environmental, Quality, and Risk Management
- **Price – 60%** value for money – competitiveness of the submission taking into account all tendered fees/costs and price adjustments for risks/omissions/qualifications;
- **Methodology and Program – 10 %** Delivery Methodology, Approach, Risks, Issues and Departures Degree to which proposal complies with the requirements of the RFT and understanding of the project requirements. Key technical and program issues and proposed solutions;
- **Capability – 5 %** Capabilities, Experience and Resources of the tenderer.
- **Capacity – 5 %** Available Capacities of Tenderer and key personnel in delivering the service requirements of this project type (i.e. civil construction works) to a Far North regional area and local authority; and
- **Local Business and Employment - 20 %.** Participation and development of competitive local business, industry and employment opportunities within the shire.

King Concreting (QLD) Pty Ltd (Civform) were further assessed to identify any potential risks or shortcomings in their submission, including:

- checking of quantities for alignment with RFT;
- traffic control methodology;
- further referee checks;
- review of program and any methodologies offered; and
- analysis of rates tendered and confirmation of project delivery at lump sum tender value.

At the conclusion of the tender evaluation it was determined that King Concreting (QLD) Pty Ltd (Civform) provided the best overall value for money submission, program delivery and alignment to external funding goals.

Civform was the highest ranked conforming tender at a price of \$648,784.00 GST exclusive and consistently scored very well on all tender evaluation criteria.

Civform demonstrated above average for delivery methodology, understanding of the project requirements, capabilities, experience and resources.

PROPOSAL

That Council resolve to:

1. Enter into contract WO5243 Junction Creek Cycleway Bridge Construction Project with King Concreting (QLD) Pty Ltd (Civform) ABN 70 075 411 422 to the value of \$648,784.00 (GST Exclusive); and
2. Delegate authority under Section 257 of the *Local Government Act 2009* to the Chief Executive Officer be to negotiate, finalise and execute any and all matters associated with the contract.

FINANCIAL/RESOURCE IMPLICATIONS

Council has entered into a funding agreement with Queensland Government and secured funding partnership of \$400,000.00 for this project. This allocation has been directly sourced from the Queensland Government, Cycle Network Local Government Grants Program (CNLGGP).

Council 50% contribution of \$400,000.00 is allocated in the 2020/21 Council Budget. The Civform tender price is \$648,784.00 excl. GST.

The remainder of the budget will be utilized for project delivery administration, relocation of services, revegetation and connection to existing infrastructure.

RISK MANAGEMENT IMPLICATIONS

Civform has completed similar projects as the Principal Contractor and the Council tender assessment identified their tender value and their experience in a Principal Contractor role as a low risk. Council contract supervision and project management for this project will ensure regular communication, understanding of the construction processes and timeframes are maintained to the required standard. Traffic delays are expected to be minor during construction for the installation of the single span cycleway bridge. These will be mitigated through community notification, construction updates and efficient construction techniques and management.

SUSTAINABILITY IMPLICATIONS:

Economic: Benefits of cycling outlined in the Queensland Cycling Strategy 2017-2027 include reducing the risk of serious illnesses and improving mental wellbeing which potentially can reduce impact on health care systems and associated costs. Increased cycling and walking in the community also contributes to economic savings through reduced running costs of motorised transport.

Environmental: Providing infrastructure enables more people to ride bicycles and walk to work, school and socialise rather than using motorised vehicles. This reduces traffic and emissions while incorporating regular exercise.

Social: Riding is a fun, social activity for people of all ages and the project aligns with the Queensland Cycling Strategy 2017-2027 by encouraging active lifestyle.

CORPORATE/OPERATIONAL PLAN, POLICY REFERENCE

This report has been prepared in accordance with the following:

Corporate Plan 2019-2024 Initiatives:

Theme 1 – Celebrating Our Communities

Douglas Shire Council embraces the diversity of our communities and values the contribution that all people make to the Shire. We recognise that it is a core strength of the region. We acknowledge our past so that it may guide us in the future. We recognise the wrongs done to our Indigenous community and we actively seek to reconcile so that we may all benefit from and enjoy our Shire. We acknowledge early European settlers who forged an agricultural base for our economy and we welcome all new arrivals as part of our broader community.

Goal 3 - We will develop programs that promote health, well-being and safety in the community.

Theme 3 - Leading Environmental Stewardship

Our visitors and residents deeply value the unparalleled environment in which we live. We recognise our responsibility in protecting and preserving our natural world for generations to come.

We understand the strong link between the environment and the economy: they are interdependent. Douglas Shire will be at the forefront of environmental protection by developing strategies, setting policies, and working with all stakeholders to become the envy of and to inspire locations across Australia and the World.

Goal 2 - We will implement programs that reduce and offset our environmental footprint.

Theme 5 - Robust Governance and Efficient Service Delivery

Strong governance and financial management are the foundations of the way in which Council will conduct its business and implement the initiatives of the Corporate Plan.

Goal 1 - We will conduct Council business in an open and transparent manner with strong oversight and open reporting.

Operational Plan 2020-2021 Actions:

1.3.2 - Undertake an audit of major bike routes, including a gap analysis of missing links. Proposed augmentations to be incorporated into 10-year capital works plan to complement the Principal Network Strategy.

COUNCIL'S ROLE

Council can play a number of different roles in certain circumstances and it is important to be clear about which role is appropriate for a specific purpose or circumstance. The implementation of actions will be a collective effort and Council's involvement will vary from information only through to full responsibility for delivery.

The following areas outline where Council has a clear responsibility to act:

Advocate Council makes representation on behalf of the community on important issues, funding opportunities, projects and programs. Council will use its influence to seek the best outcomes for the community.

Builder/Owner Council makes a significant investment every year in the infrastructure that underpins the Shire through its capital works program. Council will manage its assets with appropriate frameworks and deliver its projects through robust project management.

Service Provider Council provides many services to the community from roads and waste services to libraries and recreational facilities. Services evolve over time and it is the Council's mission to ensure that these services are appropriate, delivered efficiently, and designed with the customer at the centre.

ATTACHMENTS

Nil