



TO: CHIEF EXECUTIVE OFFICER

CC: SPECIALIST COASTAL ENGINEER
MANAGER ASSETS MAINTENANCE

FROM: DIRECTOR ASSETS

FILE REF: 24685; 20/391153

DATE: 15 SEPTEMBER 2020

**TENDER NO 20181
QUINNS BEACH GROYNE 1 MAINTENANCE AND UPGRADE**

Issue

To consider the decline of all tender submissions relating to Tender No: 20181 for the maintenance and upgrade of Groyne 1 in Quinns Beach.

Background

The Quinns Beach Long Term Coastal Management Works (2017/18 to 2019/20) included upgrade and extension of 2 existing groyne structures (Groynes 2 and 3) and construction of a new groyne (Groyne 4). The last remaining groyne not included in these works is Groyne 1 (southern groyne adjacent to Fred Stubbs Park and the Quinns Beach Carpark). This groyne requires significant maintenance works and has required ongoing maintenance approximately every 5 years since its construction in 2002.

In order to reduce the ongoing maintenance requirements, reduce impacts of regular major works on the community and improve public safety, the scope of works included some design upgrades above the standard maintenance required on the structure.

The Groyne 1 Maintenance and Upgrade works were designed by coastal engineering consultant, Cardno, in 2019/20 and include the following upgrades:

- Inclusion of a secondary armour layer to prevent core washout;
- Inclusion of a groyne toe structure to improve armour layer stability;
- Increase in rock armour size to improve armour layer stability;
- Increase in crest levels to reduce wave overtopping amounts to within safe limits for pedestrian safety;
- Increase in crest width to reduce wave overtopping and washout of crest surface material;
- Inclusion of geotextile beneath crushed limestone crest surface material to reduce the loss of material and maintenance requirements.

The Quinns Beach Coastal Management Works are part of the City's Capital Works Program and have been historically funded from the City's Reserves and State

Government funding via multiple Department of Transport (DoT) Coastal Adaptation and Protection Grants.

Detail

Tender 20181 Quinns Beach Groyne 1 Maintenance and Upgrade Works was advertised on Saturday 8 August 2020 and closed on Tuesday 1 September 2020. One Addendum including CAD drawings was issued.

Essential details of the proposed contract are as follows:

Item	Detail
Contract Form	Minor Construction (COW bespoke contract)
Contract Type	Lump Sum
Contract Duration	3 months
Commencement Date	October 2020
Expiry Date	January 2021
Extension Permitted	No
Rise and Fall	No

Tender submissions were received from the following:

Tenderer
Hawthorn Construction Services

*Note that WA Limestone had issues uploading documents to the City's E-Tender Portal and therefore provided the submission via email to the Specialist Coastal Engineer and which therefore could not be accepted for evaluation.

The proposed Tender Evaluation Panel comprised:

- Specialist Coastal Engineer,
- OHS Officer
- Coordinator Assets Planning,
- *DoT Representative

*Note that conditions of recent State Government funding for these works are currently being finalised, however one of the conditions is inclusion of a DoT Representative within the Tender Evaluation Panel.

Probity oversight was to be provided by the City's Contracts Officer.

Tender submissions were to be evaluated in accordance with the Procurement and Evaluation Plan (PEP). The PEP included the following selection criteria:

Item No	Description	Weighting
1	Sustainable (Corporate Social Responsibility) Procurement a. Environmental Considerations 5% b. Buy Local 10% c. Reconciliation Action Plan 2.5% d. Disability Access & Inclusion 2.5%	20 %
2	OSH	20 %
3	Methodology	20 %
4	Demonstrated Experience in similar Works	40 %

Comment

It is necessary to decline the tender submitted by Hawthorn Construction Services on the basis that the tender price was not considered value for money and was significantly above the available project budget. Refer to confidential attachment.

The significant discrepancy between the budget and lump sum price submission is likely due to a lack of coastal construction experience and understanding of the scope from the contractor, Hawthorn Construction Services, who have not previously undertaken works of a similar nature.

Because no acceptable tender was received and in accordance with Local Government (Functions and General) Regulations, a formal Request for Quotation process for the works is expected to commence in late September 2020 with a revised contract award of November 2020. On this basis, works will likely be delayed until mid-January 2021 in order to minimise disruption to the local Quinns Rocks community during the busy summer holiday period.

Relevant Stakeholder Consultation

The Department of Transport have provided both financial and technical support towards the Quinns Beach Coastal Management project over the past 6 years. Regular meetings are held between the DoT and the City to ensure this relationship support continues into the future.

The Quinns Beach Long Term Coastal Protection Advisory Group was established in 2014 and includes Administration, Councillors, Community Representatives and DoT Representatives. The Group continues to meet every quarter and/or at major project milestones to discuss current and upcoming studies and works relating to coastal management along the Quinns Rocks coastline. The previous Group meeting was held on 18 August 2020 which included a project update and discussion on the upcoming Quinns Beach Groyne 1 Maintenance and Upgrade Works. These works were strongly supported by the Group due to the benefits for public safety, accessibility and reduced maintenance requirements into the future.

Statutory Compliance

Tenders were invited in accordance with the requirements of Section 3.57 of the *Local Government Act 1995*. The tendering procedures and evaluation complied with the requirements of Part 4 of the *Local Government (Functions and General) Regulations 1996*.

Strategic Implications

The proposal aligns with the following objective within the Strategic Community Plan 2017/18 – 2026/27:

“3 *Environment (Natural)*

3.2 *Enhanced Environment*

3.2.1 *Maximise the environmental value of beaches nature reserves and parklands”*

Enterprise and Operational Risk Management Considerations

Risk Title	Risk Rating
ST-S06 Climate Change	High
Accountability	Action Planning Option

Director Planning and Sustainability	Manage
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Risk Title	Risk Rating
ST-23 Stakeholder Relationships	Moderate
Accountability	Action Planning Option
CEO	Manage

Risk Title	Risk Rating
CO-022 Environmental Management	High
Accountability	Action Planning Option
Director Planning and Sustainability	Manage

Social and Environmental (Sustainable Procurement) Considerations

Not considered due to the recommendation to decline the tender submission based on financial implications.

Broader Economic Impact Implications for the city of Wanneroo

Not considered due to the recommendation to decline the tender submission based on financial implications.

Purchasing Policy Implications

Tenders were invited in accordance with the requirements of the City's Purchasing Policy.

Financial and Performance Risk

A financial assessment and performance risk evaluation was not undertaken due to the recommendation to decline the tender submission.

Financial (Budget) Implications

The current capital works budget for PR 2561 Quinns Beach Long Term Coastal Management is \$430,000 funded by the Coastal Infrastructure Reserve. Grant funding of up to \$500,000 is also available from the State Government's WA Recovery Fund.

Prior to tendering, the expected construction cost for the groyne 1 maintenance and upgrade works was between \$400,000 and \$500,000 based on cost estimates provided by coastal engineering consultant, Cardno. Following the decline of tenders, a Request for Quotation process and quote submissions will be undertaken and subsequent budget adjustments will then be undertaken.

Recommendation

That the Chief Executive Officer, in accordance with Delegation 1.1.14 (Item 2) - Choice of Most Advantageous Tender of the Delegated Authority Register DECLINES all tender submissions received for Tender 20181 for the Quinns Beach Groyne 1 Maintenance and Upgrade and notes a formal Request for Quotation process will be commenced for the Works.