

4.8 CONTRACT FOR ATHERTON ROAD, OAKLEIGH – STAGE TWO ROAD RECONSTRUCTION AND STREETScape ENHANCEMENT

(BX:CF2018193)

Ward: OAKLEIGH

Responsible Director: Ossie Martinz

RECOMMENDATION*That Council:*

1. *Accepts the tender from Ace Landscape Services Pty Ltd to undertake the road reconstruction and streetscape enhancement works in Atherton Road, Oakleigh between Warrigal Road and Clyde Street for the lump sum price of \$4,773,843.32 (GST inclusive).*
2. *Notes that the anticipated project expenditure is \$5,816,000 (GST exclusive) for the reconstruction works (including the contingency amount, service authority adjustments, manufacture and supply of geotextile root barrier and project management fees) be noted; and.*
3. *Authorises the Chief Executive Officer to execute the contract documents and approve any contract variations that are contained within the project budget.*

INTRODUCTION

Atherton Road is a major access to and from the Oakleigh Activity Centre and is a heavily used bus route. The footpath and road has deteriorated to a condition where maintenance intervention is becoming more frequent particularly in areas around the plane trees that were planted in planter boxes within the road in the 1980s. With the multi-level car park on Atkinson Street further activating the shopping precinct, reconstruction of the road and enhancement of the streetscape will provide a more user friendly environment and provide long-term economic benefits.

BACKGROUND

The residential section of Atherton Road between Huntingdale Road and Clyde Street was reconstructed in 2015/16. Council is now seeking to appoint a contractor to reconstruct Atherton Road through the Activity Centre between Warrigal Road and Clyde Street.

DISCUSSION

In order to improve the streetscape and minimise the on-going maintenance challenges associated with the existing plane trees, it is proposed to reconstruct Atherton Road between Warrigal Road and Clyde Street by widening the footpath, re-paving with granite pavers, retaining and enhancing the existing plane trees in larger garden beds, upgrading the drainage system and improving lighting and the street furniture layout.

Scope of Works

The works proposed under the contract include footpath widening and upgrade, asphalt overlay of the existing road pavement, installation of new concrete kerb and channel, new drains and pits.

CONSULTATION

Information has been provided to residents and traders in the area affected by the proposed works. Public consultation has been undertaken to address queries and concerns.

SOCIAL IMPLICATIONS

The works will improve the streetscape environment and pedestrian activity, enhance local business and economic opportunities, rejuvenating and improving liveability within the Oakleigh Activity Centre area.

ANALYSIS

A public notice seeking tender submissions was placed in The Age newspaper on 2 June 2018 and at the close of tenders the following five contractors had submitted tenders with lump sum prices ranging between \$4,339,857.56 and \$5,416,353.00 (GST exclusive):

- Ace Landscape Services Pty Ltd
- Evergreen Civil Pty Ltd
- CDN Constructors Pty Ltd
- Parkinson Group (VIC) Pty Ltd
- Allgood Contracting Pty Ltd

Submissions were evaluated in accordance with the criteria set out in the tender documents with price (60%) and non-price qualitative items (40%), including assessment for occupational health and safety (OH&S), environmental and works management systems, previous experience and demonstrated quality of works for similar projects.

In order to compare contractor prices, adjustments were made to include provisional items which are outside the lump sum price and to reflect clarifications post tender.

Ace Landscape Services Pty Ltd (Ace) ranked highly in the qualitative component of their assessment which reflects their experience and suitability for this type of project in which they specialise. Combined with the price ranking, Ace ranked highest overall.

Ace's tender submission was for the lump sum price of \$4,339,857.56 (GST exclusive).

Ace has shown their capability to undertake works in shopping precincts and have experience in local government projects in high profile locations. They have undertaken similar works for the City of Stonnington at Windsor Plaza and Greville Street, Prahran which have been completed to a high standard with positive Council and community feedback. Ace has indicated that they could commence works in September 2018 and complete within a timeframe of forty weeks which falls within the anticipated Capital Works Program delivery period.

Ace Landscape Services Pty Ltd are recommended to undertake this project.

FINANCIAL IMPLICATIONS

The project costs based on Ace Landscape Services Pty Ltd tender are estimated to be:

Tender Amount (GST inclusive)	\$4,773,843.32
Less GST Amount	\$433,985.76
Tender Amount (GST exclusive)	\$4,339,857.56
Contingency Amount including \$ 56,294.61 of Provisional Items not included in Lump Sum (GST exclusive)	\$830,608.02
Service Adjustments (Telstra & South East Water, GST exclusive)	\$245,534.42
Project Management Fee (GST exclusive)	\$200,000.00
Estimate cost of manufacture and supply of geotextile root barrier (GST exclusive)	\$200,000.00
Total Cost 2018/19 & 2019/20 (GST exclusive)	\$5,816,000.00

Note: \$692,250.62 (GST exclusive) was incurred in financial year 2017/18 for the procurement of pavers, design and service proving.

Council has allocated \$3,065,845 in its 2018/19 budget for these works.

IMPLEMENTATION

Upon Council awarding the Contract, the necessary documentation will be executed and the works undertaken.

CONCLUSION

The Evaluation panel concurs that the tender from Ace Landscape Services Pty Ltd offers Council best value.