



# City of Busselton

*Geographe Bay*

## **Late Council Agenda**

***14 June 2017***

ALL INFORMATION AVAILABLE IN VARIOUS FORMATS ON REQUEST

[city@busselton.wa.gov.au](mailto:city@busselton.wa.gov.au)

**CITY OF BUSSELTON**

**MEETING NOTICE AND AGENDA – 14 JUNE 2017**

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**TO: THE MAYOR AND COUNCILLORS**

**NOTICE** is given that a meeting of the Council will be held in the the Council Chambers, Administration Building, Southern Drive, Busselton on Wednesday, 14 June 2017, commencing at 5.30pm.

Your attendance is respectfully requested.



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**MIKE ARCHER**

**CHIEF EXECUTIVE OFFICER**

6 June 2017

CITY OF BUSSELTON

AGENDA FOR THE COUNCIL MEETING TO BE HELD ON 14 JUNE 2017

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1. **DECLARATION OF OPENING AND ANNOUNCEMENT OF VISITORS**

2. **ATTENDANCE**

Apologies

Approved Leave of Absence

3. **PRAYER**

4. **PUBLIC QUESTION TIME**

Response to Previous Questions Taken on Notice

Public Question Time

5. **ANNOUNCEMENTS WITHOUT DISCUSSION**

Announcements by the Presiding Member

Announcements by other Members at the invitation of the Presiding Member

6. **APPLICATION FOR LEAVE OF ABSENCE**

7. **PETITIONS AND PRESENTATIONS**

8. **DISCLOSURE OF INTERESTS**

9. **CONFIRMATION AND RECEIPT OF MINUTES**

10. **PLANNING AND DEVELOPMENT SERVICES REPORT**

## **11. ENGINEERING AND WORKS SERVICES REPORT**

### **12.1 Tender Award RFT 09-17 – Upgrade of Queen Street (North)**

#### **SUBJECT INDEX:**

<b>STRATEGIC OBJECTIVE:</b>	Assets are well maintained and responsibly managed.
<b>BUSINESS UNIT:</b>	Engineering and Works Services
<b>ACTIVITY UNIT:</b>	
<b>REPORTING OFFICER:</b>	Director, Engineering and Works Services - Oliver Darby
<b>AUTHORISING OFFICER:</b>	Chief Executive Officer - Mike Archer
<b>VOTING REQUIREMENT:</b>	Absolute Majority
<b>ATTACHMENTS:</b>	Attachment A Confidential Confidential Recommendation Report

**Attachment A is confidential under section 5.23 - 2(c) of the Local Government Act 1995 in that it deals with “a contract entered into or which may be entered into, by the local government”. Copies have been provided to Councillors, the Chief Executive Officer and Directors only.**

**This item is presented for Council consideration for acceptance as a late Item for 7 June 2017 Council Meeting so that the award of Tender can be awarded and construction can commence.**

#### **PRÉCIS**

The City of Busselton invited RFT 09/17 Upgrade of Queen Street (North) Construction and received five submissions. This report summarises the tender responses and makes recommendation to award the tender.

#### **BACKGROUND**

The objectives of this Request for Tender are to appoint a suitably qualified contractor for the Construction of Queen Street North located at the Busselton Foreshore for the City of Busselton.

This Request for Tender specified the requirements of the City and invited suitably qualified and experienced respondents to submit bids to enter into a Contract for the Construction of Queen Street North from Marine Terrace to Foreshore Parade, in accordance with the detailed design and specification sent out in the request for tender.

The requirements for the Queen Street upgrade include:

- Relocation and Upgrade of services
- Removal and disposal of existing infrastructure
- Construction of upgraded roundabout at the intersection of Marine Terrace and Queen Street
- Reconstruction and upgrade of Queen Street from Marine Terrace to Foreshore Parade.
- Upgrade of Parking Bays along Queen Street.
- Installation of Rain Gardens and landscaping to new medians and adjacent to the road
- Upgrade and installation of Street and feature lighting.
- Upgrade to general street scape including new footpaths, limestone seating walls and bollards.
- Specific timelines for the completion of works

The successful tenderer will be reporting to the Director of Engineering and Works Services to fulfil the requirements as described in this report.

The contract will be a construction only contract.

The Request for Tender for the construction of the Queen Street Upgrade was advertised from 14 May 2017 for a period of 17 days closing on 31 May 2017.

The City received twenty two (22) requests for the tender documents and received five (5) tender responses. A tender evaluation panel was formed to evaluate all tender submissions and prior to the evaluation meeting, each panel member was provided with a copy of each submitted tender and a copy of the Evaluation Score sheet and Panel Guide. Each panel member then scored each tender, with the scores being averaged to determine a final score.

The Evaluation Panel met on 2 June 2017 to discuss and evaluate each tender submission. The basis for the scoring and rationale for each score was discussed and final comments for the averaged scores agreed upon.

A rating scale of zero to five (0 – 5) was used for evaluating each tender submission in accordance with the Qualitative Criteria, with 0 being lowest and 5 being highest. The scoring has taken place in accordance with the RFT – Evaluation Scoring Guide and Procedural Fairness Guidelines as published by WALGA.

A comprehensive summary of these responses and pricing schedules has been included in the confidential attachment.

#### **STATUTORY ENVIRONMENT**

Section 3.57 of Local Government Act 1995 requires “A local government to invite tenders before it enters into a contract of a prescribed kind under which another person is to supply goods and services”.

Part 4 (Tenders) of the Local Government (Functions and General) Regulations 1996 require that tenders be publicly invited for such contracts where the estimated cost of providing the total service exceeds \$150,000.

Compliance with the Local Government Act 1995 section 3.57 is required in the issuing and tendering of contracts.

#### **RELEVANT PLANS AND POLICIES**

The City’s Busselton Foreshore Master Plan includes construction of coastal defences to the West of the Busselton Jetty as part of the Busselton Foreshore Development.

The City’s purchasing, tender selection criteria, occupational health and safety and engineering technical standards and specifications, were all relevant to this tender and have been adhered to in the process of requesting and evaluating tenders

#### **FINANCIAL IMPLICATIONS**

The total budget for the Construction of the Upgrade of Queen Street North (Road) and the section of landscaping and footpath which connects from Queen Street to the Promenade and abutment is \$830,000.

The section of landscaping and footpath which connects from Queen Street to the Promenade will be constructed under a separate contract which will form part of the Jetty Precinct high amenity project/contract (yet to be issued).

To date tender preparation costs associated with these works have been completed in house. From the above budget, to date the City has expended \$77,000 for detailed design and for the purchase of principal supplied materials being street lights and bespoke bollards for issue to the preferred contractor.

The tender contract value will be \$648,365.55 (ex GST) which is on budget.

The above contract value includes a provisional sum of \$100,000 for landscaping. This may be done in house should it be possible to complete at a lower rate. The above contract does not include any variations. Due to the nature of these works there is the potential of an unforeseen element which may require a variation to be paid to the contractor.

It is expected that any variation will be paid from the \$830,000 budget, but will not exceed the budget.

### **Long-term Financial Plan Implications**

This is incorporated in the 2016/17 and 2017/18 budgets and Long Term Financial Plan onwards.

### **STRATEGIC COMMUNITY OBJECTIVES**

The construction of the Queen Street Upgrade (North) is consistent with following the City of Busselton's strategic objectives:

- Well Planned, Vibrant and Active Places;
- Infrastructure Assets that are well maintained and responsibly managed to provide for future generations.

### **RISK ASSESSMENT**

An assessment of the potential implications of implementing the Officers Recommendation has been undertaken using the City's risk assessment framework. The assessment sought to identify 'downside' risks only rather than 'upside' risks and where the risk, following implementation of controls has been identified as medium or greater are included below;

<i>Risk</i>	<i>Controls</i>	<i>Consequence</i>	<i>Likelihood</i>	<i>Risk Level</i>
The contractor fails to complete the project by specified deadline.	Weekly project meetings to monitor progress. Liquidated damages to be imposed for delays that cause loss to City.	Medium	Likely	Medium
The contractor causes delays or losses to other contractors working on the Busselton Foreshore project.	Monitor contractors' compliance with requirement to work/co-ordinate with other contractors.	Medium	Likely	Medium
The costs associated with the construction is over the Council endorsed budget due to variations to the contractors scope of work.	Tender contract terms & conditions; Weekly project meetings to monitor progress and any variations to scope.	Medium	Likely	Medium
The contractor fails to construct the works in accordance with the design.	This is a construction contract. Contractor to provide sign off on construction in accordance with design and specified hold points. City supervision.	High	Unlikely	Medium

## CONSULTATION

NIL with reference to the award of the Contract.

The preferred tenderer will be required to close down Queen Street for a period of time (to be negotiated) for a more efficient and reduced construction period. This will be perceived as a negative impact for access to the foreshore for this period of time. Alternative access is available to the foreshore along Jetty Way, Geographe bay Road and West Street.

## OFFICER COMMENT

The tender assessment was carried out by a tender review panel consisting of Rob Penfold, Manager of Major Projects, Leon Kruger, Contract Admin and Technical Officer (Major Projects) and Lisa McDonald, Contract and Tendering Officer. Tender submissions were received from the following organisations:

- Advanteeing Civil Engineers
- BCL Group Pty Ltd
- Carbone Brothers
- Leeuwin Civil Pty Ltd
- BCP Contractors Pty Ltd

All tenders were found to comply with the terms and conditions and mandatory requirements of the RFT. Accordingly, each tender was scored according to the qualitative criteria endorsed by Council and included in the tender documentation as follows:

### Criteria Weighting

(a)	Relevant Experience	15%
(b)	Key Personnel Skills and Experience	15%
(c)	Tenderer's Resources	10%
(d)	Demonstrated Understanding	20%

The net tendered price was scored using the 'Average Based Scoring Method' recommended by WALGA in the 'Local Government Purchasing and Tender Guide'.

The panel members individually assessed the compliance and qualitative criteria and then applied an average to provide a final rating. The scores were then added together to indicate the rankings for the tender. The Confidential report attached provides further detail in relation to the relative merits of each of the individual tenderers. Following this evaluation, BCL Group Pty Ltd is the preferred tenderer for the reasons outlined in the confidential report.

## CONCLUSION

The tender evaluation panel have completed their assessment in line with the City's tender process and Officers now recommend the Council award RFT 09/17 Upgrade of Queen Street (North) located at the Busselton Foreshore to BCL Group Pty Ltd.

## OPTIONS

The Council may consider the following alternate options:

1. The Council choose not to accept the Officers Recommendation and award the Tender to an alternate tenderer. In the view of the Officers this could result in a Tender being awarded to a tenderer that has not presented the "best value" for money offer.

2. The Council may choose not to accept the Officers Recommendation and not award the tender. This would mean going back out to tender, resulting in significant delays to the contract award and potential significant delays to the Busselton Foreshore Development project

#### **TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION**

The award of the tender can be made immediately after the Council has endorsed the Officers recommendation. Subject to finalisation of a number of minor non contractual issues, the successful tenderer will receive formal written notification within seven (7) days of the resolution. All unsuccessful tender applicants will also be notified at this time.

#### **OFFICER RECOMMENDATION**

#### **ABSOLUTE MAJORITY DECISION OF COUNCIL REQUIRED**

That the Council:

1. Endorses the outcomes of the evaluation panel's assessment in relation to Tender RFT 09/17 Upgrade of Queen Street (North) for which has resulted in the tender submitted by BCL Group Pty Ltd being ranked as the best value for money.
2. Delegate authority to the CEO to award the contract for Tender RFT 09/17 Upgrade of Queen Street (North) to BCL Group Pty subject to successful negotiations of non-contractual issues.

12. **COMMUNITY AND COMMERCIAL SERVICES REPORT**
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