



BUSINESS PAPER
Late Reports
Ordinary Council Meeting
13 December 2017



Order Of Business

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19 OUR INFRASTRUCTURE

19.3 WET HIRE OF ROAD CONSTRUCTION EQUIPMENT SET TENDER

Document ID: 38979

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Theme: Our Infrastructure

Attachments: 1. T-17/18-2 Assessment - Confidential

RECOMMENDATION

1. That Council accept the Tenders from Earth Plant Pty Ltd and Menz Plant Pty Ltd and that the tenderers form a panel of approved contractors to undertake flood damage restoration works as per tender T-17/18-2 Wet hire of road construction equipment set.
2. Give approval to affix the Common Seal of Council, if required, to this and any future documentation necessary relating to this matter.

PURPOSE

Council has undertaken a selective tender process for the wet hire of road construction equipment set to complete work under the flood restoration funding. The selective tender followed an open and publicly advertised expression of interest process.

The purpose of this report is to decide the outcome of the selective tender process.

SUMMARY

Council conducted an Expression of Interest *EOI-17/18-1 Plant Hire Agreement*, in August 2017, to identify suitable contractors to carry out work under the flood damage restoration funding. Condition of this funding is that the work must be done by Contractors, not by Council in normal time, and the funding must be spent by 30 June 2019.

From the EOI process three contractors were assessed as suitable and were invited to participate in selective tender *T-17/18-2 Wet hire of road construction equipment set* to establish a panel of suitable contractors that could be engaged to carry out this work. The three (3) contractors were:

1. Lincroft Pty Ltd trading as Ashcroft Excavations and Demolition
2. Earth Plant Pty Ltd
3. Menz Plant Pty Ltd

Two of the three contractors submitted a tender:

1. Earth Plant Pty Ltd
2. Menz Plant Pty Ltd

Both tenders are conforming and have been assessed and ranked against the assessment criteria. It is recommended that both tenders be accepted and form a panel of two contractors that Council can engage to complete the flood damage restoration work.

BACKGROUND

Council has \$2.29M in funding to repair roads damaged in the 2016 floods. This road work is in various locations across the Shire and mostly on local roads. Approximately 22km of road will be repaired.

The Expression of Interest EOI-17/18-1 Plant Hire Agreement was advertised for 28 days and closed 28th August 2018. It was advertised in The Narrandera Argus, The Irrigator and The Daily Advertiser and covered various types of plant and equipment.

The EOI submission assessment criteria was:

- Price 70%
- Capability and experience in relevant works 20%
- Safety record and referee report 10%

From that process three (3) suitable contractors were identified and invited to participate in the selective tender specifically to provide wet hire (with operator) of a roller, grader and water cart of a minimum capacity.

The Selective Tender assessment criteria was:

- Price 50%
- Safety record 20%
- Capability and experience in relevant works 30%

Both tenders were assessed as conforming and the scores and pricing is included in confidential Attachment 1.

RELEVANCE TO COMMUNITY STRATEGIC PLAN AND OTHER STRATEGIES / MASTERPLANS / STUDIES**Theme**

Our Infrastructure

Goal

To have an improved and adequately maintained road network

Strategy

55 - Flood proof important strategic access roads to population centres

ISSUES AND IMPLICATIONS**Policy**

N/A

Financial

Council has a grant budget of \$2,292,900 for flood damage restoration work. This work must be completed by 30 June 2019. A detailed schedule of works has been approved by RMS.

Legal / Statutory

Council has followed the requirements of the following Act and Regulation

Local Government Act - Clause 55 – 4(a)

Local Government (General) Regulation - Part 7

Community Engagement / Communication

The expression of interest (EOI) was a publicly notified and open process available to all contractors who felt they met the terms of the EOI. The request for tender was selective based on suitable contractors from the EOI process.

Human Resources / Industrial Relations (if applicable)

N/A

RISKS

If there are delays in starting the work there is a risk of not being able to complete the work by 30 June 2019 therefore losing the funding. There is also community expectation that work commence on the restoration work.

OPTIONS

1. The first option is that Council accept the tenders from Earth Plant P/L and Menz Plant P/L and form a panel of two contractors to select from. Council has until 30 June 2019 to finish the \$2.29M worth of road work. This will give Council two options should one contractor not be available or if there are any issues with the quality of the workmanship.
2. The second option is to select one contractor. This will reduce Councils options if the contractor is unavailable or is there are any performance issues which could risk completely the work in the required timeframe.
 - 1.
3. The third option is to not accept either tender and re-tender as an open tender. This process would delay the flood restoration work and risk not meeting community expectation and also not completing the work by 30 June 2019.

CONCLUSION

Council has conducted an expression of interest process from which three suitable contractors were selected to participate in a selective tender process. Two conforming tenders have been received and assessed and it is recommended that both be approved to provide Council with options for completing the flood damage restoration work within the required timeframe.

RECOMMENDATION

1. That Council accept the Tenders from Earth Plant Pty Ltd and Menz Plant Pty Ltd and that the tenderers form a panel of approved contractors to undertake flood damage restoration works as per tender T-17/18-2 Wet hire of road construction equipment set.
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