

ITEM 13.2

**SHIRE OF QUAIRADING
MINUTES OF THE SPECIAL MEETING OF COUNCIL
HELD ON TUESDAY 18TH APRIL 2017
COMMENCING AT 4.38PM**

ITEM 1 ATTENDANCE AND APOLOGIES

Cr B K Caporn	Shire President
Cr W M F Davies	Deputy Shire President
Cr L R Brown	
Cr J N Haythornthwaite	
Cr G J McRae	
Cr G B Taylor	(from 4.53pm)
Mr G A Fardon	Chief Executive Officer
Mr A Merillo	Deputy Chief Executive Officer
Miss J M Cowcill	Finance Officer
Mr T J Newick	Manager of Works and Services
Mr R M Bleakley	Economic Development Project Officer

APOLOGIES

Cr B McGuinness
Cr W E Shenton

Observers

Mr J W Haythornthwaite (from 4.40pm)

ITEM 2 DECLARATIONS OF INTEREST

Nil

ITEM 3 CHIEF EXECUTIVE OFFICER'S REPORT

3.1 Tender No.2-16/17 Design and Construction – Works Depot Shed and Facilities
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REPORTING OFFICER

Graeme A Fardon – Chief Executive Officer Date: 13th April 2017

DISCLOSURE OF INTEREST – Nil.

OWNER/APPLICANT – N/A.

MATTER FOR CONSIDERATION – Determination of Tender for the Design and Construction of the Works Depot Project.

APPLICANT'S SUBMISSION INCLUDED IN AGENDA –

1. Tender – Basic Scope of Works.
2. Tender Evaluation Package attached. (Previously emailed to Councillors).
3. Copies of Plans from the three (3) Short Listed Tenders.

BACKGROUND – Council called for Public Tenders for the Design and Construction of Council's Works Depot Workshop/Shed and Staff Facilities.

Tenders closed on Wednesday 1st February 2017. At the Close of Tenders, Council had received 7 Written Tenders.

STATUTORY ENVIRONMENT – Local Government Act 1995 Section 3.57 Tender Threshold \$150,000. Local Government (Functions and General) Regulations 1996.

POLICY IMPLICATIONS – Council’s Purchasing Policy adhered to.

FINANCIAL IMPLICATIONS – Council has budgeted the amount of \$1.0M in the 2016/2017 Year. Subsequently, as part of the Budget Review in March 2017 the Projected Expenditure to the 30th June 2017 was reduced to \$600,000.00 as Works will be in Progress.

STRATEGIC IMPLICATIONS - Council’s Current Strategic Community Plan:-

Built Environment

Objective

To ensure the Shire of Quairading’s built environment is responsive to our community’s diverse needs.

Outcome

B1 Enhanced and Sustainably Managed Assets and Infrastructure.

Strategies

B1.1 Continue the development and implementation of effective infrastructure Asset management Plans.

Governance

Objective

To strengthen and Shire of Quairading’s leadership an governance.

Outcome

G1 Sustainable and Accountable Governance.

Strategies

G1.1 Improve Organisational Planning, processes and Systems.

G1.2 Ensure transparent and accountable governance of the Shire.

COMMUNITY CONSULTATION – The Community has been kept informed on the Project through the Shire eNewsletter.

RISK ASSESSMENT AND COMMENT – Risk Management Policy and Risk Management Governance Framework applies to this Project.

The following Risks have been Assessed:-

Financial – Moderate Risk - Tender process has been in accordance with the Local Government Act, Regulations and Purchasing Policy.

Tenderer’s Competency and Capabilities and Insurance have all been verified by Documentation.

Cost of the overall Project within Budget Allocation.

Council Works Staff/Contractors to complete the following components of the Project:-

- Procurement and installation of electrical (incl. Communications and IT component)
- Internal fitout of workshop
- Internal fitout and furnishing of staffing facilities
- Stormwater drainage
- Parking, paving and line-markings
- Landscaping
- Fencing

Health – Low Risk – Workplace Safety and Public Safety mitigated through Tenderer Demonstrated Occupational Health and Safety Procedures and their commitment to adhere to Council’s Policies and Procedures.

Public Safety through Work Construction Site Fencing/Security and Signage.

Reputational – Low Risk.

Operational – Moderate Risk – Considered that there will need to be Workplace Activity/Modification during the Construction Period.

Natural Environment – Low Risk – Cleared Site prepared by Council Works Staff.

EXECUTIVE SUMMARY –

1. Council’s Manager of Works and Services and the Economic Development Project Officer independently assessed the Written Tenders and compiled the same “Shortlist of 3 Tenders”.

The Short Listed Tenders for the Council’s Consideration are:-

MAC Australia, Kwinana (Maintenance and Construction Services Australia Pty Ltd).

WBS Group, Northam

Q Design and Construct Pty Ltd, Burswood.

2. Project Rankings (as per the Tender Assessment Matrix) based on Assessment of the following:-

Compliance Criteria.

Demonstrated Relevant Experience.

Key Personnel Skills and Experience.

Tenderer’s Resources

Demonstrated Understanding of Project.

Following the Application of Pricing Consideration (weighted) the Tender Rankings were as follows:-

1. MAC	64.3	\$814,144 (Incl. GST)
2. WBS	63.5	\$618,057 (Incl. GST)
3. Q Design	62.5	\$784,412 (Incl. GST)

3. Council’s Economic Development Officer has undertaken Reference Checks on All Three (3) Shortlisted Tenderers and these Phone References were taken into account when scoring of the “Demonstrated Understanding” Criteria.

4. Council’s previously stated and preferred orientation of the New Workshop and Amenities is with the Offices/Public Entry/Amenities at the Southern End of the Site.

5. Two of the Shortlisted Tenders have the orientation of the amenities section to the Northern End of the Site, but it is considered by Management that the Southern Location adjacent the Main Depot Gates and the Sewer Line is the preferred Siting and all 3 Tenderers can accommodate this Specification without Cost Implications.

6. Councils’ Senior Officers consider that the Tender from (MAC’s) Maintenance and Construction Services Australia has the most complete Design and Tender for this Project and Reference Checks have confirmed that Company’s capabilities and Claims. The Chief Executive Officer acknowledges that there is a significant cost differential between the Three Shortlisted Tenderers.

7. Executive Staff are confident that the Project can be delivered within the \$1.0 Million Budget.

OFFICER RECOMMENDATION

That Council accept the Written Tender from Maintenance and Construction Services Australia Pty Ltd for the Design and Construction of the Works Depot Workshop and Staff Amenities for the amount of \$814,144 (Incl. GST).

4.53pm Cr Taylor entered the Meeting

159-16/17 MOVED Cr McRae seconded Cr Davies that

- 1. Council determine that Wheatbelt Steel Group (WBS) as the Preferred Tender for the Design and Construction Project for the Works and Depot Shed and Facilities.**
- 2. The Chief Executive Officer be granted Authority to discuss Design Variations with the Preferred Supplier in particular:-**
 - Bays 1 and 5 be swapped**
 - No Personnel Door on Bay 2**
 - Relocation of Storage Areas**
 - Discuss Ventilation – Whirly Birds versus Low Profile Vent**
 - Electric Roller Doors (with Manual Override)**
 - Mezzanine Floor option**
 - Maximum of 2 Roller Doors to the West Elevation**
 - Awnings over Roller Doors**
 - Verandah along the Southern/ South Western Elevation**
 - Noting that Design Modifications will be subject to Cost and Value for Money Testing**
- 3. That Council provide in the Project Budget for the Engagement of a Suitably Qualified/ Experienced Project Construction Manager.**
- 4. That the Chief Executive Officer report back to Council on the Outcome of the minor Design Variations and Negotiations with Wheatbelt Steel Group for Council to formally consider the Finalised Design and Confirmed Tender Price.**

CARRIED 6/0

Reason for Variation to the Officer's Recommendation.

- 1. That Council considered that the Tender from Wheatbelt Steel Group is the most cost advantageous for Council**
- 2. Council considered that the Design/Layout Concept Plan was the most preferred for the Project**

ITEM 4 CLOSURE

There being no further items to discuss the Chairperson declared the Meeting closed at 5.28 pm.

Signed..... 27/04/2017