



City of Nedlands

# Technical Services Reports

**Committee Consideration – 03 December 2013**

**Council Resolution – 10 December 2013**

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<b>TS20.13</b>	<b>Tender No. 2013/14.11 – Supply and Construction of Extruded Kerbing</b>
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<b>Committee</b>	3 December 2013
<b>Council</b>	10 December 2013
<b>Applicant</b>	City of Nedlands
<b>Officer</b>	Taryn King
<b>Director</b>	Mark Goodlet – Director Technical Services
<b>Director Signature</b>	
<b>File Reference</b>	TEN424
<b>Previous Item</b>	Not Applicable

## Executive Summary

To award the term contract for Supply and Construction of Extruded Kerbing in the City of Nedlands for capital and maintenance work.

## Recommendation to Committee

### Council:

1. agrees to award tender no.2013/14.11 to LD Total for the provision of Supply and Construction of Extruded Kerbing as per the schedule of rates (Attachment 1) submitted; and
2. authorises the Chief Executive Officer to sign an acceptance of offer for this tender.

## Strategic Plan

KFA: Transport

KFA: Governance & Civic Leadership

Award of this tender enables the City to maintain and improve its infrastructure in accordance with Council policy and legislative requirements.

## Background

As part of the engineering services operational works program the City of Nedlands undertakes road construction and maintenance throughout the City. Supply and Construction of Extruded Kerbing is an outsourced contract service, a contract which has in previous years been a Request for Tender held for the last 3 (three) years by

Downer EDI . Expenditure in this contract is now such that, to comply with legislative requirements outlined in the *Local Government Act 1995*, and ensure the best value for money for the City, this service must go out to tender.

Tender documents were advertised on Saturday 5 October 2013 in the West Australian Newspaper. Tenders opened on Saturday 5 October 2013 and submitted tenders were opened by officers of the City of Nedlands at 2:00 pm Tuesday 22 October 2013. Five (five) tender submissions were received by the City of Nedlands. Tenders were received from the following companies:

1. Supercivil
2. LD Total
3. West Coast Kerbing
4. Downer EDI
5. Allstate Kerbing and Concrete

### **Consultation**

Required by legislation: Yes  No

Required by City of Nedlands policy: Yes  No

### **Legislation / Policy**

*Local Government (Functions and General) Regulations 1996 S.18*

### **Budget/Financial Implications**

Within current approved budget: Yes  No

Requires further budget consideration: Yes  No

### **Risk Management**

Failing to appoint the contract will impact on the City's ability to complete the Capital and Operational Works Schedule.

### **Discussion**

The tender was independently evaluated by 3 (three) City officers in accordance with the qualitative criteria specified in the tender documentation as set out in the below table extract from RFT 2013/14.11.

<p><b>A) Key Personnel skills and experience</b></p> <p>Tenderers must address the following information for each key person in an attachment and label it 'Key Personnel Skills and Experience':</p> <ul style="list-style-type: none"> <li>(a) Their role in the performance of the Contract; and</li> <li>(b) Curriculum vitae inclusive of, membership to any professional or business association and qualifications.</li> </ul>	<p><b>Weighting</b> <b>10%</b></p>
<p><b>B) Tenderer's Resources</b></p> <p>Tenderers must address the following information in an attachment and label it 'Tenderers Resources':</p> <ul style="list-style-type: none"> <li>(a) Plant, equipment and materials;</li> <li>(b) Any contingency measures or back up of resources including personnel (where applicable); and</li> <li>(c) Do you intend to subcontract any of the Requirements? If yes, provide details of the subcontractor(s) including; the name, address and the number of people employed and the Requirements that will be subcontracted.</li> </ul> <p>As a minimum, Tenderers should provide a current commitment schedule and plant/equipment schedule in an attachment and label it 'Tenderer's Resources'.</p>	<p><b>Weighting</b> <b>10%</b></p>
<p><b>C) Organisation Capabilities</b></p> <p>Tenderers must address the following information in an attachment and label it 'Organisation Capabilities':</p> <ul style="list-style-type: none"> <li>(a) Organisations to demonstrate industry-recognised qualifications and recent experience with contracts of similar size and scope;</li> <li>(b) Demonstrate that your organisation has the capacity to resource the work, i.e. current workload versus forecast workload including this contract;</li> <li>(c) Demonstrate your ability to adhere to timelines of recent contracts of a similar size and scope to this request;</li> <li>(d) Provide a summary of the number of years your organisation has been in business; and</li> <li>(e) An outline of your organisational structure inclusive of any branches and number of personal.</li> </ul>	<p><b>Weighting</b> <b>25%</b></p>

<p><b>D) Performance</b></p> <p>Tenderers must address the following information in an attachment and label it 'Performance':</p> <ul style="list-style-type: none"> <li>(a) The ability to supply and sustain the necessary technical resources, staff and equipment;</li> <li>(b) Quality and standard of work;</li> <li>(c) Timeliness of work (productivity);</li> <li>(d) Demonstrated ability to meet the specifications of this request; and</li> <li>(e) Any other issues or matters which will maximise the net benefit of the Services to the Principal and community.</li> </ul>	<p><b>Weighting</b> <b>25%</b></p>
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The priced items were compiled into a spreadsheet for close analysis of value comparison. A price criteria score was allocated based on the best value being scored at 100% and other values scored proportionally against this price.

A total of 30% weighting was allocated to the price criteria.

Conforming submissions were received from the following organisations:

- Supercivil
- LD Total
- West Coast Kerbing
- Downer EDI
- Allstate Kerbing and Concrete

**Evaluation:**

The final evaluation scores are as follows:

- Supercivil 63%
- LD Total 85%
- West Coast Kerbing 66%
- Downer EDI 83%
- Allstate Kerbing and Concrete 51%


**Conclusion**

After an assessment of the submitted tenders it is proposed that the tender submission received from the contractor LD Total be accepted having attained the highest score in the evaluation and providing the most cost efficient outcome.

**Attachments**

1. Confidential Schedule of Rates (not to be published).

<b>TS21.13</b>	<b>Tender No. 2013/14.12 Construction of Roundabout at Bruce Street and Elizabeth Street, Nedlands</b>
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<b>Committee</b>	3 December 2013
<b>Council</b>	10 December 2013
<b>Applicant</b>	City of Nedlands
<b>Officer</b>	Taryn King
<b>Director</b>	Mark Goodlet – Director Technical Services
<b>Director Signature</b>	
<b>File Reference</b>	TEN/425
<b>Previous Item</b>	TS14.13 Council Meeting 27 August 2013 – Bruce Street / Elizabeth Street Black Spot Intersection Improvements

## Executive Summary

To obtain Council’s approval for the award of the contract for the construction of a roundabout at Bruce and Elizabeth Streets to Roads 200 PTY LTD.

## Recommendation to Committee

### Council:

1. agrees to award tender no.2013/14.12 to Roads 2000 PTY LTD for the provision of construction of a roundabout at Bruce Street and Elizabeth Street, Nedlands.
2. authorises the Chief Executive Officer to sign an acceptance of offer for this tender.

## Strategic Plan

KFA: Transport

The proposed works improve the road network and meets the strategic aim of providing safe roads.

## Background

The intersection of Bruce Street and Elizabeth Street qualified as a Blackspot

intersection in 2011/12. Subsequently a roundabout was approved by Council. This option has now been tendered and this recommendation is for acceptance of the Roads 2000 Pty Ltd tender as being the best in terms of overall value.

**Key Relevant Previous Council Decisions:**

TS14.13 Council Meeting 27 August 2013 – Bruce Street / Elizabeth Street Black Spot Intersection Improvements

TS22.11 Council Meeting 13 December 2011 – Intersection upgrade of Elizabeth Street and Bruce Street, Nedlands

**Consultation**

Required by legislation: Yes  No

Required by City of Nedlands policy: Yes  No

**Legislation / Policy**

*Local Government (Functions and General) Regulations 1996 5.18*

**Budget/Financial Implications**

Within current approved budget: Yes  No

Requires further budget consideration: Yes  No

Total budgeted cost of project is \$195,000

Cost breakdown:

Black spot program 2/3 \$130,000 – Approved  
Council 1/3 \$65,000 – Approved

Tender Price \$176,852.74

Contingency \$26,528 (15%)

The project is a schedule of rates project.

Service Relocations:	\$12,267	Telstra (quote)
	\$1,687	Water Corp Stop valve (quote)
	\$24,399	Street lighting relocation (estimate)

Total Project cost \$241,734 (\$46,734 over budget). The variation will be addressed in the mid-year budget review.

All costs are exclusive of GST.

## Risk Management

Should Council not approve the award of the tender for the proposed roundabout and lighting upgrade to the intersection of Elizabeth and Bruce Street, the risk is that the intersection, as identified by Main Roads WA crash statistics, will continue to be unsafe for all road users.

## Discussion

The tender was independently evaluated by 3 (three) City officers in accordance with the qualitative criteria specified in the tender documentation as set out in the below table extract from RFT 2013/14.12.

<p><b>A) Key Personnel skills and experience</b></p> <p>Tenderers must address the following information in an attachment and label it 'Key Personnel Skills and Experience':</p> <ul style="list-style-type: none"> <li>(a) Their role in the performance of the Contract; and</li> <li>(b) Curriculum vitae inclusive of, membership to any professional or business association and qualifications.</li> </ul> <p>Supply details in an attachment and label it 'Key Personnel'.</p>	<p><b>Weighting</b> <b>10%</b></p>
<p><b>B) Tenderer's Resources</b></p> <p>Tenderers must address the following information in an attachment and label it 'Tenderers Resources':</p> <ul style="list-style-type: none"> <li>(a) Plant, equipment and materials;</li> <li>(b) The ability to supply and sustain the necessary technical resources, staff and equipment;</li> <li>(c) Provide a project schedule / timeline, giving indication of a completion date if the Contract was successfully awarded 11 December 2013;</li> <li>(d) Demonstrate contingency measures or back up of resources including personnel (where applicable); and</li> <li>(e) Tenderers should provide a current commitment schedule by completing and returning the table at Part 5.7.</li> </ul> <p>As a minimum, Tenderers should provide a current commitment schedule and plant/equipment schedule in an attachment and label it 'Tenderer's Resources'.</p>	<p><b>Weighting</b> <b>15%</b></p>



<p><b>C) Organisation Capabilities</b>  Tenderers must address the following information in an attachment and label it ‘Organisation Capabilities’:</p> <ul style="list-style-type: none"> <li>(a) Organisations to demonstrate industry-recognised qualifications and recent experience with contracts of similar size and scope;</li> <li>(b) Demonstrate that your organisation has the capacity to resource the work, i.e. current workload versus forecast workload including this contract;</li> <li>(c) Demonstrate your ability to adhere to timelines of recent contracts of a similar size and scope to this request;</li> <li>(d) Provide a summary of the number of years your organisation has been in business;</li> <li>(e) Quality and standard of work; and</li> <li>(f) Demonstrated ability to meet the specifications of this request.</li> </ul> <p>Supply details in an attachment and label it ‘Organisation Capabilities’.</p>	<p><b>Weighting</b> <b>30%</b></p>
<p><b>D) Occupational Health, Safety and Environmental Practises</b>  Tenderers must address the following information in an attachment and label it ‘Occupational Health, Safety and Environmental Practises’:</p> <ul style="list-style-type: none"> <li>(a) Demonstrate competency in OHS practises by providing a sample or template of your OHS Management Plan;</li> <li>(b) Complete table 5.6 Tenderer’s Safety Record; and</li> <li>(c) Demonstrate competency in sustainable environmental practises by providing a sample or template of your Environmental Management Plan.</li> </ul> <p>Supply details and provide an outline of your proposed methodology in an attachment labelled ‘Occupational Health, Safety and Environmental Practises’.</p>	<p><b>Weighting</b> <b>15%</b></p>

The priced items were compiled into a spreadsheet for close analysis of value comparison. A price criteria score was allocated based on the best value being scored at 100% and other values scored proportionally against this price.

A total of 30% weighting was allocated to the price criteria.

Conforming submissions were received from the following organisations:

- Roads 2000 PTY LTD
- HAS Group

- Civilworks
- Prime Civil
- West Cost Civil
- Curnow group
- SSP Diverse

**Evaluation:**

The final evaluation scores are as follows:

- Roads 2000 PTY LTD      77%
- HAS Group                      75%
- Civilworks.                      62%
- Prime Civil.                      66%
- West Cost Civil                64%
- Curnow group                69%
- SSP Diverse                      65%

**Conclusion**

After an assessment of the submitted tenders it is proposed that the tender submission received from Roads 2000 PTY LTD be accepted having attained the highest score in the evaluation and providing the most cost efficient outcome. The Schedule of Rates is attached.

**Attachments**

1. Confidential Schedule of Rates (not to be published).

<b>TS22.13</b>	<b>Delegation of Authority – Awards of Tenders during the Council Recess</b>
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<b>Committee</b>	3 December 2013
<b>Council</b>	10 December 2013
<b>Applicant</b>	City of Nedlands
<b>Officer</b>	Pollyanne Fisher
<b>Director</b>	Mark Goodlet – Director Technical Services
<b>Director Signature</b>	
<b>File Reference</b>	IFM/414
<b>Previous Item</b>	CPS53.12

## Executive Summary

The purpose of this report is to seek approval to provide the CEO with delegated authority to award tenders during the Council Christmas recess.

## Recommendation to Committee

### Council:

1. **agrees to delegate to the Chief Executive Officer, in consultation with the Mayor, the authority to determine tenders in accordance with the *Local Government Act (Functions and General) Regulations 1996* over the Council recess, from 11 December 2013 to 24 February 2014, and to award tenders to a maximum of \$500,000 (excl GST).**

## Strategic Plan

- KFA 5: Governance
- 5.1 Manage the City's resources in a sustainable and responsible manner.
  - 5.6 Ensure compliance with statutory requirements and guidelines.

## Background

The Chief Executive Officer has delegated authority to award contracts up to \$100,000 in accordance with the City's 'Purchasing of Goods and Services' policy.

The purpose of this report is to enable the Chief Executive Officer, in consultation with the Mayor, to award tenders on behalf of Council over the Christmas/New Year period, up to \$500,000.

A decision to award the tender may be required to enable works to be completed over the summer months. Holding back a decision until Council resumes in February 2014 could impact on the project concerned and a delegation of authority to the CEO is recommended.

### **Proposal Detail**

The last Ordinary Council meeting for 2013 is 10 December 2013 and the next meeting will not be until 25 February 2014.

There is one tender at this time in 'Information Technology' which will require award.

Technical Services are currently preparing a consultancy panel tender which allows the City to pre-select suitable consultants for a range of design and engineering disciplines. A key objective of the City is to progress its Capital Works programme, including ongoing procurement through tendering in line with the approved budget.

In previous years Council has delegated to the Chief Executive Officer the authority to determine tenders on behalf of Council on the basis that he first consult with the Mayor and both persons are in agreement.

Decisions taken during the period 10 December 2013 to 25 February 2014 would be documented and reported to the second Ordinary Council meeting in 2014.

### **Key Relevant Previous Council Decisions:**

A delegation of authority was approved previously for the same purpose in the prior year, item CPS53.12, approved by Council on 11 December 2012, for providing the CEO with delegated authority to award tenders during the Council recess.

This has been current practise in recent years.

### **Consultation**

Required by legislation: Yes  No

Required by City of Nedlands policy: Yes  No

Any decision to determine a tender over this period would only be made in consultation with the Mayor and the decision will be reported to the first meeting of Council in 2014.

## **Legislation / Policy**

*Section 5.42 of the Local Government Act 1995* allows Council to delegate functions to the Chief Executive Officer.

## **Budget/Financial Implications**

The awarding of any tender will be made on the basis that adequate budget provision has been made in the 2013/14 budget for the purposes of the tender.

## **Risk Management**

Risk assessments are conducted in the awarding of all tenders.

## **Discussion**

*Section 5.42 of the Local Government Act 1995* allows Council to delegate functions to the Chief Executive Officer. *Section 5.43* does not permit Council to delegate authority to the Chief Executive Officer to award a tender above a limit set by Council.

## **Conclusion**

An appropriate delegation of authority to the CEO for the determination of tenders over the Christmas/New Year recess is recommended.

## **Attachments**

Not applicable.

<b>TS23.13</b>	<b>Tender No. 2013/14.14 – Supply and Delivery of 1 x 11/12 Tonne GVM Truck</b>
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<b>Committee</b>	3 December 2013
<b>Council</b>	10 December 2013
<b>Applicant</b>	City of Nedlands
<b>Officer</b>	Alex Macarthur
<b>Director</b>	Mark Goodlet – Director Technical Services
<b>Director Signature</b>	
<b>File Reference</b>	TEN/427
<b>Previous Item</b>	Not Applicable

### Executive Summary

To seek Council approval for trade in of an existing 12 Tonne Gross Vehicle Mass (GVM) Truck, and to replace with the purchase of an 11/12 Tonne GVM Truck.

### Recommendation to Committee

#### Council:

1. agrees to award tender no.2013/14.14 to WA Hino, for the supply of a Hino FD 1024 Long Pro Auto, at a net purchase price of \$136,345.00 including GST;
2. agrees to award tender no.2013/14.14 to PVT Sales Pty Ltd, for the purchase and removal of a trade in vehicle, Hino 12 GVM Truck fleet No 516, at a net purchase price of \$55,100.00 including GST; and
3. authorises the Chief Executive Officer to sign an acceptance of offer for this tender.

### Strategic Plan

KFA: Transport

Award of this tender enables the City to carry out its duties in line with the strategic plan.

## Background

To comply with legislative requirements outlined in the *Local Government Act 1995*, and ensure the best value for money for the City, this requirement went out to tender.

Tenders for the supply of 1 x 11/12 Tonne GVM Truck were opened at 12 noon WST on Tuesday 12 November, 2013.

The tender process saw some seven (7) tenders being issued in total.

Four (4) tenders for the supply of a new truck and disposal of trade in were received from the following four (4) tenderers:

1. WA Hino
2. Truck Centre
3. Daimler Trucks Perth
4. Major Motors Pty Ltd

In addition to this, one (1) alternative tender was submitted by WA Hino in their tender documentation that was also assessed during the evaluation process.

One (1) tender for outright purchase of trade in vehicle only, was received from PVT Sales Pty Ltd.

## Consultation

Required by legislation: Yes  No

Required by City of Nedlands policy: Yes  No

## Legislation / Policy

*Local Government Financial Management Regulations 1996*

## Budget/Financial Implications

Within current approved budget: Yes  No

Requires further budget consideration: Yes  No

Within the 2013/2014 budget, Account No. 15.7500.2864.33 has a budget allocation of \$125,000.00 (excluding GST) for the purpose of purchasing this vehicle.

The net purchase price for the supply of the new Hino Truck is \$136,345.00 including GST (\$123,950.00 excluding GST), and is within budget.

The trade in price offered by PVT Sales Pty Ltd of \$55,100.00 (including GST) will result in a net changeover cost to the City of \$81,245.00 (including GST). The anticipated net changeover for budgeting purposes was \$88,500 (including GST).

## **Risk Management**

Not Applicable.

## **Discussion**

Officers carried out a full review of all tenders received and tenderers were contacted as required to confirm and close out any queries that arose during the assessment process.

The scope of works for this tender was in two (2) parts.

Part one (1) being the supply of the new truck, part two (2) the purchase and removal of the City's trade in vehicle.

Four (4) of the five (5) tenders received, encompassed both parts one (1) and two (2), namely the supply to the City of a new 11/12 Tonne GVM Truck, and the disposal of the City's trade in truck, Hino fleet number 516.

The remaining tender received from PVT Sales Pty Ltd, was for part two (2) only, offering to purchase the Hino truck trade in from the City. This tender contained the highest trade in valuation, and PVT Sales have confirmed that they are willing to hold the firm pricing until such time as the new vehicle is delivered, and trade in vehicle made available.

The four (4) tender submissions for part one (1), were subjected to evaluation using the City's tender evaluation assessment table, which is summarised in the Tender Evaluation Assessment (Attachment 1).

## **Pricing**

As can be seen from the table in the Tender Evaluation Assessment (Attachment 1), the lowest net purchase price for the supply was submitted by WA Hino-option one (1) (\$136,345.00). They scored the full weighting factor percentage which was set at 40%.

WA Hino-option two (2) scored a weighting factor of 30.95%.

Truck Centre scored a weighting factor of 39.03%.

Daimler Trucks Perth scored a weighting factor of 36.66%.

Major Motors scored a weighting factor of 35.36%.



This resulted in a differential of 9.05% between highest and lowest prices.

### **Conformity with tender specification**

The trucks offered by WA Hino, Truck Centre, Daimler Trucks Perth, and Major Motors, all fully complied with the tender specifications, and were awarded the full weighting factor of 40%.

### **Warranty**

Daimler Trucks Perth offered a 5 year warranty and scored full weighting factor of 10%. Truck Centre, WA Hino and Major Motors, all offered standard warranties of 3 years.

All were awarded a weighting factor of 6.77%.

### **Delivery**

WA Hino, Truck Centre, Daimler Trucks Perth and Major Motors all stated differing delivery times in tender documents. However, Park Bodybuilders are closing for Christmas break from 20 December 2013, and reopening for business on 6 January 2014. After being contacted, it has been ascertained that after receipt of firm purchase order, vehicle would be delivered to Park Bodybuilders during first week in January 2014, for all bodywork to be carried out.

All were awarded the full weighting factor of 10%.

### **Evaluation:**

The final evaluation scores for the supply of the new truck are as follows:

- WA Hino - option one (1) 96.67%
- WA Hino - option two (2) 87.72%
- Truck Centre 95.80%
- Daimler Trucks Perth 93.33%
- Major Motors Pty Ltd 92.13%

### **Conclusion**

The tender submitted from WA Hino - option one (1), scored the highest weighting factor of 97.67%, and conforms fully with all tender specifications. It is recommended that the purchase of the Hino FD1024 Long auto from WA Hino would be the vehicle most suited to the City's requirements.

The trade in price offered by PVT Sales Pty Ltd of \$55,100 including GST was the highest offer received, and therefore it is recommended that the purchase and removal of a trade in vehicle, Hino 12 GVM Truck fleet No 516, would be most financially beneficial to the City to be awarded to PVT Sales Pty Ltd.

## **Attachments**

1. Confidential Tender Evaluation Assessment for Tender No.2013/14.14 (not to be published).