

ITEM 11 TENDER T17/25 - BOTANIC GARDENS SHADE STRUCTURE

This report recommends that Council decline to accept any of the tenders submitted for the construction of the Botanic Gardens Shade Structure, in accordance with clause 178(1)(b) of the Local Government (General) Regulation 2005.

This recommendation is being made as a result of the formal withdrawal of the highest ranked contractors tender on 27 July 2017 and the consequent necessity to negotiate with and further consider the offers of other suitable contractors, particularly in relation to their financial and resource capacity to undertake the works.

RECOMMENDATION

- 1 a In accordance with clause 178(1)(b) of the Local Government (General) Regulation 2005, Council decline to accept any of the tenders received for Botanic Gardens Shade Structure and resolve to enter into negotiations with one or all of the tenderers, 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 clause 178(4) of the Local Government (General) Regulation 2005, the reason for Council hereby resolving to enter into negotiations with one or all of the tenderers 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 contractors 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 current tenderers and, in the event of failure of negotiations with those tenderers, any other contractor, 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.

REPORT AUTHORISATIONS

Report of: Glenn Whittaker, Manager Project Delivery

Authorised by: Greg Doyle, Director Infrastructure and Works - Connectivity Assets and Liveable City

ATTACHMENTS

- 1 Location Plan

BACKGROUND

The shade house structure is located at the Botanic Gardens Nursery, Keiraville. As part of Council's asset management program, a structural assessment was conducted and identified that approximately one third of the roof system has failed or is at risk of failure with the remainder no longer in a serviceable condition. A scope of works was prepared to rectify the works including:

- Design and construction of a new galvanised steel frame and cabling system
- Construction of a new reinforced slab to improve the collection of water for recycling
- Replace and renew underground services
- Supply and fix a new shade cloth to roof and walls
- Supply and commission new irrigation system.

Tenders were invited from four contractors by the selective tender method with a close of tenders of 10.00 am on 4 July 2017.

Three 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 Governance + Information, Finance, Project Delivery and Property + Recreation Divisions.

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

Reference check to confirm previous performance against assessable criteria.

Financial Capacity - Tenderers may be required to provide the information required by an independent financial assessment provider engaged by Council to provide an assessment of the financial capacity of the tenderer.

Assessable Criteria and Weightings

- 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 - 10%
- 4 Staff qualifications and experience – 5%
- 5 Proposed Sub-contractors – 10%
- 6 Project Schedule – 5%
- 7 Demonstrated strengthening of local economic capacity - 5%
- 8 Workplace Health and Safety Management System – 5%
- 9 Environmental Management Policies and Procedures – 5%

The Tender Assessment Panel utilised a weighted scoring method for the assessment of tenders which allocates a numerical score out of 5 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 considered to be the tender that best meets the requirements of the tender documentation in providing best value to Council. Table 1 below lists the tenders received.

TABLE 1 – LIST OF TENDERS RECEIVED

| Name of Tenderer |
|--|
| Edwards Constructions (NSW) Pty Ltd |
| Project Coordination (Australia) Pty Ltd |
| Zauner Constructions Pty Ltd |

Subsequent to the Tender Assessment Panel's recommendation that Edwards Constructions (NSW) Pty Ltd be engaged to construct the shade house structure at the Botanic Gardens Nursery, on 27 July 2017, Edwards Construction (NSW) Pty Ltd notified Council of the withdrawal of its tender due to an unforeseen unavailability of resources for the project.

PROPOSAL

As a result of the withdrawal of the highest ranked tender, Council should authorise that negotiations be entered into, firstly with the other tenderers, and in the event of the failure of negotiations with those tenderer/s, negotiations be entered into with any other suitable contractor, with a view to entering into a contract in relation to 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

Consultation has been undertaken with Botanic Gardens staff and management regarding the construction works and time frames.

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

PLANNING AND POLICY IMPACT

This report contributes to the delivery of Wollongong 2022 goal 5 “We are a healthy community in a liveable city”. It specifically delivers on the following:

| Community Strategic Plan | Delivery Program 2012-2017 | Annual Plan 2017-18 |
|--|---|--|
| Strategy | 5 Year Action | Annual Deliverables |
| 5.5.2 A variety of quality public spaces and opportunities for sport, leisure, recreation, learning and cultural activities in the community | 5.5.2.3 Develop a Regional Botanic Garden of Excellence | Enhance Botanic Garden visitor experience via programs, interpretation, education and events |

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 and the negotiation process will be undertaken in accordance with Council’s Procurement Policies and Procedures.

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.

FINANCIAL IMPLICATIONS

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

2017/18 Capital Budget

CONCLUSION

Council should endorse the recommendations of this report to decline to accept any of the tenders submitted and authorise the General Manager to undertake and finalise negotiations with a suitable contractor to undertake the works.



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