

ITEM 6

TENDER PANEL ISJO 06/2019 - CONSTRUCTION OF SUBSOIL DRAINAGE AND SERVICE LOWERING (IN ASSOCIATION WITH CIVIL WORKS PROJECTS)

This report proposes the establishment of a panel to provide Subsoil Drainage Construction and Service Lowering services to Wollongong and Shellharbour City Councils.

The purpose of this panel contract is to enable participating councils to engage suitably qualified and reliable contractors to undertake installation of subsoil drainage for road reconstruction projects. It has been identified that both councils are procuring these services regularly which represents a significant expenditure item within their capital programs.

In addition to the installation of subsoil drainage, the lowering of existing services prior to road pavement reconstruction is critical. It is more economical to complete this scope concurrently with the subsoil drainage installation works. As a result, this tender has called for both services, however, the only mandatory service is subsoil drainage construction.

This report recommends acceptance of a tender for the establishment of a panel in accordance with the requirements of the Local Government Act 1993 and the Local Government (General) Regulation 2005.

RECOMMENDATION

- 1 In accordance with clause 178(1)(a) of the Local Government (General) Regulation 2005, Council accept the tenders of Donnelly Civil Pty Ltd, GC Civil Contracting Pty Ltd, Ironbuilt Infrastructure Pty Ltd, R Line Civil Concreting Pty Ltd, RJ McMillan Pty Ltd and Torque Civil Pty Ltd for the Subsoil Drainage Construction and Service Lowering Panel, over the two-year term of the contract (with options of extension for 3 further periods of one year).
- 2 Council delegates to the General Manager the authority to finalise and execute the contract and any other documentation required to give effect to this resolution.
- 3 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: Alan Davis, Manager City Works (Acting)

Authorised by: Andrew Carfield, Director Infrastructure + Works - Connectivity Assets + Liveable City

ATTACHMENTS

There are no attachments for this report.

BACKGROUND

As councils move towards recycling of road pavement materials in road reconstruction, we have seen an increase in road stabilisation projects. These projects often require installation of subsoil drainage and lowering of services in advance of pavement reconstruction works. As a result, councils are regularly procuring these services with significant expenditure amounts.

The need to establish a panel of providers for these services was identified by both councils. The Illawarra Shoalhaven Joint Organisation (ISJO) facilitated the Request for Tender (RFT) on behalf of the two participating councils.

Tenders were invited for this panel by the open tender method on 10 December 2019 with a close of tenders of 10.00am on 7 February 2020.

Eight (8) tenders were received by the close of tenders and all tenders have been scrutinised and assessed by a Tender Assessment Panel constituted in accordance with Council's Procurement Policies and Procedures and comprising representatives of the City Works, Governance + Customer Service and

Project Delivery Divisions from Wollongong City Council, as well as the Regional Procurement Coordinator from ISJO and the Manager of Procurement and Supply from Shellharbour Council.

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

Mandatory Criteria

- 1 Submission of all documentation required by the RFT
- 2 Completed Conflict of Interest and Fair Dealing Declaration
- 3 Compliance with Insurance Requirements
- 4 Agreement with Councils' Right to Check Financial Capacity.

Assessable Criteria

- 1 Cost to Council30%
- 2 Relevant Experience and Satisfactory Performance20%
- 3 Experience and Capability of Key Personnel15%
- 4 Project Methodology25%
- 5 Strengthening Local Economies5%
- 6 Social Value – Youth Employment5%

The mandatory assessment criteria have been met by the recommended panel members.

The Tender Assessment Panel utilised a weighted scoring method for the assessment of tenders which allocates a numerical score out of 10 in relation to the level of compliance offered by the tenders to each of the assessment criteria as specified in the tender documentation. The method then takes into account pre-determined weightings for each of the assessment criteria which provides for a total score out of 5 to be calculated for each tender. The tender with the highest total score is the tender that best meets the requirements of the tender documentation in providing best value to Council. Table 1 below summarises the results of the tender assessment and the ranking of tenders.

TABLE 1 – SUMMARY OF TENDER ASSESSMENT

Successful Tenderer (ALPHABETICAL ORDER)
Donnelly Civil Pty Ltd
GC Civil Contracting Pty Ltd
Ironbuilt Infrastructure Pty Ltd
R Line Civil Concreting Pty Ltd
RJ McMillan Pty Ltd
Torque Civil Pty Ltd
Unsuccessful Tenderer (ALPHABETICAL ORDER)
Civil Connect Group
Coordinated Construction

PROPOSAL

The Tender Assessment Panel recommend appointment of the 6 highest scoring tenderers to the Panel. Council should authorise formation of this panel comprising of the following contractors:

- Donnelly Civil Pty Ltd
- GC Civil Contracting Pty Ltd
- Ironbuilt Infrastructure Pty Ltd
- R Line Civil Concreting Pty Ltd
- RJ McMillan Pty Ltd
- Torque Civil Pty Ltd

These panel members will be invited to quote on all subsoil drainage installation projects. Upon engagement the works provided will be completed in accordance with technical specification attached to the RFT.

The recommended panel members have satisfied the Tender Assessment Panel, demonstrating their capabilities in undertaking the works to Council's standards and in accordance with the technical specification.

Referees nominated by the recommended tenderer have been contacted by the Tender Assessment Panel and expressed satisfaction with the standard of work and methods of operation undertaken on their behalf.

CONSULTATION AND COMMUNICATION

- 1 Members of the Tender Assessment Panel
- 2 Nominated Referees.

PLANNING AND POLICY IMPACT

This report contributes to the delivery of Our Wollongong 2028 goal "We have a healthy community in a liveable city". It specifically delivers on the following:

Community Strategic Plan	Delivery Program 2018-2021	Operational Plan 2019-20
Strategy	3 Year Action	Operational Plan Actions
5.5.1 Public facilities in key locations and transport routes are maintained and clean, accessible and inviting to our community and visitors.	4.3.2.3 Improve the efficiency of supply management in order to achieve operational efficiencies	Continue to progress the Supply Action Plan to achieve long term savings and business improvement

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 tender assessment process for this panel considered assessable criterions such as Strengthening Local Economies and Social Value – Youth Employment. Combined these criterions account for 10% of the completed weighted assessment. Accordingly, the establishment of this panel has considered social and sustainable procurement.

The establishment of this panel affords council the ability to engage suitably qualified and competent contactors to undertake subsoil drainage construction. This type of drainage is often essential in road preparation for pavement stabilisation, to drain the existing pavement and subgrade. Road stabilisation is a more sustainable method of road pavement reconstruction where the existing pavement materials are recycled in-situ. As such, the appointment of this panel allows use of sustainable practices for road reconstruction, with environmental and economic benefits.

In addition to the above, establishment of tender assessment panels enables efficient and effective procurement of services through targeted quotation processes. The qualifying panel members have demonstrated they meet the performance requirements of the works and have provided rates for their services. The formation of this panel ensures council is procuring quality services at a competitive price.

FINANCIAL IMPLICATIONS

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

Civil Construction Capital Works Program

CONCLUSION

Council should endorse the recommendations of this report.