

ITEM 13 TENDER T1000170 - DAPTO RIBBONWOOD LIFT REPLACEMENT

This report recommends that Council decline to accept any of the tenders submitted for T1000170 – Dapto Ribbonwood Lift Replacement in accordance with Section 178(1)(b) of the *Local Government (General) Regulation 2021*.

Council is seeking a Contractor to undertake the replacement of the passenger lift at Dapto Ribbonwood Centre. The work involves the dismantling, removal and disposal of the existing Otis passenger lift car, drive systems, and replacement of the existing lift with a new passenger lift ensuring compliance with all the relevant standards. The current passenger lift has reached the end of its design life and needs to be replaced to ensure reliability.

The Tender Evaluation Panel has concluded that the request for tenders has not produced a satisfactory or complying offer, and it is anticipated that negotiations with the tenderers in relation to contract conditions will result in a satisfactory outcome being achieved.

RECOMMENDATION

- 1 In accordance with Section 178(1)(b) of the *Local Government (General) Regulation 2021*, Council decline to accept any of the tenders received for T1000170 – Dapto Ribbonwood Lift Replacement.
2. In accordance with clause 178(3)(e) of the *Local Government (General) Regulation 2021*, the reason for Council hereby resolving to enter into negotiations with one or all of the tenderers and not inviting fresh tenders is that it is anticipated that a satisfactory outcome can be achieved with one of those tenderers.
- 2 In accordance with Section 178(4) of the *Local Government (General) Regulation 2021*, the reason for Council declining to invite fresh tenders is that it is anticipated that a satisfactory outcome can be achieved with one of those parties who have demonstrated a capacity and ability to undertake the works.
- 3 Council delegate to the General Manager the authority to undertake and finalise the negotiations with the tenderers, with a view to entering into a contract in relation to the subject matter of the tender.
- 4 Council grant authority for the use of the Common seal of Council on the contract and any other documentation, should it be required, to give effect to this resolution.

REPORT AUTHORISATIONS

Report of: Jeremy Morgan, Manager Project Delivery (Acting)
 Authorised by: Joanne Page, Director Infrastructure + Works

ATTACHMENTS

There are no attachments for this report.

ACRONYMS USED IN REPORT

Abbreviation	Meaning
AS1735	Australian Standards for Lifts

BACKGROUND

The Passenger lift at Dapto Ribbonwood Centre has reached the end of its design life and needs to be replaced to ensure ongoing reliability of access. There have been several incidents in the last couple of years where the lift has failed, and members of the public have been temporarily trapped.

Tenders were invited in accordance with the provisions of the *Local Government Act 1993* for the removal and disposal of the existing Otis passenger lift car, drive systems and replacement of the existing lift with a new passenger lift ensuring compliance with all the relevant standards.

Tenders were invited by the open tender method with a close of tenders of 10.00 am on 13 February 2025.

Two (2) tenders were received by the close of tenders from the following parties:

1. Otis Elevator Company Pty Ltd
2. Kone Elevators

All tenders have been scrutinised and evaluated by the Tender Evaluation Panel constituted in accordance with Council's Procurement Policies and Procedures and comprising representatives of the Project Delivery and Infrastructure Strategy and Planning and Governance Divisions.

The Tender Evaluation Panel evaluated all tenders in accordance with the following Evaluation criteria and weightings as set out in the formal tender documents:

Mandatory Criteria

1. Satisfactory references from referees for previous projects of similar size and scope
2. Financial evaluation acceptable to Council which demonstrates the tenderers financial capacity to undertake the works
3. Site Inspection – tenderers were required to attend a site inspection held at the Dapto Ribbonwood Centre
4. Accredited Workplace Health & Safety Management System
5. Lift Installation in accordance with AS1735

Evaluation Criteria

1. Cost to Council – 40%
2. Appreciation of Scope of Works and construction methodology – 10%
3. Demonstrated prior experience and satisfactory performance in undertaking projects of a similar size, scope and risk profile, including staff qualifications and experience – 25%
4. Proposed sub-contractors – 5%
5. Project Schedule – 5%
6. Demonstrated strengthening of local economic capacity – 10%
7. Workplace health and safety management system – 5%

Both submissions included significant qualifications and departures from the request for tender documents.

PROPOSAL

The Tender Evaluation Panel has concluded that none of the tenders is acceptable and recommend that Council decline to accept any tender and enter into negotiations with one or all of the tenderers, with a view to entering into a contract for the subject matter of the tender.

The Panel anticipates that a satisfactory outcome will be achieved through a negotiation process conducted in accordance with Council's Procurement Policies and Procedures.

CONSULTATION AND COMMUNICATION

- 1 Members of the Tender Evaluation Panel
- 2 Nominated Referees

PLANNING AND POLICY IMPACT

This report contributes to the delivery of Our Wollongong Our Future 2032 Goal 5 – ‘We have a healthy community in a liveable city’. It specifically delivers on the following:

Community Strategic Plan 2032	Delivery Program 2022-2026
Strategy	Service
5.4 Provide a variety of quality and accessible public places and opportunities for sport, play, leisure, recreation, learning and cultural activities in the community	Community Facilities

RISK ASSESSMENT

The risk in accepting the recommendation of this report is considered low on the basis that the tender process has fully complied with Council’s Procurement Policies and Procedures and the *Local Government Act 1993*.

The risk of the project works or services is considered low based upon Council’s risk assessment matrix and appropriate risk management strategies will be implemented.

SUSTAINABILITY IMPLICATIONS

The following sustainability implications have been considered:

- Sustainable procurement by providing open tender to give local companies the opportunity to tender for the work.
- Weighting in tender assessment provided for using local services, labour and materials.
- The project will result in improved energy efficiency for the Ribbonwood Centre building.

FINANCIAL IMPLICATIONS

It is proposed that the total project be funded from the following source/s as identified in the Operational Plan –

2024/25 Capital Budget

2025/26 Capital Budget

CONCLUSION

It is anticipated that an outcome providing best value to the community can be achieved via a direct negotiation with one or both tenderers, who have both demonstrated a capacity and ability to undertake the works. It is recommended that Council endorse the recommendations of this report.