

EOI6105 7125: ALPINE STREET CECIL STREET AND GLENBROOK ROAD WARBURTON ROAD IMPROVEMENT WORKS SPECIAL CHARGE SCHEME

Report Author: Senior Project Engineer
Responsible Officer: Director Built Environment and Infrastructure
Ward(s) affected: O'Shannassy;

The author(s) of this report and the Responsible Officer consider that the report complies with the overarching governance principles and supporting principles set out in the Local Government Act 2020.

CONFIDENTIALITY

The item has been included in the public agenda to facilitate openness and transparency in Council's decision making. Confidential attachments have been included with the report which contain commercially sensitive information that is not to be disclosed whilst the meeting is open to the public.

SUMMARY

This report summarises the quotation evaluation process for the Alpine Street, Cecil Street and Glenbrook Road, Warburton - Road Improvement Special Charge Scheme and seeks Council approval to award the contract for construction to JTX Civil Contracting Pty Ltd trading as Jotomex Civil Contracting Pty Ltd.

As part of its 2019 budgetary process, the Federal Government announced a nine-year, \$150 Million funding initiative for Yarra Ranges Council to seal roads within the Dandenong Ranges and surrounding areas.

On 10 January 2023 Council received formal notification dated 19 December 2022, from the Federal Government that the \$150 Million Federal Government funding initiative would be reduced with Council only receiving total funding in the program of \$47.67 Million (\$47.7M). As a result of these funding cuts, Council's ability to construct all roads on the endorsed priority list will not be possible.

At its meeting on 11 April 2023, Council considered a report for seven Special Charge Schemes that will proceed to construction. Alpine Street, Cecil Street and Glenbrook Road, Warburton was included in one of the seven groups of Special Charge Schemes to proceed to construction.

Landowner support has been sought and obtained for construction of the roads Alpine Street, Cecil Street and Glenbrook Road, Warburton in accordance with Council's Special Charge Scheme Policy. The project has been listed in Council's 2023/24 Capital Expenditure Program.

The Special Charge Scheme Statutory Process has been successfully completed and the project is ready for construction.

RECOMMENDATION

That

- 1. Council accepts the tender from JTX Civil Contracting Pty Ltd for the total lump sum price of \$915,537.00 (GST exclusive), \$1,007,090.70 inclusive of GST and all provisional items as defined in this proposal.**
- 2. Council approves the Director of Built Environment and Infrastructure be delegated the authority to sign the contract documents.**
- 3. The confidential attachment to this report remains confidential indefinitely as it relates to matters specified under section 3(1) (g)(i), (g)(ii) of the Local Government Act 2020.**

RELATED COUNCIL DECISIONS

- Council meeting 24 September 2019 – Council considered a report regarding the Federal Government Road Construction Funding Initiative and endorsed a listing of roads proposed for construction as Special Charge Schemes with landowner contributions fixed at \$7,000 per development unit.
- Council meeting 25 August 2020 – Council approved the establishment of a panel of pre-qualified Road Construction and Associated Works contractors, to facilitate the efficient delivery of road infrastructure projects.
- Council meeting 12 April 2022 – Council approved a report on the Intention to Levy a Special Charge Scheme for Alpine Street Cecil Street and Glenbrook Road, Warburton.
- Council meeting 16 June 2022 – Council declared the Special Charge Scheme for Alpine Street, Cecil Street and Glenbrook Road, Warburton.
- Council meeting 11 April 2023, Council considered a report for seven Special Charge Schemes that will proceed to construction. Alpine Street, Cecil Street and Glenbrook Road, Warburton was included in one of the seven Special Charge Schemes to proceed to construction.

DISCUSSION

Purpose

To seek Council approval to award EOI6105 7125 Alpine Street, Cecil Street and Glenbrook Road, Warburton Road Improvement Special Charge Scheme.

Background

As part of its 2019 budgetary process, the Federal Government announced a nine-year, \$150 Million funding initiative for Yarra Ranges Council to seal roads within the Dandenong Ranges and surrounding areas.

To support efficient procurement processes, Council sought Expressions of Interest from contractors to establish a panel of twelve (12) pre-qualified Road Construction and Associated Works contractors to EO16105. From this list Council would seek quotations for road construction and associated works, as and when funding allows.

Under the terms and conditions of the panel arrangement any contracts valued over \$1 million would require a formal declaration report indicating the estimated cost and budget be accepted by Council before the project can proceed to construction.

On 15 February 2024, Council invited nine (9) pre-qualified suppliers from the Road Construction and Associated Works Panel to submit their pricing for the EO16105 7125 Alpine Street, Cecil Street and Glenbrook Road, Warburton Road Improvement Special Charge Scheme.

The tender process remained open for 10 business days, closing on 29 February 2024 and four (4) Submissions were received.

Key Issues

This tender process has been carried out in accordance with the requirements of Council's Procurement Policy.

Tenderer's submissions were assessed for conformity with the tender documents and no tenders were eliminated from further evaluation as a result of any non-conformances.

The Evaluation Panel scored tenders against pre-established evaluation criteria. A summary of the evaluation criteria follows.

Evaluation Criteria	Weighting
Price	80%
Capability and Capacity	10%
Timeframes	10%
TOTAL	100%

Recommended option and justification

Following an extensive evaluation process as detailed in Confidential Attachment 1, the evaluation panel are unanimous in their decision to recommend JTX Civil Contracting Pty Ltd for the Tender Price inclusive of provisional items. JTX Civil Contracting Pty Ltd offers the best value outcome.

The evaluation panel request that Council adopts the recommendations within this report.

FINANCIAL ANALYSIS

The total cost of the lump sum contract for the road construction is \$915,537.00 (GST exclusive), \$1,007,090.70 Inclusive of GST including all provisional sums.

Funds are allocated to this project are from:

- The 2019 Federal Government \$150 Million funding initiative for Yarra Ranges Council to seal roads within the Dandenong Ranges and surrounding areas.
- Landowner Contributions as part of a Special Charge Scheme beginning in the 2024/25 financial year. The funding details are provided within the Confidential attachment.

Works are anticipated to commence in late April 2024 with works expected to reach practical completion by early October 2024.

APPLICABLE PLANS AND POLICIES

This report contributes to the following strategic objective(s) in the Council Plan: This report contributes to the following strategic objective(s) in the Council Plan: The construction of local roads as a Special Charge Scheme meets the *Council Plan 2021- 2025* strategic objective of Quality Infrastructure and Liveable Places. Local road construction also has benefits related to the strategic objective of a Vibrant Economy, Agriculture and Tourism.

Council's Special Rate and Charge Policy for Infrastructure Improvements sets out in detail the procedures for managing Special Charge Schemes.

This project is part of the Federal Government's sealing roads within the Dandenong Ranges and surrounding areas program.

RELEVANT LAW

This report seeks Council approval to award a contract that complies with Section 108 of the *Local Government Act 2020*.

SUSTAINABILITY IMPLICATIONS

Economic Implications

The construction of these roads would be undertaken utilising contractors from Councils Road Construction and Associated Works Panel. This panel was established with a majority of local smaller contractors which will help provide economic support to these local businesses.

Social Implications

Special Charge Schemes for road construction require sizeable contributions from abutting landowners. These contributions can lead to social and economic impacts for affected landowners. Council's *Special Rate and Charge Policy for Infrastructure Improvements* notes that those landowners with a demonstrated financial hardship

may apply for assistance in accordance with *Council's Rate Recovery and Financial Hardship Policy*.

Environmental Implications

The proposed works will require the removal of 0 native trees and 0 exotic trees. A Council arborist has been arranged for supervision of impacted trees during construction and a Council Environmental Assessment officer has been arranged for supervision of impacted vegetation impacts during construction.

A Cultural Heritage Management Plan is not required for the works.

The works will enhance the environmental amenity, through the reduction in dust.

The sealing of local roads will assist in reducing the impacts to the road condition from increased storm events, predicted as a result of climate change. Unsealed roads greatly deteriorate in condition following storm events creating an increased stress on service delivery for the unsealed road network.

Consideration is also given to the rate of flow of water into local creeks and impacts to water quality following the sealing local roads, sustainable treatment is prioritised, where possible within the catchment with measures such as grassy swales implemented as conditions allow.

As part of the construction of local roads, Council officers are continually investigating the increased use of recycled materials. In utilising recycled materials, officers consider the availability and location of materials, the quality of materials and overall cost to the project.

COMMUNITY ENGAGEMENT

Landowners in Alpine Street, Cecil Street and Glenbrook Road, Warburton have been consulted in the lead up to and through the statutory process for developing a Special Charge for the construction of their roads.

COLLABORATION, INNOVATION AND CONTINUOUS IMPROVEMENT

Projects constructed under the Roads for Community Initiative have been jointly funded by the Federal Government and participating landowners.

The Federal Government funding commitment of \$150 Million over 10 years will have a transformational impact on unmade roads throughout the Dandenongs and urban growth areas of the municipality. The key principles of the program are to construct unmade roads:

- Servicing schools, community facilities and sporting facilities.
- Within the urban growth boundary and township areas within Yarra Ranges.
- That significantly support bushfire risk and emergency situations to allow the community to safely exit areas of high risk.
- That support the growth and development of tourism across the municipality.

- Where sections of high-volume rural roads intersect with collector/arterial roads.

In considering a strategic approach for future construction of unsealed roads, the proposed road construction of Alpine Street, Cecil Street and Glenbrook Road, Warburton, fit within the above criteria.

RISK ASSESSMENT

Construction of the roads would provide the following benefits/risk reduction to landowners:

- Continued and safer vehicular access to and from properties abutting or gaining primary access via the roads.
- Improved stormwater drainage runoff control directed towards the roads from abutting properties, and protection of low side properties from stormwater runoff from the roads.
- Enhanced physical and environmental amenity for abutting properties.

It is noted that the roads have existed in their current form for many years. If the proposed construction of the roads does not proceed, no unacceptable or unmanageable risk would be experienced by Council.

CONFLICTS OF INTEREST

No officers and/or delegates acting on behalf of the Council through the Instrument of Delegation and involved in the preparation and/or authorisation of this report have any general or material conflict of interest as defined within the *Local Government Act 2020*.

ATTACHMENTS TO THE REPORT

1. Contract EOI6105 Quotation Evaluation.