

16 CONFIDENTIAL ITEMS**16.1 LAMEROO CHAMBERS AND COUNCIL OFFICES STAGE 3 WORKS TENDER - AWARD OF CONTRACT****RECOMMENDATION**

That:

1. Pursuant to Section 90(2) & (3) of the Local Government Act 1999 the Council orders that the public, with the exception of the Acting Chief Executive Officer, Manager Corporate Services, Acting Manager Infrastructure Services, Manager Property and Development Services, Coordinator Executive Services and the Minute Secretary be excluded from attendance at the meeting held on Wednesday 18 January 2023 for Agenda Item 16.1 Lameroo Chambers and Council Offices Stage 3 Works Tender - Award of Contract;
2. The Council is satisfied that pursuant to section 90 (3) (k) of the Local Government Act 1999, the information to be received, discussed or considered in relation to the Agenda Item 16.1 Lameroo Chambers and Council Offices Stage 3 Works Tender - Award of Contract is:
tenders for the supply of goods, the provision of services or the carrying out of works.
3. The Council is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed by the need to discuss this Agenda Item 16.1 in confidence.

**MOVED COUNCILLOR RON VALENTINE
SECONDED COUNCILLOR NEVILLE PFEIFFER**

That:

1. Pursuant to Section 90(2) & (3) of the Local Government Act 1999 the Council orders that the public, with the exception of the Acting Chief Executive Officer, Manager Corporate Services, Acting Manager Infrastructure Services, Manager Property and Development Services, Coordinator Executive Services and the Minute Secretary be excluded from attendance at the meeting held on Wednesday 18 January 2023 for Agenda Item 16.1 Lameroo Chambers and Council Offices Stage 3 Works Tender - Award of Contract;
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tenders for the supply of goods, the provision of services or the carrying out of works.
3. The Council is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed by the need to discuss this Agenda Item 16.1 in confidence.

CARRIED.

16.1 LAMEROO CHAMBERS AND COUNCIL OFFICES STAGE 3 WORKS TENDER - AWARD OF CONTRACT

Responsible officer: Shilo Wyatt, Manager Property and Development Services

- Attachments:**
1. Tyson Beck - Quote QU0021
 2. Tyson Beck GB Amended Tender - Lameroo Stage 3

Section under the Act	The grounds on which part of the Council or Committee may be closed to the public are listed in Section 90(2) & (3) of the <i>Local Government Act 1999</i> .
Sub-clause and Reason:	(k) - tenders for the supply of goods, the provision of services or the carrying out of works.

Executive Summary

This report enables Council to award the tender for Stage 3 refurbishment works at the Lameroo Chambers and Council Office.

Council allocated funding for both in the 22/23 budget for the design and implementation of refurbishment works to both the Lameroo & Pinnaroo Chambers and Council Offices.

Whilst council has completed the tendering for both projects the works identified are beyond the budgeted amount. The works at the Lameroo Chambers and Council Office is the more pressing of the two projects. Most significantly these works would allow for the automation of the front door which has been an issue for multiple older citizens especially on days with a strong northerly wind. The proposed works at Lameroo budget is insufficient for the works to be completed.

Council has undertaken a targeted formal tender processes in an effort to attract tender submissions for this project. A single tender for delivery of these works was received and has been assessed. The single tender was received from Tyson Beck General Building (see attachment 1). The tender proposal provides for a project cost of \$92,394.55 ex GST [Lameroo Chambers], however this cost can be reduced to approximately 68,025.46 ex GST if some planned works are removed from the design brief. The detailed tender submission document for the site is attached as is the amended tender scope as discussed with Tyson Beck.

RECOMMENDATION

That Council:

1. Increase the budget line Lameroo office works, by reallocating \$10,000 from the Pinnaroo office works budget line for a total allocation of \$68,964.00 (total cost) towards the Lameroo Council Office & Chambers upgrade.
2. Award the contract for Lameroo Council Office & Chambers Stage 3 Upgrade works to Tyson Beck General Building – Using the amended project scope (see attachment 2).

**MOVED COUNCILLOR NEVILLE PFEIFFER
SECONDED COUNCILLOR RON VALENTINE**

That Council:

- 1. Increase the budget line Lameroo office works, by reallocating \$10,000 from the Pinnaroo office works budget line for a total allocation of \$68,964.00 (total cost) towards the Lameroo Council Office & Chambers upgrade.**
- 2. Award the contract for Lameroo Council Office & Chambers Stage 3 Upgrade works to Tyson Beck General Building – Using the amended project scope (see attachment 2).**

CARRIED.

Background

Council's Strategic Plan, Goal 3, identifies that Council will deliver the services and facilities to meet community needs. One way that council achieves this is by investing in its public buildings. Lameroo & Pinnaroo Chambers and Council Offices are Council's primary community interfaces, and both require investment to renew them to bring them up to a modern standard.

As part of the building review Council recognised that the current work, meeting and entry spaces with both Lameroo & Pinnaroo Chambers and Council Offices were inadequate for modern meeting and working requirements.

Context

Council has experienced a protracted challenge in attracting a tenderer for these works. Council went directly to contractors to tender for Lameroo Chambers and Council Offices Stage 3 renewal works on 3 November 2022. The panel of companies were sent the tender specifications, the initial tender interest was high. However, there were no tenders submitted by the closure date 28 November 2022 despite several site visits by different contractors.

The Manager PDS then directly called all parties regarding tenders for this project. Through this process it was determined that 4 of the 5 interested parties were no longer interested even with a proposed tender extension date of 9 December 2022 however the 5th contractor Tyson Beck General Builder was happy to supply a tender. This tender was supplied on 6 December 2022, however it must be noted that the tendered amount is significantly over the budgeted amount.

At the close of the second tender deadline only a single tender was received from Tyson Beck General Building.

Policy and statutory implications

Council has a procurement policy and the tender process has been undertaken in accordance with the policy.

All Council purchases must be carried out in compliance with the Local Government Act 1999 (the Act). Section 49 (a1) of the Act requires Council to develop and maintain procurement policies, practices and procedures directed towards:

- Obtaining value in the expenditure of public money, and
- Providing for ethical and fair treatment of participants, and
- Ensuring probity, accountability and transparency in the procurement process.

Council is not obliged to accept the lowest tender or any tender.

Issues

The tender from Tyson Beck General Building was assessed to determine if it met the criteria in the tender document. Tender prices provided by Tyson Beck General Building are all GST exclusive, it should however be noted that prices are still fluctuating for some material and there are occasional delays in materials being available.

The amended agreed tender received from Tyson Beck General Building provides a cost for works at the Lameroo Chambers and Council Offices Stage 3 renewal works at \$69,025.46 ex GST this is however an estimated cost factoring in the removal of some aspects of the build.

The tender is considered to be fair and reasonable, and these changes will significantly improve the space and are therefore deemed to meet the tender specifications with the ability to complete the other identified works at a later date.

Tyson Beck General Building have previously completed the works on the Pinnaroo and Lameroo Chambers and Council Offices, and their work was finalised to a very high standard.

Given the difficulties associated with attracting a contractor and the timing of this awarding of contract, these works will now occur in the last half of 2023.

Alternate options

Council could run a new tender process. This is not recommended as it would delay the project further and because of the issues council has had in getting tenders for this work remain.

Financial implications

The contract for the subject works [Lameroo office] are not within the current budget line and will require council to reallocate funds from the Pinnaroo Office works budget line to Lameroo Office works budget line to see that the works are completed, council would then need to determine how to configure the works for the remaining of the 2022/23 budget allocated to the Pinnaroo Office. There is no impact on the overall budget

Work Health and Safety and Risk implications

There are no risk implications associated with this matter.

Consultation

Council included this capital allocation within the Annual Business Plan and Budget which was the subject of community consultation.



QUOTE

Southern Mallee District Council
 Day Street
 PINNAROO SA 5304
 AUSTRALIA

Date
 6 Dec 2022
 Expiry
 18 Jan 2023
 Quote Number
 QU-0021
 ABN
 36 650 988 999

Tyson Beck General
 Building Pty Ltd
 11 Third St
 LOXTON SA 5333
 AUSTRALIA

Description	GST	Amount AUD
Lameroo Council Chamber Railway Terrace North Lameroo S.A	10%	3,789.09
Stage 3 Entry		
Demo room complete to specifications Remove ceiling, insulation, doorways, windows & external doorway		
Remove all rubbish from site to local dump		
Re-frame ceiling to open gable Gyprock ceiling Frame nib timer walls frames 2550 to specifications	10%	8,336.36
Frame new external door way to support Automatic sliding door & windows steel post & LVL		
Supply & install	10%	9,578.18
R3 insulation Gyprock Fixed & flushed square set angles External angles		
Supply & Install 2 Industrial windows 2100 high x 2400 wide 1 Automatic glass sliding door Match with existing, either side of sliding door		21,000.00
Supply & install 8kw Panasonic Split system	10%	3,090.91
Reception desk Cabinetry Raised top 4m Std Postform Laminate Desk 4m Std Postform Laminate 6 soft/close draws PC SUM \$8,800		8,800.00

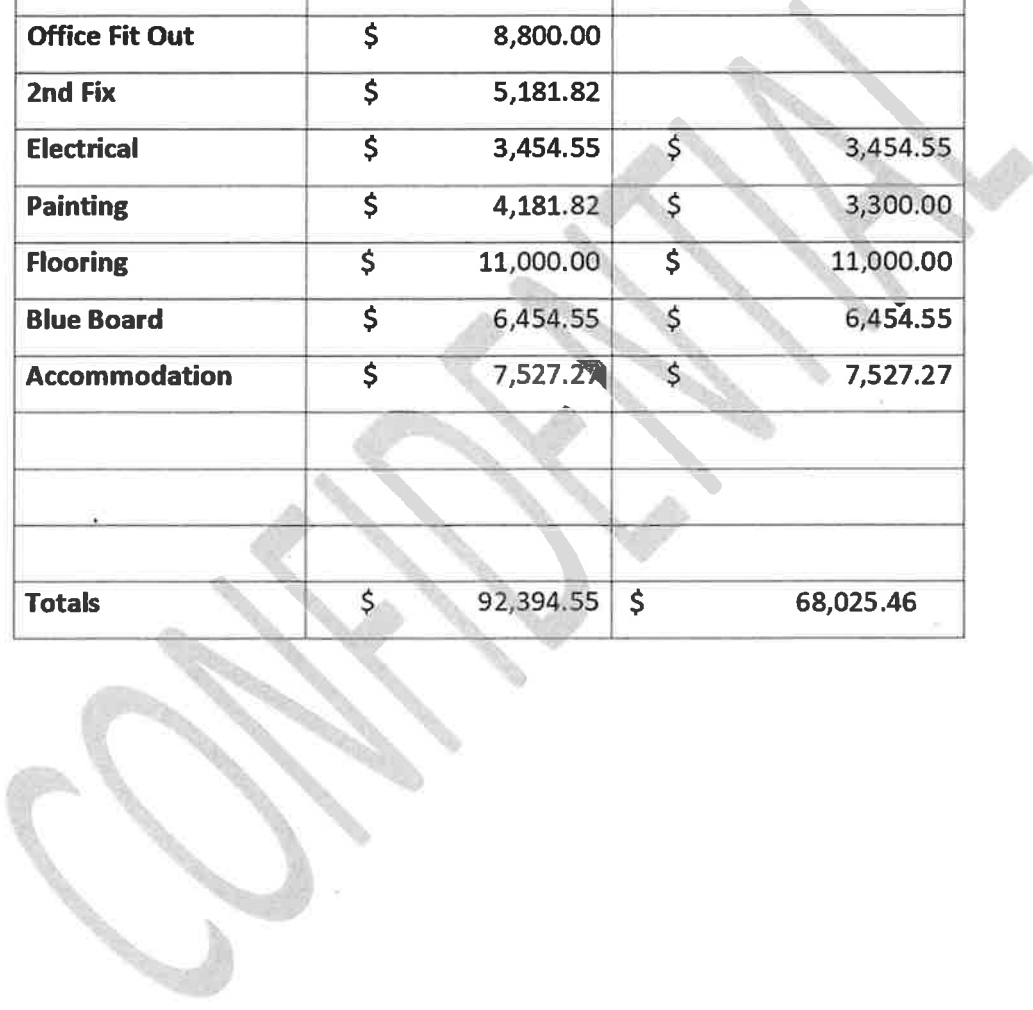
Description	GST	Amount AUD
2nd fix 3 new door & cavity slider Lock & 70mm skirting	10%	5,181.82
Electrical/data Disconnection 6/25 watt large LED downlight Dimmer light switch Power points Wall chasing 2 Exit light Upgrade RCD chamber	10%	3,454.55
Painting Paint internal 3 coat system ceilings, walls, skirts, door & frame	10%	4,181.82
Supplied & Install Vinyl Planks Lay over existing flooring Includes floor prep & leveling	10%	11,000.00
Blue board & render entry Finished texture coat Painted matching existing render	10%	6,454.55
Accommodation & Travel Expenses (Estimated approx. 20 nights)	10%	7,527.27
	Subtotal	92,394.55
	TOTAL GST 10%	6,259.45
	TOTAL AUD	98,654.00

Terms

Please note

- Quote does not cover cost of asbestos removal
- All waste to be relocated to the local dump
- Quote does not cover a significant price increase for materials

Scope	Original Quote	Amended Quote
Demo	\$ 3,789.09	\$ 3,789.09
Reframe	\$ 8,336.36	\$ 7,500.00
Gyprock	\$ 9,578.18	\$ 6,500.00
Door	\$ 21,000.00	\$ 18,500.00
A/C	\$ 3,090.91	
Office Fit Out	\$ 8,800.00	
2nd Fix	\$ 5,181.82	
Electrical	\$ 3,454.55	\$ 3,454.55
Painting	\$ 4,181.82	\$ 3,300.00
Flooring	\$ 11,000.00	\$ 11,000.00
Blue Board	\$ 6,454.55	\$ 6,454.55
Accommodation	\$ 7,527.27	\$ 7,527.27
Totals	\$ 92,394.55	\$ 68,025.46



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That having considered agenda Item 16.1 in confidence under section 90 (2) and (3) (k) of the Local Government Act 1999, the Council pursuant to section 91 (7) of the Act orders that the documents considered by the Council, including the officer's report and all minutes be retained in confidence. This order is to be reviewed at or before the ordinary Council meeting to be held in January 2024, as to if this order is to continue in operation.

**MOVED COUNCILLOR RON VALENTINE
SECONDED COUNCILLOR NEVILLE PFEIFFER**

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