
MR22/005 PROCUREMENT OF CONTRACTOR FOR URGENT WORKS ON ARALUEN ROAD

File Ref: S028-T00007

Attachments: Nil

EXECUTIVE SUMMARY

This report seeks Council approval to proceed with urgent recovery works on Araluen Road by allowing an exemption from calling separate tenders and approval to vary and extend the existing NDR21-019 Araluen Road – Cantilever Wall and Soil Nail Construction contract using the extenuating circumstances under Section 55 (3)(i) of the Local Government Act 1993.

RECOMMENDATION

THAT:

1. Council approve an exemption from tender in accordance with section 55 (3)(i) of the Local Government Act 1993 to extend the term of the NDR21-019 Araluen Road – Cantilever Wall and Soil Nail Construction contract by reason of extenuating circumstances noting that a satisfactory result for the community would not be achieved by inviting separate tenders at this time;
2. Council note the reason that a satisfactory result would not be achieved by inviting tenders at this time is because timeframes to effectively manage the risk to the community do not allow to complete the appropriate tender processes which consequently will not result in in value for money;
3. Council approve variations to the contracts for NDR21-019 Araluen Road – Cantilever Wall and Soil Nail Construction to extend the terms of the contract as required; and
4. Authority be delegated to the General Manager to negotiate, administer and enter into any necessary documentation to give effect to the clauses above.

BACKGROUND

Significant damage was sustained to Council's road network, including Araluen Road, in the 2019-20 Black Summer bushfires and the nine (9) natural disaster floods and storms that have occurred since. The February/March 2022 flood has been declared a natural disaster (AGRN # 1012).

This natural disaster has resulted in significant additional damage in this most recent flood event (March 2022), with portions of the road at risk of collapse. A regular monitoring program has been implemented to inspect each site to assist in managing the risk.

Should a further collapse occur, then sections of the community would be cut off from Moruya to the south and Araluen to the north. It is therefore important that more urgent action be taken on this matter.

Over the last 2 years that many residents of Araluen road have had their day to day lives significantly impacted as they have had to use alternate routes to their usual routes, to detour around landslides and been cut off from directly accessing Braidwood (alternate route via Moruya, Batemans Bay, Braidwood).

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Undertaking the proposed stabilisation works at approximately the 18km, 19km, 24km and 45km is required as an urgent priority.

Council previously called competitive tenders for other recovery works with that contractor currently working on Araluen Road and these works are currently underway. More immediate works are needed at the new damage sites and Council does have the ability to use the extenuating circumstances clauses under Section 55 of the Local Government Act 1993.

This would allow the immediate recovery works to be undertaken by varying the existing contract NDR21-019 Araluen Road – Cantilever Wall and Soil Nail Construction, by varying the scope of work under that contract.

Discussions have been held and approval in principle gained from Transport for NSW who administer the Natural Disaster Relief and Recovery Arrangements to fund the recovery works using this approach.

Discussions have also been held with the contractor who can mobilise within a few weeks.

If this approach is not pursued, and the normal tendering process is implemented, this would delay works by about 3-4 months. This would expose the Deua Valley community to additional risk, which can be mitigated using the approach recommended in this report.

Locations of new damage requiring urgent works are shown below.

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18 km mark – near the foam block retaining wall

The foam block wall and pavement remains sound at this stage. However, the embankment below the foam wall has moved and requires more immediate stabilisation. There is also separate tension cracking further along the road.

There is no alternate route around this site.



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19km mark

A further downside slope collapse has occurred along from the original failure leaving the guardrail hanging mid-air. Urgent works have already commenced at this location on the upslope to move part of the road back into more solid ground. The downslope needs more immediate stabilisation.

A little further along a new landslide occurred and this too will progress if not treated as a priority action.

There is no alternate route around this site.



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24 km mark – Grumleys Rocks

This is a very narrow section of road with a high rock face on the upslope. There is no alternate route around this site.



Tension cracking has developed in the downside embankment which requires more immediate stabilisation.

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45 km mark (close to Pigeon Gully which is near the LGA boundary)

Extensive failures have occurred further along the road on the downhill side placing the road at risk.



The proposed stabilisation works will enable the restoration of the road formation and provide ongoing embankment stability. Works will comprise Soil Nails, Shotcrete, Fibre Reinforced Concrete (Fibrecrete), Ground Anchors, Micropiles, Gabion Retaining Walls and other associated works are proposed to be implemented.

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CONSIDERATIONS

Legal

Request for Tender (RFT) No. NDR21-019 was advertised, evaluated and endorsed by Council at its Ordinary Meeting held 26 October 2021, in accordance with Local Government (General) Regulation 2005 REG 167 and Local Government Act 1993.

The Local Government Act 1993 - Section 55(3)(i) provides an exemption from tender for a contract where, because of extenuating circumstances, remoteness of locality or the unavailability of competitive or reliable tenders, a council decides by resolution (which states the reasons for the decision) that a satisfactory result would not be achieved by inviting tenders by reason of extenuating circumstances.

The purpose of this report is to seek council endorsement for the works to be undertaken using the extenuating circumstances provisions of the Act by allowing a variation to the existing contract in place for other similar works.

Policy

The previous tendering process and procurement was undertaken in accordance with Council's Procurement Policy, Code of Practice – Procurement, Code of Practice – Tendering, the Local Government Procurement Guidelines, Local Government (General) Regulation 2005 and the Local Government Act 1993. The use of the extenuating circumstances clause is consistent with our procurement policy.

Environmental

The contractor is required to implement appropriate environment controls specific to each site and has demonstrated their capacity to manage matters in accordance with the NSW Government Environmental Management Guidelines.

Financial

This work will be funded under the NSW and Australian Governments' Natural Disaster Relief and Recovery Arrangements (NDRRA).

Community and Stakeholder Engagement

A number of Councillors toured Araluen Road on 18 March 2022 with staff. A meeting was then held with residents at the McGregors Creek rural fire station where the current situation was outlined.

Council will continue to keep the community information via regular updates on our web page as well as regular direct communication with Araluen Road residents and land holders. Wherever practicable, residents will be advised by letter and/or email of the project's timeframe and impacts. Project information, including a work program, will be provided on Council's website at this link: [Restoring access - Araluen Road | Eurobodalla Shire Council \(nsw.gov.au\)](#).

Regular media will be undertaken as works proceed to advise of the situation on Araluen Road.

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CONCLUSION

The required work is urgent in nature and using the existing contract arrangements with appropriate variations represents the best value for money and community safety and connectivity outcome.