
10.13 Moss Vale Bypass Design - Stages 2 & 3

Report Author: Project Manager
Authoriser: Director Service and Project Delivery

PURPOSE

The purpose of this report is to present the proposed Direct Engagement approach to vary the scope of works included in the Contract named Moss Vale Bypass Design – Stage 1, RFT 6330/21.14, to include the detailed design of Stages 2 and 3.

OFFICER'S RECOMMENDATION

THAT:

1. Council resolves, for the reasons outlined in this report, that a satisfactory result would not be achieved by inviting tenders due to the “extenuating circumstances” which is expected to result in the unavailability of competitive tenderers and that a better result would not be achieved through a competitive tender process as the fee proposal MU has provided has been assessed as providing value for money;
2. Council proceeds with the direct engagement of MU Group Pty Ltd for the detailed design of Stage 2 and 3;
3. Council delegate authority to the General Manager to execute the variation agreement, updated grant agreement and any other documentation required to give effect to this resolution.

REPORT

BACKGROUND

At the Ordinary Meeting of Council on 13 October 2021, Council resolved to accept the tender from MU Group Pty Ltd for the Moss Vale Bypass Design – Stage 1. The scope of this work included the site investigations and concept design for all three stages of the Moss Vale Bypass but the detailed design and documentation for Stage 1 only.

It has been identified that there are significant benefits in proceeding with the detailed design and documentation of Stages 2 and 3 at the same time as that for Stage 1. These benefits are both in terms of community impacts and cost/time efficiency.

Community Impacts

Stage 1 of the Moss Vale Bypass connects Beaconsfield Road to Suttor Road with a bridge over the Main Southern Railway line and a link road to Lackey Road. If Council proceeds with this first stage only, a temporary connection to the east/west section of Suttor Road would result in the removal of a number of mature trees. These trees contribute significantly to the visual and natural landscape and if left untouched would provide visual screening for Stage 2 of the Moss Vale Bypass for the community along Suttor Road. It is noted that some tree and vegetation removal is expected to be required regardless of the staging but that this can be minimised by proceeding with Stage 2 at the same time as Stage 1.

A plan of the transition arrangements is included in Attachment 1.

The connection across the rail line that Stage 1 of the Moss Vale Bypass provides is expected to draw traffic from Argyle Street as an alternate route through town and across the Main Southern Rail Line. While traffic modelling conducted in 2016 shows a significant decrease in traffic on Argyle streets (and others) due to the Moss Vale Bypass, it also shows an increase in traffic on the east/west section of Suttor Road and an increase in traffic locally on Beaconsfield Road and Lytton Road. By proceeding with the Stage 2 and 3 at the same time as stage 1 these increased traffic movements can be redirected via the new sections of the Moss Vale Bypass. This is particularly relevant for heavy vehicle movements which would have a disproportionately significant impact on the road pavements of Beaconsfield Road and Lytton Road.

The 2016 traffic modelling report and plots are included in Attachments 2 and 3.

It is noted that, if supported, the inclusion of the detailed design of Stage 2 and 3 will commence following the Environmental Assessment and Concept Design of all three stages. This will ensure that positive and adverse impacts of all three stages of the proposal are identified, assessed and addressed at the same time.

Cost/Time Efficiency

There is significant benefit in completing the detailed design of Stages 2 and 3 concurrently with the detailed design of Stage 1 in terms of both cost and time efficiency. By completing all three stages simultaneously the cost and time impacts of designing (and building) temporary transition arrangements which become obsolete is avoided. There are cost and time efficiency in preparing the designs for service relocations and protection as one single package rather than three intermediate packages. This is particularly relevant given the presence of three optic fibre cables and the APA gas lines along the entire length of the proposed route.

The detailed design of all three stages also allows for better planning and management of project wide elements such as cut/fill, stormwater management and consistent landscaping and pedestrian access.

REPORT

Council is seeking to directly engage MU Group Pty Ltd to complete the additional scope under a direct engagement. The full scope of the additional works includes the Detailed Design and Documentation of Stages 2 and 3 and is detailed in the contract documents.

In accordance with the *Local Government Act 1993* part 3, section 55(3)(i), Council is not required to invite tenders where, because of extenuating circumstances, remoteness of locality or the unavailability of competitive or reliable tenderers, a Council decides by resolution (which states the reasons for the decision) that a satisfactory result would not be achieved by inviting tenders.

ADVERTISING

No Advertising has been undertaken as the procurement process proposed is via direct engagement.

EVALUATION OF DIRECT ENGAGEMENT APPROACH

The direct engagement approach is proposed due to the “extenuating circumstances” which is expected to result in the “unavailability of competitive... tenderers”. MU Group have begun the site investigation and concept design phase of the project and are contracted to complete the detailed design and documentation phase for Stage 1. This first phase of the project has involved a project familiarisation and start up process. The design, verification and documentation staff and subconsultants that MU Group have available for the completion of the Detailed Design of Stage 1 can be efficiently redirected to include the Detailed Design of Stages 2 and 3 in addition to the Detailed Design for Stage 1. MU Group have been part of the consultation process of the concept design for stages 1, 2, and 3 and are therefore very familiar with the issues raised during consultation and community sentiment. MU Group therefore is best positioned to resolve the issues raised and assist with reporting the outcomes back to the community.

MU Group is also the only consultant that can prepare a tender package for all stages to be tendered to one Principal contractor.

Given these circumstances, it is likely “that a satisfactory result would not be achieved by inviting tenders.”

The budget estimate for the additional scope is valued at \$1m - \$1.3m for the detailed design of approximately 2.3km of road. This equates to approximately \$430k to \$565k per 1km of road and includes full detailed design and documentation of the geometric design of the road and intersections, services relocation and protection, stormwater drainage, lighting, footpath and landscaping. The price component for the detailed design of Stage 1 received during the original tender ranged from approx. \$720k to \$1.3m for the 1.5km section of road. This equates to an average cost of \$688k per kilometre of road.

Therefore the current proposal has been assessed as providing value for money when considered in reference to the prices achieved through the competitive tendering process.

COMMUNICATION AND CONSULTATION

Community Engagement

Council has and will continue to engage with the community regarding this important project. There have been three community information sessions held at the Council Civic Centre in February and March with a fourth planned shortly. The proposal to move forward with the detailed design of Stage 2 and 3 has been communicated at all these events and was received very positively and took away the community concern associated with implementation of stage 1 only.

Internal Communication and Consultation

This proposal has been the subject of consultation between Council’s Project Delivery, Assets, Procurement and Executive teams.

External Communication and Consultation

Council has engaged with Transport for NSW, NSW Department of Regional Development, the Minister for Regional Transport and Roads and the Minister for Local Government to seek additional funding for this proposal. All discussions to date have been positive and we are well advanced in the process to secure the additional funding required.

SUSTAINABILITY ASSESSMENT

Environment

The environmental impacts related to this report will be assessed in the Environmental Assessment included in the existing scope of work. This report is expected to be available for public review and comment in mid-2022.

Social

The social impacts related to this report will be assessed in the Environmental Assessment included in the existing scope of work. This report is expected to be available for public review and comment in mid-2022.

Broader Economic Implications

The broader economic implications of this proposal will be assessed with an updated business case to reflect the detailed cost estimates prepared as part of the design scope and the modelled economic benefit.

Culture

The Aboriginal and non-aboriginal culture impacts related to this report will be assessed in the Environmental Assessment included in the existing scope of work. This report is expected to be available for public review and comment in mid-2022.

Governance

This direct engagement is proposed to be conducted in accordance with the *Local Government Act 1993* part 3, section 55(3)(i) and Wingecarribee Shire Council's General Managers Practice Note 7 – Procurement Guidelines, July 2020.

COUNCIL BUDGET IMPLICATIONS

The 2021/2022 Operational Plan and budget includes \$2.4m (excl GST) for the Moss Vale Bypass Design – Stage 1. This additional scope is proposed to be funded through an additional funding contribution by the NSW Government.

RELATED COUNCIL POLICY

Council's Procurement Guidelines have been used to inform the Direct Engagement process.

CONCLUSION

This report concludes that a satisfactory result would not be achieved by inviting tenders due to the "extenuating circumstances" which is expected to result in the "unavailability of competitive... tenderers". This complies with the *Local Government Act 1993* part 3, section 55(3)(i) and Wingecarribee Shire Council's General Managers Practice Note 7 – Procurement Guidelines, July 2020.

Council has identified that the proposed approach demonstrates value for money and provides benefits in terms of environmental impacts and cost efficiency.

ATTACHMENTS

<http://www.wsc.nsw.gov.au/files/assets/public/council/meeting-minutes/2022/10.13-attachment-1-2022.pdf>

<http://www.wsc.nsw.gov.au/files/assets/public/council/meeting-minutes/2022/wsc-10.13-attachment-160322.pdf>

<http://www.wsc.nsw.gov.au/files/assets/public/council/meeting-minutes/2022/16-a-tracks-moss-vale-bypass-2016-2036-all-vehicle-bypass-plots.pdf>