

ITEM 13 BELLAMBI BOAT RAMP AMENITIES - TENDER T1000075 - OUTCOME OF PROCUREMENT PROCESS

Council is proposing to replace the existing dilapidated amenities building at the Bellambi Boat Ramp with a new accessible facility.

Council called tenders for the replacement of the amenities building located at the Bellambi Boat Ramp received one non-conforming offer. On 28 November 2023, Council resolved to decline to accept the tender received and to undertake and finalise negotiations with a view to enter a contract on the subject matter of the tender. This report details the outcomes of the negotiation process.

RECOMMEDATION

Council receives the report on the negotiation process followed and note the engagement of:

- a. Rebus Pty Ltd for the provision of Stage 1 Build, Deliver and Place of Prefabricated Toilet Building, in the sum of \$326,716.50 (including GST).
- b. Batmac Construction Pty Ltd for the provision of Stage 2 Concrete and Services Construction Works Package, in the sum of \$392,661.72 (including GST).

REPORT AUTHORISATIONS

Report of: Glenn Whittaker, Manager Project Delivery
Authorised by: Joanne Page, Director Infrastructure + Works

ATTACHMENTS

- 1 Location Plan

BACKGROUND

The existing amenities located adjacent to the Bellambi Boat Ramp were constructed in the early eighties, does not incorporate accessible amenities and being located in a harsh coastal environment has reached its end of life.

Tenders were required to be invited for the construction of the new amenities block located at Bellambi Boat Ramp, Robert Cram Drive, Bellambi 2518. The main purpose of this work is to replace the existing amenities block with a prefabricated toilet block, comprising two accessible cubicles. Associated works include the installation of a larger septic system, installation of associated services, regrading of asphalt adjacent to the amenities building, carpark line marking and other minor infrastructure works. Tenders were invited by the open tender method with a close of tenders of 10.00 am on Wednesday, 28 September 2022.

On 29 November 2022, Council Resolved:

- 1 a *In accordance with Section 178(1)(b) of the Local Government (General) Regulation 2021, Council decline to accept the tender received for the Bellambi Boat Ramp Amenities and resolve to enter into negotiations with the tenderer or any other party with a view to entering into a contract in relation to the subject matter of the tender.*
- b *In accordance with Section 178(4) of the Local Government (General) Regulation 2021, the reason for Council hereby resolving to enter into negotiations with the tenderer or any other party and not inviting fresh tenders is that it is anticipated that a satisfactory outcome can be achieved with one of those parties who demonstrate a capacity and ability to undertake the works.*
- 2 *Council delegate to the General Manager the authority to undertake and finalise the negotiations, firstly with the tenderer, and, in the event of failure of negotiations with that tenderer, any other party, with a view to entering into a contract in relation to the subject matter of the tender.*
- 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.*

- 4 *A report describing the outcome of the procurement process be submitted to the next available Council meeting following the successful engagement of contractor or contractors.*

Negotiations commenced following the Council resolution which resulted in separating the works into two distinct contracts:

- Stage 1 – Build, Deliver and Place of Prefabricated Toilet Building (OFFSITE)
- Stage 2 – Concrete and Services Construction Works Package (ONSITE)

The intention of this separation was to provide the best value for money outcome for Council.

Stage 1

Direct negotiations were held between Rebus and Council which resulted in a successful outcome for a supply contract for the prefabricated toilet.

Stage 2

A selective quotation was undertaken for the Stage 2 contract which closed 10:00am 13 April 2023.

Two quotations were received by the close of quotations and all quotations were scrutinised and assessed by a Quotation Evaluation Panel constituted in accordance with Council's Procurement Policies and Procedures and comprising representatives of the Project Delivery and Infrastructure, Strategy and Planning Divisions.

The Quotation Assessment Panel assessed all quotations in accordance with the following assessment criteria and weightings as set out in the formal quotation documents:

Evaluation Criteria

- 1 Cost to Council – 40%
- 2 Appreciation of scope of works and construction methodology – 15%
- 3 Experience and satisfactory performance in undertaking projects of similar size, scope and risk profile, including staff qualifications and experience – 10%
- 4 Project Schedule – 10%
- 5 Environmental Management System – 5%
- 6 Workplace Health and Safety System – 5%
- 7 Proposed Subcontractors – 5%
- 8 Demonstrated strengthening of local economic capacity – 10%

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

TABLE 1 – SUMMARY OF QUOTATION ASSESSMENT

Name of Respondent	Ranking
Batmac Constructions Pty Ltd	1
Davone Constructions Pty Ltd	2

CONSULTATION AND COMMUNICATION

- 1 Members of the Quotation Evaluation Panel
- 2 Officers from Governance and Customer Service

PLANNING AND POLICY IMPACT

This report contributes to the delivery of Our Wollongong 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	Infrastructure Strategy and Support

RISK ASSESSMENT

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

SUSTAINABILITY IMPLICATIONS

The amenities building has been specified with consideration for the long-term durability of the asset in the local environment.

FINANCIAL IMPLICATIONS

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

2023/24 Capital Budget

CONCLUSION

The initial single non-conforming tender submission received for this project (T1000075) totalled \$1,025,233 (Inc GST). Through this negotiation process the combined value of the two proposed contracts is now \$719,378.22 (Inc GST) resulting in a substantial saving for Council.

Council should endorse the recommendations to receive the report on the procurement process followed and note the outcomes achieved.



