

7.4.3 2025139: ROAD RECONSTRUCTION AT HOTHAM STREET, HUGHESDALE

Responsible Manager:	Andrew Andonopoulos, Manager Capital Works
Responsible Director:	Jarrold Doake, Director City Services

RECOMMENDATION

That Council

1. Awards the tender from Etheredge Mintern Pty Ltd for Hotham Street, Hughesdale Road Reconstruction, Contract No. 2025139 for a Fixed Lump Sum of \$1,998,663.95 with an extra \$200,000 for Contingencies.
2. Authorises the Chief Executive Officer or their delegate to execute the contract agreement.
3. Notes that the anticipated contract commencement date is 5 January 2026 and the expected completion date is July 2026 and
4. Notes that the total anticipated project expenditure including the contract Fixed Lump Sum, Service Authority Relocation Costs and Project Management Fees is \$2,128,663.95 with an extra \$200,000 for Contingencies.

Please note that all dollar figures are GST exclusive unless stated otherwise.

INTRODUCTION

Council has conducted a tender for 2025139 - Hotham Street, Hughesdale Road Reconstruction.

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.

The worksite is unique to the City of Monash with specific constraints and requirements. Collaboration with other Councils or public bodies is neither practical nor cost-effective and there are no suitable established aggregate contracts available for this type of service. Furthermore, there are no other comparable projects within Monash that could be packaged together for procurement.

BACKGROUND

Hotham Street, Hughesdale (between Kangaroo Road and Dallas Avenue) has been identified as requiring urgent renewal due to deteriorating pavement conditions, drainage issues and vehicle scraping concerns. The road has reached the end of its serviceable life requiring significant and increased maintenance to maintain the road in a safe condition. The proposed works align with Council's Road Reconstruction Program, which prioritises road renewals based on asset condition, safety, and community impact.

The works include reconstruction of failed sections of road pavement, full replacement of bluestone kerb and channel, upgrade of the stormwater drainage system to address flooding and runoff issues and resurfacing of the full-length of the road. Vehicle crossings will be reconstructed to reduce scraping and road humps will be installed to reduce vehicle speed and improve traffic safety.

The works will improve road safety, reduce ongoing maintenance costs and enhance drainage performance, thereby lowering the risk of property flooding. It will also improve visual amenity, pedestrian and vehicle access and support Council's goal of creating a more connected and resilient city. These works respond directly to residents' concerns and contribute to a safer, more sustainable road network.

NOTIFICATION

A public notice was placed in The Age newspaper on 12 July 2025 and the tender closed on 13 August 2025.

TENDERS RECEIVED

Eight (8) tender submissions were received by the appointed closing time.

The tenders received are listed below:

- Blue Peak Constructions Pty Ltd
- CDN Constructions Pty Ltd
- Etheredge Mintern Pty Ltd
- Fercon Civil Construction & Engineering Pty Ltd
- Habitat Civil Pty Ltd
- Kaizen Civil Pty Ltd
- Parkinson Group Australia Pty Ltd
- Prestige Paving 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

All tender submissions were deemed conforming.

TENDER EVALUATION

All members of the evaluation panel signed Conflict of Interest and Confidentiality forms.

One panel member disclosed a conflict of interest, but their role in this evaluation was restricted to process support only. Therefore, the associated risk was assessed as low, and it was determined that they could remain on the panel.

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

Pass/Fail Assessment Criteria	Score
Risk Level 1-3: OHS & Quality Mandatory Rapid Global	<i>Pass/Fail</i>
Mandatory Insurances	<i>Pass/Fail</i>

Table 2	Key Selection Criteria	Criteria Weightings
Qualitative Criteria	Capacity and Capability	20%
	Project Timelines	10%
	Sustainability	**10%
Quantitative Criteria	Price	*60%

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

** Where the Sustainability weighting is agreed to be less than 20%, the minimum Price weighting must be 60%, with justification provided as outlined below:

The Price Weighting for this tender has been increased to 60% as Sustainability elements have already been incorporated into the tender in the design phase. There are limited opportunities to substitute materials and products through the construction phase without compromising the performance of the design. The design specification has incorporated use of and recycling of demolition materials such as concrete asphalt and crushed rock.

DISCUSSION

The evaluation panel evaluated all tenderers against the key selection criteria and weightings. Following the initial qualitative/non price assessment, two tenderers received a total qualitative score below 20%. In accordance with the published tender conditions, Council reserves the right to disqualify any submission scoring less than half of the total qualitative score. Therefore, these tenderers were disqualified and were not evaluated further.

The Tender Evaluation Panel (TEP) compared the relevant experience of the other tenderers, and all demonstrated a capability to deliver the project. The TEP shortlisted four highest ranked tenderers; Kaizen Civil Pty Ltd, CDN Constructions Pty Ltd, Prestige Paving Pty Ltd and Etheredge Mintern Pty Ltd to be interviewed to further confirm:

- Experience.
- Resourcing, capability, and capacity.
- Understanding of the scope and any complexities of works.
- Risk management and site-specific risks.
- Innovation

Etheredge Mintern Pty Ltd is a well-established civil contractor with over 40 years of industry experience. Through their submission and tender interview, they demonstrated a track record of successfully delivering similar road reconstruction projects for various councils, including Knox, Manningham, Yarra Ranges, and Monash. Their proposal reflected a detailed understanding of the project scope, identified key construction risks, and acknowledged the specific requirements of working within the road reserve. They confirmed their commitment to prioritising safety

throughout the duration of the works, including managing traffic and resident access during construction and after hours.

Through the interview, the TEP sought further detail in specific areas critical for successful delivery of this contract including site management, quality control, safety practices and stakeholder communication. Etheredge Mintern Pty Ltd responded with a detailed commitment outlining the resources and controls they will implement to successfully achieve a quality outcome including nominating their project team which has significant road works experience. They also confirmed their understanding of the full scope of works and reaffirmed their lump sum pricing, inclusive of all required components.

An independent financial assessment was conducted on Etheredge Mintern Pty Ltd by Corporate Scorecard with a score of 3.36 out of 10 and a rating of "Marginal".

Additional controls were considered and discussed with the Chief Financial Officer in assessing whether it is reasonable for Council to consider engaging this contractor for this contract as follows:

- An increased Security Deposit of 10% (originally 5%) will be taken in advance upon executing this contract prior to works commencing;
- Payments are only made on actual completed works as valued by Council and payment terms are 30 days net.
- A confirmation letter has been received from G&M Etheredge Pty Ltd regarding an existing loan liability and assurance that no calls on that liability will be made in the short term (12 months).
- A Statutory Declaration will be sought from the Contractor that confirms all subcontractors and suppliers have been paid money due prior to Council approving progress payments.

Etheredge Mintern Pty Ltd has accepted to the above conditions. Based on the above contractual and administrative controls in place the risk to Council is considered acceptable to engage Etheredge Mintern Pty Ltd for this contract.

The final evaluation ranking (including the price and non-price evaluation criteria) ranked Etheredge Mintern Pty Ltd the highest and consequently, the evaluation panel recommends Etheredge Mintern Pty Ltd as representing the best value outcome for Council and that they be awarded this tender.

FINANCIAL IMPLICATIONS

This is a multi-year project with an approved total budget allocated across the 2025/26 and 2026/27 financial years as follows:

Capital Budget Allocation Project C09482 – Hotham Street - Road Rehabilitation	\$ GST Ex.
2025/2026 Adopted Budget (Includes \$1,290,434 Roads to Recovery Funding)	\$1,400,000.00
2026/2027 Budget Allocation - Long Term Financial Plan (LTFP)	\$1,400,000.00
TOTAL PROJECT BUDGET	\$2,800,000.00

Total Anticipated Project Expenditure Based Upon Etheredge Mintern Pty Ltd's Submission	
Lump Sum Price	\$1,998,663.95
Service relocations, Consultancy and Authority approvals	\$30,000.00
Contingency	\$200,000.00
Project Management Fees	\$100,000.00
TOTAL ANTICIPATED PROJECT EXPENDITURE	\$2,328,663.95
TOTAL ANTICIPATED PROJECT SURPLUS	\$471,336.05
TOTAL ANTICIPATED PROJECT EXPENDITURE 2025/26 FY	\$1,768,663.95
TOTAL ANTICIPATED PROJECT EXPENDITURE 2026/27 FY	\$560,000.00

The project is forecast to be delivered within a shorter duration than originally estimated and hence it is anticipated that an additional \$368,663.95 will be required to be brought forward into the 2025/26 FY to fund this work. The additional budget sought will be managed within delivery of the 2025/26 Capital Works Program and the allocation for 2026/27 will be reduced accordingly from \$1.4M to \$560,000.

SUSTAINABILITY OUTCOMES

As part of the Council's commitment to sustainability this project incorporates the use of recycled materials in its construction including:


- Class 3 Crushed Rock (100% Recycled Concrete) – 151 tonnes
- Class 2 Crushed Rock (50% Recycled Concrete) – 90 tonnes
- Wearing Course Asphalt Pavement Type H (20% Recycled asphalt pavement) – 39 tonnes
- Base Course Asphalt Pavement type SI (25% Recycled asphalt pavement - 125 tonnes

Where possible, the contractor will reuse site-won materials and ensure that demolition waste is disposed of in an environmentally responsible manner, minimising landfill contributions.

Further, the materials specified for the construction have included use of recycled materials where feasible; this includes recycled crushed rock and asphalt for road works and trench backfill, supporting circular economy principles.

In addition to material reuse, the construction works will address flooding issues associated with larger storm events. This will help reduce the frequency and severity of overland flows and floodwaters, which can cause erosion of open spaces, sediment runoff, and damage to vegetation across both public and private properties.

The contractor has also committed to sourcing goods, services, and materials locally within the City of Monash wherever possible, supporting the local economy.



Furthermore, contractor has pledged to recruit local personnel for the delivery of the project and has expressed interest in sponsoring community organisations—such as local football and netball clubs—to enhance community engagement and social sustainability.

CONCLUSION

That Council approves the recommendations contained within this report.

ATTACHMENT LIST

Nil