

City of Busselton

Geographe Bay

COUNCIL AGENDA

Supplementary Items

19 April 2023

ALL INFORMATION AVAILABLE IN VARIOUS FORMATS ON REQUEST

city@busselton.wa.gov.au

CITY OF BUSSELTON

SUPPLEMENTARY ITEM FOR THE COUNCIL MEETING TO BE HELD ON 19 APRIL 2023

TABLE OF CONTENTS

ITEM NO.	SUBJECT	PAGE NO.
14.	ENGINEERING AND WORK SERVICES REPORT	3
14.1	RFT 05/23 BUSSELL HIGHWAY STAGE 1.....	3

14. ENGINEERING AND WORK SERVICES REPORT**14.1 RFT 05/23 BUSSELL HIGHWAY STAGE 1**

STRATEGIC THEME	LIFESTYLE - A place that is relaxed, safe and friendly with services and facilities that support healthy lifestyles and wellbeing
STRATEGIC PRIORITY	2.10 Provide local road networks that allow for the safe movement of people through the District.
SUBJECT INDEX	Request for Tender
BUSINESS UNIT	Operation and Works Services
REPORTING OFFICER	Manager, Operation and Works Services - Matthew Twyman
AUTHORISING OFFICER	Director, Engineering and Works Services - Oliver Darby
NATURE OF DECISION	Contractual: To enter into a contract e.g. a lease or the award of a tender etc.
VOTING REQUIREMENT	Simple Majority
ATTACHMENTS	Attachment A Published Under Separate Cover Confidential RFT05/23 Evaluation Report

OFFICER RECOMMENDATION

That the Council endorse the outcome of the evaluation panel's assessment of the tender submissions received in response to RFT 05/23 Bussell Highway Stage 1 and accept the tender submission from Carbone Bros Pty Ltd for \$1,208,898.78 (exclusive of GST) as the most advantageous to the City.

EXECUTIVE SUMMARY

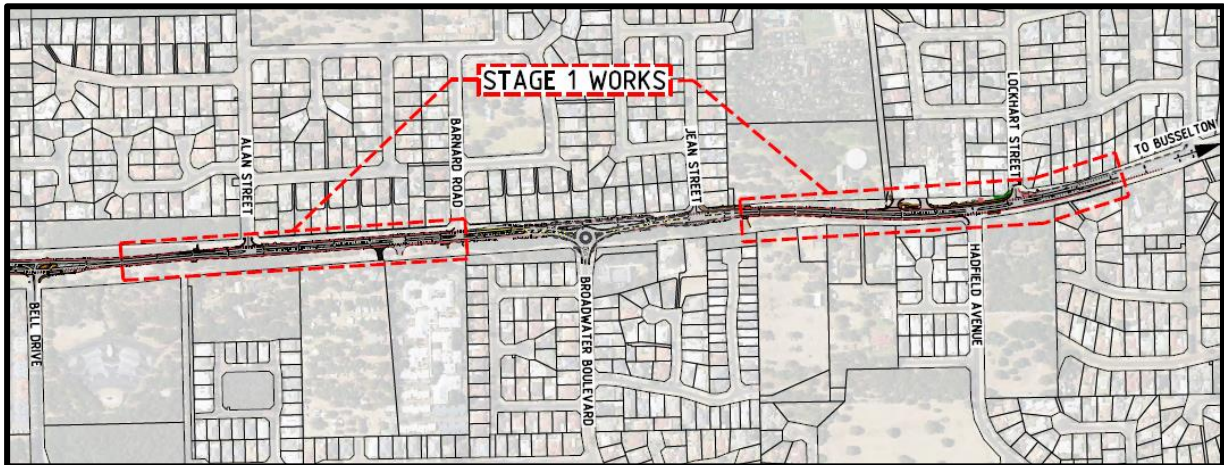
The City invited tenders under RFT 05/23 Bussell Highway Stage 1 (the RFT) for the upgrade of existing sections of Bussell Highway between Bell Drive and Lockhart Street, with the works to be completed during the autumn of 2023.

This report recommends that Council endorse the outcome of the evaluation panel's assessment, and accept the tender submission from Carbone Bros Pty Ltd for \$1,208,898.78 (exclusive of GST) as the most advantageous to the City.

BACKGROUND

As part of the City's road asset management plan sections of Bussell Highway between Bell Drive and Lockhart Street (SLK 3.800 – 4.375 and 4.763 – 5.250) are to be upgraded during the 2022/23 financial year.

Locality Plan



The project is listed within the 2022/23 Capital Budget as '11199 Bussell Highway'. The scope of this upgrade project is to widen and asphalt overlay, including the delineation of an on road cycleway. The project will improve road user safety and asset condition.

The City invited tenders for the project that is part funded by Main Roads WA under its Regional Road Group program.

OFFICER COMMENT

On 11 March 2023, tenders were invited via VendorPanel and advertised in 'The West Australian' newspaper and on the City of Busselton website. Tenders closed at 2.00pm (AWST) on Thursday 30 March 2023 and the City received three compliant tender submissions from the following companies:

- BCP Contractors Pty Ltd (BCP);
- Carbone Bros Pty Ltd (Carbone); and
- Fulton Hogan Industries Pty Ltd (Fulton Hogan).

A non-compliant tender submission was received from Warp Group Pty Ltd (Warp).

Assessment Process

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

The tender assessment process included:

- Assessing tenders 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 tenders against the following qualitative criteria (weighted as indicated in the table below):

	Criteria	Weighting
(a)	Relevant Experience	15%
(b)	Local Benefit	5%
(c)	Demonstrated Understanding and Resources	20%

The qualitative criteria were scored depending on the extent to which each tenderer was able to appropriately satisfy each criteria. The tendered prices were then assessed together with the weighted qualitative criteria and the tenders scored and ranked to determine the most advantageous outcome to the City, based on principles of best value for money. That is, although price was a consideration, the tender containing the lowest price will not necessarily be accepted by the City and nor will the tender ranked the highest on the qualitative criteria.

Summary of Assessment Outcomes

The outcome of the evaluation panel's assessment was as follows:

- (a) Carbone ranked first overall (first on price and second on qualitative criteria). Carbone provided details of relevant road projects including urban road widening and reconstruction. They demonstrated sufficient resources to complete the project and presented construction methodology and a project schedule demonstrating their understanding of the works. Carbone's tendered price was the lowest of the three tenderers.
- (b) BCP ranked second overall (second on price and first on qualitative criteria). BCP provided highlights of road construction projects, suitable resourcing, a construction methodology and project schedule to demonstrate their understanding of the works. BCP's tendered price was ranked second.
- (c) Fulton Hogan ranked third overall (third on price and third on qualitative criteria). Fulton Hogan provided details of large scale civil projects, suitable resourcing and a typical construction methodology. The project schedule presented allowed for delivery in the 2023/24 financial year. Fulton Hogan's tendered price was the highest.

The qualitative criteria scores for the three companies were very close based on the evidence provided. All of the companies would be able to deliver the project scope, although Fulton Hogan presented a 2023/24 financial year delivery. The outcomes of the evaluation panel's assessment are further outlined in the Confidential Evaluation Report (Attachment A).

Based on the combination of price and the qualitative criteria it is recommended that the tender submission from Carbone Bros Pty Ltd be accepted.

Statutory Environment

In accordance with section 3.57 of the 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 service. Part 4 of the *Local Government (Functions and General) Regulations 1996* (the Regulations):

- requires that tenders be publicly invited for such contracts where the estimated cost of providing the required goods and/or service exceeds \$250,000; and
- under Regulations 11, 14, 18, 20 and 21A, provides the statutory framework for inviting and assessing tenders and awarding contracts pursuant to this process.

With regard to the RFT, City officers have complied with abovementioned legislative requirements.

As the contract value is greater than \$500,000, and in accordance with section 5.43(b) of the Act and Council delegation DA 1-07, Council endorsement of the successful tenderer is required.

Relevant Plans and Policies

The City's purchasing policies, regional price preference, work health and safety, asset management, engineering technical standards and specifications were all relevant to the RFT, and have been adhered to in the process of requesting and evaluating tenders.

Financial Implications

The 2022/23 endorsed budget includes provision for the Bussell Highway Stage 1 project.

The project/procurement will be funded from project #11199 – Bussell Highway – (State Government) Main Roads Western Australia - Regional Road Group Funding \$500,000 and project #11199 – Bussell Highway – City of Busselton \$443,465 - Road Asset Renewal Reserve, and #11199 – Bussell Highway – City of Busselton \$386,680 – Restricted Assets.

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's 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 successful tenderer assessed as being capable of delivering the services to a suitable service level.

Options

The Council may consider the following alternate options:

1. To award the tender to an alternative tenderer/s. In the view of the officers, this could result in the tender being awarded to a tenderer that is not most advantageous to the City.
2. Decline to accept any tender. This would mean going back out to tender, resulting in significant delays to the contract award and delivery of the project.

CONCLUSION

It is recommended that Council accept the tender submission from Carbone Bros Pty Ltd, subject to minor variations to be negotiated by the CEO not exceeding the overall project budget.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

Should Council adopt the officer recommendation, it is anticipated that the contract for the upgrade of Bussell Highway Stage 1 between Bell Drive and Lockhart Street (SLK 3.800 – 4.375 and 4.763 – 5.250) will commence early May 2023 and be completed by the end of June 2023, weather permitting.