

4.7 SUPPLY OF GRANITE PAVING – ATHERTON ROAD, OAKLEIGH

(Author: KW/AA, File No. CF2018073)

Ward: Oakleigh

Responsible Director: Ossie Martinz

RECOMMENDATION

That Council

- 1. Accepts the revised lump sum tender price of \$511,852.69 (GST inclusive) submitted by Glory Marble and Granite for the supply and delivery of Granite Pavers for Atherton Road, Oakleigh.*
- 2. Notes the anticipated project expenditure of \$515,000.00 (GST exclusive) for the supply and delivery of Granite Pavers for Atherton Road, Oakleigh (including contingency and works management fees).*
- 3. The Chief Executive Officer be authorised to execute the contract documents and approve any contract variations that are contained within the anticipated project expenditure.*

INTRODUCTION

Atherton Road, Oakleigh from Warrigal Road to Clyde Street is to be reconstructed in the financial years 2017/18 to 2019/20. As part of these works the streetscape is to be improved and include wider footpaths with granite paving to improve trading areas, retention and enhancement of existing trees and landscaping where possible and improved lighting and street furniture layout.

Given the lead times for the supply and delivery of the Granite pavers it is necessary to procure the pavers in advance of the commencement of the construction works.

The purpose of this report is to accept the lump sum tender submitted by Glory Marble and Granite for the supply of Granite pavers for Atherton Road Reconstruction Project.

BACKGROUND

Atherton Road is a collector road that caters for approximately 10,000 vehicles per day and is also a major bus route into the Oakleigh shopping precinct. The footpath, kerb and channel and associated infrastructure has deteriorated to a state where maintenance interventions are becoming more frequent. The reconstruction works associated with this project will provide a more economical long-term outcome and minimise risk and frequent disruption to the public.

The works also include the retention of many of the existing street trees as possible and the proposed works will improve the streetscape and minimise the on-going maintenance challenges associated with the trees.

The residential section of Atherton Road between Huntingdale Road and Clyde Street was reconstructed in 2015/16.

DISCUSSION

Tenders were advertised in The Age on 4 November 2017 and closed at 2pm 17 November 2017 for the supply and delivery of Granite Pavers to be used in the reconstruction of Atherton Road (Warrigal Road to Clyde Street). Seven (7) tender documents were taken out and at the close of tenders two (2) submissions were received. Both tenders are capable of delivering the granite pavers within the time frame required.

The pavers are proposed to be stored within the Monash Operations Centre (MOC) until required for the reconstruction works. This will minimize Council's risk with external storage options.

SCOPE OF WORKS/CONTRACT

The tender is for the supply and delivery of Granite Pavers to be used for the Reconstruction of Atherton Road, (Warrigal Road to Clyde Street).

CONSULTATION

Council has consulted with Traders/Owners/Residents along Atherton Road in accordance with the Atherton Road Reconstruction Works Communication Plan. Further communication will be undertaken prior and throughout the delivery of the project.

SOCIAL IMPLICATIONS

Enhanced streetscape elements including wider footpaths will enable additional street trading opportunities into the future and promote pedestrian activity which will stimulate the local economy.

ANALYSIS

The following suppliers submitted a lump sum tender price:

- Glory Marble and Granite
- Phoenix Stone 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.

Both suppliers/tenders have appropriate OH&S, environmental and work management systems in place that comply with contract requirements and satisfy the non-price component of the evaluation.

Interviews were held with both suppliers to discuss their submissions and view paver samples. Both companies import their granite products from Asia and have indicated that the Dark Granite paver specified (used intermittently within Eaton Mall) is sourced from a quarry with limited access (good weather only) and has limited supply. Due to these supply and access problems and the premium price of these pavers, both companies suggested an alternative granite paver. The suggested alternative is considered satisfactory with regards to appearance, durability and meets Council's specifications. The darker pavers to be used form only a small proportion of the paved areas.

Further assessment of the material specification revealed that the paver thickness could be reduced from 60mm to 50mm without compromising the structural integrity or strength of the pavers. Amended pricing was requested from both suppliers to provide Council the opportunity and flexibility to include the option of a reduced paver thickness. This reduction in thickness resulted in a cost saving and provides manual handling benefits (lighter paving units).

References were checked for both tenders and they have both supplied similar materials of a similar value for other projects. Certified test results have been or are to be provided as required in the tender documentation.

Both tenderers are considered capable of delivering the stone pavers in the time frame required.

Based on the submissions Glory Marble and Granite is considered to offer the best overall value to Council.

FINANCIAL IMPLICATIONS

The 2017/18 Capital Works Program under Atherton Road, Oakleigh road reconstruction works has a total budget allocation of \$2,100,000 (GST exclusive) which includes an allowance for supply of pavers.

A contingency amount of \$45,000 which represents approximately 10% of the tender price has been allowed to manage any additional paving requirements that may arise during the works.

Based on the tender received from Glory Marble and Granite, the anticipated total project cost (GST exclusive) is estimated to be:

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| Revised Tender Amount (GST inclusive) | \$511,852.69 |
| Less GST Amount | \$46,532.06 |
| Tender Amount (GST exclusive) | \$465,320.63 |
| Contingency Amount (GST exclusive) | \$45,000.00 |
| Works management fees | \$4,679.37 |
| Total Expected Project Cost (GST exclusive) | \$515,000.00 |

IMPLEMENTATION

Upon Council awarding the Contract, the necessary documentation will be executed and the stone pavers ordered.

CONCLUSION

That Council:

1. Accepts the revised lump sum tender price of \$511,852.69 (GST inclusive) submitted by Glory Marble and Granite for the supply and delivery of Granite Pavers for Atherton Road, Oakleigh.
2. Notes the anticipated project expenditure of \$515,000.00 (GST exclusive) for the supply and delivery of Granite Pavers for Atherton Road, Oakleigh (including contingency, provisional items and works management fees).
3. The Chief Executive Officer be authorised to execute the contract documents and approve any contract variations that are contained within the anticipated project expenditure.