

3.3 CONTRACT FOR THE PROVISION OF MEDICAL CONSUMABLES AND CLINICAL SANITISERS

(CF2009036: MK: PR)

Responsible Director: Marilyn Kearney, Carolyn McClean

RECOMMENDATION

That Council:

- 1. Appoints the following suppliers to a Panel for the provision of Medical Consumables and Clinical Sanitisers for a three (3) year period for the schedule of rates submitted with their respective tenders (Estimated annual expenditure of \$244,000 GST inclusive) with options for two extensions of one year each:*

*Apex Cleaning and Polishing Supplies Pty Ltd;
Dominant (Aust) Pty Ltd; and
Superior Health Care Australia Pty Ltd.*

- 2. Authorises the Chief Executive Officer to execute the contract agreement; and*
- 3. Authorises the Chief Executive Officer at his discretion to approve the extension options in the contract subject to satisfactory performance.*

BACKGROUND

In May 2008, Strategic Purchasing (SP) was appointed as Agent of the Monash City Council in accordance with guidelines established by the Minister for Local Government and in accordance with Section 186 of the Local Government Act for the purposes of calling and evaluating public tenders for the provision of Medical Consumables and Clinical Sanitisers. The purpose of using the services of SP is to attempt to gain any price advantage that may be available from combining Monash's requirements for goods and services with those of other Councils.

Tenders for the provision of Medical Consumables and Clinical Sanitisers were advertised in the Herald Sun newspaper on 9 July 2008, Sydney Morning Herald on the 8 July and the Adelaide Advertiser on the 8 July for a contract period of three years with two (2) x one (1) year options to extend. The tender was also advertised through an online tender service provider, Gotenders. Gotenders is a service used for the purpose of downloading of documents through a registration process only. 10 sets of tender documents were distributed to prospective tenderers with three tenders being received from;

- Apex Cleaning and Polishing Supplies Pty Ltd
- Dominant (Aust) Pty Ltd
- Superior Health Care Australia Pty Ltd

TENDER EVALUATION

SP acting as Council's agent conducted the tender evaluation process based on the following criteria:

- Compliance with Specification;
- Customer Focus;
- Contractors Performance;
- Corporate Social Responsibility; and
- Price.

In accordance with Council policy approval to amend the price component of the tender was sought as SP's advice to officers was that when the tender is commodity based and reflects a competitive environment it is appropriate that price be a considerable component of the tender evaluation.

Price was considered at 70% with all other criteria making up the balance of 30%.

A preliminary tender analysis report was provided to Council officers in order that Council could satisfy itself as to the recommendation being made by SP. A copy of the Tender Report has been circulated separately to Council.

The purpose of the panel contract is to ensure ongoing and continued supply of medical consumables and clinical sanitisers supplies when required for Council's Residential Aged Care facilities. No one single tenderer is able to supply all the items required.

Two of the three recommended tenderers Superior Health Care Australia Pty Ltd and Dominant (Aust) Pty Ltd are current providers to Council for the provision of medical consumables and clinical sanitisers. Information provided in the submitted tenders is supported by both current and previous experience of Council working with the suppliers over a number of years. Each supplier has a range of expertise, experience and products suitable to the Council's ongoing needs.

Apex Cleaning and Polishing Supplies Pty Ltd provide a limited range of the required products that compliment those products supplied by the other two tenderers.

FINANCIAL IMPLICATIONS

All tenderers submitted a schedule of prices for a range of products within the requirements of the specification, Superior Health Care Australia Pty Ltd and Apex Cleaning and Polishing Supplies Pty Ltd distributors of Kimberley Clarke products have secured a fixed price for the first two (2) years of the contract, generating expected savings of 5% on the current years budget. Subsequent adjustments will be in accordance with CPI.

The provision of Medical Consumables and Clinical Sanitisers can be managed within the 2008/09 Budget.

RECOMMENDATION

That Council adopts the recommendation to appoint a panel of service providers including:

*Superior Health Care Australia Pty Ltd;
Apex Cleaning and Polishing Supplies Pty Ltd; and
Dominant (Aust) Pty Ltd.*

for the provision of Medical Consumables and Clinical Sanitisers for a period of three years with the option to extend the contract term for two x one-year terms at the discretion of the Chief Executive Officer subject to satisfactory performance.