

677

Tender No 2328 – Coastline Management Study and Plan (Consultancy Services)

T40/07300 CPU/TRW

SUMMARY

This is a report on three Tender Submissions received for Wyong's Coastline Management Study and Plan. It recommends a preferred tender in an amount over \$260,000 with an amendment that the task be carried out in two stages.

RECOMMENDATION

- 1** *That Council endorse the Tuggerah Lakes Estuary and Coastal Management Committee's recommendation that Umwelt (Australia) Pty Limited be commissioned to perform Wyong's Coastline Management Study and Plan in accordance with their Tender Submission and as amended by negotiation to be in two separable parts.*
- 2** *That the second separable part be subject to approval of additional NSW Government grant funds.*
- 3** *That contract expenditure be authorised to include the tendered amount \$212,283.50 plus an additional amount up to \$50,000 for additional study suggested in the tender.*
- 4** *That further expenditure up to \$8,000 be authorised for Council's costs associated with community consultation for the project.*

INTRODUCTION

Council advertised a Tender that closed on August 28 2003 inviting consultancies to perform Wyong's Coastline Management Study and Plan (CMS&P). Three tenders were submitted by experienced consultant companies. This report recommends a preferred tenderer provided that the project is staged according to recent negotiations to accommodate Council's funding constraints.

Tender No 2328 – Coastline Management Study and Plan (Consultancy Services) (contd)

The advertising of the Tender followed termination of the contract with Environmental Resources Management (ERM) who was originally commissioned in December 24 1998 to perform this work but was unable to continue with the contract. During a meeting held on March 6 2003 the Tuggerah Lakes Estuary and Coastal Management Committee (TLECMC) recommended, "*That the committee endorse termination of the contract with ERM*". ERM did however provide Council with a Draft Coastline Management Study Report, other documentation and access to any information (developed during the study) at Council's request.

Council re-evaluated the work performed as part of that contract and negotiated that ERM repay any payments in excess of \$30,000. This money has been received and included in the available budget.

Following the termination Council, in close consultation with a working group of the TLECMC, prepared a new Tender Document that included an expanded scope of works.

The scope of works was expanded in comparison to the original scope that focussed on management of urban areas that are susceptible to coastal hazards. The expanded scope requires the consultant to assess both urban and natural areas along the length of Wyong's coastline and develop management strategies to mitigate potential coastal hazards. The consultant should comprehensively assess the social, economic, aesthetic, recreational and ecological issues associated with land use along the coastline in addition to coastline hazards.

Management strategies that are to be investigated include coastline modification (e.g. hard and/or soft engineering measures), property modification (e.g. hard and/or soft engineering measures and planning controls), response modification (e.g. improved community readiness) and further studies (e.g. detailed ecological investigations).

BEFORE TENDER SUBMISSIONS

Prior to the closing date a Tender Assessment Panel was established, comprising Council Officers and a Department of Infrastructure Planning and Natural Resources (DIPNR) Officer. A meeting was held with Council's Contract Manager and the panel to establish assessment criteria, assessment subcriteria and weightings. Each panel member was provided with assessment material to ensure an objective and consistent assessment process was applied to each tender.

Tender No 2328 – Coastline Management Study and Plan (Consultancy Services) (contd)

ENDORSEMENTS

A detailed report on the outcome of the tender assessment recommending Umwelt (Australia) Pty Ltd as the preferred tenderer was endorsed by John W Burgess (Council's Contract Manager) on September 26 2003.

A report summarising the assessment process, panel member's scores/comments, proposed costs and recommending Umwelt as the preferred tenderer was presented to the TLECMC on October 2 2003. At its meeting, the TLECMC resolved as follows:

“That the Tuggerah Lakes Estuary and Coastal Management Committee endorse the tender assessment panel's recommendation that Umwelt be recommended to Council as the preferred consultant to perform Wyong's Coastline Management Study and Plan.”

Following the October committee meeting the budget constraints were found to require the staged approach discussed below. This staged approach was presented to the TLECMC meeting on November 6 2003. The committee endorsed the recommendation of Umwelt as the preferred tenderer with the proviso of a staged approach as outlined below.

REFEREES

The three referees provided positive comments regarding Umwelt in relation to the preparation of a range of coastal and estuary management studies.

TENDER SUBMISSIONS AND ASSESSMENT

Three high quality tender submissions were received and a summary of the primary consultants, average scores and panel comments is provided in Table 1 below.

Tender No 2328 – Coastline Management Study and Plan (Consultancy Services) (contd)

Table 1 – Summary of Tender Assessment for Wyong's CMS&P

Consultant	Average Score	Comments	Rank
Patterson Britton and Partners	85.6%	<ul style="list-style-type: none"> ▪ Good understanding of Council and DIPNR's requirements ▪ Excellent project management skills ▪ Excellent coastal management experience on projects of a similar size, nature and duration ▪ Moderately sized and highly experienced team with excellent (and some local) coastal management experience ▪ Proposed cost totalled \$240,700 (approx. \$28,000 more than Umwelt) ▪ Not as strong as the Umwelt for community consultation, methodology or local coastal management experience ▪ Panel unanimously agreed that Patterson Britton was the second choice consultant 	2
Umwelt Environmental Consultants	89.5%	<ul style="list-style-type: none"> ▪ Excellent understanding of Council and DIPNR's requirements ▪ Good project management skills ▪ Excellent coastal management experience (including a high level of local experience) on projects of a similar size, nature and duration ▪ Small and highly experienced team with good local coastal management experience ▪ Proposed cost totalled \$212,283.50 (i.e. the lowest cost proposed) ▪ Proposed a superior community consultation strategy and showed the best understanding of the methodology required ▪ Panel unanimously agreed that Umwelt was the preferred consultant 	1

Tender No 2328 – Coastline Management Study and Plan (Consultancy Services) (contd)

Consultant	Average Score	Comments	Rank
Parsons Brinkerhoff	80.1%	<ul style="list-style-type: none"> ▪ Average understanding of Council and DIPNR's requirements ▪ Good project management skills (but limited for coastal management) ▪ Limited coastal management experience with primary consultant having no comparable projects ▪ Overly large team with members less experienced in coastal management, in comparison to the other tender submissions ▪ Proposed cost totalled \$290,400 which is approximately \$78,000 more than Umwelt ▪ Panel unanimously agreed that Parsons Brinkerhoff was the third choice consultant 	3

Notes: 1. Consultants listed are primary consultants only (i.e. subconsultants not listed). Umwelt's team includes SMEC and Shirley Consulting Engineers.

2. Average score calculated from each panel member's sub-criteria score.

3. All costs quoted include GST.

BUDGET

Umwelt's tender was for \$212,283.50 (incl. GST). In addition, the consultant indicates that some additional hazard definition studies should be performed at Blue/Toowoyn Bays and Blue Lagoon/Bateau Bay. These additional study costs total \$50,000 approximately (including GST). It is suggested that the estimates for these additional studies be included in the budget bringing the total cost to approximately \$262,000 (incl. GST). \$8,000 for Council's costs for community consultation items in the study will bring the total to \$270,000.

Council believe that the costs quoted for additional studies are likely to be similar or more from the other two consultants. Whether the additional studies proceed and the exact amount needed would be subject to further negotiations with Umwelt if they are the successful tenderer. More details have been sought from Umwelt for that purpose.

Wyong's CMS&P account balance is approximately \$140,000 with Council and DIPNR previously committing these funds and with each agency agreeing to meet 50% of the costs.

Tender No 2328 – Coastline Management Study and Plan (Consultancy Services) (contd)

If Council endorses Umwelt as the preferred consultant it is likely an additional \$130,000 over a period of approximately 2 years will be required to fund the study. This will require an additional \$65,000 (approximately) from both Council and DIPNR.

Advice from DIPNR is that additional financial assistance for the Coastline Management Study and Plan will be assessed on a statewide priority basis. Because the formulation and implementation of coastal zone management plans is a core objective of DIPNR, Officers of DIPNR expect that any application for additional financial assistance to complete the plan would attract a high statewide priority.

Council have formally applied for this additional funding (i.e. \$65,000) and have asked that this funding request be expedited. In addition, a letter from the General Manager to the Member for The Entrance has also been sent outlining the urgent need for additional funding and reiterating a request for the additional funds to be supported.

ALTERNATIVE APPROACH

The amount of additional funding (\$65,000 from both WSC and DIPNR) required for this expanded study is considered to be a risk for Council because no guarantee of additional financial assistance can be considered by DIPNR until Council commits to the study. As a result an alternative approach has been developed to overcome the current funding shortfall while ensuring that the project can proceed.

A proposal was developed to separate the tender into two stages that would include a 'Coastal Hazards Definition Stage' and 'Coastline Management Stage'.

Stage 1 would involve performing the Coastline Hazard Definition Studies in accordance with the preferred tender.

Stage 2 would involve assessing all constraints, developing and recommending coastline management options (for both urban and natural areas) and preparing the coastline management plan.

Tender No 2328 – Coastline Management Study and Plan (Consultancy Services) (contd)

Negotiations along these lines involved discussions with the preferred tenderer and DIPNR on October 23 2003. This and subsequent correspondence established that:

- 1 Umwelt Aust Pty Ltd agrees to stage the project as outlined above, and has provided a schedule of items totalling \$110,000 for Stage 1 with the remainder in stage 2.
- 2 There will be no extra costs due to the staging unless there is a significant delay between Stages 1 and 2.