



SOUTHERN DOWNS REGIONAL COUNCIL SPECIAL MEETING OF COUNCIL

Dear Councillors

Your attendance is hereby requested at the Special Meeting of Council to be held in the Council Chambers, Southern Downs Regional Council, 64 Fitzroy Street, Warwick on **Monday, 6 November 2023** at **3:00PM**.

Notice is hereby given of the business to be transacted at the meeting.

Dave Burges

CHIEF EXECUTIVE OFFICER

2 November 2023

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ACKNOWLEDGMENT TO COUNTRY

- 1. ATTENDANCE**
- 2. APOLOGIES**
- 3. DECLARATIONS OF CONFLICTS OF INTEREST**

4. INFRASTRUCTURE SERVICES REPORTS

4.1 RFT 24_001 DRFA Pavement Stabilisation

Document Information

	Report To: Special Council Meeting	
	Reporting Officer:	Meeting Date: 6 November 2023
	Manager Works	ECM Function No/s: 28.02, 28.31

Recommendation

THAT Council:-

1. In accordance with Section 224 of the Local Government Regulations 2012 enter into a contract with Stabilised Pavements Australia Pty Ltd for the sum of \$4,776,724.71 excluding GST for contract 24_001 DRFA Pavement Stabilisation; and
2. Delegate authority to the Chief Executive Officer to enter into any variations to the contract terms and scope within approved budgets, as deemed necessary for the duration of the contract.

REPORT

Background

Council has pre-approval from Queensland Reconstruction Authority (QRA) to perform pavement restoration works utilising Restoration of Essential Public Assets (REPA) funding under the Disaster Recovery Funding Arrangements (DRFA) guidelines.

Council also has allocated budget to complement the DRFA funding through Local Roads & Community Infrastructure (LRCI) Phase 4B, Local Recovery and Resilience Grants (LRRG) and Transport Infrastructure Development Scheme (TIDS).

In combination, this funding has been used to prepare a value for money and effective pavement stabilisation package to repair larger segments of select roads via stabilisation, rather than only completing the smaller patches pre-approved under REPA.

Geotechnical investigations and pavement designs have been completed for seven roads.

Report

The intention is to award this contract for five roads with an additional two roads able to be added if additional funding becomes available to allow the increase of scope required to complete these works.

Council requires a suitably qualified and experienced contractor to undertake the pavement stabilising in accordance with Department of Transport and Main Roads (DTMR) specifications.

The roads covered under the original tender scope of works were:

1. Lyndhurst Lane;
2. Freestone Road;
3. Jack Smith Gully Road;
4. Freestone Creek Road;
5. Swanfels Road;
6. Willowvale Road; and
7. Mt Marshall-Clintonvale Road.

These roads were selected based on the extensive damage incurred during the declared disaster events of 2022 and the important role they play in the road network hierarchy.

Lyndhurst Lane, Freestone Road and Jack Smith Gully Road are proposed to be stabilised using foamed bitumen to provide increased strength and resilience to any future inundation. This has been selected as the best value for money treatment within the available funding on these roads.

Freestone Creek Road and Swanfels Road are proposed to be stabilised using a cementitious blend for improved strength and resilience. This is a lower cost treatment than the foamed bitumen and selected based on available funding as the best value for money treatment on these roads.

Willowvale Road and Mount Marshall-Clintonvale Road are proposed to be removed from the scope of the current contract due to budget considerations. These roads are included as provisional if ordered in the current contract, however additional funding would be required for these works to proceed at a later date.

Eight contractors were selected from Local Buy panel Road, Water, Sewerage & Civil Works BUS-270 as being suitably qualified to undertake the works and were invited to tender.

One contractor submitted a tender for the works, Stabilised Pavements Australia (SPA). SPA is a company focused on pavement stabilisation and rehabilitation and widely regarded as experts in the field, bringing both technical knowledge, construction methodology and contracting know-how for such projects.

As only one offer was received it was evaluated by the panel and deemed to meet the requirements of the tender documentation.

Pricing exceeded the budget by approximately 20% therefore the scope was reviewed and reduced during negotiations with the tenderer. No changes to rates for work on any road were made.

The extent and scope of works was reduced by provisionally excluding Willowvale Road and Mount Marshall-Clintonvale Road and reducing the length of Freestone Creek Road.

The negotiated tender submissions for respective roads are detailed in the table below.

Road Name	REPA	LRRG	LRCI	TIDS (DTMR)	TIDS (SDRC)	TOTAL	Tender Prices
Freestone Creek Rd	263,000		334,000			597,000	374,680
Freestone Rd*	413,000			295,000	295,000	1,003,000	880,196
Jack Smith Gully Rd	763,000	416,664		358,000	358,000	1,895,664	1,753,665
Lyndhurst La	497,000	55,537		226,000	226,000	1,004,537	992,385
Swanfels Rd	389,000	227,799	241,000			857,799	775,800

Sub Totals	2,325,000	700,000	575,000	879,000	879,000	5,358,000	4,776,726
Provisional Roads:							
Willowvale Rd	51,000		206,000			257,000	616,324
Mt Marshall - Clintonvale Rd	218,000					218,000	612,133
Grand Totals	2,594,000	700,000	781,000	879,000	879,000	5,833,000	6,005,183

** Current TIDS allocation for Freestone Road is \$192,000 from DTMR and \$192,000 from SDRC. It is proposed to increase this value to \$295,000 each by Flying Minute to the Regional Road Transport Group and reduce the Old Stanthorpe Road allocation accordingly. This change will be reflected in the Quarter 2 Budget Review.*

Council's current DRFA program management is administered through the assistance of external consultant GenEng Solutions and Council staff. Program Management of the DRFA program includes geotechnical investigations, pavement design, engineering, project management, inspecting, contract administration and pavement defect rectification/patch repairs.

The program and project assistance requirement for this contract is estimated as follows:-

Geotechnical investigation and pavement design	154,000
Pavement defect and patch repairs	347,000
Project management / contract administration / inspections	135,000
TOTAL	636,000

Total cost estimate is \$5,412,726 excluding the provisional roads (Willowvale Road and Mount Marshall-Clintonvale Road). If either of the provisional roads are included in the contract, the \$636,000 geotechnical investigations, pavement defects/patch repairs and project management will be under-funded.

Conclusion/Summary

After review of the tender documentation, Stabilised Pavements Australia provided a compliant tender and following post tender negotiations made an offer that fits within the available budget. The panel agreed to recommend to award the contract to Stabilised Pavements Australia.

FINANCIAL IMPLICATIONS

The total cost estimate for the delivery of the stabilisation project is \$5,412,726 excluding Willowvale Road and Mount Marshall-Clintonvale Road.

The approved budget is \$5,358,000 excluding Willowvale Road and Mount Marshall-Clintonvale Road.

Council officers are working continuously with the program management team to find additional funding within existing budgets as the financial year progresses and seek the approval of the CEO to vary the contract to maximise the QRA REPA approved funds for Willowvale Road and Mount Marshall-Clintonvale Road and have nil financial impact to Council Works program budget.

The Forecast funding shortfall is \$54,726. Council officers anticipate if required, this will be funded from the PJ 102656 Flood Recovery Comp Works \$1,465,155 budget.

RISK AND OPPORTUNITY

Risk

OPR24 – Asset Management – Inadequate asset management practices impacts on Council's ability to ensure acceptable levels of service from its infrastructure.

If the project is not implemented, only small patch repairs will be completed on these roads, leaving them in poor condition and more vulnerable to future failure than if the stabilisation project is completed.

Opportunity

Council has the opportunity to proceed with this project fully funded by other agencies (except Council's co-funding obligation for TIDS) and make significant improvements to the condition and future resilience of key road links in the region.

COMMUNITY ENGAGEMENT

Internal Consultation

Director Infrastructure Services and Manager Finance regarding budgetary implications.

External Consultation

Queensland Reconstruction Authority (for REPA funding), Department of Infrastructure, Transport, Regional Development, Communications and the Arts (for LRCI funding), Regional Road Transport Group (for TIDS funding).

LEGAL / POLICY

Legislation / Local Law

Local Government Act 2009

Local Government Regulations 2012

Corporate Plan

Theme: Places

Focus Area: Accessibility and Services

Deliverable: 15. Lobby and plan for practical and cost effective solutions that provide safe and accessible air, road and rail transport corridors for the community, visitors and industry.

Theme: Prosperity

Focus Area: Communications and Development Infrastructure

Deliverable: 29. Continue to provide quality core services/functions to the community in the following areas, whilst ensuring that Council's legislative obligations are met:

- roads and drainage

Policy / Strategy

SDRC Procurement Policy (PL-FS010)

Work Health and Safety Policy (PL-HR003)

Code of Conduct Policy (PL-HR052)

ATTACHMENTS

1. DRFA Pavement Stabilisation Program Value for Money Rationale[↓](#)



DRFA PAVEMENT STABILISATION PROGRAM

SOUTHERN DOWNS REGIONAL COUNCIL

October 2023

VALUE FOR MONEY RATIONALE

Southern Downs Regional Council (SDRC) has investigated the improved economy of scale achieved by grouping together multiple smaller patch repairs along multiple roads into larger segments of stabilised pavements.

A market rate has been established for undertaking pavement repairs in accordance with the Queensland Reconstruction Authority's (QRA) "Treatment Guide 2020-21". These rates are used to establish the baseline cost of undertaking just the pre-approved pavement repairs.

Due to the relative importance of the selected roads and the extensive defects both pre-approved and not pre-approved for REPA funding Council has identified significant potential benefit in allocating complementary funding to the REPA pre-approvals. This combined funding will be used to produce longer segments of stabilised pavements, both repairing the defects and enhancing the resilience of the pavement to future damage.

The benefits achieved by rationalisation of the defects include the following:

- Economy of scale,
- Minimise joints which inevitably lead to failures at the edges of the patch joints,
- Increased productivity,
- Reduce overall construction time,
- Require less quarry material and cartage across the road network
- Provide significant improvement in strength and resilience of the pavement.

GEOTECHNICAL INVESTIGATION AND PAVEMENT DESIGN

Council engaged SP Design to undertake geotechnical testing and pavement designs for all roads.

This testing has been completed and pavement design options prepared for each road. Council has selected the best value long-term option that fits within the funding available for each site.

COST COMPARISON

As part of the broader DRFA program Council awarded a contract to JWG to undertake standard pavement repairs on various roads across the region.

This rate is used to value the standard REPA works that would otherwise be undertaken if no stabilising program was funded.

Stabilised Pavements Australia are the preferred contractor for the stabilising works having submitted a competitive tender offer for the specified works.

DRFA Pavement Stabilisation PROGRAM
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The direct comparison is made under each road.

SELECTED ROADS

FREESTONE ROAD

Freestone Road is a Local Road of Regional Significance connecting the state-controlled section of Freestone Road and state-controlled Cunningham Highway.

This is a major road in the region and vulnerable to inundation flooding. Foamed Bitumen stabilisation has been selected as the best long-term value option for repairing the defects and enhance the reliance of those segments of road.

- 47 Pavement defects logged
- 16 pavement defects pre-approved for REPA funding
- 9 completed as standard pavement repairs
- Other defects covered by proposed foamed bitumen stabilising works in 4 segments.
- Estimated cost of REPA works \$413,000 at market price
- Total Stabilising Project Cost Estimate \$1,000,200
- Additional Funding to be provided by SDRC utilising other funding programs
- Result will be 9662m² of foamed bitumen stabilised pavement compared to 2508m² funded by REPA.
- This represents an increase in the treated area of 3.85 times for a cost increase of only 2.4 times and no change in the REPA funding.
- The foamed bitumen pavement will be far more resilient to future inundation flooding on this road

FREESTONE CREEK ROAD

Freestone Creek Road is a key link road between Freestone Road and Jack Smith Gully Road. There is sections of significant outside wheel path rutting the represents a safety risk to motorists that will be addressed by this project. The section of this road to the east of the intersection with Jack Smith Gully has extensive defects present but as it is much lower traffic it will remain as only standard pavement repairs in isolated patches unless Council can access additional funding to deliver the planned stabilising works in this area.

- 48 Pavement defects logged
- 42 pavement defects pre-approved for REPA funding
- 25 completed as standard pavement repairs
- Other defects covered by proposed stabilising works in 4 segments predominantly outside wheel path rutting on the more heavily trafficked segment of this road.
- Estimated cost of REPA works \$263,000 at market price
- Total Stabilising Project Cost Estimate \$623,100
- Additional Funding to be provided by SDRC utilising other funding programs
- Result will be 4438m² of cement modified pavement (5117 total with patches) compared to 1362m² funded by REPA.

DRFA Pavement Stabilisation PROGRAM
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- This represents an increase in the treated area of 3.75 times for a cost increase of only 2.3 times and no change in the REPA funding.

SWANFELS ROAD

Swanfels Road provides access to a large area of commercial agriculture. A cement modified pavement treatment has been selected to efficiently repair a larger area of this road and enhance its resilience to future flooding events.

- 71 Pavement defects logged
- 55 pavement defects pre-approved for REPA funding
- 9 completed as standard pavement repairs
- Other defects covered by proposed stabilising works in 5 segments.
- Estimated cost of REPA works \$389,000 at market price
- Total Stabilising Project Cost Estimate \$857,800
- Additional Funding to be provided by SDRC utilising other funding programs
- Result will be 12430m² of cement modified pavement compared to 1842m² funded by REPA.
- This represents an increase in the treated area of 6.74 times for a cost increase of only 2.2 times and no change in the cost to REPA.

LYNDHURST LANE_1

Lyndhurst Lane is a local road of regional significance connecting two state controlled roads and crossing the Condamine River. During major flood events the road is inundated from the river. Foamed bitumen stabilising has been chosen as the best long-term value option to repair the defects present on this road and improve its resilience to future events.

- 17 Pavement defects logged
- 12 pavement defects pre-approved for REPA funding
- 4 completed as standard pavement repairs
- Other defects covered by proposed foamed bitumen stabilising works in 3 segments.
- Estimated cost of REPA works \$497,00 at market price
- Total Stabilising Project Cost Estimate \$1,089,400
- Additional Funding to be provided by SDRC utilising other funding programs
- Result will be 10,801m² of foamed bitumen stabilised pavement compared to 2997m² funded by REPA.
- This represents an increase in the treated area of 3.6 times for a cost increase of only 2.2 times and no change in the REPA funding.

JACK SMITH GULLY ROAD

Jack Smith Gully Road connects the state-controlled Yangan Road to Freestone Creek Road. This is a key link for commercial agriculture operations. Significant lengths of the road are vulnerable to inundation flooding. Foamed bitumen stabilising has been chosen as the best long-term value option to repair the defects present on this road and improve its resilience to future events.

DRFA Pavement Stabilisation PROGRAM
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- 80 Pavement defects logged
- 58 pavement defects pre-approved for REPA funding
- 9 completed as standard pavement repairs
- Other defects covered by proposed stabilising works in 6 segments.
- Estimated cost of REPA works \$763,000 at market price
- Total Stabilising Project Cost Estimate \$1,895,700
- Additional Funding to be provided by SDRC utilising other funding programs
- Result will be 18,556m² of foamed bitumen stabilised pavement compared to 4705m² funded by REPA.
- This represents an increase in the treated area of 3.9 times for a cost increase of only 2.5 times and no change in the REPA funding.

OTHER ROADS

Investigation and design work has also been completed on Willowvale and Mount Marshall-Clintonvale Road. However, at this time Council does not have the additional funds available to undertake these works. If further funding comes available they may be added into this program using the same rationale.

SUMMARY

In total Council proposes to utilise the pre-approved market price funding that is eligible for cost reimbursement under the DRFA guidelines combined with funding from TIDS, LRCI4, LRRG and SDRC to fund this stabilising program.


Approximately \$2,325,000 in REPA funding is proposed to be used in conjunction with \$3,033,000 in other funding to complete this project.

This provides excellent leveraging of the available funds to repair and improve major road links in the region.

This proposal requires no additional funding under the REPA program to achieve these benefits. Reimbursement for REPA works will be claimed up to the pre-approved market value with the balance paid by the other funding sources

4.2 RFT 24_010 Wheatvale Betterment Project

Document Information

	Report To: Special Council Meeting	
	Reporting Officer:	Meeting Date: 6 November 2023
	Manager Works	ECM Function No/s: 28.02, 28.31

Recommendation

THAT Council:-

1. In accordance with Section 224 of the Local Government Regulations 2012 enter into a contract with Bellrise Investments Pty Ltd for the sum of \$2,417,999.05 excluding GST for contract 24_010 Wheatvale Betterment Project; and
2. Delegate authority to the Chief Executive Officer to enter into any variations to the contract terms as deemed necessary for the duration of the contract.

REPORT

Background

Wheatvale Plains Road, Upper Wheatvale and nearby Connells Bridge Road, Bony Mountain provide essential access for a number of broad-acre farming enterprises in Council's north-west region. These roads suffer frequent damage from rain events and heavy vehicle use due to the fertile but highly reactive black soil area.

Council has been successful in receiving Betterment Funding under the DRFA program for the 2022 Flood Event.

The Wheatvale Betterment Project will improve the resilience of Wheatvale Plains Road and Connells Bridge Road against future flood events.

The 2022 Betterment Fund is jointly funded by the Australian and Queensland Government. Under the funding arrangements, a Council co-contribution is required.

Detailed design has been undertaken for the project.

Report

This contract is proposed to be awarded for the two projects to be delivered under a single contract in order to meet the funding deadline.

Council requires a suitably qualified and experienced contractor to undertake the works in accordance with the specification of the proposed design.

The scope of works for the project is as follows:-

Wheatvale Plains Road

- Removal of the existing culvert;
- Construction of 220-metre foamed bitumen stabilised floodway with concrete cutoff walls; and
- Rock protection works.

Connells Bridge Road

- Removal of the existing temporary pavement on the bridge approaches;
- Construction of new concrete approaches; and
- Rock protection works.

Both of these roads were selected for Betterment projects due to the high frequency and extensive nature of the damage that occurs during flood events. These roads provide essential connections through the region and when closed cause extensive detour for the local residents. Wheatvale Plains Road is also the approved local heavy vehicle route.

Six contractors were selected from Local Buy panel Road, Water, Sewerage & Civil Works BUS-270 as being suitably qualified to undertake the works and were invited to tender.

Two contractors submitted a tender for the works, both of whom are currently undertaking DRFA Flood Restoration works in the region.

The tenders received were competitive and both contractors had the capability to deliver the project to a high standard. The tender evaluation process was undertaken by a panel of four to determine the preferred tenderer.

Bellrise Investments Pty Ltd had the highest score as shown below. This contractor has delivered a number of DRFA Flood Restoration projects. They are efficient in their delivery, have a contingent of local employees and deliver a high standard of end product.

The pricing received was within the approved funding. Prices shown below include GST:

Vendor / response	Score	Indicated price
BELLRISE INVESTMENTS PTY. LTD. - VPR656485	91.0	\$2,417,999.05
LOHMAN CONTRACTING - VPR655938	86.1	\$2,561,914.54
Total (accepted)		\$0.00

Funding for this project has been secured as follows:

Road Name	REPA	Betterment	LRCI	RTR	TOTAL	Tender Prices (ex GST)
Wheatvale Plains Rd	147,314	997,126	128,845		1,273,285	988,032
Connells Bridge Rd	181,084	1,667,287		131,198*	1,979,569	1,210,149
Grand Totals	328,398	2,664,413	128,845	131,198	3,252,854	2,198,181

**Proposed to fund this through the current Roads to Recovery program.*

Council's current DRFA program management is administered through the assistance of external consultant GenEng Solutions and Council staff. Program Management of the DRFA program includes geotechnical investigations, pavement design, engineering, project management, inspecting, contract administration and pavement defect rectification/patch repairs.

The program and project assistance requirement for this contract is estimated as follows:-

Design/engineering	40,000
Project management / contract administration	300,000
Inspections	40,000
Contingency	350,000
TOTAL	730,000

Total project cost estimate \$2,928,181.

Conclusion/Summary

After review of the tender documentation, Bellrise Investments Pty Ltd provided a compliant tender. The panel agreed to recommend to award the contract to Bellrise Investments Pty Ltd.

FINANCIAL IMPLICATIONS

The total cost estimate for delivery of the Wheatvale Betterment Project is \$2,928,181.

The available budget is \$3,209,285.

RISK AND OPPORTUNITY

Risk

OPR24 – Asset Management – Inadequate asset management practices impacts on Council's ability to ensure acceptable levels of service from its infrastructure.

If this project is not implemented, Council will forfeit \$2,664,413 (Betterment funding amount) in funding to improve the resilience of essential public assets against future flood events.

Opportunity

Council has the opportunity to make significant improvements to these two frequently damaged roads utilising external funding.

COMMUNITY ENGAGEMENT

Internal Consultation

Not required.

External Consultation

Queensland Reconstruction Authority (REPA and Betterment funding), Department of Infrastructure, Transport, Regional Development, Communications and the Arts (LRCI and RTR funding).

LEGAL / POLICY

Legislation / Local Law

Local Government Act 2009

Local Government Regulations 2012

Corporate Plan

Theme: Places

Focus Area: Accessibility and Services

Deliverable: 15. Lobby and plan for practical and cost effective solutions that provide safe and accessible air, road and rail transport corridors for the community, visitors and industry.

Theme: Prosperity

Focus Area: Communications and Development Infrastructure

Deliverable: 29. Continue to provide quality core services/functions to the community in the following areas, whilst ensuring that Council's legislative obligations are met: ...

- roads and drainage

Policy / Strategy

SDRC Procurement Policy (PL-FS010)

Work Health and Safety Policy (PL-HR003)

Code of Conduct Policy (PL-HR052)

ATTACHMENTS

Nil

5. CONSIDERATION OF CONFIDENTIAL BUSINESS ITEMS

In accordance with the provisions of Section 254J(3) of the *Local Government Regulation 2012*, a local government may resolve to close a meeting to the public and move 'into Committee' to discuss confidential items, such that its Councillors or members consider it necessary to close the meeting.

Recommendation

THAT the meeting be closed to the public and move into committee to discuss the following items, which are considered confidential in accordance with Section 254J(3) of the *Local Government Regulation 2012*, which permits the meeting to be closed to the public for business relating to the following, as indicated:

5.1 Warwick Saleyards Redevelopment Tender

Reason for Confidentiality

This item is considered confidential in accordance with section 254J(3)(g) of the *Local Government Regulation 2012*, as it contains information relating to negotiations relating to a commercial matter involving the local government for which a public discussion would be likely to prejudice the interests of the local government.