

4.1 TENDER FOR DRAINAGE PIT & PIPE MAINTENANCE

(CF2008219 RR)

Responsible Director: Peter Aumann

RECOMMENDATION

1. *That the tenders from Allgood Concreting and Roadworks Pty Ltd and M. Tucker & Sons Pty Ltd for the schedule of rates submitted, be accepted for Contract No. CF2008219 Drainage Pit & Pipe Maintenance (estimated contract value, \$328,850 per annum, GST inclusive).*
2. *The contract be awarded on the basis of an initial term of one year with options for two extensions of two years each.*
3. *The Chief Executive Officer be authorised to execute the options in the contract subject to satisfactory performance.*
4. *That the appropriate contract documentation be signed and sealed.*

INTRODUCTION

This report seeks Council's approval for the acceptance of a tender for the provision of Drainage Pit & Pipe Maintenance.

BACKGROUND

The contract for drainage pit and pipe maintenance to Council's underground stormwater network concludes on 30 September 2008.

The contract is a schedule of rates with an initial term of one year with two options for two years extension subject to satisfactory performance. The contract is subject to rise and fall.

DISCUSSION

Tenders closed on 1 August 2008 with five submissions received from M. Tucker & Sons Pty Ltd, Allgood Concreting and Roadworks Pty Ltd, Comar Construction Pty Ltd, Kobett Constructions and Citywide Service Solutions Pty Ltd.

Tender submissions were evaluated in accordance with Council's tendering policies and procedures using the point score method. The evaluation included an interview and reference checks. Schedule of rates comparisons were made using typical quantities of work expected under the contract.

Tender submissions were evaluated on the following criteria:

Part A

- Occupational Health and Safety - Accreditation / Manual
- Equal Employment Opportunity - Policies
- All specified insurances to be in place.
- Evidence of a minimum of 10 years of relevant experience in Concrete Works in public areas and roadways
- Evidence of Traffic Management qualifications

Part B

- Schedule of Prices
- Demonstrated understanding of the Road Management Act and awareness of the requirements of Council's Road Management Plan
- Programs & Reporting
- Demonstrated Quality of Work
- Referee checks
- Satisfactory Financial assessment

Tenderers had to pass Part A of the evaluation criteria. To be considered further.

The tender panel comprised:

Robert Renshaw, Manager Asset Services

Jim Gordon, Coordinator – Road Services

David Fleming, Supervisor Drainage

The price component of the evaluation was based on the items listed in the price schedule and applying the nominated rate for each item from each tenderer.

On this basis, the tendered estimated annual cost ranged from \$328,850 to \$672,890.

To meet the projected workloads and obtain a high level of responsiveness, it is considered that two contractors are required for this contract.

The highest rated and lowest priced tenderer is Allgood Concreting & Roadworks Pty Ltd. The company demonstrated very good OH&S policies and procedures and have appropriately experienced staff. The company has undertaken similar contracts to Council for the past 20 years and has provided a high quality service. The company is considered to be most capable of completing these works to the standard and quality required.

The second highest rated and second lowest priced tenderer is M Tucker & Sons Pty Ltd. This company has sound OH&S policies and procedures and have provided high quality pit construction and pipe repairs in the past. The company did not submit prices for kerbing and paving services, however, based on the likely workloads where this type of work is required, these locations could be allocated to the second contractor.

The third highest scoring and third lowest priced tenderer, Citywide Service Solutions Pty Ltd, have satisfactorily undertaken similar contracts, have satisfactory OH&S policies and procedures and is considered capable of providing the required service.

FINANCIAL IMPLICATIONS

The estimated contract amounts are similar to previous years and funding for the works is contained within the operational and capital works budgets. The contract is subject to a rise and fall clause in line with CPI movements for each year beyond the initial period.

IMPLEMENTATION

Contract documents will be signed, sealed and exchanged with the successful tenderers.

CONCLUSION

That based on the evaluation criteria, the tenders submitted by Allgood Concreting and Roadworks Pty Ltd and M. Tucker & Sons Pty Ltd are considered to provide the best outcome for Council.

