Risk Management Procedure – Sealed Road Resurfacing

Policy Number: POL08/418 • Adopted: 24/10/2006 • Minute Number: MIN06/1368 • File: 25218 • Produced By: Strategic Planning & Infrastructure Group • Review Date: 24/10/2012

1. PURPOSE

This risk management procedure (RMP) for sealed road resurfacing forms a part of the corporate Risk Management Policy. The development of a RMP for sealed road resurfacing addresses an activity in which there is a potential for serious consequences, to Council and/or the public, if it is not undertaken diligently.

This RMP provides additional details on road resurfacing which will not be included in the proposed Sealed Roads Asset Management Plan. The progressive implementation of Asset Management Plans for various asset types is one of the objectives in Council's Cityplan.

2. STATEMENT

2.1. Scope

The Risk Management Procedure – Sealed Road Resurfacing demonstrates that Council has a systematic and documented approach for reducing risks associated with the identification, planning, execution and monitoring of road resurfacing projects. This, in turn, should reduce Council’s exposure to liabilities associated with road resurfacing.

Sealed road resurfacing applies to the resealing or resheeting of an existing road with materials which generally comprise aggregates and bitumen, either separately, or in combination.

2.2. Objectives

The objectives of the RMP are:

- To apply the risk management principles of identification, evaluation and treatment of risks for road resurfacing activities
- To implement a formal system of identifying, planning, executing and monitoring road resurfacing projects
- To develop and maintain records and a system of documentation, which verify compliance with the safety, quality and environmental requirements associated with road resurfacing activities and which provide evidence to defend claims against Council
3. PROVISIONS

3.1. Project Identification

Council’s Sealed Roads Asset Management Plan (AMP) states, for resurfacing options, that “the type of treatment to be applied will be determined by the extent of the deterioration, type of defects observed and the aim of the activity to improve the performance criteria.” Typical resurfacing treatments include single or double layers of sprayed bitumen and aggregate such as ‘single/single’ and ‘double/double’; asphaltic concrete (AC) overlays; slurry, enrichment and emulsion seals etc.

Council’s roads are inspected cyclically to rate asset condition and determine possible treatment methods and timeframe. At time of annual program construction, road segments with condition indexes between 50 and 75 (Road Surface Manager) are selected for the preliminary list of candidate projects for site inspection and assessment. Appropriate treatments for these candidate projects are field verified and estimates of costs recorded for each project. During site inspection projects are prioritised according to risks associated with the current rate of deterioration, volume of traffic, defect types of the segments involved and current maintenance demand. The highest priority projects are then included in the annual program of resurfacing up until the cumulative estimates of cost equal Council’s adopted annual budget for resurfacing work. Deferred projects remain listed in Council's Pavement Management System for consideration in future reseal programs.

3.2. Project Planning

Whilst resurfacing works are performed under contract, Council carries out “Preliminary Inspection Checklist”, Road Surface Planning” and “Inspection and Monitoring Checklist”, which are part of the audit process for Statewide.

Detailed project planning has been assigned to the appropriate contractor. Although treatment types for each project are determined by Council, the contractor is required to design the treatment to suit the particular conditions of the existing surface and other associated criteria.

Specifications used by Council, such as AUSPEC and the RTA’s ‘G’ series and ‘R’ series, require contractors to develop and implement safety, quality and environmental controls relevant to each project. Site specific risk assessments are used by contractors to refine their safety plans, quality plans, traffic control plans and environmental management plans.

However, general project risks are discussed with contractors. For instance, deciding whether projects should be undertaken at night or on the weekends when traffic volumes may be lower than during normal business hours or whether projects should be done at a particular time of the year owing to seasonal weather patterns.

Not all planning or ‘pre-construction’ activities are assigned to contractors. The following need to be undertaken:

- Contract administration including the verification of current insurances, safety systems and environmental management plans.
• Project site preparation and signage, prior to resurfacing. This may include some or all of the following
  - Pot hole and edge repair
  - Heavy patching
  - Minor shape correction eg trench restoration
  - Vegetation removal
  - Shoulder grading and/or resheeting
  - Crack filling
• Arranging the approval and erection of temporary speed zones, if necessary
• Establishment of, and environmental controls for, stockpile sites
• Arranging aggregate delivery to stockpile sites
• Arranging linemarking, if necessary
• Notifying the public and affected residents

3.3. Project Execution

Project execution is undertaken by the contractor in accordance with the Specification and other contract documentation. A risk assessment is made for site specific safety, environmental and operational matters prior to commence work on the particular project site.

The contract Specification requires the contractor to produce a Project Quality Plan which verifies the quality of materials, designs, process control and the completed works. This is done by recording actions which are required by the Inspection and Test Plan and associated Procedures.

Council staff will regularly audit the contractor’s compliance with its Project Quality Plan, safety management plan and environmental management plan. Particular attention is paid to the extent and quality of the sweeping of pavements after resurfacing.

3.4. Project Monitoring

Inspections will be undertaken after the completion of each resurfacing project. The initial inspection will be undertaken within eight hours for rural roads and within 24 hours for urban roads. Inspections will concentrate on checking appropriate use of signs, aggregate build up and any indications that there is a problem with the new surfacing, for example, stripping or flushing.

In addition where linemarking is in place, “stick and stomps” are placed by the contractor until such time as the linemarking is reinstated which is carried out as soon as the new seal has settled.

3.5. Documentation

Records will be kept to verify compliance with the safety, quality and environmental requirements associated with road resurfacing activities and to provide evidence to defend claims against Council provide evidence.

Various forms and checklists will be used to record compliance. These may be existing forms eg from Council’s safety system or forms created for specific resurfacing processes or procedures. Records will be kept in Council’s central record keeping system (TRIM).

4. IMPLEMENTATION
The Director of the City Services and Operations Group, or his/her delegate, is responsible for implementing this risk management procedure. This procedure will be used for all sealed road resurfacing projects in the City.

5. REVIEW

This procedure will be reviewed within one year of the election of every new Council, or earlier should circumstances arise to warrant revision.

6. APPLICATION OF ESD PRINCIPLES

None applicable.
Vibrating Rollers Use Policy and Procedure

Policy Number: POL08/454 • Adopted: 6/6/95, 18/6/96 • Minute Number: MIN95.1289, MIN96.1147 • File: 6820 • Produced By: City Services & Operations Group • Review Date: Missing TRIM data for Review Date

1. PURPOSE
To provide clear guidelines for the use of vibrating rollers particularly in urban areas and minimise adverse impacts on residents and property within the City of Shoalhaven.

2. STATEMENT
This policy was adopted by Council Minute 95.1289 and MIN96.1147 on 6th June, 1995 and 18th June, 1996 respectively.

2.1. In urban areas alternatives be considered in lieu of heavy vibrating rollers for all compaction works on local and subdivisional roads.

2.2. As an operational policy, Council continue the use of heavy vibrating rollers but such use only be allowed following documented Engineering assessment (including benefit/cost analysis) and judgement by the responsible project manager.

2.3. When a heavy vibrating roller is considered for use in an urban area, a comprehensive survey of the immediate area be conducted and due notification be given to residents in accordance with the operational protocol within this policy (3(b)).

Council has adopted these operational protocols for the use of Vibrating Rollers in urban areas of the City to reduce the potential for damage to property and similar provisions are applied in rural areas near dwellings and other structures.

3. PROVISIONS
3.1. In urban areas alternatives be considered in lieu of heavy vibrating rollers for all compaction works on local and subdivisional roads.

3.2. As an operational policy, Council continue the use of heavy vibrating rollers but such use only be allowed following documented Engineering assessment (including benefit/cost analysis) and judgement by the responsible project manager in accordance with the attached Vibrating Roller Use Procedure.
3.3. When a heavy vibrating roller is considered for use in an urban area, a comprehensive survey of the immediate area be conducted and due notification be given to residents in accordance with the operational protocol within this policy (3(b)).

3.4. Similar provisions will apply in rural areas for all compaction works near dwellings and other structures.

4. IMPLEMENTATION
The City Services & Operations Group has responsibility to implement this policy.

5. REVIEW
The City Services and Operations Group will review this policy within one year of the election of every new Council.

6. APPLICATION OF ESD PRINCIPLES
Implementation of these procedures will limit the impact of vibrating rollers on nearby residents and reduce the probability of damage to property.
APPENDIX A - VIBRATING ROLLERS USE PROCEDURE

COMPACTION

Compaction is a vital part of many building and civil engineering projects. The way the compaction work is planned and performed has a decisive influence on the safety, quality and lifespan of the finished construction.

Efficient compaction makes it possible to substantially improve the bearing capacity and stability of a fill, to increase the impermeability and, in most cases, to practically eliminate settlement. Consequently, compaction makes the soil sufficiently stable to withstand permanent loads and traffic. Maintenance costs for streets, roads and airfields are greatly reduced.

For compaction in general, the energy or work transmitted to the material is one of the most important parameters. For a certain minimum degree of compaction, a minimum amount of energy per volume unit is required. It is found that vibratory compaction of non-cohesive materials requires considerably less energy than static rolling. This means that a vibrating roller can compact non cohesive materials more efficiently with cost advantages.

VIBRATING ROLLERS

Vibrating rollers are used extensively in both construction and maintenance works for the construction and rehabilitation of roads, maintenance of gravel roads and shoulder, construction of footpaths, and other construction works requiring compacted material bases. It has been considered that this method is the most cost effective method of compaction for the material within the city. Council has other means of compaction, ie multi-tyred rollers, for material considered to be suitable for this form of compaction.

It is generally acknowledged that vibrations from vibrating rollers potentially cause discomfort to people in a building. However, there are no limits currently imposed on such vibrations. Some overseas standards have evaluated the level of human comfort when exposed to vibrations in buildings eg BS6472:1984. In general, vibration levels which cause discomfort to people will not usually result in damage to buildings in reasonable condition.

The attached table (Table 1) is based on RTA records since 1977, published in a Circular No. M & R 87/3,1987, which outlines proximity limits from building for various size rollers. The vibrating rollers used for Shoalhaven City Council for road construction are in the Medium-Heavy to Heavy range. It could therefore be concluded that the unconstrained use of these vibrating rollers should not be permitted in areas where buildings are within 25-50m from the construction area. Therefore, in urban areas it could be concluded that there should be no unconstrained use of a vibrating roller and other forms of compaction be investigated.

Other field measurements, made by Dynopac Research Department, on various ground conditions show that the risk limit for “architectural” damage corresponds to safety distances for different types and sizes of vibratory roller. The table summarises these results.
SAFETY DISTANCES FOR VIBRATORY ROLLERS

<table>
<thead>
<tr>
<th>Type of Vibratory Roller</th>
<th>Safety Distance in Metres</th>
</tr>
</thead>
<tbody>
<tr>
<td>Towed and self-propelled vibratory rollers with pneumatic drive wheels (used on soil)</td>
<td>1.5 x drum module weight</td>
</tr>
<tr>
<td>Vibratory tandem rollers (normally with small to medium amplitude used on soil and asphalt)</td>
<td>1.0 x drum module weight</td>
</tr>
</tbody>
</table>

Drum Module Weight = Static weight of drum plus frame weight transmitted to the drum.

This means a safety limit of 7.5 m for a 10 ton self-propelled vibratory roller with a 5 ton drum module weight. Based on a 4 metre footpath and 7.5m setback, this criteria would prohibit the use of vibratory rollers with a maximum drum module weight greater than about 8 ton in residential streets with adjacent buildings. Special precautions are not usually necessary for small size vibratory compactors, such as normal plate compacters and vibratory tandem rollers with a static weight below 2 to 3 tons.

FACTORS TO BE CONSIDERED

When safety limits are discussed, it must be observed that wide variations exist in actual practice.

Factors to be considered include:

- Types of soils and soil profiles vary to a large degree. The strongest ground vibrations are found in silt and clay with a high water content.
- Types of foundations, as well as structural designs and conditions of buildings show very wide variations.
- Resonance phenomena in different parts of a building, such as the chimney-shaft, may increase the risk for damage.
- If the stress limit in a material is already approached, as is often the case in plastered walls, very small additional stress may cause damages.
- Start and stop of the vibrations temporarily increase the ground vibrations and as a result building structures can also be damaged, therefore vibrations should not be started or stopped near a building.

LATEST INDUSTRY APPROACH

Council’s engineering construction specification is based on AUS-PEC 2 documentation and is used to specify construction standards on Council works and for developments. The following clause 101.22 is included for “Limits on Ground Vibration”:

1. It is the intent of this Specification that ground vibration levels, transmitted from operating items of plant in the vicinity of residential premises shall not exceed levels
that are close to the lower level of human perception inside the premise nor will cause structural damage to the building.

2. Vibration (RMS Z – Axis) generated by construction works shall not exceed
   - Curve 4 – for the period of 1 month or less
   - Curve 2 – for the period of more than 1 month

   As defined in British Standard BS6472 “Evaluation of Human Exposure to Vibration in Buildings (1 HZ to 80 HZ)” when measured inside nearby residential premises.

3. Ground vibrations generated by construction works shall not exceed a peak particle velocity (VR max) limit of 5 mm/sec when measured within one metre of any residential premise.

4. The Contractor shall be responsible for any damage and compensation payments as a result of non-observance of the above requirements. No claim by the Contractor will be considered by the Principal.

These specifications are difficult to monitor as they require that information is available on ground vibration generated at a distance from the source and source type. This information is not readily available as there are too many factors involved as discussed previously, such as soil type, foundations, building type, vibrating source and type, etc. However, based on DMR records 1977-1985 a graph was produced giving a guide to maximum likely peak particle velocities for a single vibrating roller (heavy and very heavy classes) Graph Fig 2 – Vibration Monitoring of Vibrating Rollers.

Therefore it could be concluded from item 3 of clause C101.22, Graph (Fig 2) and a peak particle velocity limit of 5mm/sec, that a minimum distance of 12m be maintained to reduce the risk of structural damage.

The following table shows maximum permissible wave velocity related to risk of damage. Vibrations as measured in building foundations.

<table>
<thead>
<tr>
<th>Max permissible wave velocity, mm/s</th>
<th>Effects on Buildings</th>
<th>Human Reaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Risk limit for ruins and ancient monuments</td>
<td>Vibrations perceptible</td>
</tr>
<tr>
<td>5</td>
<td>Risk limit for “architectural” damage to normal dwelling-houses with plastered walls and ceilings</td>
<td>Vibrations annoying</td>
</tr>
<tr>
<td>10</td>
<td>Risk limit for damage to normal dwelling houses</td>
<td>Vibrations unpleasant</td>
</tr>
<tr>
<td>10-40</td>
<td>Risk limit for concrete buildings, industrial buildings, etc</td>
<td>Vibrations unpleasant to not acceptable</td>
</tr>
</tbody>
</table>
The table shows that vibrations are considered uncomfortable by people in a building at comparatively low wave velocity values, however, the risk of damage is much lower.

**REVIEW OF SHOALHAVEN EXPERIENCE (in May 1995)**

The potential and risk to private property caused by the use of vibrating rollers as seen to date, is difficult to ascertain. The records have indicated that over the past five years (1990 to 1995) (ie at May 1995) Shoalhaven City Council has received 20 claims involving vibrating rollers, of these 8 have been paid, 9 liability claims have been denied and 3 are pending. Of the 8 for which Council’s have accepted responsibility, 6 of these are related to a single incident in Mollymook in 1991. Of the other 2, one was in Berry 1992 and the other Worrigee 1991. This record must be considered in conjunction with the extensive works programme completed by Council in this period. Whilst these results provide a conclusion, there is a need for Council to modify its works strategies to be more aware of resident concern and frustration in resolving claim issues.

Investigations into the use of heavy vibrating rollers indicate that heavy vibrating equipment in built up areas has the potential in some soil conditions to damage buildings within 15m of the compaction. The exercise has shown that Council staff need to exercise their professional expertise and judgement in selecting the optimum compaction equipment. Whilst the cost of compaction is low (normally less than 5% of the Budget) irresponsible decisions can impact on job overheads and community anxiety. Alternative compaction methods also need to be considered and may include the use of static rollers only where the material is suitable to this form of compaction. (Heavy static rollers are available and reasonably accessible.) Normally this would require the increased number of passes by the roller thereby extending the project period with a possible 10% increase in project cost. Secondly, if the material is unsuitable for a static roller, the importation of material and compaction by static rollers should be considered. This could lead to a possible 30% increase in project cost and the lengthening of project duration.

**OPERATIONAL PROCEDURE**

If a decision is taken to use heavy vibrating rollers in residential areas or rural areas near residences, it should be regarded essential to advise people of the intention and to give assurances regarding concern for damage. The following protocol is recommended:

1. A survey is to be made of all buildings located within the vicinity of the works. The survey is to be carried out by an officer with some architectural or building experience and is to be made with the consent of and in the presence of the occupier or his representative.

2. Notes are to be made of the dimensions and location of any cracks or faults discovered and where possible photographs are to be taken. Care should be taken not to confuse damage due to vibration with natural or inherent damage due to causes such as shrinking and swelling of materials, or with the results of poor construction or workmanship originally. (Vibration damage, resulting from the least supported points of a structure vibrating the most, is usually seen as “X” shaped cracks in the centres of walls and ceilings.)

3. A copy of the report is to be forwarded to the Construction Manager or Section Manager before work with the vibrating rollers is commenced.
4. When a complaint or claim is received no acceptance of responsibility is to be made and specialist advice obtained. In addition, a report indicating the minimum detail is to be provided showing:

a) Type and size of roller or plant item used.

b) Location of the plant in respect of the building.

c) Details and photographs of alleged damages.

d) Details of age and type of structure.

e) Results of any vibration monitoring measurements carried out. This testing should be done as soon as possible after the complaint and preferably under the same conditions operative at the time of any alleged damage (ie plant type, location, height of fill etc).

CONCLUSION

The conclusion is that medium to heavy rollers are cost effective compaction items – if used in an appropriate manner. Adoption of the suggested procedures and policy will see their use in urban areas as an exception (based on documented Engineering judgements) rather than the normal approach. This conclusion is supported by Council’s insurance brokers and risk advisors.
TABLE 1: SUGGESTED PROXIMITY LIMITS FOR THE USE OF VIBRATING ROLLERS TO PREVENT DAMAGE TO BUILDINGS

<table>
<thead>
<tr>
<th>Roller Class</th>
<th>Weight Range</th>
<th>Centrifugal Force Range</th>
<th>Example of Rollers</th>
<th>Distance from Building</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>I. Very Light</td>
<td>&lt; 1.25 tonnes</td>
<td>10-20kN 10-20kN</td>
<td>Coates 32RD tandem, Davleco 32CR tandem</td>
<td>3m</td>
<td>Maintenance and patching rollers. Generally not restricted for normal use.</td>
</tr>
<tr>
<td>II. Light</td>
<td>1 – 2 tonnes</td>
<td>20-50kN</td>
<td>Coates 42RD tandem,</td>
<td>5m</td>
<td>Generally not restricted for normal road use.</td>
</tr>
<tr>
<td>III. Medium</td>
<td>2 – 4 tonnes</td>
<td>50-100kN</td>
<td>Pannell 54T drawn Coates 66T drawn Davleco 66&quot; drawn</td>
<td>6m 12m</td>
<td>Not advised for city and suburban streets.</td>
</tr>
<tr>
<td>IV. Medium-Heavy</td>
<td>4-6 tonnes</td>
<td>100-200kN</td>
<td>Coates 72T drawn Pacific V12 drawn Davleco 72&quot; drawn Raygo Rascal 400</td>
<td>12m 24m</td>
<td></td>
</tr>
<tr>
<td>V. Heavy</td>
<td>7 – 11 tonnes</td>
<td>200-300kN</td>
<td>Coates 78T drawn Pacific v24D drawn Raygo Rascal 600</td>
<td>25m 50m</td>
<td>Restricted. Not advised for built-up areas.</td>
</tr>
<tr>
<td>VI. Very Heavy</td>
<td>12 tonnes and over</td>
<td>Over 300kN</td>
<td>Coates 96T drawn Pacific V36D drawn</td>
<td></td>
<td>Restricted to major construction in areas away from structures and buildings</td>
</tr>
</tbody>
</table>

A. To prevent damage to buildings.
B. Values suggested to keep claims and complaints to an acceptably low level. For complaints to be stopped completely in residential areas, these values would possibly need to be increased still further.

* After Tynan; ARRB Special Report No 11 “Ground Vibrations”.
Fig 2  VIBRATION MONITORING OF VIBRATING ROLLERS

Peak particle velocity against distance

Guide to maximum likely peak particle velocity for varying distances from a single vibrating roller (heavy and very heavy class).

(based on DMR records 1977 - 1985)

NOTES:
1. Not applicable for use with two or more rollers together nor when operating over saturated materials—both situations causing higher vibration levels
2. Higher vibration levels may also occur with the vibrating roller remaining stationary—or starting & stopping the vibratory action.

Records show 92% of all measurements (1977-1985) plot below the line.
KERB AND GUTTER CONSTRUCTION – RATEPAYER FINANCING POLICY

Policy Number: POL08/281 • Adopted: 29/06/2004 • Amended: 25/06/2007 • Minute Number: MIN04.740, MIN07.822 • File: 16016 • Produced By: City Services and Operations Group • Review Date: 1/12/2012

1. PURPOSE
The aim of this policy is to give ratepayers and occupiers of urban land within the City the opportunity to advance the construction of kerb and gutter and associated shoulder seal fronting their property by way of ratepayer advances.

2. STATEMENT
2.1. Background
The ratepayer financing scheme allows ratepayers to fund the cost of kerb and guttering fronting their property in advance of the work being undertaken via Council’s normal construction works programs.

2.2. Scope
This policy applies to all urban residential areas across the City where Council ultimately intends to provide kerb and guttering.

2.3. Relationship to Other Documents
This policy should be read in conjunction with the relevant section of Council’s current “Management Plan – Fees and Charges”

3. PROVISIONS
3.1. Repayment of Loan Advance
Where ratepayer advances are made to fund the construction of kerb, gutter and shoulder seal, the amount advanced (less the adjoining owner’s normal contribution) will be repaid on a date 5 years after the day on which the advance is made at a rate of 5% per annum simple interest.

[Note: The “adjoining owners normal contribution” is outlined in Council’s current “Management Plan – Fees and Charges” for the recovery of costs in accordance with Section 217 of the Roads Act 1993.]
3.2. Criteria for Eligibility
Approval to applications for works to be carried out under this policy will be subject to the General Manager (Director City Services and Operations Group) certifying that the required work is feasible and not deleterious to any other work or property. For kerb and guttering, approval will only be issued for construction fronting two properties, two or more properties or sections of at least 30 metres in length, or shorter if infill works allow two existing sections of kerb & gutter to be joined.

3.3. Fees and Charges
For the purpose of such Ratepayers advances a standard charge per metre will be adopted, such charge to be included in Council’s Fees and Charges and adjusted annually.

3.4. Additional Costs
Where additional costs will obviously be required and the work is nonetheless seen as desirable, then such additional costs will be incorporated into Council’s Capital Works Programme. Additional provision will be made in the programme for these costs which should also include Council’s contribution for shoulder seal.

3.5. Driveways
Council also encourages ratepayers and occupiers at their own cost, to have constructed driveway slabs or strips between the property boundary and kerb line, in accordance with Council’s Private Driveway (Resident) Policy, particularly, where new kerb and guttering is being constructed.

4. IMPLEMENTATION
City Services and Operations Group staff will provide copies of this policy to ratepayers who request kerb and guttering in advance of Council’s normal Capital Works program. Where interest is shown, Council staff will facilitate and encourage other property owners in the street to take advantage of the policy and to maximise the number of participants. Any viable project will be reported to Council for a resolution to enter into a Ratepayer Advance Agreement as a Legal Document.

All finances will be administered in accordance with that Agreement by the Director Finance and Corporate Services.

5. REVIEW
The City Services and Operations Group will review this policy within one year of the election of every new Council or earlier should circumstances arise to warrant revision.

6. APPLICATION OF ESD PRINCIPLES
The construction of kerb and guttering will reduce the effects of stormwater erosion in many under developed catchments.
Risk Management Procedure - Sealed Roads

Policy Number: POL09/80
Adopted: 22/07/2003
Minute Number: 03.950
File: 25218-02
Produced By: Strategic Planning & Infrastructure Group
Review Date: 23/07/2009
CONTENTS

1. Purpose ......................................................................................................................... 1
2. Statement ......................................................................................................................... 1
3. Provisions ......................................................................................................................... 1
   3.1. Purpose ......................................................................................................................... 1
   3.2. Combining Risk/Hazard Identification Information ....................................................... 3
   3.3. Assigning Priorities and Response Time for Repairs ............................................... 4
   3.4. Documentation ........................................................................................................... 4
4. Implementation ................................................................................................................. 5
5. Review ............................................................................................................................. 5
6. Application of ESD Principles ......................................................................................... 5
1. PURPOSE

The Sealed Roads Risk Management Procedure demonstrates that Council has a systematic and documented approach for reducing risks associated with the maintenance of sealed roads. This, in turn, should reduce Council’s exposure to liabilities associated with the maintenance and repair of sealed roads.

2. STATEMENT

This Sealed Roads Risk Management Procedure forms a part of the corporate Risk Management Policy. For the purpose of this Procedure, a “sealed road” shall be defined as the total constructed width of a sealed carriageway or formation including sealed and unsealed shoulders but not including any kerb and guttering or other longitudinal drainage.

The development of a Sealed Roads Risk Management Procedure would also be an element of the proposed Sealed Roads Asset Management Plan. The progressive implementation of Asset Management Plans for various asset types is one of the objectives in Council’s City plan.

The objectives of the Procedure are:

- To apply the risk management principles of identification, evaluation and treatment of risks to sealed roads maintenance
- To implement a formal system of sealed roads inspections which record identified risks including defined hazards
- To develop and maintain a risk register (Merit) for sealed roads through inspections and incorporate reports of sealed roads hazards received from the public and/or employees
- To implement a method of prioritising the risks identified by the various sources
- To establish reasonably practicable response times, in which to effect repairs or provide temporary warnings, for the risks identified
- To establish a system of documenting all important steps of the Procedure to allow ongoing review and to provide evidence to defend sealed roads-related claims against Council

3. PROVISIONS

3.1. Purpose

Sealed road inspections are undertaken to allow the systematic identification of risks on the carriageways of the road network.

3.1.1. Inspection Intervals

The frequency of inspections will vary depending on the volume and/or speed of the traffic using the roads.

Roads shall be inspected generally in accordance with the intervals listed in Table 1. The hierarchy of roads is as in Attachment 1.
3.1.2. Inspection Staff

The inspections will be undertaken by appropriately trained and skilled personnel who have an understanding of road-related hazards and defects. These may be works supervisors, engineers, gangers, technicians, asset officers or anyone deemed suitable to undertake inspections.

All inspectors will be trained in the systems and recording methods which support this Procedure.

3.1.3. Inspection Process

Inspectors record all road defects electronically in the field and the data is generally downloaded into MERIT on a daily basis. MERIT tasks are then actioned by the field staff within the specified time frame.

<table>
<thead>
<tr>
<th>Road Hierarchy Category</th>
<th>Hazard/Risk Identification Inspection Interval</th>
<th>Distribution of Inspections</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sealed Arterial</td>
<td>Monthly*</td>
<td>12 in any 12 month period</td>
</tr>
<tr>
<td>Sealed Collector</td>
<td>6 Monthly</td>
<td>2 in any 12 month period</td>
</tr>
<tr>
<td>Sealed Local</td>
<td>12 Monthly</td>
<td>1 in any 12 month period</td>
</tr>
</tbody>
</table>

Table 1 – Inspection Intervals
3.1.4. Minimum Recording Levels

Hazards smaller than those listed in Table 2 do not need to be recorded in MERIT.

<table>
<thead>
<tr>
<th>Hazard Code</th>
<th>Hazard Description</th>
<th>Recording Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>1200</td>
<td>Pot holes and Edge Breaks</td>
<td>150mm in diameter or 150mm from design edge of seal both at least 450mm deep</td>
</tr>
<tr>
<td>1240</td>
<td>Surface Irregularity</td>
<td>40mm above Design level of road</td>
</tr>
<tr>
<td>1250</td>
<td>Edge drop-off</td>
<td>50mm below Design level of road</td>
</tr>
<tr>
<td>1280</td>
<td>Spilled or Loose Material</td>
<td>Any granular material deeper than 10mm And 1 sq metre in area</td>
</tr>
</tbody>
</table>

Table 2

3.2. Combining Risk/Hazard Identification Information

3.2.1. Data from MERIT

Apart from formal inspections, information on hazards is also recorded in the Council Action Request System (MERIT). This information can come from the public through complaints or requests for works, or from employees. MERIT allows recording of dates, locations, type of risks etc as well as assigning a response time to action any requests.

Where written complaints or requests for work are received, these are also entered into MERIT and considered in conjunction with any verbal requests.

3.2.2. Producing Combined Risk Register

Road-related MERIT requests and inspection data need to be prioritised and then combined to produce a schedule of repairs or treatments. The combined information is contained in MERIT.
3.3. Assigning Priorities and Response Time for Repairs

3.3.1. Assigning Priorities

Priorities for repairs will be based generally on road hierarchy as other ranking systems are considered to be too complex to be consistently and meaningfully applied by all employees.

3.3.2. Maximum Response Times

The maximum response times listed in Table 3 below will be met for the various types of risks. The response will be either:
- a recorded inspection to verify the extent and location of the risk, or,
- the erection of appropriate warning devices, or,
- the temporary or permanent repair to reduce the risk.

<table>
<thead>
<tr>
<th>Road Hierarchy Category</th>
<th>Pot Holes (days)</th>
<th>Edge Drop Off (days)</th>
<th>Surface Irregularity (Shoving) (days)</th>
<th>Spilled Materials (days)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sealed Arterial</td>
<td>10</td>
<td>30</td>
<td>60</td>
<td>10</td>
</tr>
<tr>
<td>Sealed Collector</td>
<td>30</td>
<td>60</td>
<td>180</td>
<td>10</td>
</tr>
<tr>
<td>Sealed Local</td>
<td>60</td>
<td>180</td>
<td>360</td>
<td>10</td>
</tr>
</tbody>
</table>

Table 3 – Maximum Response Times (Calendar Days)

3.3.3. Reduced Response Times

In some cases, the severity of the risk would need to be verified by inspection and a quicker response may be warranted e.g. oil or chemical spill. This would also apply to sealed roads which are known to deteriorate quicker under the prevailing traffic or weather conditions than is normally expected.

3.4. Documentation

3.4.1. Purpose

It is necessary to keep evidence of the various steps detailed in this Procedure. Both electronic and ‘hard-copy’ data will need to be accessible, when required, for both review requirements and as defence for claims against Council.
3.4.2. Inspection Records

Data from the various Risk Records will be combined in one electronic database i.e. MERIT. Hardcopy records will be kept on a Central file. Original documents will include the name, signature and date of the person either inspecting a road, or undertaking a response, in accordance with Clauses 6.2 and 6.3 above.

3.4.3. MERIT Data

MERIT will continue to provide relevant data by providing types of hazard; exact location; response times etc. MERIT is available as corporate software to all employees and is maintained by the Information Technology Division.

4. IMPLEMENTATION

The City Services Group is responsible to implement this Policy through the operation of road maintenance crews across the City.

5. REVIEW

This Procedure will be reviewed at least annually by relevant employees. It will be necessary to regularly review the Procedure to verify that its requirements are reasonably practicable and that it is effective in reducing Council’s exposure to liability claims.

6. APPLICATION OF ESD PRINCIPLES

This policy has a social impact on the community. The timely repair of road defects ensures a safe and sustainable road network for the travelling public.
### Proposed Arterial Roads

<table>
<thead>
<tr>
<th>Road No</th>
<th>Name</th>
<th>Length (km)</th>
</tr>
</thead>
<tbody>
<tr>
<td>121</td>
<td>BEACH RD BERRY</td>
<td>5.8</td>
</tr>
<tr>
<td>293</td>
<td>BOLONG RD</td>
<td>13.8</td>
</tr>
<tr>
<td>384</td>
<td>COOLANGATTA RD</td>
<td>8.1</td>
</tr>
<tr>
<td>1865</td>
<td>GERROA RD TO GERROA</td>
<td>7.1</td>
</tr>
<tr>
<td>757</td>
<td>ILLAROO RD (Moondara Dr to Browns Mt Rd)</td>
<td>4.3</td>
</tr>
<tr>
<td>824</td>
<td>KANGAROO VALLEY RD</td>
<td>15.9</td>
</tr>
<tr>
<td>1683</td>
<td>WHARF RD BERRY</td>
<td>0.9</td>
</tr>
<tr>
<td></td>
<td><strong>Count of Roads</strong></td>
<td><strong>7</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Sum Length</strong></td>
<td><strong>55.9 kms</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Road No</th>
<th>Name</th>
<th>Length (km)</th>
</tr>
</thead>
<tbody>
<tr>
<td>16</td>
<td>ALBATROSS RD</td>
<td>7.8</td>
</tr>
<tr>
<td>92</td>
<td>BRAIDWOOD RD (when upgrade is complete)</td>
<td>56.0</td>
</tr>
<tr>
<td>80</td>
<td>BTU RD</td>
<td>4.6</td>
</tr>
<tr>
<td>271</td>
<td>CALLALA BAY RD</td>
<td>1.8</td>
</tr>
<tr>
<td>272</td>
<td>CALLALA BEACH RD</td>
<td>3.2</td>
</tr>
<tr>
<td>1988</td>
<td>COMERONG ISLAND RD (To Jindy Andy Ln)</td>
<td>4.6</td>
</tr>
<tr>
<td>390</td>
<td>COONEMIA RD</td>
<td>4.5</td>
</tr>
<tr>
<td>426</td>
<td>CULBURRA RD</td>
<td>8.4</td>
</tr>
<tr>
<td>433</td>
<td>CURRARONG RD CURRARONG</td>
<td>13.1</td>
</tr>
<tr>
<td>597</td>
<td>FOREST RD STH NOWRA</td>
<td>12.0</td>
</tr>
<tr>
<td>680</td>
<td>GREENWELL POINT RD NOWRA</td>
<td>12.3</td>
</tr>
<tr>
<td>806</td>
<td>JINDY ANDY LN</td>
<td>3.5</td>
</tr>
<tr>
<td>1251</td>
<td>PYREE LN MAYFIELD</td>
<td>1.6</td>
</tr>
<tr>
<td>1753</td>
<td>YALWAL RD (to Burrier Rd)</td>
<td>10.2</td>
</tr>
<tr>
<td></td>
<td><strong>Count of Roads</strong></td>
<td><strong>14</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Sum Length</strong></td>
<td><strong>143.6 kms</strong></td>
</tr>
<tr>
<td>Road No</td>
<td>Name</td>
<td>Length (km)</td>
</tr>
<tr>
<td>---------</td>
<td>---------------------------------------------------</td>
<td>-------------</td>
</tr>
<tr>
<td>748</td>
<td>HUSKISSON RD</td>
<td>3.4</td>
</tr>
<tr>
<td>771</td>
<td>ISLAND POINT RD (Hwy to Gumden Ln)</td>
<td>3.0</td>
</tr>
<tr>
<td>798</td>
<td>JERVIS BAY RD</td>
<td>7.5</td>
</tr>
<tr>
<td>1073</td>
<td>NAVAL COLLEGE RD</td>
<td>11.5</td>
</tr>
<tr>
<td>1527</td>
<td>THE WOOL RD (BYPASS)</td>
<td>1.3</td>
</tr>
<tr>
<td>1525</td>
<td>THE WOOL RD (PRINCES - TASMAN)</td>
<td>4.8</td>
</tr>
<tr>
<td>1529</td>
<td>THE WOOL RD (ELIZ - LARMER)</td>
<td>4.4</td>
</tr>
<tr>
<td><strong>Count of Roads</strong></td>
<td></td>
<td><strong>7</strong></td>
</tr>
<tr>
<td><strong>Sum Length</strong></td>
<td></td>
<td><strong>35.9 kms</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Road No</th>
<th>Name</th>
<th>Length (km)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1801</td>
<td>BAWLEY POINT RD</td>
<td>5.2</td>
</tr>
<tr>
<td>142</td>
<td>BENDALONG RD</td>
<td>12.6</td>
</tr>
<tr>
<td>877</td>
<td>LAKE CONJOLA ENTRANCE RD</td>
<td>6.9</td>
</tr>
<tr>
<td>1056</td>
<td>MURRUMARANG RD BAWLEY PT</td>
<td>6.8</td>
</tr>
<tr>
<td>1447</td>
<td>SUSSEX INLET ACCESS RD</td>
<td>10.9</td>
</tr>
<tr>
<td><strong>Count of Roads</strong></td>
<td></td>
<td><strong>5</strong></td>
</tr>
<tr>
<td><strong>Sum Length</strong></td>
<td></td>
<td><strong>42.5 kms</strong></td>
</tr>
</tbody>
</table>

**CITY WIDE**

**Total No Roads** | **Total Length** | **277.9 kms**
Local Preference Policy

Policy Number: POL09/91 • Adopted: [Click here to enter date] • Minute Number: [Click here to enter Minute number] • File: 4092-02 • Produced By: City Services & Operations Group • Review Date: 01/12/2012

1. PURPOSE
To ensure that Council achieves the best ‘overall value-for-money’ in its procurement of goods and services, while (where possible) giving preference to local suppliers, and non-local suppliers using local content, to support the City’s economic development.

2. STATEMENT
2.1. The Council’s Local Preference policy recognises that ‘overall value-for-money’ is about broader economic benefits to the City and not just the lowest price. The Council acknowledges that economic benefits flow to all local businesses where Council maximises opportunities for local suppliers to compete for Council’s business on the basis of value-for-money.

2.2. The Council’s Local Preference policy aims to use Council’s procurement actions to encourage and support local suppliers and support economic activity within the City, where it is efficient to do so, while achieving the Council’s overall ‘value-for-money’ objectives. This approach seeks to maximise overall community benefit for the City.

3. PROVISIONS
3.1. Definitions
In this Policy (unless the context indicates otherwise):

(a) local content means goods or services procured from a local supplier or employees living permanently in the Shoalhaven City Council Local Government area.

(b) local supplier means a business, contractor or industry:
   • either permanently based in, or employing permanent staff operating from, permanent premises situated within the City boundaries for not less than six months prior to the date of the Procurement Request; and
   • registered or licensed in New South Wales.
(c) **net cost** means, in relation to a quotation, tender or expression of interest, the total amount quoted or offered by a supplier for the supply of goods or services, including any freight or delivery charges and excluding GST and any discounts or rebates offered by the supplier.

3.2. **Policy Implementation**

To assist local industry and local economic development, the Council will:

(a) encourage a ‘buy local’ culture within the Council;

(b) encourage local suppliers to participate in tenders, quotations and expressions of interest for Council business (Procurement Requests) by advertising in local newspapers and other means considered appropriate;

(c) ensure that procurement policies and procedures do not disadvantage local suppliers;

(d) ensure transparency in Council procurement practices;

(e) encourage use of local suppliers by contractors, whenever goods or services have to be sourced from outside the City;

(f) consider the non-price value-for-money considerations set out in this Policy; and

(g) apply a price preference discount in favour of local suppliers, as set out in this Policy.

3.3. **Non-price value-for-money considerations**

Council acknowledges that in assessing ‘overall value-for-money’, the following non-price considerations should be taken into account (where relevant) in relation to a Procurement Request:

(a) availability and access to after-sales service and maintenance;

(b) quality, type and availability of goods or services;

(c) advantages in dealing with a local supplier, including administrative and operational efficiency;

(d) the proportion of local content to be supplied;

(e) whole-of-life costs of the purchase or contract;

(f) compliance with specifications, guidelines and requirements;

(g) the supplier’s knowledge, experience and ability to fulfil the requirements of the contract or purchase;

(h) the supplier’s commitment to supporting local businesses and the local economy through sub-contracting and other supplier arrangements;

(i) net benefits to the City, including economic benefits; and

(j) all other factors relevant to consideration of the particular Procurement Request.

3.4. Notwithstanding the Council’s local preference policy, an assessment of responses to a Procurement Request must consider all of the above factors, in conjunction with price and locality considerations.
3.5. **Price preference discounts**

3.5.1. For the purposes of comparing the price tendered by local and non-local suppliers, the price preference discounts set out below will be applied and given to:

(a) local suppliers submitting responses to Procurement Requests which are assessed in relation to this policy; and

(b) non-local suppliers submitting responses to Procurement Requests, which include use of local content and which are assessed in relation to this policy.

3.5.2. **Local supplier discount**

For local suppliers who respond to Council’s Procurement Requests, Council will assess their response as if their total net cost bid was reduced by 5%. Discounts will be limited to a maximum of $15,000.

3.5.3. **Local content discount**

For non-local suppliers who respond to Council’s Procurement Requests if at least 25% of the net cost of their response or tender includes or is attributable to local content, Council will assess such response as if the total net cost attributable to local content were reduced by 5%. Discounts will be limited to a maximum of $15,000.

3.5.4. **Obtaining discounts**

To be eligible for either discount, suppliers must specifically detail and explain in their response to Council’s Procurement Request the particular facts upon which they rely to establish their eligibility for the discount and must provide any evidence of such eligibility as reasonably required by the Council.

3.5.5. **Procedural matters**

All Procurement Requests issued by Council must clearly state whether and how a price preference for local suppliers will be applied so that respondents to such Procurement Requests are aware of local preference policy prior to responding to the Procurement Request.

3.5.6. In all Procurement Request processes in which local preference policy is to apply, a non-local independent should be included on the panel appointed to assess responses to the Procurement Request.

3.5.7. If the local preference policy is applied in a procurement process, the community should be notified and advised of the cost to the community of applying the policy by posting details of the successful supplier, the monetary cost of applying the policy, and a brief statement of the rationale behind the policy on the Council’s website within a reasonable time of award of the tender.

3.5.8. All Procurement Requests resulting in local preferences being applied must be capable of identification and verification through the Council’s audit or internal control mechanism.

3.6. **Overall local preference**

3.6.1. In the event that:

(a) the net costs bid by a local supplier and a non-local supplier are equal (after calculating any applicable discounts in accordance with this policy); and

(b) both suppliers otherwise meet the criteria and requirements of the Procurement Request; and

---

(c) each supplier (and its goods and/or services) is otherwise regarded as being ‘equal’, taking into account the non-price value-for-money considerations set out above, preference will be given to local supplier.

3.6.2. To avoid doubt, normal processes of assessment of non-price considerations still apply, and this policy does not require that the lowest cost tender is necessarily successful. The purpose of this policy is to give preference to local suppliers (compared to non-local suppliers) where all else is equal.

4. IMPLEMENTATION

Examples of how the Policy may be implemented are shown below.

4.1. Example 1

4.1.1. A tender for the supply of goods and services attracts the following bids:

(a) Bid A of $9,750 (net cost) is received from a non-local supplier, which is using non-local supplies and services. No price preference discount applies.

(b) Bid B of $10,000 (net cost) is received from a local supplier within the City. A 5% price preference discount applies to the net cost, which is discounted to $9,500 for comparison purposes.

4.1.2. The local price preference discount is applied as follows:

<table>
<thead>
<tr>
<th>TENDERS RECEIVED</th>
<th>PREFERENCE</th>
<th>TOTAL BID FOR EVALUATION ONLY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bid A - (Non-Local Supplier)</td>
<td>No preference is applicable</td>
<td>$9,750</td>
</tr>
<tr>
<td>$9,750</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bid B - (Local Supplier)</td>
<td>5% price discount is applied</td>
<td>$9,500</td>
</tr>
<tr>
<td>$10,000</td>
<td>Less 5% of $10,000 = $500</td>
<td></td>
</tr>
</tbody>
</table>

4.1.3. Bid B is successful, subject to all other considerations being met. Price paid is $10,000.

4.2. Example 2

4.2.1. A tender for a contract attracts the following bids:

(a) Bid A of $490,000 (net cost) is received from a non-local supplier, which includes local content of $150,000. Since local content comprises more than 25% of the net cost, a 5% price preference discount applies to the local content component of the bid. The discounted total net cost of the bid is therefore $482,500 for comparison purposes.

(b) Bid B of $497,500 is received from a local supplier. A 5% price preference discount applies to the total net cost of the bid. The discount is limited to the maximum discount of $15,000. The total discounted net cost of the bid becomes $482,500 for comparison purposes.

4.2.2. The price discount preferences are applied as follows:
4.2.3. Because Bid B comes from a local supplier, and on the basis that all other considerations were equal, Bid B is successful even though the discounted prices were equal. Price paid is the original $497,500, thus costing the Council a notional $7,500 (i.e. Council could have purchased from non-local supplier for $490,000)

5. **REVIEW**

This Policy shall be reviewed through the Finance & Corporate Services Group on an annual basis.

6. **APPLICATION OF ESD PRINCIPLES**

This Policy supports Council’s commitment to ESD principles through allowing the best value for money outcome to Council and community while maximising opportunities for local business to compete for Council business.
Local Preference Clause for insertion into Requests for Tender

1 Local Preference

1.1 For the purposes of this clause:

City means the City of Shoalhaven.

Local Content means goods or services procured from a Local Supplier.

Local Supplier means a business, contractor or industry:
(a) either permanently based in, or employing permanent staff operating from, permanent premises situated within the City boundaries for not less than six months prior to the date of this Request for Tender; and
(b) registered or licensed in New South Wales.

Net Cost means, in relation to this Request for Tender, the total amount bid by a supplier for the supply of the [Goods/Services], including any freight or delivery charges and excluding GST and any discounts or rebates offered by the supplier.

Non-Local Supplier means a supplier other than a Local Supplier.

1.2 The Council’s Local Preference Policy (Preference Policy) applies to this Request for Tender.

1.3 The objective of the Preference Policy is to ensure that Council achieves the best ‘overall value-for-money’ in its procurement of goods and services, while (where possible) giving preference to local suppliers, and non-local suppliers using local content, to support the City’s economic development.

1.4 Subject to clauses 1.5 and 1.6 and in accordance with the Preference Policy, the Council will apply the following notional local preference price discounts (Discount) for the purpose of comparing prices offered in response to this Request for Tender:
(a) the Net Cost submitted by a Local Supplier will be reduced by 5%; and
(b) if at least [25%] of the total Net Cost submitted by a Non-Local Supplier is attributable to Local Content, that part of the Net Cost attributable to the Local Content will be reduced by 5%.

1.5 The maximum Discount which may be applied for price comparison purposes is $15,000.00.

1.6 Discounts will only be applied if the supplier:
(a) notifies Council of its eligibility for a Discount in its response to this Request for Tender;

(b) provides the information required by this Request for Tender in relation to eligibility for the Discount, as set out in Schedule [*]; and

(c) promptly provides any other information or evidence reasonably required by Council.

1.7 Council will also assess each response to this Request for Tender in light of other non-price factors set out in this Request for Tender and the Preference Policy.

1.8 In the event that:

(a) the Net Costs offered by a Local Supplier and a Non-Local Supplier are equal (after calculating any applicable Discount in accordance with the Preference Policy);

(b) the Local Supplier and the Non-Local Supplier otherwise meet the criteria and requirements of this Request for Tender; and

(c) the Council, in its discretion, regards the Local Supplier and the Non-Local Supplier (and their respective goods and/or services) as otherwise being equal, taking into account the non-price factors referred to at clause 1.7,

preference will be given to the Local Supplier.

1.9 To avoid doubt, the Preference Policy provides a basis for price comparison between Local and Non-Local Suppliers, but does not require conclusive determination of this Request for Tender on the basis of price alone.
Tender Evaluation Policy

Policy Number: POL09/92 • Adopted: [Click here to enter date] • Minute Number: [Click here to enter Minute number] • File: 5701 • Produced By: City Services & Operations Group • Review Date: 01/12/2012

1. PURPOSE

The purpose of this policy is to provide a Tender evaluation process aimed at ensuring that Council receives the best value for money by selecting the most suitable Tender in a transparent and consistent manner.

2. STATEMENT

This Policy covers all Tenders prepared for Shoalhaven City Council.

3. PROVISIONS

3.1. Definitions

Tender means a Tender submitted or proposed to be submitted to Council in accordance with the Local Government Act (1993) and the Local Government (General) Regulation 2005.

3.2. Relationship to Other Documents

This Policy is to be read in conjunction with other related policies, including,

- Purchasing Policy
- DRAFT Contract and Tendering Conditions Policy
- DRAFT Local Purchasing Policy
- Code of Conduct
- Statement of Business Ethics

3.3. This Policy provides for the formation of a Tender Evaluation Team (TET), the preparation of a Tender Evaluation Plan (TEP) for each Tender and a Tender Report to Council.

3.4. Tender Evaluation Team

There are two options for evaluation of Tenders.
Option 1

A Tender Evaluation Team (TET) shall be formed prior to the development of the Tender documentation. The Project Manager shall be responsible for the establishment and operation of the TET, which will generally comprise a minimum of 3 members.

TET members must abide by Council’s Code of Conduct, respect the confidentiality of Tendered information and must declare any conflict of interest.

TET members shall select the assessment criteria and assign weightings and include these in the Tender documentation.

Option 2 – Nominated Project manager and Supervisor Review

A Project Manager shall be nominated for the Tender who will be responsible for the activities undertaken by the TET in Option 1. The Project Managers supervisor shall be responsible for oversiting and approving of assessment criteria selection, weightings and reviewing and approving of the evaluation report.

3.4.1. Tender Assessment Criteria

The following assessment criteria are mandatory unless formal approval to vary the criteria is received in writing from the relevant Group Director or the General Manager:

- Total Cost to Council
- Skill and experience of personnel to be used
- Appreciation of the task
- Level of performance on recent similar engagements
- Management and technical skills
- OH&S and Environmental management systems
- Local Content, as applied in accordance with the Local Preference Policy

Other criteria as determined by the TET that may be appropriate for the specific Tender may be included as additional criteria

3.4.2. Tender Evaluation

Following close and receipt of Tenders the TET (Option 1) or Project Manager (Option 2) shall evaluate the Tenders against the predetermined assessment criteria and use their professional skills and experience to rank the Tenders and identify the most advantageous Tender to Council.

3.5 Tender Evaluation Plan (TEP)

A Tender Evaluation Plan (TEP) shall document the following:

- General information on the Tender and reference documentation
- The composition of the TET or nominated project manager, and probity requirements
- Assessment Criteria and associated weightings and rationale for their application
- Tender compliance procedure
• The evaluation procedure and methodology
• Price and non-price evaluation scores
• Final Tender rankings

The completed TEP shall be placed on the Tender file.

A TEP template is contained at Appendix 1 for guidance of TET’s.

3.6 Tender Compliance

The Preliminary Tender evaluation shall assess whether the Tender has been submitted in compliance with the Local Government Regulations, and that the Tender meets the Technical requirements of the project and the requirements in the Conditions of Tendering. Tenders that do not comply will not be considered further.

3.7 Tender Evaluation Report

A Tender Evaluation Report will be prepared by the Project Manager at the completion of the Tender evaluation process. The Report will provide a summary of the methodology, assessments price and non-price scores and decisions that led to the final evaluation outcome. The Report will provide a recommendation for the Tender result.

If using Option 1 all TET members shall endorse the report and recommendation. If using Option 2 the Project Manager, the Project Manager’s supervisor and either a Group Director or the General Manager shall endorse the report and recommendation.

3.8 Tender Report to Council

The Tender Evaluation Report shall form the basis of a confidential attachment to the Tender Report to be provided for consideration by the Council.

The Tender report to Council should ideally be prepared using the attached report template.

4. IMPLEMENTATION

This Policy shall have application for all Groups preparing Tenders and across all Tenders prepared by Council.

5. REVIEW

This Policy will be reviewed annually from the date of issue by Group Directors of City Services & Operations, Shoalhaven Water and Finance & Corporate Services or their representatives.

6. APPLICATION OF ESD PRINCIPLES

This Policy provides that the principals of ESD are considered in the Tender Evaluation Process.
DRAFT

TENDER EVALUATION PLAN

FOR

NAME OF CONTRACT

SPECIFICATION NO: number
1. General

This document outlines the procedures for evaluation of tenders received for Contract No. number. The project shall provide (a short description). The estimated cost of this contract is value.

The evaluation procedures to be adopted will generally follow the requirements of the Tender Evaluation Policy. The methodology and principles to be used are outlined herein. The Procedures in Section 4 describe the methodology to be used to select a preferred tender. It is not necessary to carry out the steps strictly in the order listed, so long as the overall methodology is followed.

A Tender Evaluation Committee (TEC) or Project Manager (PM) (delete as applicable) has been assigned to develop the Tender Evaluation Plan (TEP) and carry out tender assessment as per the plan. Where considered necessary by the TEC/PM, assistance may be sought from support resources in technical, legal, insurance or financial matters.

All members undertaking the evaluation aware of the requirement to keep all matters relating to the tender evaluation confidential and to report any conflict of interest relating to any tenders.

The evaluation is intended to determine the most compliant, most commercially acceptable, best value for money offer that can provide the services required by the Clients at the required standard of quality and within the required time frame. This will be achieved by evaluating valid tenders for non-price and price criteria based on this TEP.

The results of the evaluation will be recorded and a report prepared and submitted to the Council for determination. If accepted by the Council, the Contract shall be executed by or on behalf of Council.

This plan is to be completed, agreed, and signed off by the TEC/PM prior to the closing date of the Tender.

2. Reference Documents

- Tender Document for Contract No number (Tender Document)
- Local Government Act 1999
- Local Government (General) Regulation, 2005
- Shoalhaven City Council Policies relating to Purchasing & Tendering

  Others that may be relevant

- NSW Government Code of Practice for Procurement- Feb 2005
- Department of Commerce’s Procurement System for Construction

The “Tender Conditions” are contained in the Tender Document and are to be read in conjunction with these procedures.
3. Tender Evaluation Committee/Project Manager

a. Tender Evaluation Members

A Tender Evaluation Committee made up as follows will assess the Tenders:

<table>
<thead>
<tr>
<th>Chairperson:</th>
<th>name</th>
<th>Position/organisation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Member:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Member:</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Or

Name has been assigned Project Manager for the purpose of this Tender Evaluation Plan

The following additional staff may provide specific advice when required

<table>
<thead>
<tr>
<th>Type, eg Legal</th>
<th>name</th>
<th>Position/organisation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

b. Code of Conduct for a Tender Process

Prior to the commencement of the tender evaluation process, the Chairperson is to request all TEC members to disclose any current associations with any of the tenderers or their companies, or any other circumstances that could lead to a conflict of interest. All members of the TEC or PM will be required to sign the “Code of Conduct for a Tender Process” included in Attachment A to this TEP. If any conflict of interest is seen to exist, the Director of (relevant Group) may, at their discretion, arrange to have the affected TEC member/PM replaced with a suitable person.

4. Procedures

4.1 A weighting and ranking system will be used to rank the Tenders. The evaluation criteria and their weightings are included in this document.

4.2 After receipt and processing by Councils staff authorised to Open tenders, the Chairperson/PM will collect the Tenders and conduct an initial check to ensure all required Schedules, and supporting information, have been submitted with the tender documents. If not, the Chairperson/PM will contact the Tenderer(s) and request any missing schedules be submitted within a nominated timeframe, prior to proceeding with the evaluation. If the information is not received by the deadline, the Chairperson/PM may agree to an extension or proceed to evaluation of the tender using the information available.
4.3 A secure location is to be nominated for the use by the TEC (preferably an independent Meeting room). Circulation of the Tenders will be restricted and strictly controlled by the Chairperson/PM for security and confidentiality. The Tender documents will be viewed by the TEC/PM members only. Any information that is required to be viewed/assessed by persons outside of the TEC/PM will only be in the form of anonymous copies with identification marks removed where necessary. A confidentiality agreement will be sought where considered necessary.

4.4 All communication with the Tenderers shall be through the Chairperson/PM and shall be in writing, including documentation of any formal meetings involving the TEC/PM or minuted telephone conversations.

4.5 All Tenders received will be reviewed and assessed by the Chairperson/PM for compliance with the Conditions of Tendering (as listed in Section 5). Tenders scoring “No” against any of the mandatory criteria will be eliminated from further consideration. Note that Financial Capability is not to be checked at this stage. It is at the discretion of the TEC/PM whether any further opportunity may be provided to a Tenderer to supply any outstanding information.

4.6 All remaining tenders will be assessed and ranked in accordance with Sections 6 and 7 of these procedures.

4.7 Alternative tenders, if they are technically acceptable, are to be assessed as if they were separate tenders (except that they are not to be counted for the purposes of procedure 4.5).

4.8 Where remaining tenderers have not supplied full information for the non-price criteria to be fully evaluated additional information may be requested including Tender Schedules marked “Submit when requested”. Tenderers may correct errors in their tenders (including the lump sum tendered), but only to the extent of correction of errors which are apparent from the information supplied at the time of tender, or which arises from the resolution of a qualification or non-conformance discovered in the tender during the tender assessment process.

4.9 After completion of assessment of non-price criteria as per Sections 6 & 7 a short-list of tenders will then be established. All tenders that fail to reach the minimum score for non-price criteria (needs to be determined for each Contract) will be eliminated from further consideration except if the rounded score of a tenderer under the minimum score is equal to the minimum. Scores under the minimum will be rounded to the nearest whole integer. If, due to insufficient information being supplied, less than three tenders remain on the short-list, additional tenders may be added to the short-list, if they could potentially reach the minimum score with the supply of additional information.
4.9 If any Tenders are eliminated then the price score will be re-scored and re-ranked relative only to each of the remaining Tenders and the short list of Tenders confirmed.

4.10 Overall score and ranking of all remaining tenders will be arrived at by adding the price and non-price scores and the final ranking will be on the basis of the combined scores.

4.10 The TEC/PM, to determine the Preferred Tender(s), may hold interviews with tenderers as considered necessary. Based on any additional/new information received during these interviews the tender scorings and rankings may be re-assessed in accordance with the approved weightings and scoring procedures to confirm the order of preference of Tenderers.

4.11 If these interviews lead to a variation (other than a minor scope change that would not affect the relativity of Tenders) to the preferred tender or other tenders, those tenderers whose tenders have the same or similar characteristics to the varied tender will be offered the opportunity to vary their tenders. Similar tenders are classified as tenders that have an overall score within 5% of the overall score of the preferred tender.

4.12 Should the lowest assessed and loaded tender price remaining, be more than 10% higher compared with the pre-tender estimate (PTE) of works under the proposed contract, the TEC/PM must assess the reasons for such a variance and advise of those reasons and Financial options available to the proposed contract to Council in the Tender report, including where relevant, applicable Sections of the Local Government (General) Regulation 2005.

4.13 If required, negotiations will be held with the preferred tenderer(s) to resolve any remaining commercial and/or technical qualifications or departures. It should be noted that there is the potential for the relativities of tenders to change as a result of resolving qualifications and departures. The TEC may raise these issues with additional tenderers as seems appropriate in order to minimise the tender review period. Any qualifications or non-compliances that are not withdrawn or cannot be resolved satisfactorily will be taken into consideration and assessed as to acceptability or impact/cost to the Client.

4.14 Where, after scoring the tenders, there is no clear Preferred Tender, tenders within two points of the highest score can be considered equal. Where tenders are considered equal then the lowest priced tender shall be considered the Preferred Tender.

4.15 When a Preferred Tender has been selected, or there is a clear indication as to the most likely Preferred Tender a financial assessment shall be carried out if considered necessary by the TEC/PM.

4.16 Where the Preferred Tenderer is initially assessed as financially unsatisfactory by an external assessment consultant, the Tenderer, at the discretion of the Chairperson/PM (in consultation with their Manager), may be given the opportunity to provide further financial information, or financial arrangements may be considered which make the tender
acceptable. If the final financial assessment is unacceptable the tender shall be eliminated.

4.17 When the TEC has determined a Preferred Tender, a consolidated offer may be requested from the Preferred Tenderer if considered appropriate.

4.18 The TEC, may at its discretion, recommend that no tender be awarded in the following situations:–

- There is no tenderer which achieves a score greater than 50% for the non-price criteria.
- The tender amount of the otherwise preferred tender is significantly higher than the estimate;
- There is evidence that tenderers significantly misinterpreted the tender or contract requirements; or
- All tenders are eliminated for non-compliance with mandatory requirements

4.19 A report detailing the specific tender evaluation and selection process will be prepared and signed off by the TEC/PM. The report will be reviewed by (external agencies in accordance with conditions of Grant funding that may apply, and with their concurrence) the Director (group responsible for delivering the Contract). Subject to concurrence from the Director, the Tender Report shall be finalised, making a recommendation to Council for the Tender outcome.

The evaluation procedure is to be completed as expeditiously as possible.

5. Compliance Check

Each tender will be checked for compliance against all the clauses in the Tender Conditions and in particular for the following:

The following must be complied with at the time of tender: -

- Tender received in Tender Box by close of Tenders (or in accordance with the Local Government Act procedures for Late Tenders)
- Tender Form submitted, completed, signed and dated
- Name and ABN number of Tenderer
- The tender must be formal.
- If there is an Alternative Offer, there must also be a Conforming Offer
- Did Tenderer attend the mandatory site meeting
- Note if Tender is from a Joint Venture

The following need not be complied with at the time of tender, but must be received during the tender assessment period, for the tender to receive detailed assessment.

- Have all Addenda been included? Have the Addenda been acknowledged in the Tender?
All schedules submitted, completed, arithmetically correct and signed and dated - check for omissions and qualifications.

Is a validity period stated? Is this contrary to the specification requirements?

A tender may be assessed as not meeting the mandatory criteria if at any time it is discovered that there is evidence of collusive tendering.

6. Assessment Criteria

6.1 Mandatory Criteria

The following are considered mandatory requirements for the award of this contract: *(these need to be determined for each tender, examples are given below)*

- Compliance with Tender Conditions
- Attendance at pre-tender meeting
- Assessed Financial Capability
- Compliance with Technical Aspects
- Accredited Corporate OHS system, and satisfactory demonstration of past satisfactory performance

6.2 Weighted Assessment Criteria

The following criteria and weightings have been set for this Tender *(these need to be determined for each tender, with Price usually 70% or higher)*

<table>
<thead>
<tr>
<th>Criterion</th>
<th>Weightings (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Weighted Tender Price <em>(Applying Local Content if applicable)</em></td>
<td>???</td>
</tr>
<tr>
<td>2 Pass compliance check in accordance with Section 5</td>
<td>Yes/No</td>
</tr>
<tr>
<td>3 Compliance with Mandatory Criteria in accordance with Section 6.1</td>
<td>Yes/No</td>
</tr>
<tr>
<td>4 Past experience of company in similar type of work.</td>
<td>???</td>
</tr>
<tr>
<td>5 Past performance in meeting the Principal’s contract requirements, especially in relation to time for completion, cost, claims history, quality, safety and industrial relations.</td>
<td>???</td>
</tr>
</tbody>
</table>
6. Proposed construction methodology including construction program, preliminary risk assessment and site organisation.

7. Experience and assessed suitability of the subcontractors proposed to be engaged by the Tenderer to carry out significant work packages.

8. Personnel proposed.

9. Any other considered necessary

7. Tender Evaluation

Each Tenderer will be assessed as to their capability of performing the requirements of the proposed Contract.

Mandatory Requirements will be assessed as either pass or fail.

A Rating Scale from 1-100 (as detailed in Attachment B) will be applied to evaluation criteria 4 to 9 (as appropriate) of the table in Section 6.

For each tender, the weightings of each evaluation criterion will be multiplied by its rating and all the products summed to give an overall tender score.

a. Rationale for Weightings

The project is funded by Shoalhaven City Council (with other funding as described)

The aim of the works is to (describe aims and objectives of the project and specific requirements this will necessitate from the contractor)

It is important that a Contractor is selected that can carry out the work in a timely manner, which while cost effective, delivers a product to the quality specified, particularly as regards workmanship, and being sensitive to the environmental requirements of the site.

Based upon the above, a (ration of price to non-price to be defined) break-up between the price and other attributes related to the capability and ability of the Tenderer to provide the facilities has been made. The non-price weightings clearly reflect the need for an experienced contractor with (reward to suit specific requirements of other non-price criteria) experienced personnel, a well-considered understanding and approach to the contract, using professional management systems.

The result for any tenderer being a total non-price score out of (to be defined) and a price score out of (to be defined).
b. **Weighted Price Score**

The methodology for calculating the score for each tenderers price shall be as follows (and include the methodology prescribed in the Local Preference Policy where applicable):

<table>
<thead>
<tr>
<th>Factors</th>
<th>Tender 1</th>
<th>Tender 2</th>
<th>Tender 3</th>
<th>Tender 4</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Price Scoring</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tender Price $P_{TP}$</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>% Local Content $L_{LC}$</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$P_{LC}$ = Assessed Local Content Price</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$P_{av}$ = average of all Assessed Prices $P_{LC}$’s</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$P_s$ = price score = $200 - \left(100 \times \frac{P_c}{P_{av}}\right)$</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$P_n$ = normalised price score</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$P_n = \frac{P_s}{\text{Highest } P_s} \times 100$</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$P_w$ = weighted price score</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$P_w = P_n \times (\text{weighting to be assigned})/100$</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

c. **Non-Price rating**

The methodology for determining ratings for non-price criteria is attached as **Attachment B**.

d. **Total Score**

The combined non-price and price scores will be added to determine a total score (maximum 100) and each tender ranked with highest score ranked one (1) in the following format:

<table>
<thead>
<tr>
<th>Factors</th>
<th>Tender 1</th>
<th>Tender 2</th>
<th>Tender 3</th>
<th>Tender 4</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>NON-PRICE SCORE</strong> Total weighted score ($T_{WS}$)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>PRICE SCORE</strong> ($P_w$)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL SCORE</strong> (Total of combined weighted non-price ($T_{WS}$) and price score ($P_w$))</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TENDER RANKING</strong> (1 to 4) (highest score is lowest ranked)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

8. **Rating of Tenders**

The **TEC/PM** will calculate the total scores of the Tenders based on the Weightings and Rating Scale applicable to the Evaluation Criteria. The Tender with the highest total score will be ranked first followed by the Tender with the second highest score and so on (unless tenders are within 2 points of the highest score in which case they are considered equally ranked). Once ranked the highest ranking Tender will be considered the Preferred Tender. If the highest ranking is equal then the lowest priced tender shall be considered the Preferred Tender in accordance with procedure 4.14.
9. Tender Recommendation

At the completion of the evaluation, a report detailing the specific tender evaluation and selection process will be prepared and signed off by the TEC/PM. The report will be reviewed by (external agencies in accordance with conditions of Grant funding that may apply, and with their concurrence) the Director (group responsible for delivering the Contract). Subject to concurrence from the Director, the Tender Report shall be finalised, making a recommendation to Council for the Tender outcome.

10. Award of Contract

The Chairperson/PM will review all relevant documentation and prepare the draft Letter of Acceptance (LOA) in accordance with the Council Resolution and Contract requirements.

The Principal will issue the LOA to the Contractor.

11. Advising Unsuccessful Tenderers

The Principal will also advise all unsuccessful tenderers of the result by letter.

Unsuccessful tenderers may request a debriefing. The Chairperson/PM will on request debrief unsuccessful tenderers in accordance with the Regulations.

12. Recommendation

It is recommended that the above tender evaluation plan be approved for the evaluation of Specification No. number.

Recommended by:

…………………………………………
Chairperson/Project Manager

Reviewed by:

…………………………………………
Section Manager

Approved by:

…………………………………………
Group Director
(name of Group)
ATTACHMENT A

Code of Conduct
Code of Conduct for a Tender Process

Introduction

Tender processes should ensure that the best contractor or consultant is selected. The processes must involve and achieve: PROBITY, FAIRNESS and VALUE FOR MONEY.

In order to achieve outcomes that not only comply with these principles but, importantly, are seen to do so, a variety of people are often involved in a tender process.

This Code of Conduct is designed to assist these people to behave with probity and fairly, and ensure that contractors and consultants are selected on the basis of best value for money.

Application of the Code

This Code applies to all persons involved in the selection, evaluation and acceptance of tenders for consultant engagements and contracts. This includes persons involved in the Tender opening and evaluation and includes support staff as well as the advisers and decision makers involved. Persons covered by the Code include employees of Council and other organisations, both government and non-government, and consultants engaged for specific activities associated with tender processes.

The Code is complementary to, not a substitute for Shoalhaven City Council Code of Conduct, and other relevant Codes of Conduct, Procurement or Ethics with which you may have a responsibility to comply when performing roles and functions.

Personal Interests - Declaration and Potential Conflicts

The need to avoid bias in tender processes cannot be overemphasised. Should you have any potential conflict of interest, such as a personal or financial interest, no matter how remote, in the outcome of the tender process you must immediately declare that interest. If you are chairing a Department of Commerce managed committee or panel, the declaration should be made to the Group General Manager, Policy Support Services (or nominated representative), or to the Chair if you are a member of a committee or panel. Depending on the significance of your interest you may be required to take no further part in the tender process concerned, to undertake a reduced role or to continue your involvement with your interest being known to, and managed by, all the others involved.

Use of Confidential Information

During the tender process you will usually have access to confidential, often commercially sensitive, information.

You are only entitled to use that information as part of the tender evaluation or selection process. Use of the information for other purposes may cause harm or provide improper advantage(s), including in areas totally unrelated to the tender process.

Release of Confidential Information

Information which you acquire in the course of your involvement in the tender process, must only be released to people entitled to have it in order for them to carry out their functions in the tender process, or under disclosure as may otherwise be required by law.

If you are in any doubt as to whether a person is entitled to receive certain information you must first obtain permission from the relevant Chairperson/PM of the Tender process, to provide the information.

Declaration of Understanding and Agreement:

I, .................................................., declare that I have read the above Code of Conduct for a Tender Process, understand what it means and agree to always behave as it directs when performing functions relating to the tender process and other such processes.

Signature: ..................................................

Date: ........ /....... /........
ATTACHMENT B

Guidelines for Non-Price Criteria Ratings
<table>
<thead>
<tr>
<th>EVALUATION CRITERIA</th>
<th>WEIGHTING</th>
<th>80% to 100%</th>
<th>65% to 79%</th>
<th>50% to 64%</th>
<th>&lt;50%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EXCEEDS EXPECTATIONS</strong></td>
<td></td>
<td>• Provides significant added value.</td>
<td>• Exceptional response to requirements. No risks, weaknesses or omissions.</td>
<td>• Fully responsive to and compliant with requirements. No risks, weaknesses or omissions of any significance.</td>
<td>• Responsive to and substantially compliant with requirements. Minor risks, weaknesses and/or omissions that would be reasonably easy to correct &amp; make acceptable.</td>
</tr>
<tr>
<td><strong>FULLY ACCEPTABLE</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>ACCEPTABLE</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>BELOW EXPECTATIONS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Input all non-price evaluation criteria, examples are below</th>
<th>input %</th>
<th>Set minimum standard</th>
<th>Set minimum standard</th>
<th>Set minimum standard</th>
<th>Set minimum standard</th>
</tr>
</thead>
<tbody>
<tr>
<td>Past experience of company in similar type work (example)</td>
<td>input %</td>
<td>3 contracts in the past 3 years involving similar water or sewerage infrastructure projects each &gt; $2 million.</td>
<td>3 contracts in the past 5 years involving similar water or sewerage infrastructure projects each &gt; $1 million.</td>
<td>1-3 contracts in the past 5 years involving similar water or sewerage infrastructure projects</td>
<td>No similar type projects in the past 5 years.</td>
</tr>
<tr>
<td>Performance of Company in last 2 similar type projects in meeting the contract requirements (with reference to projects in criteria 1 above if</td>
<td>input %</td>
<td>CPR reports scoring &gt; 60 in every criteria; OR Referee checks exceeding expectations based on</td>
<td>CPR reports scoring 55 to 60 in every criteria; OR Referee checks fully acceptable based on</td>
<td>CPR reports scoring 50 to 55 in every criteria or greater than 55 in most criteria; OR Referee checks</td>
<td>CPR reports scoring &lt; 50 in most criteria; OR Referee checks below expectations based on the following factors:</td>
</tr>
<tr>
<td>Tender Evaluation Plan – name of Project.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>------------------------------------------</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Specification No. number</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>possible). Time 20%</th>
<th>Cost 20% (incl. claim history)</th>
<th>Quality 20%</th>
<th>OHS 20%</th>
<th>Env. Mtg 10%</th>
<th>IR 10%</th>
<th>100% (example)</th>
</tr>
</thead>
<tbody>
<tr>
<td>the following factors: (See also Note 1)</td>
<td>Time 20%</td>
<td>Cost 20% (incl. claim history)</td>
<td>Quality 20%</td>
<td>OHS 20%</td>
<td>Env. Mtg 10%</td>
<td>IR 10%</td>
</tr>
<tr>
<td></td>
<td>Quality 20%</td>
<td>OHS 20%</td>
<td>Env. Mtg 10%</td>
<td>IR 10%</td>
<td>100% Final score 65-79%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>OHS 20%</td>
<td>Env. Mtg 10%</td>
<td>IR 10%</td>
<td>100% Final score 50-64%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Env. Mtg 10%</td>
<td>IR 10%</td>
<td>100% Final score &lt;50%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Proposed construction methodology including construction program, preliminary risk assessment and site organisation.</th>
<th>input</th>
<th>100% Final score 80-100%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program complete with linked critical path &amp; resources</td>
<td>AND EITHER</td>
<td>Program complete with linked critical path;</td>
</tr>
<tr>
<td>Comprehensive methodology for main activities and demonstration of construction issues</td>
<td>AND EITHER</td>
<td>Comprehensive methodology for main activities and demonstration of construction issues;</td>
</tr>
<tr>
<td>Understanding of major risks to completion/contingency planning</td>
<td>OR</td>
<td>Understanding of major risks to completion/contingency planning</td>
</tr>
<tr>
<td>Marked up drawing showing site</td>
<td>Program with no linked critical path or resources;</td>
<td>Basic Gantt chart provided</td>
</tr>
<tr>
<td>- Program complete with linked critical path</td>
<td>- Basic methodology for main activities and demonstration of construction issues;</td>
<td>- Poor demonstration of methodology; OR</td>
</tr>
<tr>
<td>- Comprehensive methodology for main activities and demonstration of construction issues</td>
<td>- Understanding of major risks to completion/contingency planning</td>
<td>- Poor understanding of major risks to completion/contingency planning</td>
</tr>
</tbody>
</table>
Experience and assessed suitability of the subcontractors proposed to be engaged by the Tenderer to carry out significant work packages (if none then rate in accordance with item 2):

| Experience in specific infrastructure types of projects: Subcontractors > 8 yrs | AND | Tenderer has confirmed recent reviews of proposed subcontractors OHS, Enviro Mgmt & IR are satisfactory |
| Experience in specific infrastructure types of projects: Subcontractors > 5 yrs | AND | Tenderer has confirmed recent reviews of proposed subcontractors OHS, Enviro Mgmt & IR are satisfactory |
| Experience in similar types of projects: Subcontractors < 5 yrs < 1 | Tenderer has confirmed recent reviews of proposed subcontractors OHS, Enviro Mgmt & IR are satisfactory |
| Tenderer has provided names of subcontractors but has not confirmed recent reviews of OHS, Enviro Mgmt & IR as satisfactory |
| Proposed personnel and experience of key personnel in similar projects | input | Experience in specific type of projects: Project Manager (AP) > 8 yrs Site Manager/Foreman > 10 yrs \(\text{AND}\) All of the above with no reports of poor performance | Experience in similar types projects: Project Manager (AP) > 5 yrs Site Manager/Foreman > 5 yrs \(\text{AND}\) All of the above with no reports of poor performance | Experience in similar types of projects: Project Manager (AP) > 3 yrs Site Manager/Foreman > 3 yrs \(\text{AND}\) All of the above with no reports of poor performance | Experience in similar types of projects: Project Manager (AP) < 3 yrs Site Manager/Foreman < 3 yrs \(\text{OR}\) Performance reports have been poor or unsatisfactory |

\[=\text{total percentage}\]

The assessment guidelines in each scoring range represents the minimum requirement to be achieved to score the lowest percentage in the range and the scoring in the range can then reflect achievement greater than the minimum requirement.

**Note 1:**

This referee aspect shall be addressed by contacting referees (attempt 3) and asking them to rate the tenderer on the past performance factors as follows:

**Rating:**

- Excellent (score = 100%):  
- Above Average (score = 75%):  
- Average (score = 50%):  
- Below Average (score = 40%):  
- Poor (score = 0%):  

Weighted scores will be then be deduced for each factor based on the scores x weightings of the factor.
DRAFT

REPORT OF GENERAL MANAGER

Report to Ordinary or Works & Finance meeting where possible

DAY & Date

GROUP(S)

13. Tender for name of project File Number

Purpose of the Report:

To inform Council of the tender evaluation for the proposed name of project and accept a tender.

OR

To inform Council of the tender evaluation for the proposed name of project and decline to accept any Tenders

RECOMMENDED that Council accept the tender of name of Tenderer in the amount of amount excluding GST for the name of project

OR

RECOMMENDED that

a) Council not accept any tenders for the proposed Contract
b) (Council must resolve to undertake one of the actions prescribed in Section 178, (3) of the Local Government Regulations)
c) (if Council resolves to follow the action as prescribed by S178 (3) (e), the resolution must include the information as required in S178 (4) (a) & (b))

Options:

1. Council accept the recommendation as presented.

2. Council not accept the recommendation as presented, giving reasons for the non acceptance and propose an alternative decision.
Details/Issue:

Provide a brief description of project background, scope of the project and scope of works to be included under this contract.

Public tenders were advertised in local and Sydney newspapers and tenders closed on date.

Number of tenders were received in the tender box as follows in alphabetical order:

<table>
<thead>
<tr>
<th>Tenderer</th>
<th>Tenderer Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Insert details of Tenderers</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

A tender evaluation report has been finalised and is provided as a confidential report in the Councillors Information Folder due to the commercial information of a confidential nature that may, if disclosed, prejudice tender parties.

Tenders were evaluated by describe Tender Evaluation Panel and their representation (if applicable) against the criteria nominated in the Conditions of Tendering being: Total cost to Council, Experience and Expertise in the Nature of the Works, Management Ability in the Areas of Programming, OH&S, Environmental Management and Quality Systems, Industrial Relations, Subcontractors and Suppliers, Resource availability (as appropriate).

The Tender Panel determined that the tender of name of Tenderer is the most advantageous to Council (and other organisations party to the Contract if applicable), and it is recommended their tender is accepted.

OR

The Tender Panel determined that no Tenderers are recommended for the proposed Contract. It is recommended that Council proceed in accordance with (one of the provisions of S178 (3) of the regulations. If the recommendation is to proceed in accordance with S178(3) (e), the reasons as required by S178 (4) (a) & (b) must also be stated).

Economic, Social & Environmental (ESD) Consideration:

Describe any ESD considerations

Financial Considerations:

Describe any financial considerations
Public tenders were advertised in local and Sydney newspapers and tenders closed on date. Tenders were called separately for the Lock Up stage and Fit Out stages.

Number tenders were received in the tender box by the closing time (describe if and how any other Tenders were received) The tenders are set out in Tender Form value order for the totals project below;

<table>
<thead>
<tr>
<th>Tenderer</th>
<th>Location</th>
<th>Conforming</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The pre tender Cost Plan prepared in May 2009 by Section & Group was in an amount of amount

Tenders were evaluated against the criteria nominated in the Conditions of Tendering being; Total Cost to Council, Experience and expertise in the nature of the Works, Management ability in the areas of Programming, OH&S, Environmental Management and Quality Systems, Industrial Relations, Subcontractors and Suppliers, Resource availability.(or as appropriate)

(Describe relevant details and information provided by each Tenderer starting from most preferred, to least preferred or unacceptable and discussing merits or otherwise information that leads to determination of the recommendation.)

The tender of name is the most advantageous to Council and it is recommended that their Tender for the name of contract be accepted.

OR

All conforming Tenderers have been evaluated and it is recommended that no Tenders be accepted for the proposed Contract. Options available to Council include discuss options available under S178 Clause (3) of the Local Government Regulations, (and include requirements that apply if action under S178 (3) (e) is to be recommended)