

## 11.1 Tender - Coastal Recreational Path (part of Section 1) - Supplementary

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**Delivery Program** Engineering Works

**Objective** To provide supplementary information on the results of an open tender dealing with construction of part of the Coastal Recreational Path between Angels Beach and Sharpes Beach, East Ballina.

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#### **Background**

Open tenders were called for RFT817, Construction of Coastal Recreational Path during November 2015, with a closing date of 8 December 2015. At the time of preparing business papers for the 17 December 2015 Council meeting the tenders had not been opened or assessed due to the closing date being 8 December 2015. The purpose of this report is to now advise of the assessment of tenders.

#### **Key Issues**

- Comply with the Local Government (General) Regulation 2005
- Achieve best value for money
- Update of budget associated

#### **Information**

Council has provided a budget allocation for the construction of the Coastal Recreational Path (CRP), being Section 1 between Angels Beach and Sharpes Beach, within the current Operational Plan/Delivery Program.

RFT817 includes part of Section 1 CRP as follows:

- Boardwalk (515m) between Angels Beach overpass and to a point south of Flat Rock Tent Park
- Path and structures (900m) between the north end of Flat Rock car park to the south end of Sharpes Beach car park. The structures comprise a 30m bridge across Sharpes Creek and a further 20m bridge some 200 metres north of Sharpes Creek.

RFT817 also includes elements of the Aboriginal Cultural Ways project comprising:

- Reconstruction of the old existing viewing platform at the major entry node located at the northern end of the current Angels Beach car park area (and immediately south of the existing asphalt path)
- Incorporation of widenings along the boardwalk for viewing and linking with Aboriginal cultural heritage signage plus seating
- Extension of the boardwalk at the north end to connect with a major node viewing platform for viewing and linking with Aboriginal cultural heritage signage plus seating.
- Installation of Aboriginal cultural heritage signage and seating at above locations.

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RFT 817 excludes the following parts of Section 1 CRP:

- The southern (450m) section of the CRP connecting the existing Angels Beach underpass to the existing asphalt path at the northern end of the current Angels Beach car park including major entry node area.
- Proposed realignment of the CRP east of Flat Rock Tent Park
- Environmental rehabilitation and compensation works program for Section 1

The southern 450m of the CRP is to be constructed by Council following the completion of the viewing platform and boardwalk works by the contractor. The contractor has limited access for the construction of the boardwalk and will require access and storage of the current Angels Beach car park and the major entry node area. The construction of the southern 450m of CRP can be undertaken by Council following withdrawal of the contractor and includes:

- construction and landscaping of major entry node
- construction of car park
- closure of current Angels Beach car parking area and construction of CRP along the existing access.

The realignment of the CRP east of Flat Rock Tent Park currently has a new Part 5 application under the EP&A Act lodged with the Development and Environmental Health Group. This application has not been determined as yet.

RFT817 included an option to vary this contract to enable construction of the section of the CRP east of Flat Rock Tent Park should consent be granted during the contract period.

During the advertising of RFT817 a compulsory pre-tender meeting was held and six potential tenderers recorded attendance. The pre-tender meeting advised the potential tenderers of the conditions of consent for construction purposes including Aboriginal cultural heritage significance (being the East Ballina Aboriginal Place) and the environmental constraints including the limited work corridor.

At the close of tenders two submissions were received comprising:

B&S Landscaping & Earthworks	\$419,515
Option - Flat Rock section	\$102,596
	<b><u>\$522,111</u></b>
Valley Earthworks Pty Ltd	\$612,690
Option - Flat Rock section	\$158,658
	<b><u>\$771,348</u></b>

The above prices are exclusive of GST.

Both tenderers have advised of likely commencement in late January 2016 (following holiday period) with completion early June 2016.

A post-tender phone interview with B&S has confirmed aspects of their tender and has also included two referee checks.

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A review of the B & S Landscaping and Earthworks tender was made with comparison to an estimate provided by the GeoLINK design team from early 2015, which at the time did not include the modifications associated with the Aboriginal Cultural Way project.

The boardwalk construction unit rates from B&S are generally some 10% greater than the GeoLINK rates (which do not include the Aboriginal Cultural Way project). The asphalt path unit rates are approximately 20% greater than the GeoLINK rates.

Given the tender results are derived from current day market pricing, and this project is relatively unique in terms of its scope and environmental constraints, it is considered that the tender from B&S provides an outcome which maintains competitive value and therefore proceed with the tender process and recommendation

This report is presenting the recommendation to proceed with B&S Landscaping & Earthworks on the basis of satisfactory feedback. The information below discusses the budget position of the project.

The scope of work for RFT817 excludes the supply of the Wagners Compressed Fibre Technology (CFT) boardwalk and bridge material. Councillors were advised during workshop sessions dealing with detail design a decision was taken to proceed with CFT product.

To assist with the timely delivery of the product and to reduce cost and risk, Council has proceeded to finalise detail design and supply with Wagners under Local Government Procurement arrangements. This allows for Council to supply project structural material (which is already under manufacture) to the contractor rather than the contractor undertaking this task following award.

The detail designs from Wagners for the boardwalk and structures were provided as part of tender RFT817.

The supply agreement for the boardwalk and structures comprises:

Material	\$691,300
Supervisor (allowance for on-site technical advice)	\$ 60,880
	<b><u>\$752,180</u></b>

The allowance for an on-site technical advisor from Wagners has been established to ensure the installation of their product is satisfactory and to initially resolve design and supply issues that may eventuate. Wagners have also agreed to supply some consignment material stock to allow for design or construction changes as they arise on the project.

### **Legal / Resource / Financial Implications**

The current budget of approximately \$1.3M for Section 1 of the CRP was initially established in 2012, when concept design was in progress and grant funding opportunities were being pursued.

The current budget requirement/estimate based on market pricing for approximately 75% of the project (obtained from RFT817 and Wagners via Local Government Procurement) comprises:

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Item	Estimate \$
RFT817 (Angels Beach boardwalk and Flat Rock to Sharpes Beach)	419,515
RFT817 (Option for Flat Rock Tent Park deviation – future allowance)	102,596
Wagners (material supply and technical adviser)	752,180
Angels Beach carpark reconstruction	100,000
Path (Angels Beach section from underpass to overpass)	150,000
Rehabilitation, compensatory works and maintenance period	75,000
Entry node construction/landscaping for Aboriginal Cultural Way	50,000
Project/contract management	50,000
Contingency	100,000
Total	\$1,799,291

The current design for the CRP between Flat Rock carpark and Sharpes Beach carpark includes a finger path and boardwalk and viewing platform to connect to the beach near Sharpes Creek.

In reviewing the above budget requirements it is recommended at this stage not to proceed with this finger path connection due to the cost of this work. This work is valued at a further \$140,000 and is not included in the above assessment.

At the time of concept design this finger path was viewed as a possible connection to the beach for staging purposes. That is, if funding for the path to connect to Sharpes Beach carpark and further north was limited, then the path could terminate at Sharpes Creek, and offer a short term connection to the beach.

Under this scenario a saving of approximately \$250,000 could be made if the CRP stopped at Sharpes Creek, however, the finger path would then be required for an additional \$140,000 therefore providing an overall project saving of \$110,000.

This is not recommended at this stage as it still leaves a missing link in the north-south connection to Sharpes Beach and this would be a poor outcome for this important community asset.

The project costs include important works associated with the Aboriginal Cultural Ways project which has been negotiated with the project's Registered Aboriginal Parties and other Aboriginal community members. This should enhance the recognition and significance of the East Ballina Aboriginal Place and provide for a rewarding experience along the CRP.

A budget allowance for these works was not included in the original design budget.

An assessment of the current allocated budget and options for funding the remaining required budget is presented below:

Current 2015/2016 operational plan budget (available funds)	\$1,340,000
Coastal path reserve	\$ 130,000
Civil works reserve (roads contingency)	\$ 330,000
Roads s94 internal reserve	\$ 100,000
Total	<b><u>\$1,800,000</u></b>

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This budget does not provide any contingency sum. This is not preferred, however the level of design and documentation for substantial parts of the project are detailed and this will assist to reduce the risk of price variations. If a contingency sum is required, say \$180,000 as 10% of the budget this is an amount that can be managed within the regular ongoing review of the budget in the Engineering Works Section, albeit that works will need to be deferred if offset savings cannot be identified elsewhere.

### Consultation

RFT817 has proceeded with normal coverage of advertising for an open tender of this size being local and Sydney and Brisbane notifications. Regarding the overall CRP project the Council has been regularly advised regarding the progress with design and consultation, which has included the public exhibition of the Part 5 applications under the EP&A Act.

### Options

Council may wish to consider options to change the scope of the work to meet current 2015/2016 budget allocations. However, this is a landmark project for Council and the tender and budget presentation in this report is provided to allow delivery of the project as described within this report.

An option to reduce scope and not install the finger path at Sharpes Beach has been recommended within the information section of the report.

## RECOMMENDATIONS

1. The tender from B&S Landscaping & Earthworks for \$419,515 with an option for the Flat Rock deviation section of \$102,596 (exclusive of GST) for the construction of part of the Coastal Recreational Path (CRP), Section 1 between Angels Beach and Sharpes Beach, in accordance with RFT817, be accepted.
2. The General Manager and Mayor be authorised to sign any contract documents required for the implementation of point one above.
3. The Council endorse the following table as the revised project budget and funding sources for the Coastal Recreational Path (CRP), Section 1 between Angels Beach and Sharpes Beach.

Current 2015/2016 operational plan budget (available funds)	\$1,340,000
Coastal path reserve	\$ 130,000
Civil works reserve (roads contingency)	\$ 330,000
Roads s94 internal recoupment reserve	\$ 100,000
Total	<b><u>\$1,800,000</u></b>

4. The scope of works for Coastal Recreational Path (CRP), Section 1 between Angels Beach and Sharpes Beach, be adjusted by the deletion of the "finger" path at Sharpes Beach.

### Attachment(s)

Nil