



MINUTES FOR THE
SPECIAL MEETING
HELD ON THURSDAY
25 FEBRUARY 2016



WESTERN AUSTRALIA'S
WILDFLOWER COUNTRY

Agenda

Special Meeting of Council

25 February 2016

1. Opening

1.1 Declaration of Opening

The president declared the meeting open at 5.00pm.

1.2 Recording of those Present

Cr K J Chappel	President
Cr D S Carslake	Deputy President
Cr D S Agar	
Cr M J Thornton	
Cr K P Stokes	
Cr J M Coaker	

Mr J Roberts	Chief Executive Officer
Mr P Buist	Principal Works Supervisor

1.3 Recording of Apologies Cr D B Collins

1.4 Recording Leave of Absence Previously Approved

Nil

1.5 Announcements by President without Discussion

Nil

1.6 Visitors to Meeting

There were no members of the public present.

2. Public Question Time and Deputations

Nil

3. Declarations of Interest

Nil

4. Reports of Committees and Officer

RESOLUTION

1602023 **Moved: Cr Stokes**
 Seconded: Cr Agar

That standing orders be suspended.

CARRIED
6/0

Standing orders were suspended at 5.02pm.

4.1 Tenders Supply of Supervision and Supply of Plant and Labour Hire for Flood Works

<i>Date of Meeting:</i>	19 February 2015
<i>Date & Author:</i>	19 February 2015, Samantha Appleton
<i>Responsible Officer:</i>	Executive Manager Development and Administration
<i>Applicant/Proponent:</i>	Executive Manager Development and Administration
<i>File Number:</i>	ADM 038
<i>Previous minute/s &</i>	N/A
<i>Reference:</i>	

SUMMARY

Council to award contracts for tenders relating to flood repair works majority funded by WANDRA.

DECLARATION OF INTEREST

Nil

ATTACHMENTS

Reports from Nigel Goode – Greenfield Technical Services.

BACKGROUND INFORMATION

In December 2015, Council advertised for tenders for the supply of supervision services (03-2015) and the supply of plant hire (04-2015) to repair flood damage caused by weather events that occurred between 28 February and 8 March 2015.

OFFICER'S COMMENT

Tenders closed at 2pm on Thursday 14 January 2014. The tenders were then sent to Greenfields Technical Services for evaluation by Nigel Goode with some assistance provided by Principal Works Supervisor Paul Buist.

The evaluation assessed the ability of the applicants to deliver the required service as well as reference checking the applicants based on previous works performed.

The attached reports contain background information about the proposed successful tenderers and relevant information obtained as part of the evaluation process.

Since the date the agenda originally was prepared the Shire was made aware of the likelihood that Quadrio Earthmoving not being available. Recommendation 2 has now been changed to BPH (WA) Pty Ltd.

STATUTORY ENVIRONMENT

Local Government (Functions and General) Regulations 1996

POLICY IMPLICATIONS

Shire of Morawa Policy Manual – Policy 3.5 Purchasing Policy

FINANCIAL IMPLICATIONS

2015/16 Budgeted Expenditure

STRATEGIC IMPLICATIONS

Shire of Morawa Strategic Community Plan

1.8 Well maintained local roads and ancillary infrastructure.

4.6 Planned, affordable and effective service delivery and infrastructure.

RISK MANAGEMENT

Shire of Morawa Risk Management Governance Framework

Provide transparent and formal oversight of the risk and control environment to enable effective decision making.

VOTING REQUIREMENTS

Absolute Majority

OFFICER'S RECOMMENDATION

That:

1. The Shire of Morawa award RFT GTS MO 04/2015 Contract Flood Damage Supervisor to a panel, subject to availability, in order of preference, as follows;

(a) Dean's Contracting Pty Ltd for the estimated tender sum of \$308,110.00 (plus GST) as calculated from the rates listed within the submitted RFT dated 03/01/2015;

(b) Pro Earth Civil for the estimated sum of \$303,050.00 (plus GST) as calculated from the rates listed within the submitted RFT dated 12/01/2015.

2. That the Shire of Morawa award RFT GTS MO 03/2015, Supply of Hired Road Construction Plant with Operators (Package #1) to a panel comprising;

(a) BPH (WA) Pty Ltd for the estimated Total Cost of \$2,231,142 + GST.

In the event that BPH (WA) Pty Ltd is not available, then;

(b) Quadrio Earthmoving (subject to availability), for the estimated Total Cost of \$2,068,252 + GST;

RESOLUTION

1602024 Moved: Cr Stokes
Seconded: Cr Agar

That standing orders be resumed.

**CARRIED
6/0**

Standing orders were resumed at 5.32pm.

RESOLUTION

1602025 Moved: Cr Thornton
Seconded: Cr Coaker

That:

2. The Shire of Morawa award RFT GTS MO 04/2015 Contract Flood Damage Supervisor to a panel, subject to availability, in order of preference, as follows;

(c) Dean's Contracting Pty Ltd for the estimated tender sum of \$308,110.00 (plus GST) as calculated from the rates listed within the submitted RFT dated 03/01/2015;

(d) Pro Earth Civil for the estimated sum of \$303,050.00 (plus GST) as calculated from the rates listed within the submitted RFT dated 12/01/2015.

3. That the Shire of Morawa award RFT GTS MO 03/2015, Supply of Hired Road Construction Plant with Operators (Package #1) to a panel comprising;

(a) BPH (WA) Pty Ltd for the estimated Total Cost of \$2,231,142 + GST.

In the event that BPH (WA) Pty Ltd is not available, then;

(b) Quadrio Earthmoving (subject to availability), for the estimated Total Cost of \$2,068,252 + GST;

**CARRIED
6/0**

SHIRE OF MORAWA

RFT GTS MO 03/2015: Contract Flood Damage Supervisor

1.0 BACKGROUND

The Shire of Morawa (Shire) seek to engage a Contract Flood Damage Supervisor for the plant hire contract (RFT GTS MO 04/2016) to complete Flood Damage Repair works. The role of the Flood Damage Supervisor is not a staff position. It is a full-time, mobile, wholly self-contained contract role. The repair works are scheduled to commence mid March 2016 and continue for approx up to 12 months.

The Shire engaged Greenfield Technical Services (GTS) Geraldton, to prepare Request for Tender (RFT) Documents per RFT GTS MO 04/2015. The RFT was advertised in the West Australian Saturday 12 December 2015.

The RFT specified that all responses be submitted to an electronic tender box, tenders@morawa.wa.gov.au no later than 2.00 pm on Tues 14 January 2016.

The Shire has engaged Greenfield to assess all tenders and to prepare this tender report.

2.0 RFT SUBMISSIONS

RFT documents were requested by 10 different companies and the following 3 submissions were received;

- Dean's Contracting WA Pty Ltd (Martin Dean)
- Pro Earth Civil (Wayne Thompson)
- Core Business (Vincent Kwong)

3.0 RFT EVALUATION

The submissions were reviewed and collated by Nigel Goode of GTS. The evaluation process was conducted in accordance with the process detailed in the RFT document and involved a number of considerations as detailed below.

3.1 Contract Flood Damage Supervisor - Scope of works

The flood damage work supervision is to be completed as a single package.

Based on the approved scope of works, it is estimated that the approved works will take approx 12 months to complete.

The works will involve daily travel on unsealed roads within the shire. The Flood Damage Supervisor will be entirely self-supported, responsible for supplying and maintaining their own fully equipped 4WD vehicle and accommodation, as required.

3.2 Assessment criteria including interview process

The submissions were reviewed for conformity by Nigel Goode of GTS. Submissions were assessed based on the assessment criteria detailed in the RFT document. The assessment considered the written material within each of the tender submissions.

The nominated referees for each candidate have been contacted and the comments made by the referees have been taken into account as part of the evaluation process.

Formal telephone interviews with Dean's Contracting (Martin Dean) and Pro Earth Civil (Wayne Thomson) were conducted by Nigel Goode (GTS) and Paul Buist (Shire of Morawa) on Thursday 28 January 2016.

Core Business (Vincent Kwong) was not interviewed because Vincent advised that he was not available to commence the works when required.

The results of the assessment of the RFT selection criteria nominated in the RFT document are detailed in Table 1. Note that price is not part of the assessment criteria.

ASSESSMENT CRITERIA	Weighting	Dean's Contracting	Pro Earth Civil	Core Business
<i>Demonstrated Experience in Rural Road Construction</i>	40%	38.00	32.50	30.00
<i>Demonstrated experience working as Civil Supervisor</i>	20%	20.00	15.00	13.00
<i>Experience in a similar LG role</i>	15%	12.50	7.50	11.00
<i>Capacity to undertake reporting role</i>	15%	13.00	7.50	8.00
<i>Stand-alone capacity</i>	10%	10.00	6.0	6.00
INDIVIDUAL TOTAL SCORE	100%	93.50	69.00	68.00

TABLE 1 Summary of selection criteria assessment

3.3 Submission prices

Based on the tender rates submitted, the Expected Total Tender Cost (ex GST) for each tenderer is summarised in Table 2. The assessment criteria score has also been included in this table.

Tenderer	TOTAL SUBMISSION COST	ASSESSMENT CRITERIA SCORE
Dean Contracting WA Pty Ltd	\$ 280,100.00	93.50
Pro Earth Civil	\$ 275,500.00	69.00
Core Business	\$ 384,700.00	68.00

TABLE 2 Summary of RFT submission prices and assessment criteria score

Of the above tenderers:

1. Dean's Contracting (Martin Dean) hasn't carried out this site specific role before for Local Government, however he has successfully carried the same type of position numerous time for MRWA and is a very experienced Civil Earthworks Supervisor.
2. Pro Earth Civil (Wayne Thompson) hasn't carried out this site specific role before and has minimal experience in public road roadworks. The majority of his experience has been in building site works, mine site works or as a project superintendent therefore we have some concerns as to his suitability for this role.
3. Core Business (Vincent Kwong) is currently carrying out a similar role for the Shire of Dalwallinu. Vincent Kwong has clearly stated the he will not be available until June/July 2016, therefore available to commence this project when required.

4.0 RECOMMENDATION

The current program to commence Flood Damage Repair works requires the Contract Supervisor to commence the engagement mid-March 2016.

At the time of compiling this report, both Martin Dean (Dean's Contracting Pty Ltd) and Wayne Thompson (Pro Earth Civil) have indicated they will be available to commence the works within 4 weeks of the tender being awarded.

Therefore, it is recommended that the Shire of Morawa award RFT GTS MO 04/2015 Contract Flood Damage Supervisor to a panel, subject to availability, in order of preference, as follows;

1. Dean's Contracting Pty Ltd for the estimated tender sum of \$308,110.00 (plus GST) as calculated from the rates listed within the submitted RFT dated 03/01/2015.
2. Pro Earth Civil for the estimated sum of \$ 303,050.00 (plus GST) as calculated from the rates listed within the submitted RFT dated 12/01/2015.

Please note that this is a Schedule of Rates contract whereby the final contract sum will be based on the actual hours worked and kilometers travelled.

Please confirm the Shire's directions for the award of contract and we will then advise the outcome to all respondents.

Copies of the RFT documents, advertising and RFT submissions, etc will be forwarded to the shire directly. Any enquiries regarding the RFT process should be addressed to Nigel Goode at Greenfield (email: nigel.greenfield@westnet.com.au or mobile: 0408 599 339).

This report was prepared by,

NIGEL GOODE
TECHNICAL OFFICER
GREENFIELD TECHNICAL SERVICES

SHIRE OF MORAWA

TENDER REPORT

RFT GTS MO 04/2015: Supply of Hired Road Construction Plant with Operators

1.0 TENDER BACKGROUND

The Shire of Morawa (Shire) seek to engage plant hire contractor/s to undertake Flood Damage reconstruction works on roads within the shire. The repair works are scheduled to commence mid March 2016 and be completed by September 2016.

The Shire has nominated that the works will be divided into two separate work packages with the first package listed below:

Package No 1

- Arrinooka Road
- Canna North East Road
- Carslake Road
- Gutha West Road
- Heitman Road
- Indar Road
- McWhirter Road
- Mickie Road
- Milloy Road
- Newnham Road
- Ogango Road
- Pallotine Road
- Streets Road
- Tropiano Road
- Tubby Road
- Williamson Road
- Wilton Road
- Yandanoo Springs Road

Tenders for Package No 2 will be called in June 2016.

The Shire engaged Greenfield Technical Services (GTS) Geraldton, to prepare Request for Tender (RFT) Documents per RFT GTS MO 04/2015. The RFT was advertised in the West Australian Saturday 12 December 2015.

The RFT specified that all responses be submitted to an electronic tender box, tenders@morawa.wa.gov.au no later than 2.00 pm on Tues 14 January 2016.

RFT documents were requested by 52 suppliers but only seven tender submissions were received. Each of the tenders received were judged to be conforming.

2.0 TENDER EVALUATION

The Shire has engaged Greenfield to assess all tenders and to prepare this tender report.

All tenders were assessed and scored per the Evaluation Criteria listed in the RFT including Expected Final Cost. This has been derived by calculating the tendered cost per day based on expected plant utilization, and extending this cost over the expected contract duration of 105 days.

Fig 1 below compares Expected Total Tender Cost across Tenderers A-G

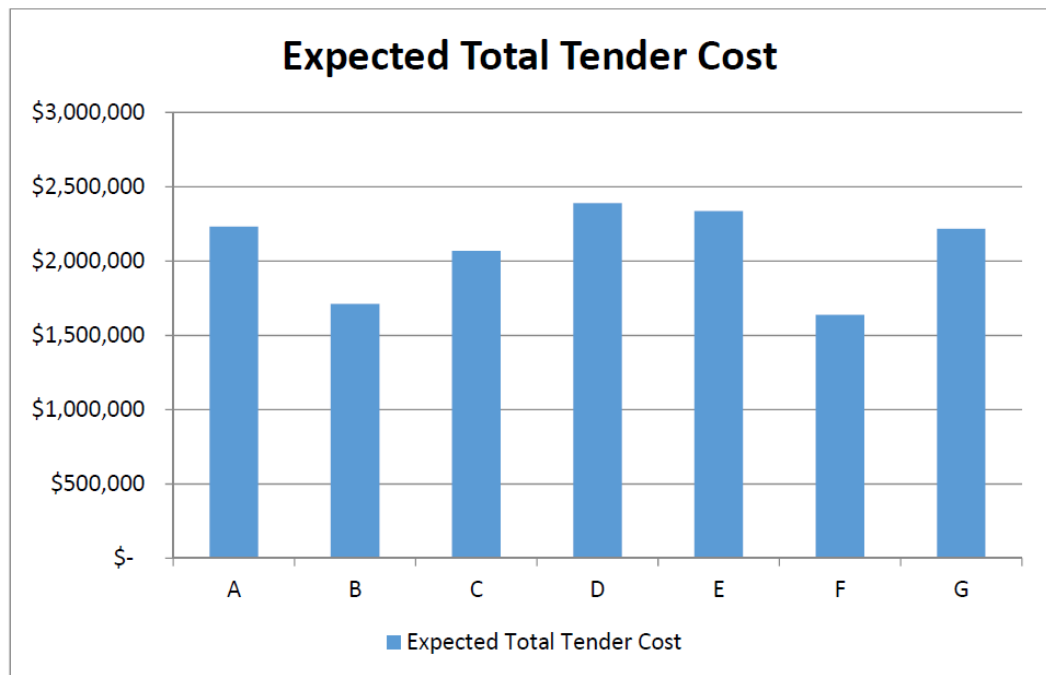


Fig 1, Total Cost

Based on price alone, Tenderers F, then B, then C, appear to offer the best value for money.

- Tenderer F is an established contractor who has previously been mainly involved with mining activities. They have minimal experience in public road civil construction works.
- Tenderer B is an established contractor who has previously been mainly involved with mining activities. They have minimal experience in public road construction works.
- Tenderer C is an established civil contractor with experience carrying out these types of works on public roads.

Fig 2 below indicates the score achieved by each tenderer against the Tender Evaluation Criteria

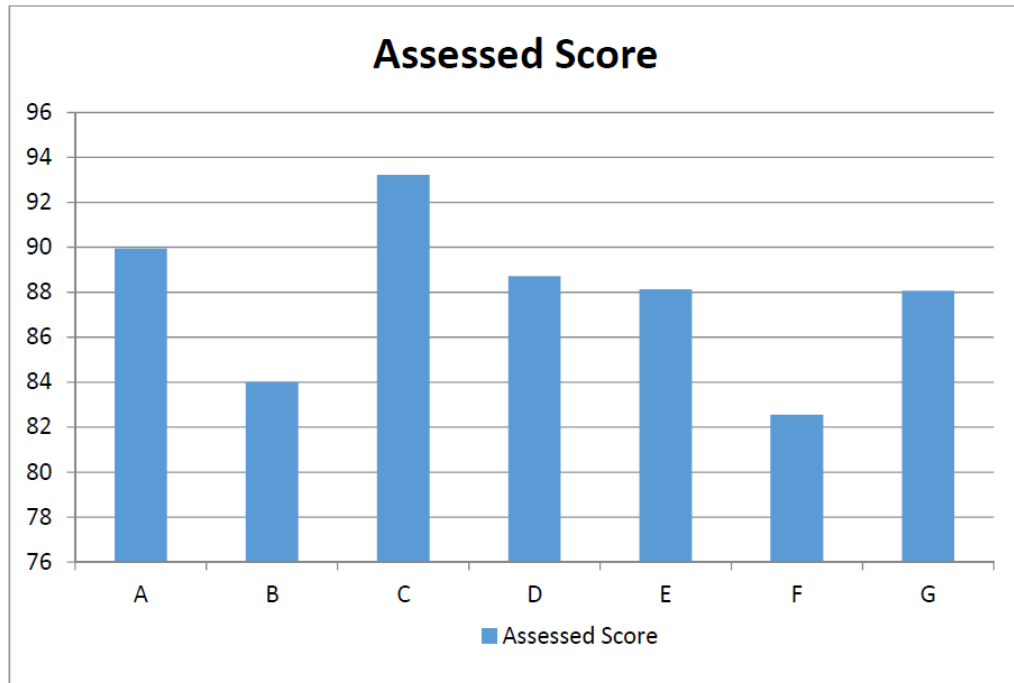


Fig 2, Assessed Score

The details for Fig 2 scoring are listed in Table 1 below;

TENDERER	TENDERED PRICE	COMPLETENESS AND QUALITY OF PLANT OFFERED	REMOTE AREA ROAD CONSTRUCTION EXPERIENCE	CAPACITY TO COMPLETE THE CONTRACT WORKS	PROVISIONS FOR MECHANICAL SUPPORT	TOTAL SCORE
Max score	40.00	20.00	20.00	10.00	10.00	100 pts
A	35.95	20.00	16.00	8.00	10.00	89.95
B	40.00	20.00	12.00	7.00	5.00	84.00
C	37.22	20.00	18.00	8.00	10.00	93.22
D	34.71	20.00	16.00	10.00	8.00	88.71
E	35.13	20.00	18.00	5.00	10.00	88.13
F	40.56	20.00	7.00	5.00	10.00	82.56
G	36.06	20.00	15.00	7.00	10.00	88.06

Table 1 Tenderer Scoring

When all evaluation criteria are considered, Tenderer C tops the list, followed by Tenderers A and D. Tenderers F and B score lowest.

Tenderer Name		Estimated Cost (based on 105 days)	RANK Based on tender assessment criteria
C	Quadrio Earthmoving	\$2,068,252	1
A	BPH (WA) Pty Ltd	\$2,231,142	2
D	Red Dust Holdings	\$2,390,001	3
E	Robbro WA Pty Ltd	\$2,335,837	4
G	Vernice Pty Ltd	\$2,216,805	5
B	Mining and Drilling Services	\$1,711,375	6
F	Stone Echo	\$1,639,372	7

Table 2 Tenderer Ranking

Note: Flood Damage Funding for Package No 1 is approx. \$2.393M

Comment

Tenderer C – Quadrio Earthmoving

This company is based in Geraldton and is currently carrying out flood damage reinstatement works for the Shire of Wiluna. They have also carried out other road works within the public sector, as well as various private sector companies. Feedback from referees and other local governments has been positive and show that this contractor is appropriate for the type of Flood Damage Reinstatement works.

Quadrio Earthmoving have advised that they are currently completing flood damage works in the Shire of Wiluna and will be available to commence Morawa works as required mid-March this year.

Tenderer A – BPH (WA) Pty Ltd

Perenjori based company which has previously carried out works for local governments and private sector companies. Feedback from referees suggests that this contractor was mainly subcontracting to a lead contractor when involved in full construction works, but would be able to undertake this type of Flood Damage Reinstatement works.

BPH (WA) Pty Ltd have advised that they will be available to commence Morawa works as required mid-March this year.

Tenderer D– Red Dust Holdings

Company based in Geraldton and have mainly carried out works for the mining sector and have been a major subcontractor to major contractors on public roads. Feedback from referees has been positive and shown that this contractor is appropriate for the type of Flood Damage Reinstatement works.

6.0 RECOMMENDATION

It is recommended that the Shire of Morawa award RFT GTS MO 03/2015, Supply of Hired Road Construction Plant with Operators (Package #1) to a panel comprising:

Quadrio Earthmoving (subject to availability), for the estimated Total Cost of \$ 2,068,252 + GST
In the event that Quadrio Earthmoving is not available, then,

BPH (WA) Pty Ltd for the estimated Total Cost of \$ 2,231,142 + GST

Note,

1. As the original funding submission is an estimate and the tender that will be accepted is a Schedule of Rates Tender, the final cost of these works will vary in accordance with the total actual hours required to complete the works.
2. The approved Shire of Morawa NDDRA Funding submission is based upon an estimate also. However the costs incurred by the Shire will be refunded based upon the final actual costs associated with the approved works being carried out. This may be higher or lower than the costs estimated within the funding submission.
3. Note the estimated budget of \$ 2,393M includes allowances for;
 - Project Supervision (allow \$ 155,000) plus
 - Project Administration - Greenfield (allow \$ 40,000).

Therefore the Shire may wish to consider directing that works in the field be limited to a maximum value of approx. \$ 2.200M.

7.0 CONCLUSION

The reinstatement of the flood damaged roads is programmed to commence late mid-March 2016 and be completed by September 2016.

At the time of compiling this report, all of the contractors have indicated they will be available to commence the works within 4 weeks of the tender being awarded.

Any enquiries regarding the tender process should be addressed to Nigel Goode (nigel.greenfield@westnet.com.au) at Greenfield.

Regards

NIGEL GOODE
GREENFIELD TECHNICAL SERVICES

Attachments
Appendix A Tender Assessment Details

5. Application for Leave of Absence

NI

6. Next Meeting

The next ordinary meeting of the Morawa Shire Council will be held on Thursday 17 March 2016, commencing from 5.30pm.

7. Meeting Closure

There being no further business, the Shire President closed the meeting at 5.35pm.