

Section 221 of the *Local Government Regulation 2012* stipulates that a Significant Contracting Plan must be prepared prior to commencement of a contract that Council has identified as a Significant Contract. Council may, by resolution, amend a Significant Contracting Plan at any time before the end of the financial year to which the plan relates.

1. Key Information

Significant Contract Title: Construction - Mooloolaba Transport Corridor Upgrade

Group: Liveability and Natural Assets

Branch: Urban Projects

Contract Administrator: Zsuzsie Rossell

Position: Project Officer

Procurement Specialist: Rachael Lock

Contract/Project Description: Upgrades to Mooloolaba Transport Corridor

Link to Procurement Plan: D2019/441030

2. Council Resolutions

Previous Council resolutions:

OM Minutes (8.2.3) 19 July 2018

This plan endorsed by Council:

3. Background

Road upgrades in Mooloolaba as per the following staged construction program:

- *Four laning of Walan St between the Venning St intersection and Smith St intersection, including signalisation of the Walan St x Naroo Ct intersection*
- *Upgrade of the Walan St x Brisbane Rd x Hancock St intersection*
- *Four laning of Brisbane Rd between the Mayes Canal Bridge and the upgraded (Stage 2a) Walan St x Brisbane Rd x Hancock St intersection, including the upgrade and signalisation of the Tarcoola Ave x Brisbane Rd x Foote St intersection*
- *Four-laning of Brisbane Rd from the Tuckers Creek Bridge to (and including) the the River Exp intersection, including the Mayes Canal Bridge.*

4. Objectives

What are the objectives of this contract?

To achieve value for money for Council for the construction of the road corridor.

The Sunshine Coast Council is one of the largest local governments in Australia (by population), administering a region with diverse landscapes and natural assets, and supporting a community that continues to experience strong growth.

The Road Corridor is included in Council's endorsed Place Making Mooloolaba Masterplan (2015) as "The Southern Gateway to Mooloolaba" and as such, an important arrival experience into Mooloolaba.

Mooloolaba is located on a prime north facing beach, nestled amongst the natural assets of Alexandra Headland and the Mooloolah River. Mooloolaba is experiencing significant development pressure that, when combined with increasing through traffic, is leading to congestion on the roads.

Council has recognised the need to upgrade the Mooloolaba Transport Corridor and has progressed with plans that will deliver an outcome which supports the local economy, and provides a pedestrian, cycle, and bus friendly environment.
How will objectives be achieved?
Following finalisation of an internal delivery risk/capability assessment process, the most advantageous and best value option of either going out to the open market to obtain competitive pricing, or adopting an internal Civil Asset Management delivery outcome will be implemented.
Potential staged construction. If it is viewed that greater value for money can be achieved, and budget permits, the potential for packaging of multiple stages will be tested.
How will achievement of objectives be measured?
Analysis of multiple pricing from competing companies.
What are the alternative ways of achieving the objectives? Include reasons for not adopting alternative ways.
Due to the value of each stage or multiple stages the Procurement Thresholds govern that public tender is the only option available if not undertaken internally.



5. Proposed category and contractual arrangements

Which category does this contract fall within?
Capital Works
Which contractual arrangements should be applied to this contract, and why?
Construction (AS2124 Medium to Large Construction)
Adequately govern the outcomes required by Council to deliver the project

6. Market and Risk Assessment

Provide an assessment of the market in which the contract is to happen, including an assessment of any procurement risks. Refer to the Risk Assessment Calculator in the Procurement Plan.
Competitive building construction market. Risk that pricing will be greater than Council budgets
Proposed mitigations for identified risks:
Lump sum construction contract which will be delivered under structured Australian Standard Conditions of Contract.
Undertake an assessment of operational risks relating to the contract/project. Attach details.
<ol style="list-style-type: none"> 1. Key performance indicators (KPIs) will be developed and included with the tender document package. The Contract Administrator will be responsible for reviewing and enforcing the KPIs 2. Pricing variations is considered an ongoing risk which is mitigated through the development of a lump sum pricing schedule. It will be the Contractor's responsibility to confirm quantities submitted are sufficient and correct to enable the completion of the works in accordance with the Specification. When submitting their lump sum price, the Respondent is obliged to price the entire works required for successful completion of this Contract. The Pricing Schedule will be used as a guide for progress payments and to calculate any required variations throughout the administration of the Contract. Variations where the Contractor has not accurately calculated quantities will not be accepted by Council. 3. Workplace health and safety is considered an ongoing risk which is mitigated through legislative requirements which the contractor is required to adhere to.

Approvals (prior to resolution)

Position	Name	Signature	Date
Manager, (of Branch seeking contract)	Chris Sturgess		30/5/19.
Manager, Business & Innovation	Paul Skillen		31/05/2019