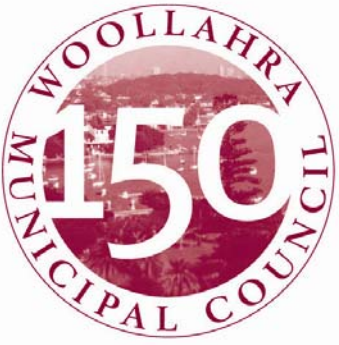


Corporate & Works Committee



Agenda: *Corporate & Works Committee*

Date: *Monday 7 February 2011*

Time: *6.00pm*

Outline of Meeting Protocol & Procedure:

- The Chairperson will call the Meeting to order and ask the Committee/Staff to present apologies or late correspondence.
- The Chairperson will commence the Order of Business as shown in the Index to the Agenda.
- At the beginning of each item the Chairperson will ask whether a member(s) of the public wish to address the Committee.
- If person(s) wish to address the Committee, they are allowed four (4) minutes in which to do so. Please direct comments to the issues at hand.
- If there are persons representing both sides of a matter (eg applicant/objector), the person(s) against the recommendation speak first.
- At the conclusion of the allotted four (4) minutes, the speaker resumes his/her seat and takes no further part in the debate unless specifically called to do so by the Chairperson.
- If there is more than one (1) person wishing to address the Committee from the same side of the debate, the Chairperson will request that where possible a spokesperson be nominated to represent the parties.
- The Chairperson has the discretion whether to continue to accept speakers from the floor.
- After considering any submissions the Committee will debate the matter (if necessary), and arrive at a recommendation (R items which proceed to Full Council) or a resolution (D items for which the Committee has delegated authority).

Recommendation only to the Full Council (“R” Items)

- Such matters as are specified in Section 377 of the Local Government Act and within the ambit of the Committee considerations.
- The voting of money for expenditure on works, services and operations.
- Rates, Fees and Charges.
- Donations
- Matters which involve broad strategic or policy initiatives within responsibilities of the Committee.
- Matters not within the specified functions of the Committee.
- Asset Rationalisation.
- Corporate Operations:-
 - Statutory Reporting;
 - Adoption of Council's Community Strategic Plan, Delivery Program and Operational Plan;
 - Delegations; and
 - Policies.
- Tenders as per Regulation requirements.
- Leases.
- Matters reserved by individual Councillors in accordance with any Council policy on "safeguards" and substantive changes.

Delegated Authority (“D” Items)

- General financial and corporate management of the Council, except those specifically excluded by statute, by Council direction or delegated specifically to another Committee.
Note: This not to limit the discretions of nominated staff members exercising Delegated Authorities granted by the Council.
- Statutory reviews of Council's Delivery Program and Operational Plan;
- Finance Regulations, including:-
 - Authorisation of expenditures within budgetary provisions where not delegated;
 - Quarterly review of Budget Review Statements;
 - Quarterly and other reports on Works and Services provision; and
 - Writing off of rates, fees and charges because of non-rateability, bad debts, and impracticality of collection.
- Auditing.
- Property Management.
- Asset Management.
- Traffic Management - Works Implementation.
- Works and Services - Monitoring and Implementations.
- Legal Matters and Legal Register.
- Parks and Reserves Management.
- Infrastructure Management, Design and Investigation.
- To require such investigations, reports or actions as considered necessary in respect of matters contained within the Business Agenda (and as may be limited by specific Council resolution).
- Confirmation of the Minutes of its Meetings.
- Any other matter falling within the responsibility of the Corporate and Works Committee and not restricted by the Local Government Act or required to be a Recommendation to Full Council as listed above.

Committee Membership:

7 Councillors

Quorum:

The quorum for a Committee meeting is 4 Councillors.

WOOLLAHRA MUNICIPAL COUNCIL

Notice of Meeting

3 February 2011

To: Her Worship The Mayor, Councillor Isabelle Shapiro ex-officio
Councillors Andrew Petrie (Chair)
Ian Plater (Deputy)
Anthony Boskovitz
Sean Carmichael
Susan Jarnason
Greg Medcraft
David Shoebridge

Dear Councillors

Corporate & Works Committee Meeting – 7 February 2011

In accordance with the provisions of the Local Government Act 1993, I request your attendance at a Meeting of the Council's **Corporate and Works Committee** to be held in the **Council Chambers, 536 New South Head Road, Double Bay, on Monday 7 February 2011 at 6.00pm.**

Gary James
General Manager

Additional Information Relating to Committee Matters

Site Inspection

Other Matters

Meeting Agenda

Item	Subject	Pages
1	Leave of Absence and Apologies	
2	Late Correspondence	
3	Declarations of Interest	

Items to be Decided by this Committee using its Delegated Authority

D1	Confirmation of Minutes of Meeting held on 24 January 2011	1
D2	Draft 2011/2012 Fees & Charges – 331.G 2011/2012 * Annexure 1 – Distributed separately * Confidential Annexure 2 – Distributed separately	2

Items to be Submitted to the Council for Decision with Recommendations from this Committee

R1	Draft Financial Hardship Policy and Review of Debt Recovery Policy – 87.G	40
R2	Lyne Park Car Park Improvements Project – Tender No 10/16	54

Item No: D1 Delegated to Committee
Subject: **Confirmation of minutes of meeting held on 24 January 2011**
Author: Les Windle, Manager – Governance
File No: See Council Minutes
Reason for Report: The Minutes of the Meeting of Monday 24 January 2011 were previously circulated. In accordance with the guidelines for Committees' operations it is now necessary that those Minutes be formally taken as read and confirmed.

Recommendation:

That the Minutes of the Corporate and Works Committee Meeting of 24 January 2011 be taken as read and confirmed.

Les Windle
Manager – Governance

Item No: D2 Delegated to Committee
Subject: **Draft 2011/2012 Fees & Charges**
Author: Don Johnston, Manager Finance
File No: 331G 2011/2012
Reason for Report: To present the proposed 2011/2012 Fees and Charges and recommend their inclusion in the public exhibition of the Delivery Program 2009 to 2013 and 2011/2012 Operational Plan.

Recommendation:

THAT the Draft Fees & Charges Schedule for 2011/2012 attached as Annexure 1 to this report (circulated separately) be included in the Delivery Program 2009 to 2013 and 2011/2012 Operational Plan document for the purposes of public exhibition.

Background:

The Corporate & Works Committee considered the strategy for preparation of the 2011/2012 Draft Budget and recommended a series of economic parameters to Council including:

5. *That fees and charges be increased by at least CPI where practical unless it would have an adverse impact on forecast revenue or users' capacity to pay.*

The Committee also recommended that Council:

- L. *Receives further progress reports in relation to the preparation of Council's 2011/12 Operational Plan and Budget at future Corporate & Works Committee Meetings in order to meet the 25 March 2011 deadline.*

These recommendations were adopted by Council on 31 January 2011.

This report is the first such report and presents to the Committee the Draft Schedule of Fees & Charges for 2011/2012.

Each year Council is required to set its fees and charges as part of its consideration and adoption of the Delivery Program & Operational Plan. The schedule of fees and charges forms part of the Delivery Program & Operational Plan and therefore goes through the same public exhibition process prior to final adoption.

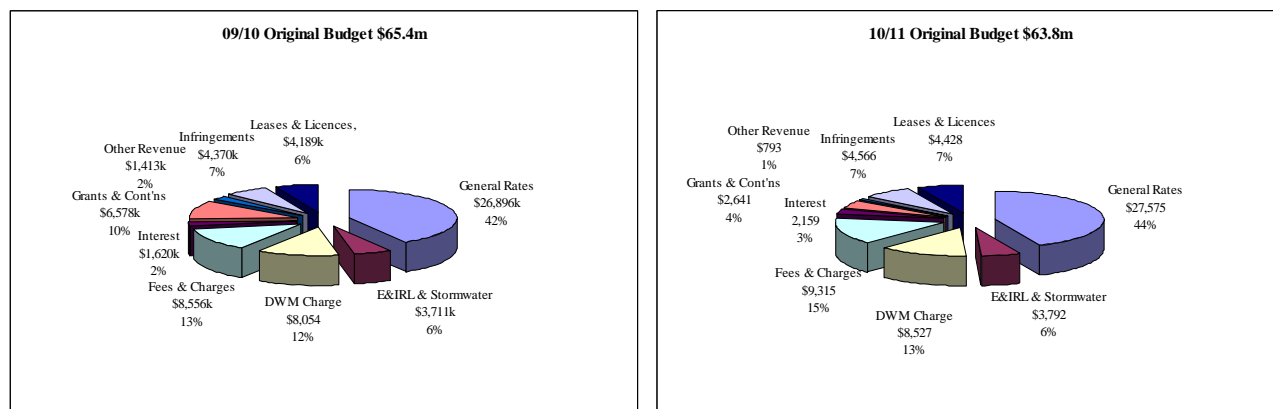
Discussion:

The Draft Schedule of Fees & Charges for 2011/2012 is attached as **ANNEXURE 1** (circulated separately). The Annexure provides the following information:

- Comparative fees and charges for 2010/2011 (shaded yellow) and 2011/2012 (shaded green);
- The percentage increase or decrease from 2010/2011 to 2011/2012 (shaded blue);
- Supplementary information, where applicable, about the fee or charge;
- Explanatory comments where applicable, including the identification of new fees and charges.

Overview of Council's Operating Income

The graphs below show how Council's income in the original 2009/2010 and 2010/2011 Budgets are made up. In 2010/2011 almost half of it comes from Rates including Special Levies and the Stormwater Management Charge (\$31.4m), with a further 13% (\$8.5m) coming from the Domestic Waste Management Charge. Another 22% (\$14.6m) comes from grants, interest, infringements, leases & licences and other combined. The remaining 15% is generated from the various fees and charges set out in the Schedule of Fees & Charges adopted each year.



The preliminary draft 2011/2012 Budget, currently under review by staff, proposes fees & charges income of around \$9.6m. Of this, \$2.1m is made up of fees and charges limited by statute and as a consequence cannot be increased by Council. The remaining \$7.5m is set by Council. The major sources of income that make up over 80% of the \$7.5m, together with their 2010/2011 comparative, are:

Income Source	11/12 Preliminary Draft Budget \$'000	10/11 Original Budget \$'000
Parking Meter Charges	1,700	1,696
Trade Waste Charges	1,566	1,492
Road Restoration Charges	1,035	1,291
Kindergarten Fees	709	699
Work Zone Charges	420	512
Residential Parking Permits	320	310
Compliance Levy	190	190
Building Hire	178	137
Hoarding Application Fees	120	110
	6,238	6,437

The table below shows the budgetary impact of the proposed changes to fees and charges for 2011/2012 in more detail.

Income Source	11/12 Original Budget \$'000	10/11 Draft Budget \$'000	Revenue		Fee or Charge
			\$ Increase (Decrease)	% Increase (Decrease)	% Increase (Decrease)
<i>Fees & charges set by statute:</i>					
Development Application Fees	800,000	700,000	100,000	14.3	0.0
s.96 Amendment Applications	230,000	270,000	(40,000)	(14.8)	0.0
Advertising & Neighbour Notification Fees *	250,000	200,000	50,000	25.0	281.0
s.149 Planning Certificates	320,000	240,000	80,000	33.3	33.0
Interest on Overdue Rates & Charges	125,000	130,000	(5,000)	(3.8)	0.0
s.603 Certificates	111,000	108,000	3,000	2.8	0.0
Filming Fees	80,000	83,000	(3,000)	(3.6)	0.0
Building Certificate Applications	70,000	90,000	(20,000)	(22.2)	0.0
Pt 4A Certificate Registration Fees *	44,000	40,000	4,000	10.0	20.0
Other	18,850	20,800	(1,950)	(9.4)	Various
Total Income from Statutory Fees & Charges	2,048,850	1,881,800	167,050	8.9	
<i>Fees & charges set by Council:</i>					
Parking Meter Charges	1,700,000	1,696,545	3,455	0.2	3.0
Trade Waste Service	1,566,000	1,491,500	74,500	5.0	2.5 to 2.9
Road Restoration Charges	1,034,950	1,291,000	(256,050)	(19.8)	3.0
Preschool Fees	708,795	698,820	9,975	1.4	2.0 to 3.0
Work Zone Charges	420,000	512,000	(92,000)	(18.0)	3.0
Residential Parking Permits	320,000	310,000	10,000	3.2	2.0 to 3.0
Compliance Levy	190,000	190,000	0	0.0	0.0
Council Venue Hire	177,652	137,225	40,427	29.5	(21.0) to 25.0 incl. new venue
Hoarding Application Fees	120,000	110,000	10,000	9.1	3.0 to 4.0
Outstanding Orders & Notices Certificates	108,000	105,000	3,000	2.9	3.0
File Retrieval Charges	95,000	92,600	2,400	2.6	4.0 to 8.0
Credit Card Usage Fee	85,000	82,000	3,000	3.7	0.0
Crane Permits	80,000	74,000	6,000	8.1	3.0
Deposit Admin Fee	70,000	70,000	0	0.0	0.0
PCA Service Fee	70,000	70,000	0	0.0	0.0
Vehicles Crossing Inspection Fees	67,200	95,000	(27,800)	(29.3)	3.0
Tree Pruning	60,000	45,000	15,000	33.3	3.0
Mobile Bin Sales	55,000	51,000	4,000	7.8	3.0
Fire Safety Statement Lodgement Fee	55,000	50,000	5,000	10.0	0.0
Construction Certificate Applications	50,000	50,000	0	0.0	0.0
Casual Park & Sportsfield Hire	50,000	43,000	7,000	16.3	0.0 to 4.0
Library Fines	49,000	45,000	4,000	8.9	0.0
TPO Application Income	44,000	40,000	4,000	10.0	0.0
Premises Inspection Fees	43,638	43,092	546	1.3	4.0
Paid Waste Service	40,000	30,400	9,600	31.6	19.0 to 54.0
Crate Sales	40,000	65,000	(25,000)	(38.5)	3.0
Waste Container Licences	30,000	21,000	9,000	42.9	3.0
Annual Administration Fee – Food Premises	29,400	28,350	1,050	3.7	0.0
Pre-Lodgement Advice Fees	20,000	20,000	0	0.0	0.0
Other Fees & Charges set by Council	164,476	175,680	(11,204)	(6.4)	Various
Total Income from Fees & Charges set by Council	7,543,111	7,733,212	(190,101)	(2.5)	

* Previously set by Council. Now set to statutory limited amount.

Reviews of the schedule of fee and charges and associated income forecasts are an integral part of the development of a draft budget each year and continue in relation to the 2011/2012 Budget. Income forecasts are primarily the result of forecast levels of activity based on current trends, but also take into account any increases in the fees and charges themselves. This is particularly the case for fees and charges set by statute where the majority of the fees and charges remain unchanged. In some instances where activity can be variable, notwithstanding a proposed increase in the relevant fee or charge, income forecasts can be left unchanged or reduced. Examples of this are road restoration charges and work zone charges.

Income forecasts can also be tied directly to expenditure. For example, the forecast reduction in restorations income, due to a reduction in the level of activity, also results in reduced expenditure. In this instance, while forecast income is reducing by \$256k, forecast expenditure is reducing by \$288 resulting in a bottom line improvement to the budget.

An additional confidential Annexure, **ANNEXURE 2**, has been provided that contains the proposed fees and charges for Council's trade waste service. These are treated as confidential, and not publicly exhibited, on the basis that it may confer a commercial advantage to our competitors (Local Government (General) Regulation 2005 cl. 201(4)).

Conclusion:

Income derived from the schedule of fees and charges is forecast to be in the order of \$9.6m in the draft 2011/2012 Budget. This represents a reduction of some \$190k from the 2010/2011 original budget, or 2.5%. Details of this reduction are provided in the report.

The schedule of fees and charges and associated income forecasts are reviewed each year as an integral part of preparing a draft budget and continue in relation to the 2011/2012 Budget. Generally, income forecasts are based on the level of activity but also have regard to any proposed increase in the in the fee or charge itself. Further, where activity can be variable, income forecasts can be left unchanged or reduced notwithstanding a proposed increase in the fee or charge. It is a combination of these considerations that give rise to the income forecasts in the budget each year.

Council is required to adopt its fees and charges each year following public exhibition. The fees and charges proposed for 2011/2012 are detailed in Annexures 1 and 2. It is recommended that the fees and charges contained in Annexure 1 be included in the Delivery Program 2009 to 2013 and Operational Plan 2011/2012 for the purposes of public exhibition.

Don Johnston
Manager Finance

Stephen Dunshea
Director Corporate Services

Annexures:

1. Draft Schedule of Fees and Charges for 2011/2012 for public exhibition (circulated separately)
2. Confidential Schedule of Trade Waste Fees and Charges (circulated separately)

Item No: R1 Recommendation to Council
Subject: **Draft Financial Hardship Policy and Review of Debt Recovery Policy**
Author: Don Johnston, Manager Finance
File No: 87.G
Reason for Report: To facilitate consideration of a new Financial Hardship Policy and a review of Council's Debt Recovery Policy

Recommendation:

- A. That the Draft Financial Hardship Policy contained in Annexure 1 to this report be adopted as Council's Financial Hardship Policy.
- B. That the reviewed Debt Recovery Policy contained in Annexure 2 to this report be adopted as Council's Debt Recovery Policy.
-

Background:

As part of preparing to make Council's special rate variation application for 2011/2012, the Guidelines issued by the Division of Local Government have been reviewed. One of the assessment criteria deals with the impact of an application on ratepayers, and more specifically, strategies to assist those in hardship to pay their rates.

In responding to this criterion councils must provide details of any strategies they propose to assist those suffering hardship in their community to pay their rates. This may include policies of deferment of rates in certain circumstances and policies for pensioners.

Discussion:

Council's Debt Recovery Policy, adopted in February 2004, deals with financial hardship in the following terms:

Council will:

- individually assess any hardship application;
- consider a scheme of arrangement for payment outside the due dates using the following criteria:
 - a) The debtor is able to show cause as to why the debt cannot be paid in full;
 - b) The maximum period for repayment of the debt by instalments is to be within twelve months; or
 - c) Where financial hardship can be demonstrated as a result of a twelve month repayment period, the repayment period can be extended by up to a further twelve months;

The policy can be improved by adopting a policy dealing with financial hardship specifically. This will also facilitate a more comprehensive response to the criterion required by the Guidelines. A Draft Financial Hardship Policy is attached to this report as **ANNEXURE 1**.

The Committee is reminded that Council's key strategy in this regard relating to its Environmental & Infrastructure Renewal Levy is an additional rebate to eligible pensioners of 100% of the Levy in addition to the \$250 Government Rebate.

The draft policy steps through the related legislative provisions within the Local Government Act, conditions for consideration, what is required in an application and what is proposed for offering assistance in cases where financial hardship is demonstrated. The draft policy also outlines some conditions relating to accrual of rates and / or charges against the future estate of an eligible pensioner.

The development of the draft financial hardship policy necessitated changes to Council's Debt Recovery Policy to make reference to the new draft policy. The review also provided the opportunity to add a privacy statement, acknowledge the delegations for implementation and include a commitment to reviewing the policy. The reviewed Debt Recovery Policy is attached as **ANNEXURE 2**.

Conclusion:

In reviewing the *Guidelines for the preparation of an applications for a special rate variation to general income in 2011/2012* an opportunity to improve Council's Policy framework was identified. This relates to the development of a specific Financial Hardship Policy that sets out how Council may respond in circumstances where genuine financial hardship is demonstrated. The development of the new policy required a review of the existing Debt Recovery Policy. Both policies have been submitted for the Committee's consideration with a recommendation for adoption.

Don Johnston
Manager Finance

Stephen Dunshea
Director Corporate Services

Annexures:

1. Draft Financial Hardship Policy
2. Reviewed Debt Recovery Policy

Item No: R2 Recommendation to Council
Subject: Lyne Park Car Park Improvements Project
Author: Rod Ward – Project Manager Open Space & Trees
File No: Tender No 10/16
Reason for Report: To recommend to Council the acceptance of a Tender

Recommendation:

- A. That Council enter into a Contract with Sydney Civil Pty Ltd for the Lyne Park Car Park Improvements project for the lump sum of \$490,474 (excluding GST), and any provisional items used subject to a satisfactory financial capability assessment.
- B. That successful and unsuccessful tenderers be advised accordingly.
-

Background

Lyne Park car park is a major hub for recreational boating, ferry commuters, restaurant patrons, sports field users and general tourism activities. The Lyne Park Plan of Management (2003) identified that the car park was not meeting the needs of stakeholders and improvements were needed to meet increasing demands and visitation. Following this analysis a car park plan was developed to improve the overall functioning, vehicle movements and parking management of the car park.

The upgrade of Lyne Park carpark and boat ramp is included in the NSW Maritime Better Boating Program's Regional Grant Program (2008/09) which will provide funds to a total of \$300,000 towards the project costs. The carpark and boat ramp are a high priority for NSW Maritime as it is the only boat ramp and boat trailer parking area east of the Sydney Harbour Bridge. Consultation has been undertaken with NSW Maritime regarding the design, and has resulted in funding being made available for the project.

The carpark has been redesigned to increase overall number of parking spaces for both cars and boat trailers and includes Water Sensitive Urban Design (WSUD) aspects to treat runoff prior to it discharging into Sydney Harbour, thereby contributing towards a cleaner harbour.

The works that are required to be done include:

- Realignment of eastern side kerb to allow boat parking onto grass to reduce hard surfacing and runoff.
- Realignment of central island northern kerb to provide a better turning radius for buses and allow for more parking spaces on the eastern side of the carpark.
- Construction of WSUD beds on the western side car park area to capture and treat runoff prior to discharge into Sydney Harbour.
- Construction of retaining wall along eastern side of the central island to allow for construction of a kerb and footpath along edge of island to allow better access to amenities building and ferry wharf.
- Incorporation of a WSUD bed under the new footpath on eastern side of the island.
- Reconstruction of sections of roadway due to subsurface deterioration.
- Resheeting of eastern side of carpark.

Plans were prepared by consultants Thompson Berrill Landscape Design (TBLD) in consultation with NSW Maritime and stakeholders to make improvements to the carpark for recreational boating enthusiasts as well as commuter ferry users and other visitors to the park who use the car park. The new design parking arrangements are summarised in the following table:

CAR WITH TRAILER PARKING	EXISTING	PROPOSED	CHANGE
Sat/Sun and Public Holidays	24	33	+9
7 days	12	12	0
TOTAL	36	45	+9
CAR ONLY			
4 HR 90 deg parking	55	46	-9
No restriction (BECOMES 12 HOUR)	33	50	+17
No Parking Sat-Sun & Pub Hols (Convertible) Mon-Fri car/trailer bays	4	5	1
	24	37	13
Disabled	1	6	+5
TOTAL CAR PARKING	117	144	+27
OTHER			
Bicycles	12	20	+8
Motorcycle	0	6	+6

Due to proposed works to the seawall on the western side of Lyne Park, and proposals by NSW Maritime for a new ferry wharf in the vicinity of the old recreational wharf, works under this tender will be restricted primarily to the eastern side of the carpark. This is the area where all boat trailer parking and the majority of commuter parking is located.

Invitation to Tender

Tender 10/16 for the Lyne Park Car Park Improvements Project was advertised in the Tenders section of the Sydney Morning Herald commencing on Tuesday 16 October 2010, and in the Wentworth Courier on Wednesday 17 October 2010.

Tenders for this project closed at 2.30pm on Thursday 18 November. A total of six (6) tenders were received prior to the closing date and time.

During the tender period a pre-tender meeting was held. All tenderers who had registered their interest in the tender were invited to attend. Questions raised by tenderers were answered and a record of the questions and answers was circulated to all tenderers who attended, or who were unable to attend but registered their wish to receive information.

One addendum was issued to clarify points raised by tenderers. The addendum was issued to all persons registered for the tender documents from Council's website and also added to the tender webpage on Council's website.

Tender Assessment

The tender assessment panel comprised Mr David Byatt, Purchasing Coordinator, O'Dea Ave Depot as the convenor; Mr Rod Ward, Project Manager Open Space and Trees, as the Commissioning Officer; Mr Bruce Rann, Manager Open Space and Trees; and Mr Peter Cassilles, Project Manager as the independent member of the panel.

Prior to the closing date, the tender weighted attribute values were developed. Council has resolved that a probity adviser should be included during the tender assessment stage for high risk, high value or sensitive projects. The tender panel agreed that a probity advisor was not necessary for this tender.

Prior to the closing date the tender panel agreed on the weightings that would be used against the advertised selection criteria.

The tenders were assessed in accordance with the selection criteria stated in the tender documents. One Addendum was issued that contained further information and plans to assist tenderers. All responses to questions raised by tenderers were distributed to all registered tenderers. Clarification was sought by Council staff on matters that were found to be unclear or incomplete in one or more tenders.

The tenders were given a preliminary score on each item of the selection criteria, which resulted in a total score out of 100. Tenderers were ranked in accordance with their scores.

The following weighted attribute values were applied to the advertised selection criteria:

Price	40%
Demonstrated experience & capability	25%
Program & Methodology	25%
Management Systems	10%

All the tenderers and their lump sum prices, including GST, received by the closing date and time are listed in Table 1:

Table 1

TENDERER	AMOUNT
1. Avoca Constructions (NSW) Pty Ltd	\$709,404.00
2. ELH Road & Bridge Constructions Pty Ltd	\$429,422.00
3. Hargraves Landscapes Pty Ltd	\$508,368.00
4. Melham Corp Pty Ltd	\$470,167.00
5. Ozpave (Aust) Pty Ltd	\$480,326.64
6. Sydney Civil Pty Ltd	\$490,474.00

Assessment of Tenders

All tenders were assessed by the panel using pre-set criteria. The tender panel were in agreement that the highest priced tender, Avoca Constructions could not be considered due to the lump sum being considerably above available budget. Hargraves Landscapes scored very well in most aspects except for price which discounted an otherwise highly regarded tender.

Other tenders did not submit the required level of detail in their tender which discounted their scores. The panel were agreed that overall Sydney Civil submitted an acceptable lump sum price and quality of documentation along with proven experience that would give confidence that they could successfully undertake the project.

The scores for the weighted attribute values are shown in Table Two and take into account the issue summarised above.

Table 2

TENDERER	Demonstrated Experience & Capability <i>Weighting: 25</i>	Program & Methodology <i>Weighting: 25</i>	Management Systems <i>Weighting: 10</i>	Price <i>Weighting: 40</i>	Total Score <i>Weighting: 100</i>
Sydney Civil Pty Ltd	20.31	12.50	9.17	35.02	77.00
Hargraves Landscapes Pty Ltd	17.19	10.42	10.00	33.79	71.39
ELH Road & Bridge Constructions Pty Ltd	15.63	6.25	6.67	40.00	68.54
Ozpave (Aust) Pty Ltd	14.06	12.50	5.83	35.76	68.16
Melham Corp Pty Ltd	12.50	6.25	7.50	36.53	62.78
Avoca Constructions (NSW) Pty Ltd	21.50	12.50	8.33	8.33	55.35

1. **Demonstrated Experience & Capability:** Information was requested pertaining to size and value of past works, types of works performed and complexity of past works. From this information the tender panel assessed the level of demonstrated experience for each tenderer.
2. **Program & Methodology:** Information was requested pertaining to project program, construction management plan, traffic management plan and environmental management plan. From the information received the evaluation panel assessed the contractor's ability to sequentially carry out the works.
3. **Management Systems:** Information was requested pertaining to quality systems, quality of works, quality of past council works and the quality of key subcontractors.
4. **Price:** the lowest price is deemed to achieve 100% of the score for this criterion. The lowest price is divided by the other tenderers' prices to give their respective scores as percentages.

Sydney Civil Pty Ltd – conforming, ranked No 1

Sydney Civil Pty Ltd scored highest on the tender assessment score sheet and is ranked No. 1 as Sydney Civil are considered to provide Council with the overall best value for money and the lowest risk of claims for variations or project not meeting critical deadlines. They are a highly experienced company in civil construction and are well known to Woollahra Council. They have a good range of experience in projects of equal to or greater value to the project offered.

Their submitted price of \$490,474 is considered of good value, close to the cost estimate for the project and within available budget for the project. Although they are not Quality Accredited with a NSW Government agency they do have a well documented Quality Management System which has been found to be acceptable.

Hargraves Landscapes Pty Ltd - conforming, ranked no. 2

Hargraves Landscapes were the second highest priced tender (\$508,368) and were assessed as being a very capable and experienced company with a good appreciation of the project and excellent quality control, environmental and OH&S management systems. The company has very good experience in landscape and WSUD design and construction, however the main negatives were: lump sum submitted is over available budget; limited demonstrated experience in similar carpark projects (i.e. kerb & gutter, and asphalt resheeting) and insufficient information provided in regard to traffic management.

ELH Road & Bridge Constructions Pty Ltd – conforming, ranked no. 3

ELH Road & Bridge were the lowest priced tender at \$429,422 however despite a lower price it was considered that this tenderer did not score well in terms of demonstrating a realistic project construction program, traffic management planning or quality management documentation. Their tender submitted unusually low pricing on certain items suggesting that there may be a risk of variations being sought or there may be a risk of poor quality WSUD works resulting. Excessive maintenance costs for the 52 week defect liability period is also a concern.

Ozpave Pty Ltd – conforming, ranked no. 4

Ozpave submitted a competitive price (\$480,326) however had limited experience in similar projects and did not adequately address some of the documentation requirements of the tender such as traffic management and environmental management. Therefore seen as a potential risk for this project

Melham Corp Pty – conforming, ranked no. 5.

Melham Corp submitted a competitive price (\$470,167) however appeared to have very limited experience in similar projects and little or no experience in WSUD construction, therefore scored poorly in demonstrated experience, and also scored poorly for Program and Methodology as they provided little information. Therefore also seen as a potential risk for this project.

Avoca Constructions Pty Ltd – conforming, ranked no. 6

Avoca Constructions submitted the highest priced tender (\$780,344.40) so therefore were not considered suitable. They also had limited demonstrated experience in similar projects.

Post-Tender Interviews

Post-Tender Interviews were conducted with three (3) tenderers: ELH Road & Bridge Constructions Pty Ltd, Ozpave (Aust) Pty Ltd, and Sydney Civil Pty Ltd. Hargraves Landscapes, who scored second in the assessment, were not interviewed as the submitted price exceeded available budget.

The purpose of the interviews was to gain clarification of the information provided by the tenderers with regard to the published selection criteria and assess their understanding and capability to undertake the project.

ELH Road & Bridge Constructions Pty Ltd

ELH Road & Bridge Constructions Pty Ltd, who are unknown to Council, had the lowest price tender and scored second in assessment. The assessment panel determined that ELH Road & Bridge, although having sufficient experience in civil works had little understanding or knowledge of Water Sensitive Urban Design or WSUD, a critical element of the project. This was considered a risk to the project as this aspect requires knowledge and understanding of the principles of WSUD design and construction as it is not a standard landscape construction.

ELH indicated that they thought the major issues to the project were they environment and traffic management issues, however it was apparent that ELH Road & Bridge had not thought through how the car park would be managed to minimise disruption to car park users during the construction process. It was proposed to communicate to car park users and stakeholders by letter the key dates and construction program and try and work in with business owners to minimise inconvenience. ELH's proposal involved closing off large sections of the car park for the construction work. This was considered not workable or well thought through. The proposed works program of 8 weeks was not considered realistic for the project.

OzPave Pty Ltd

The assessment panel also interviewed OzPave Pty Ltd, a company familiar to Council, which had the third lowest tendered price and scored forth in the assessment. OzPave Pty Ltd are a very competent company, their proposal for managing the construction of the car park was in a standard traffic management manner. OzPave aimed to divide the works into 3 sections, keeping 60-70 car spaces open at any one time in the area of the works and consult with business owners.

With the carpark heavily used by ferry commuters, residents, tourists, restaurant patrons and sports groups OzPave Pty Ltd advised the carpark disruption was to be communicated by a site foremen and by using signage and standard traffic management methods of site notices. The panel felt that this particular project requires careful and dedicated communication skills to be employed to keep the community informed and to minimise disruptions and negative visitor experiences.

Ozpave Pty Ltd has verbally indicated some experience in WSUD construction; however no examples were submitted with the tender. Their works program of 11 weeks was considered realistic. They indicated problems with the design and construction would be seen as 'non conformance with the contract' and therefore this could indicate to variations being sought by the contractor.

Sydney Civil Pty Ltd

The assessment panel then interviewed Sydney Civil Pty Ltd, who scored highest in the assessment process and are known to Council. Sydney Civil demonstrated that their approach to the project would be professional, proactive and that their approach would be minimise the reduction in available car spaces and the impact on users.

Sydney Civil Pty Ltd scored the highest in the assessment process and submitted the third lowest tender price, propose to have a full time community liaison officer to manage the communication process through out the project to ensure that information on the project works and disruptions that may affect car park users are clearly and directly communicated to Council, stakeholders, residents and users. Their proposed methods include letter box notification and door knocking nearby residents, as well as advertising the proposed works and traffic and pedestrian management changes during construction. This was the most impressive and professional approach offered by any tenderer.

Sydney Civil have 15 construction teams available for construction and the teams are fully trained in traffic management and environmental protection. They are flexible in that works can be undertaken at night if required to minimise disruption to the car park.

Sydney Civil also demonstrated a clear understanding and experience in the construction of WSUD. Their works programme of 12 weeks was also considered realistic. They advised that they avoid variations to contract as much as possible to maintain good client relations. Sydney Civil would appear to be the proposal with the lowest risk to Council.

Tender Assessment Panel Opinion

The tender panel is of the opinion that the tender of Sydney Civil Pty Ltd for a Lump Sum contract for \$490,474.00 (including GST) for the Lyne Park car park improvement works is the most advantageous to Council in terms of value for money, quality of work and the ability to complete the works within an acceptable time frame.

Identification of Income and Expenditure:

The project is funded from a variety of sources including \$150,000 from the Open Space & Trees Capital Works budget; \$60,000 is provided under the Environmental Works program to cover the WSUD works; \$300,000 is provided in grant funding under the Better Boating Program implemented by NSW Maritime. Therefore the project has total funding of \$510,000.

Recommendation:

After reviewing the tender submissions and taking into consideration the result of the scored criteria and the requirements of the project the tender panel recommend that Council enter into a Lump Sum contract for \$490,474.00 (including GST) with Sydney Civil Pty Ltd for the Lyne Park Car Park Improvements Project.

Tom O'Hanlon
Director Technical Services

Rod Ward
Project Manager Open Space & Trees

David Byatt
Purchasing Coordinator

Annexure:

1. Lyne Park Car Park Tender Assessment Score sheet

**POLITICAL DONATIONS DECISION MAKING FLOWCHART
FOR THE INFORMATION OF COUNCILLORS**

