



A CENTRE OF REGIONAL EXCELLENCE

AGENDA

EXTRAORDINARY MEETING OF COUNCIL

TO BE HELD AT

THE ADMINISTRATION CENTRE, LITHGOW

ON

24 JUNE 2014

AT 6.00pm

AGENDA

ACKNOWLEDGEMENT OF COUNTRY

APOLOGIES

PRESENT

DECLARATION OF INTEREST

PUBLIC FORUM

PRESENTATIONS - NIL

MAYORAL MINUTES - NIL

STAFF REPORTS

Operation Reports

COUNCIL COMMITTEE MINUTES - NIL

DELEGATES REPORTS - NIL

NOTICES OF MOTION - NIL

QUESTIONS WITH NOTICE - NIL

NOTICE OF RECISSIONS - NIL

BUSINESS OF GREAT URGENCY

as identified by Clause 241 of the Local Government (General) Regulations 2005

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OEH has requested that Council urgently award a tender for the construction of Stage 2 of the Farmers Creek Flood Mitigation Scheme, in order for a lump sum grant payment of two million dollars (\$2,000,000.00) to be processed prior to 27 June 2014. OEH have requested that a contract for this project is awarded prior to close of business on 25 June 2014.

Tenders

Six (6) conforming tenders were received by the closing time/date of 4:00pm on 15 May 2014.

Conforming Tenderer Submissions	Price (ex GST)	Price (incl GST)
Dukes Civil Pty Ltd	\$4,180,729.00	\$4,598,801.90
Graceys Earthmoving and Craven, Elliston & Hayes (CEH)	\$3,262,677.70	\$3,588,945.47
Peters Earthmoving	\$2,164,916.20	\$2,381,407.82
Central West Civil	\$3,769,839.17	\$4,146,823.09
Josa Group Pty Ltd	\$3,643,968.00	\$4,008,364.80
Earthtec Pty Ltd	\$4,188,511.95	\$4,607,363.15

In addition to the confirming tenders, a further 4 non-conforming tenders were received:

Non Conforming Tender Submissions	Departures from Specifications	Price (ex GST)	Price (incl GST)
Graceys Earthmoving and Craven, Elliston & Hayes (CEH)	Reduced Spec	\$3,192,909.39	\$3,512,200.33
Earthtec Pty Ltd	Gabi Block	\$3,909,663.00	\$4,300,629.30
Earthtec Pty Ltd	Gabion	\$3,501,708.00	\$3,851,878.80
Earthtec Pty Ltd	Gabion & Reno	\$3,502,923.00	\$3,853,215.30

Evaluation Panel

In accordance with Council's Tendering Policy 1.4, a tender evaluation panel was formed to evaluate the tenders, consisting of:

- Iain Stewart, Group Manager Operations
- David Mitchell, Urban Overseer
- Maddison Bailey, Project Engineer

Selection Criteria

Each tender was evaluated according to the following criteria, in order of priority and weighting:

	Criteria	Weighting
1	Price	40%
2	Demonstrated Understanding	30%
3	Relevant Experience	10%
4	Key Personnel skills/experience	10%
5	Tenderer's resources	10%

Scoring System

Each company was given a score from 0 – 10 for each selection criteria item using the following scoring system:

Score	Definitive Answers	Value Judgement
0	Unsatisfactory	Fails to meet the requirement.
		Unimaginative/No apparent economic benefit.
2	Poor	Minimal Compliance.
		Moderately creative/benefits difficult to assess
4	Satisfactory	Moderately satisfies the requirement.
		Worthwhile concept/may realise benefits.
6	Good	Partially satisfies the requirement.
		Creative/enduring benefits over time.
8	Very Good	Satisfies the majority of the requirement.
		Highly creative/enduring high benefits.
10	Excellent	Fully satisfies the requirement.
		Exceptional/immediate & enduring high benefits.

Evaluation Summary – Qualitative Criteria

Each tenderer was assessed based on Qualitative Criteria, being Demonstrated Understanding (30%), Relevant Experience (10%), Key Personnel Skills/Experience (10%), and tenderers resources (10%), to give a total Qualitative Score of 60%.

Dukes Civil Pty Ltd - Dukes Civil have extensive resources to complete the project, their staff are qualified and experienced, and the company has earthworks experience, particularly in mining related projects. The tender submitted by Dukes Civil did not demonstrate a comprehensive understanding of the project requirements. SCORE = 5.56/10

WEIGHTED SCORE = 3.33/6

Graceys Earthmoving and Craven, Elliston & Hayes (CEH) - Graceys Earthmoving submitted a tender in conjunction with Craven, Ellison and Hayes (CEH), with CEH to provide project management and surveying services. Graceys tender demonstrated thorough research and an impressive understanding of the key project requirements and potential challenges. The comprehensive submission reflected Gracey Earthmoving's experience in projects of similar magnitude. The company has access to adequate plant and human resources.

SCORE = 8.44/10

WEIGHTED SCORE = 5.07/6

Peters Earthmoving - Peters Earthmoving employs qualified staff experienced in large scale earthworks, and have access to extensive plant resources. Peters Earthmoving tender did not demonstrate a thorough understanding of project requirements, with only a basic work breakdown structure submitted. The tender also failed to demonstrate experience in projects of a similar nature.

SCORE = 5.33/10

WEIGHTED SCORE = 3.2/6

Central West Civil (CWC) - Central West Civil have experience in projects of a similar nature, employ a range of experienced and qualified staff, and have extensive resources. A detailed Work Breakdown Structure was provided with the tender.

SCORE = 7.33/10

WEIGHTED SCORE = 4.4/6

Josa Group Pty Ltd - Josa Group provided a comprehensive understanding of project requirements, and employ experienced and qualified staff. They have some experience in projects of a similar nature, and adequate resources for the project.

SCORE = 7.44/10

WEIGHTED SCORE = 4.47/6

Earthtec Pty Ltd - Earthtec were the most experienced of all tenderers, with an impressive background delivering a number of geotechnical construction projects. Earthtec indicated that plant hire would be subcontracted.

SCORE = 6.72/10

WEIGHTED SCORE = 4.03/6

Non-Conforming Tenders

The tender evaluation panel reviewed the four (4) non-conforming tenders and recommended that none be considered in the evaluation for the following reasons:

- None of the non-conforming tenders demonstrated added value over the conforming submissions
- The alternative style of retaining wall offered by Earthtec's non-conforming submissions, Rock Gabions, is more susceptible to vandalism than the specified MassBloc system.
- The Rocla MassBloc retaining wall system was utilised successfully in Stage 1 of the Scheme, and it is preferential to continue with the same material throughout Stage 2 for aesthetic value.

Evaluation Summary – Price Component

Price was given a score out of 10 based on the below formula:

$$\text{Price score} = \frac{\text{Lowest Tender Price}}{\text{Tendered Price}} \times 10$$

Tenderer	Peters	Gracey	Dukes
Price (\$)	\$2,164,916.20	\$3,262,677.70	\$4,180,729.00
Price Score /10	10.00	6.64	5.18
Weighted Price Score /4	4.00	2.65	2.07

Tenderer	CWC	Josa	Earthtec
Price (\$)	\$3,769,839.17	\$3,643,968.00	\$4,188,512.00
Price Score /10	5.74	5.94	5.17
Weighted Price Score /4	2.30	2.38	2.07

Final Scores

The scores for qualitative and price criteria were added to give a final total score.

	Peters	Gracey	Dukes	CWC	Josa	Earthtec
Qualitative Score /6	3.20	5.07	3.33	4.40	4.47	4.03
Price Score /4	4.00	2.65	2.07	2.30	2.38	2.07
Total Score /10	7.20	7.72	5.40	6.70	6.84	6.10

Recommendation of Tender Evaluation Panel

The tender evaluation panel recommend that the tender for the construction of Farmers Creek Flood Mitigation works Stage 2 is awarded to Graceys Earthmoving Pty Ltd and Craven, Elliston & Hayes for the tendered price of Three Million, Two Hundred and Sixty Two Thousand, Six Hundred and Seventy Seven Dollars, Seventy Cents GST exclusive (\$3,262,677.70 ex GST). Gracey's tender achieved the highest overall score of 7.72 out of a possible 10.

Although this tender was not the cheapest, it is the opinion of the tender evaluation panel that this tender is the most advantageous to Council in terms of value for money, and it is evident through their tender submission that Graceys Earthmoving and Craven, Elliston & Hayes have the skills and experience required to complete this project successfully. The tender submission demonstrated thorough research and a comprehensive understanding of the project requirements.

POLICY IMPLICATIONS

NIL

FINANCIAL IMPLICATIONS

Council will receive prior to 30th June 2014 grant funding of \$4,276,670 to be allocated to Stage 2 of the Farmers Creek Lithgow Flood Mitigation Scheme. The funding ratio is 2:1, with Council required to contribute 1/3 of the total cost of the scheme, being \$2,138,335. Provision has been made in the draft budget for this contribution to be made over the next two financial years.

LEGAL IMPLICATIONS

NIL

RECOMMENDATION

THAT Council:

1. Accept the tender submission from Graceys Earthmoving Pty Ltd and Craven, Elliston & Hayes for Three Million, Five Hundred and Eighty Eight Thousand, Nine Hundred and Forty Five Dollars, Forty Seven Cents GST inclusive (\$3,588,945.47 incl GST).for construction Stage 2 of the Farmers Creek Flood Mitigation Scheme.
2. Authorise the affixing of the Council seal to any necessary documentation in relation to this tender

BUSINESS OF GREAT URGENCY

In accordance with Clause 241 of the Local Government (General) Regulations 2005 business may be transacted at a meeting of Council even though due notice of the business has not been given to the Councillors. However, this can happen only of:

- a) *A motion is passed to have the business transacted at the meeting: and*
- b) *The business proposed to be brought forward is ruled by the Chairperson to be of great urgency.*