



City of Busselton

Geographe Bay

COUNCIL AGENDA

Supplementary Items

10 June 2020

ALL INFORMATION AVAILABLE IN VARIOUS FORMATS ON REQUEST

city@busselton.wa.gov.au

CITY OF BUSSELTON

SUPPLEMENTARY ITEMS FOR THE COUNCIL MEETING TO BE HELD ON 10 JUNE 2020

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14. ENGINEERING AND WORK SERVICES REPORT**14.1 RFQ 22-20 BUSSELTON LIBRARY UPGRADE**

| | |
|----------------------------|--|
| STRATEGIC GOAL | 1. COMMUNITY: Welcoming, friendly, healthy |
| STRATEGIC OBJECTIVE | 1.2 A community with access to life-long health and education opportunities. |
| SUBJECT INDEX | Tenders |
| BUSINESS UNIT | Major Projects and Facilities |
| REPORTING OFFICER | Manager Major Projects and Facilities - Eden Shepherd |
| AUTHORISING OFFICER | Director, Engineering and Works Services - Oliver Darby |
| NATURE OF DECISION | Executive: substantial direction setting, including adopting strategies, plans and policies (excluding local planning policies), tenders, setting and amending budgets, funding, donations and sponsorships, reviewing committee recommendations |
| VOTING REQUIREMENT | Absolute Majority |
| ATTACHMENTS | Attachment A Published Under Separate Cover Confidential RFQ 22-20 Evaluation and Recommendation Report - Busselton Library Upgrade |

OFFICER RECOMMENDATION

That the Council:

- 1. Pursuant to RFQ 22-20 Busselton Library Upgrade, accepts the quotation from Devlyn Australia Pty Ltd as the most advantageous quotation (Successful Contractor) for a contract value of \$544,700.20 ex GST; and**
- 2. Delegates power and authority to the Chief Executive Officer to negotiate and agree with the Successful Contractor minor variations subject to such variations and the final terms not exceeding the overall project budget.**

EXECUTIVE SUMMARY

RFQ 22-20 invited suitably qualified and experienced contractors to make submissions to enter into a contract for the upgrade of the Busselton Library in accordance with the Specification:

- (a) Demolition of existing offices and veranda;
- (b) Construction of new offices, storage and kitchen facilities;
- (c) Extension of plant room;
- (d) Roof construction;
- (e) Services installation (hydraulic, electrical, fire and mechanical system); and
- (f) Bathroom renovation.

This report recommends Devlyn Australia Pty Ltd as the most advantageous quotation (Successful Contractor).

BACKGROUND

The Busselton Library (600m2) was constructed in 1991. In 2012, a 300m2 extension was added to the adult area of the public library and, at the time, no improvements to staff offices were made. In 2012, the children’s area was reduced to accommodate a new Library Services Coordinator office and returns room. A small storeroom was converted into office accommodation for two (2) eServices staff members in 2018.

Since 2012, library memberships have grown from 14,511 (2012) to 20,943 (2019), a 45% overall increase, representing an average increase of 5.3% per annum. During this time, family attendance at “Story Time” sessions has doubled from 173 to 316. In 2019, 22 sessions with 316 children in attendance were held, a 54% increase in demand. “Baby Bounce” attendance increased from 160 babies and 125 adults to 238 babies and 222 adults. Since 2012, school holiday programs increased from 4 sessions with 97 children to 17 sessions with 610 children attending.

The current children’s area allows no room for growth and continues to place a constraint on the number of programs and services the Busselton Library is able to provide to the community. Workspace for library staff remains extremely overcrowded and noisy with staff having to share desks and teams are split up, resulting in inefficiencies. Inadequate storage space and work preparation areas negatively impacts workflows.

During the detailed design phase, it was identified that the allocated project budget would be insufficient to provide a facility to meet current and future staff and public needs. For this reason the scope of works were split into two stages:

- Stage 1 works provides for future staffing requirements, with a reduced children’s area.
- Stage 2 works provides for both current and future needs for staff and families, including improvements to the children’s area.

The City sought tenders via a Request for Tender (RFT) process for RFT 02-20 Busselton Library Upgrade, in March 2020. Three (3) tender submissions were received from tenderers outside of the Busselton area.

In the meantime the City, in accordance with Regulation 24AB *Local Government (Functions and General) Regulations 1996*, established a panel of pre-qualified suppliers for supplying building/construction services to the City (PQS03/20). The Successful Contractor is a preferred supplier under that panel. In an attempt to offer the works to a local Contractor during the COVID-19 climate, and to obtain a more affordable offer for the City, the decision was made to re-advertise via the Pre-Qualified Supplier panel PQS 03-20.

This report includes information pertaining to evaluation of RFQ 22-20.

OFFICER COMMENT

Assessment Process

The City issued the RFQ by upload to Vendorpanel and received a total of 3 submissions as follows:

| 1. Company |
|---|
| • B & F Ryan (WA) Pty Ltd T/A Ben Ryan Building |
| • Devlyn Australia Pty Ltd |
| • Pindan Projects Pty Ltd |

In accordance with the City's procurement practices and procedures, assessments were carried out by an evaluation panel comprising City officers with relevant skills and experience.

The assessment process included:

- Assessing submissions received against relevant compliance criteria. The compliance criteria were not point scored. Each submission was assessed on a *Yes/No* basis as to whether each criterion was satisfactorily met. All tenders were deemed compliant.
- Assessing submissions received against the Qualitative Criteria and each Criteria was given a score in accordance with the rating scale detailed below.

| Qualitative Criteria | | Weighting |
|----------------------|-------------------------------------|-----------|
| (a) | Relevant Experience | 20% |
| (b) | Local Benefit | 5% |
| (c) | Key Personnel Skills and Experience | 10% |
| (d) | Demonstrated Understanding | 25% |

Summary of Assessment Outcomes

Of the three (3) compliant submissions received for RFQ 22-20, Devlyn Australia Pty Ltd ranked first (1st) on the Qualitative Criteria and ranked first (1st) in the Weighted Cost Criteria, providing a well-documented and detailed submission.

This decision is based on the following:

- All three (3) submissions received were processed through to qualitative criteria assessment on the basis that all terms and conditions and mandatory requirements of the RFQ had been met.
- The submissions were scored according to the qualitative criterion outlined above.
- The net 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 qualitative criteria for each schedule, then met and applied an average to provide a final ranking. The scores were then added together to indicate the rankings.

In order to achieve a design that caters for current and future staff and public needs, proceeding with Stage 1 & 2 works is the preferred outcome.

Statutory Environment

In terms of section 3.57 of the *Local Government Act 1995 WA* (Act), a local government is required to invite tenders before it enters into a contract of a prescribed kind under which another person is to supply goods and services to the local government. Part 4 of the *Local Government (Functions and General) Regulations 1996* (Regulations):

- Requires that, unless an exception applies, tenders be publicly invited for such contracts where the cost of providing the required goods and/or service is in excess of (or is reasonably expected to exceed) \$250,000 [Regulation 11(1)]; and
- Stipulates that tenders do not have to be publicly invited if the goods or services are to be supplied by a pre-qualified supplier [Regulation 11(2)(k)].

In accordance with Regulation 24AB, the City established a panel of pre-qualified suppliers to supply building/construction services to the City over the term of the panel (PQS 03/20). The term of PQS 03/20 commenced on 20 April 2020 and, subject to the City's right to early termination, is as follows:

- Initial term: Three (3) years from the commencement date.
- Further term: Two (2) further terms of twelve (12) months each to be extended at the City's option.

The recommended supplier, Devlyn Australia Pty Ltd, has been duly accepted as a preferred supplier under PQS 03/20.

With regard to RFQ 22-20, City officers have complied with the relevant legislative requirements.

Relevant Plans and Policies

The City's purchasing policies and its occupational health and safety, asset management and engineering technical standards and specifications were all relevant to the RFQ, and have been adhered to in the process of requesting and evaluating responses.

Financial Implications

The project is funded in the draft capital works budget 2020-21 with \$603,000 allocated for the Busselton Library Upgrade, sourced from a combination of the Busselton Library Reserve, New Infrastructure Development Reserve and Buildings Asset Renewal Reserve as outlined below:

Budget summary: Draft Capital Works Budget 2020-21

| Reserve | Budget Allocation |
|--------------------------------------|--------------------------|
| Busselton Library (407) | \$100,000.00 |
| New Infrastructure Development (127) | \$223,000.00 |
| Buildings Asset Renewal (106) | \$280,000.00 |
| Total | \$603,000.00 |

Project Budget Allocation

The estimated total value of the project over the full contract term is:

| Item | Budget allocation |
|---|--------------------------|
| Stage 1 and 2 works (Contract value) | \$544,700.20 |
| Landscape, external works and fit-out (by City) | \$58,299.80 |
| Total | \$603,000.00 |

Stakeholder Consultation

No external stakeholder consultation outside of the RFQ process was required or undertaken in relation to this matter.

Risk Assessment

An assessment of the potential implications of implementing the Officer Recommendation has been undertaken using the City's risk assessment framework, with the intention being to identify risks which, following implementation of controls, are identified as medium or greater. There are no such risks identified, with the preferred tenderer assessed as being capable of delivering the services to a suitable service level and in line with the agreed cleaning schedule.

CONCLUSION

It is recommended that Council accept the quotation of Devlyn Australia Pty Ltd as the most advantageous to the City, subject to minor variations to be negotiated by the CEO, not exceeding \$544,700.20. In relation to RFT 02-20, the City will decline all tenders.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

Negotiations with the Successful Contractor will commence immediately after Council has endorsed the Officer Recommendation, with a contract entered into in accordance with the Officer Recommendation within two weeks.

15. COMMUNITY AND COMMERCIAL SERVICES REPORT**15.1 APPOINTMENT OF ELECTED MEMBER TO BUSSELTON JETTY REFERENCE GROUP**

| | |
|----------------------------|--|
| STRATEGIC GOAL | 6. LEADERSHIP Visionary, collaborative, accountable |
| STRATEGIC OBJECTIVE | 6.1 Governance systems, process and practices are responsible, ethical and transparent. |
| SUBJECT INDEX | Council Committees |
| BUSINESS UNIT | Community and Commercial Services |
| REPORTING OFFICER | Director, Community and Commercial Services - Naomi Searle |
| AUTHORISING OFFICER | Director, Community and Commercial Services - Naomi Searle |
| NATURE OF DECISION | Executive: substantial direction setting, including adopting strategies, plans and policies (excluding local planning policies), tenders, setting and amending budgets, funding, donations and sponsorships, reviewing committee recommendations |
| VOTING REQUIREMENT | Simple Majority |
| ATTACHMENTS | Nil |

OFFICER RECOMMENDATION

That the Council:

- 1. notes the resignation of Cr Riccelli as a member of the Busselton Jetty Reference Group;**
- 2. appoints Cr _____ as Member of the Busselton Jetty Reference Group; and**
- 3. requests the Chief Executive Officer to develop a Terms of Reference for the Busselton Jetty Reference Group.**

EXECUTIVE SUMMARY

Council is required to appoint an Elected Member to the Busselton Jetty Reference Group following advice Cr Riccelli has relinquished her membership.

BACKGROUND

The Council currently has six Council committees established under the *Local Government Act 1995* (the Act), one established under the *Emergency Management Act 2005* and one established under the *Bush Fires Act 1954*. The Council has also over the years formed many working groups to assist with progressing various initiatives and is additionally represented on a number of local community committees and working groups.

The Busselton Jetty Reference Group (BJRG) is a working group and was established as a forum for discussion on jetty related matters, specifically in relation to the Busselton Jetty licence agreement between the City and the Busselton Jetty Inc. (BJI). As a working group, the BJRG is not able to make recommendations direct to Council, but works with City officers, led by the CEO (or his delegate), in support of decision making and the formulation of recommendations to Council where required.

At the Special Meeting of Council held on 21 October 2020, Council resolved (C1910/201) to appoint the following Elected Members to the BJRG:

- i. Members: Cr Cronin, Cr Riccelli
- ii. Deputies: 1. Cr Miles, 2. Cr Carter.

OFFICER COMMENT

On 28 May 2020, Cr Riccelli tendered her resignation from BJRG and as such the vacancy now requires filling.

Statutory Environment

The Officer Recommendation supports the general function of a local government under the *Local Government Act 1995* to provide for the good government of persons in its district.

While BJRG is a non-statutory working group, with a current vacancy Council must consider the future membership of the BJRG.

Relevant Plans and Policies

Appointing members of the Council to Committees is subject to the requirements of Council Policy - Swearing in of Elected Members.

In accordance with Council Policy - Fees, Allowances and Expenses for Elected Members, Elected Members are entitled to be paid a travelling allowance for attending meetings of community groups or other external organisations of which the Elected Member has been appointed as the Council's representative.

Financial Implications

There are no specific financial implications associated with the appointment of members to Committees/groups as the costs associated with attendance at these Committees/groups have been recognised in the current budget.

Stakeholder Consultation

No external stakeholder consultation was required or undertaken in relation to this matter.

Risk Assessment

An assessment of the potential implications of implementing the Officer Recommendation has been undertaken using the City's risk management framework, with risks assessed taking into account any controls already in place. No risks of a medium or greater level have been identified.

Options

As an alternative to the proposed recommendation, the Council could determine that it requires more or less members on the BJRG.

CONCLUSION

The appointment of members to all Council Committees and working groups is normally made at the Special Council Meeting immediately following the Council election. However, with a resignation from the BJRG, Council is required to formally elect a new member(s).

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

Membership of BJRG will become effective upon being elected.