

**4.13 TENDER FOR DRAINAGE PIT & PIPE WORKS TO VARIOUS SITES 2022-2023**

(CF2023005: SC)

Responsible Director: Jarrod Doake

**RECOMMENDATION\***

*That Council, for the Drainage Pit & Pipe Works to Various Sites 2022-2023, Contract No. 2023005:*

1. *Awards the tender from Accomplished Plumbing Services Pty Ltd for the following two (2) projects:  
**Project A:** Luke Street, Clayton for a fixed Lump Sum of \$346,057.80 with an extra \$70,000 for Contingencies, and \$16,500 for Project Management / Delivery Fees;  
**Project F:** Panoramic Grove, Glen Waverley for a fixed Lump Sum of \$563,314.40 with an extra \$84,000 for Contingencies, and \$24,200 for Project Management / Delivery Fees;*
2. *Awards the tender from Parkinson Group (VIC) Pty Ltd for the following three (3) projects:  
**Project B:** Willesden Road, Hughesdale for a fixed Lump Sum of \$165,656.69 with an extra \$17,000 for Contingencies, and \$7,500 for Project Management / Delivery Fees;  
**Project C:** Ashwood Drive, Ashwood for a fixed Lump Sum of \$206,497.09 with an extra \$20,000 for Contingencies, and \$9,000 for Project Management / Delivery Fees;  
**Project E:** Faulkner Street, Clayton for a fixed Lump Sum of \$290,308.01 with an extra \$29,000 for Contingencies, and \$13,200 for Project Management / Delivery Fees;*
3. *Awards the tender from CDN Constructors Pty Ltd for the following project:  
**Project D:** Florence Street, Burwood for a fixed Lump Sum of \$299,394.70 with an extra \$29,700 for Contingencies, and \$13,200 for Project Management / Delivery Fees;*
4. *Awards the tender from Comar Construction Pty Ltd for the following project:  
**Project G:** Gemini, Domino, Rochelle & Aquarius Court, Wheelers Hill for a fixed Lump Sum of \$465,196.60 with an extra \$69,300 for Contingencies, and \$20,900 for Project Management / Delivery Fees;*
5. *Authorises the Chief Executive Officer to execute the contract agreements;*
6. *Notes that all contracts will commence December 2022 and the expected completion date is June 2023;*
7. *Notes that the anticipated total project expenditure including the fixed Lump Sum, Contingencies, Project Management / Delivery Fees is \$2,759,925.29; and*
8. *Approves the additional funding of \$328,925.29 required for these projects and that this funding will be sourced from the Developer Contributions Program.*

*(\*Please note that all dollar figures are GST Inclusive unless stated otherwise)*

## INTRODUCTION

Council has conducted a tender for 2023005: Drainage Pit & Pipe Works to Various Sites 2022-2023.

As part of its planning process for this tender Council Officers considered its procurement options, including whether to go to market itself, participate in regional or sector collaboration or to access established contracts via other compliant Procurement agreements. Due to the site- specific constraints and complex nature of each individual project, there was limited opportunity for regional or sector collaboration.

There was an opportunity to combine all drainage projects into one procurement package to attract a wider range of suppliers, incentivize potential efficiencies including pricing, programming, site establishment, and material procurement.

The tender included seven drainage projects, which allowed Council the flexibility of appointing a combination of one or more projects to single or multiple contactors.

## BACKGROUND

Council is seeking to appoint suppliers for four (4) packages of work to renew, upgrade existing or construct new drainage at seven locations across the municipality ensuring that Council's stormwater system is managed to operate to meet community expectations in alignment with the Stormwater Asset Management Plan.

A summary of the scope of works for each project is as follows:

### **Project A - Luke Street, Clayton - DCP**

Drainage Improvement –

- approximately 160m of underground drainage ranging in size between 300 - 675mm diameter
- associated pits and connections

### **Project B - 47–59 Willesden Road, Hughesdale - Drainage Renewal Program**

Drainage Renewal –

- approximately 90m of underground drainage; 300mm diameter
- associated pits and connections

### **Project C - 50 Ashwood Drive, Ashwood - Local Drainage**

Drainage Improvement –

- approximate 135m of underground drainage ranging in size between 150 - 375mm diameter
- associated pits and connections

### **Project D - Florence Street, Burwood - Local Drainage**

Drainage Improvement –

- approximately 150m of underground drainage ranging in size between 150 - 375mm diameter
- associated pits and connections

### **Project E - 16-18 Faulkner Street, Clayton - DCP**

**Drainage Improvement –**

- approximately 270m of underground drainage ranging in size between 300 – 375mm diameter
- reinstatement of kerb and channel and road pavement
- associated drainage pits and connections

**Project F - Panoramic Grove, Glen Waverley - DCP****Drainage Improvement –**

- approximately 330m of underground drainage ranging in size between 300 - 450mm diameter
- reinstatement of kerb and channel and road pavement
- associated drainage pits and connections

**Project G - Gemini Court, Domino Court, Rochelle Court & Aquarius Court, Wheelers Hill****Local Drainage Improvement –**

- approximately 200m of 300mm diameter drainage pipes
- associated drainage pits and connection

The above projects have been identified from the following programs:

**Developer Contribution Program (DCP) – Projects A, E, F**

Private developments requiring planning approval are required to provide a stormwater detention system to ensure stormwater runoff is capped at 35% coverage or pay a contribution to Council in lieu of this requirement. Contributions are used to upgrade drainage within these individual catchment areas. An additional similar sum of Council funds to the DCP are allocated annually to be used to upgrade drainage at identified priority sites across the municipality.

**Drainage Renewal Program – Project B**

This program funds delivery of drainage projects to replace existing drains that have been identified through asset condition inspections as having significant damage or failures and are at end of life.

**Local Drainage Program – Project C, D, G**

This program funds delivery of smaller drainage projects that have been identified to address localised drainage issues related to system capacity, asset condition & poor operational performance (i.e. surcharge and scouring of open space/land, increased frequency of maintenance etc). Projects in this category are prioritised based on resident enquiries, condition assessment and increased maintenance or operational issues identified through Council's maintenance teams.

**NOTIFICATION**

A public notice was placed in The Age newspaper on 13 August 2022 and the tender closed on 9 September 2022.

**TENDERS RECEIVED**

Tender submissions were received from the following four (4) suppliers by the appointed closing time.

<b>TENDERERS SUBMITTED</b>	
1	Accomplished Plumbing Services Pty Ltd
2	CDN Constructors Pty Ltd
3	Comar Construction Pty Ltd
4	Parkinson Group (VIC) Pty Ltd

**TENDER CONFORMANCE:**

All submissions were assessed for their compliance with the tender conditions including the contractual terms and conditions and the requirements of the response schedules.

All submissions were deemed conforming and permitted for further evaluation.

**TENDER EVALUATION**

All members of the evaluation panel signed Conflict of Interest and Confidentiality forms and no conflicts were raised.

Tenderers were assessed in accordance with the evaluation criteria published in the tender documentation:

<b>Pass/Fail Assessment Criteria</b>	<b>Measure</b>	<b>Score</b>
Scope Requirements	Compliance	Pass/Fail
Quality Systems and OHS Management	Compliance	Pass/Fail
Mandatory Insurances and Indemnity Disclosure	Compliance	Pass/Fail
Tenderer Declaration	Compliance	Pass/Fail

KEY SELECTION CRITERIA		CRITERIA WEIGHTINGS	SUB WEIGHTINGS	SUB CRITERIA/RETURNABLE SCHEDULES LINK
NON-PRICE CRITERIA 40%	Capacity and Capability	20%	8%	Experience
			5%	People & Equipment Resources
			7%	Risk Management & Legal Compliance
	Project Timelines	10%	2%	Start and Completion timeframe
			8%	Proposed Program & Construction Methodology
	Sustainability (Mandatory)	10%**	4%	Environmental Sustainability
			3%	Local Sustainability
			3%	Social Sustainability
	PRICE (60%)	Price*	60%	60%

\*Minimum 50% price weighting required unless Council approves otherwise.

\*\* If it is agreed that the Sustainability weighting is less than 20%, the minimum Price weighting must then be 60%.

## DISCUSSION

All tender submissions were assessed against the tender evaluation criteria (including the price and non-price evaluation criteria).

The Tender Evaluation Panel (TEP) compared the relevant experience of the tenderers and all tenderers demonstrated relevant experience with road reconstruction projects and are capable of delivering this contract. The TEP concluded that all tenderers be shortlisted and to proceed to the tender interview.

The evaluation panel conducted interviews with all tenderers to confirm their:

Experience

Resource, capability, and capacity to deliver one or more projects, resourcing

Understanding of the scope of works and any complexities including construction methodology

Risk management and site-specific risks

Supplier obligation and responsibilities,

Anomalies; and Innovation.

Through the interviews all tenderers highlighted the market supply challenges associated with extended lead time for the supply of reinforced concrete pipes; 40+ weeks and proposed a

shorter lead time (4 - 6 weeks) should flexible (plastic) pipes be acceptable to Council. This was investigated further by Council Engineers and determined acceptable for these projects. All tenderers were then invited to resubmit an amended price and program for this tender utilizing flexible pipes.

The TEP completed their evaluation based upon the amended submissions.

**APS Drainage and Civil Pty Ltd (Projects A & F)**

APS has previously delivered projects for City of Monash including easement drainage works and multiple projects for other councils including Manningham City Council and Cardinia Council. APS was able to demonstrate a good understanding of the works requirement and identified key risks associated with the construction, as well as work collaboratively with stakeholders.

APS confirmed that should they be awarded multiple projects they can commit to delivering up to 2 projects concurrently at any one time.

**Parkinson Group (Vic) Pty Ltd (Projects B, C & E)**

Parkinson has previously successfully completed drainage projects for City of Monash as well as multiple drainage projects for other councils including Kingston & Stonington City Council.

Parkinson confirmed that they have the capacity to deliver up to 2 projects concurrently. Parkinson has shown a good understanding of the scope of works and has only tendered for projects they are confident of delivering within the financial year and of as similar type (drainage in the road).

Parkinson has also offered a 0.75% discount to their tendered price if awarded three projects.

**CDN Constructors Pty Ltd (Project D)**

CDN have over 30 years of experience in providing civil construction services to local councils. They have long term relationships with many major suppliers and their nominated subcontractors. They had recently been awarded by City of Monash Council one road reconstruction project in Normanby Street, Hughesdale.

CDN confirmed that they have the capacity to deliver up to 4 projects concurrently at any one time. During the interview CDN highlighted several key construction risks, as well as demonstrated their ability to work collaboratively with stakeholders.

**Comar Constructions Pty Ltd (Project G)**

Comar has previously successfully delivered numerous projects for the City of Monash. Comar have significant experience delivering very large diameter drainage works and works within easements through residential properties. During the tender interview they demonstrated a very good appreciation of site constraints and issues which highlighted their extensive experience in works of a similar nature. Comar confirmed that they would be undertaking one project at any given time.

Based on the final evaluation ranking (including the price and non-price evaluation criteria) the evaluation panel recommends the highest ranked tenderers for each of the projects listed below as representing the best value outcome for Council:

**APS Drainage and Civil Pty Ltd**

Project A - Luke Street, Clayton

Project F - Panoramic Grove, Glen Waverley

**Parkinson Group (Vic) Pty Ltd**

Project B - 47–59 Willesden Road, Hughesdale - Drainage Renewal

Project C - 50 Ashwood Drive, Ashwood - Local Drainage

Project E - 16-18 Faulkner Street, Clayton

**CDN Constructors Pty Ltd**

Project D - Florence Street, Burwood - Local Drainage

**Comar Constructions Pty Ltd**

Project G - Gemini Court, Domino Court, Rochelle Court & Aquarius Court, Wheelers Hill

As such, the evaluation panel recommends these suppliers as representing the best value outcome for Council.

**FINANCIAL IMPLICATIONS**

The adopted 2022/23 Capital Works Program makes provision for these projects.

<b>PROJECT BUDGET ALLOCATION</b>	<b>GST exclusive</b>	<b>GST inclusive</b>
Project A - C09236 Luke Street, Clayton	\$360,000	\$396,000
Project B - C09238 Willesden Road, Hughesdale	\$160,000	\$176,000
Project C - C09239 Ashwood Drive, Ashwood	\$220,000	\$242,000
Project D - C09418 Florence Street, Burwood	\$220,000	\$242,000
Project E - C09232 Faulkner Street, Clayton	\$340,000	\$374,000
Project F - C09233 Panoramic Grove, Glen Waverley	\$490,000	\$539,000
Project G - C09234 Gemini Court, Domino Court, Rochelle Court & Aquarius Court, Wheelers Hill	\$420,000	\$462,000
<b>TOTAL PROJECT BUDGET</b>	<b>\$2,210,000</b>	<b>\$2,431,000</b>

<b>Estimated Project Expenditure Based Upon APS Drainage &amp; Civil Pty Ltd Submission</b>		
Project A: Luke Street Lump Sum Price	\$314,598	\$346,057.80
Project F: Panoramic Grove Lump Sum Price	\$512,104	\$563,314.40
<b>TOTAL TENDERED PRICES</b>	<b>\$826,702</b>	<b>\$909,372.20</b>
Contingency #	\$140,000	\$154,000.00
Project Management/Delivery Fees	\$37,000	\$40,700.00
<b>ESTIMATED PROJECT EXPENDITURE: PROJECTS A &amp; F</b>	<b>\$1,003,702</b>	<b>\$1,104,072.20</b>
<b>BUDGET ALLOCATION: PROJECTS A &amp; F</b>	<b>\$850,000</b>	<b>\$935,000.00</b>

<b>Estimated Project Expenditure Based Upon Parkinson Group (Vic) Pty Ltd Submission*</b>		
Project B: Willesden Road Lump Sum Price *	\$150,596.99	\$165,656.69
Project C: Ashwood Drive Lump Sum Price *	\$187,724.63	\$206,497.09
Project E: Faulkner Street Lump Sum Price *	\$263,916.37	\$290,308.01
<b>TOTAL TENDERED PRICES</b>	<b>\$602,237.99</b>	<b>\$662,461.79</b>
Contingency #	\$60,000.00	\$66,000.00
Project Management/Delivery Fees	\$27,000.00	\$29,700.00
<b>ESTIMATED PROJECT EXPENDITURE</b>	<b>\$689,237.99</b>	<b>\$758,161.79</b>
<b>BUDGET ALLOCATION: PROJECTS B, C &amp; E</b>	<b>\$720,000.00</b>	<b>\$792,000.00</b>

<b>Estimated Project Expenditure Based Upon CDN Constructor Pty Ltd Submission</b>		
Projects D: Florence Street Lump Sum Price	\$272,177.00	\$299,394.70
Contingency #	\$27,000.00	\$29,700.00
Project Management/Delivery Fees	\$12,000.00	\$13,200.00
<b>ESTIMATED PROJECT EXPENDITURE</b>	<b>\$311,177.00</b>	<b>\$342,294.70</b>
<b>BUDGET ALLOCATION: PROJECT D</b>	<b>\$220,000</b>	<b>\$242,000.00</b>

<b>Estimated Project Expenditure Based Upon Comar Constructions Pty Ltd Submission</b>		
Project G: Gemini Court, Domino Court, Rochelle Court & Aquarius Court Lump Sum Price	\$422,906.00	\$465,196.60
Contingency #	\$63,000.00	\$69,300.00
Project Management/Delivery Fees	\$19,000.00	\$20,900.00
<b>ESTIMATED PROJECT EXPENDITURE: PROJECT G</b>	<b>\$504,906.00</b>	<b>\$555,396.60</b>
<b>BUDGET ALLOCATION: PROJECT G</b>	<b>\$420,000.00</b>	<b>\$462,000.00</b>
<b>ESTIMATED PROJECT EXPENDITURE ALL PROJECTS</b>	<b>\$2,509,022.99</b>	<b>\$2,759,925.29</b>



\* includes 0.75% discount for awarding three projects.

# Adequate contingencies allowed for these projects based on previous experience and complexity.

There is budget shortfall of \$299,022.99 (GST excl.). The increased cost of this project is reflective of construction industry wide escalation in costs being experienced across Australia. There have been significant increases in raw materials, longer manufacturing lead times, fuel/energy cost increases, skilled labour supply shortages & cost increases which have all impacted project costs.

The additional funding of \$299,022.99 (GST Excl.) required for these projects will be sourced from the Developer Contribution Program (DCP) funds, as follows:

- Scotchman Creek Catchment account number 0220 - \$200,000.00
- Gardiners Creek Catchment account number 0215 - \$99,022.99

### **SUSTAINABILITY OUTCOMES**

As part of Council's commitment to sustainability, this project includes the following benefits:

- Environmental Sustainability: Where possible the Contractor will reuse on site material or will dispose of demolition material in an environmentally sensitive manner rather than sending to landfill.
- Further, the materials specified for the construction have utilised recycled materials where feasible. This includes recycled crushed rock and reuse of topsoil.
- Construction of these projects will address flooding issues associated with larger storm events which will have a positive impact on reducing the likelihood & extent of overland flows & floodwaters eroding open spaces creating sediment runoff and destruction of vegetation in public & private properties.

Local Sustainability: All Contractors will purchase goods, services, and materials within the City of Monash where possible.

### **CONCLUSION**

That Council approves the recommendations contained within this report.