

16 CONFIDENTIAL ITEMS**16.3 COMMUNITY INFRASTRUCTURE PROJECT - AWARDING OF CONTRACT (CHILDCARE CENTRE DECKING)****RECOMMENDATION TO MOVE INTO CONFIDENCE**

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 Chief Executive Officer be excluded from attendance at the meeting held on Wednesday 21 August 2019 for Agenda Item 16.3 Community Infrastructure Project - Awarding of Contract (Childcare Centre Decking);
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 16.3 Community Infrastructure Project - Awarding of Contract (Childcare Centre Decking) 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 16.3 in confidence.

**MOVED COUNCILLOR JEFFREY NICKOLLS
SECONDED COUNCILLOR REBECCA BOSELEY**

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 Chief Executive Officer, Manager Corporate Services, Manager Infrastructure Services, Coordinator Executive Services and minute secretary be excluded from attendance at the meeting held on Wednesday 21 August 2019 for Agenda Item 16.3 Community Infrastructure Project - Awarding of Contract (Childcare Centre Decking);
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 16.3 Community Infrastructure Project - Awarding of Contract (Childcare Centre Decking) 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 16.3 in confidence.

CARRIED.

16 CONFIDENTIAL ITEMS

16.3 COMMUNITY INFRASTRUCTURE PROJECT - AWARDING OF CONTRACT (CHILDCARE CENTRE DECKING)

Responsible officer: Jason Taylor, Chief Executive Officer

Attachments: 1. Quotation evaluation report - Pinnaroo and Lameroo Childcare centre decking ↓

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

The purpose of this report is to enable Council to determine the awarding of the lump sum contract for the development of decking at the childcare centres in Pinnaroo and Lameroo. There is a detailed quotation evaluation report attached to this report.

Council has received a detailed Southern Mallee Community Infrastructure Project (SMCIP) report to this council meeting. Expenditure on the childcare centre developments has exceeded the original project budget.

The development of a significant area of decking to the rear of each childcare centre is integral to the childcare centres. It is necessary for functionality of the centres. It was always outside of the contract with Ausco; the firm constructing the childcare centre buildings.

The preferred contractor for the development of the decking at the childcare centres has provided one quotation for work which would be replicated at each side. The total quotation amount is \$83,852.

This additional project cost will be presented to Council again in October when Council considers Budget Review 1 for the 2019/20 financial year.

The preferred contractor is Scott Meneghetti Carpentry for a lump sum contract price of \$83,852.00 (excluding GST).

RECOMMENDATION

That Council

- 1. approves additional budget expenditure on the Pinnaroo and Lameroo childcare centres for the development of decking at each facility of \$83,852.00.**
- 2. awards the lump sum contract for the development of decking at the childcare centres in Pinnaroo and Lameroo to Scott Meneghetti Carpentry for a contract price of \$83,852.00 (excluding GST)**

**MOVED COUNCILLOR REBECCA BOSELEY
SECONDED COUNCILLOR PAUL IRELAND**

That Council

1. approves additional budget expenditure on the Pinnaroo and Lameroo childcare centres for the development of decking at each facility of \$83,852.00.
2. awards the lump sum contract for the development of decking at the childcare centres in Pinnaroo and Lameroo to Scott Meneghetti Carpentry for a contract price of \$83,852.00 (excluding GST)

CARRIED.

Background

Council has detailed designs for the Pinnaroo and Lameroo childcare centres. Those designs were then used to support the request for quotation process. Council received quotations from two firms.

Context

Council at its meeting on 21 November 2018 endorsed the development of the Pinnaroo and Lameroo childcare developments and the Pinnaroo and Lameroo swimming pool upgrades as the projects to be funded by the Commonwealths Government's Drought Communities Programme.

Council has already completed all onsite preparatory works, the offsite construction of the childcare centres has been completed by Ausco and onsite installation has commenced.

Policy and statutory implications

Council has undertaken the request for quotation process and evaluation in accordance with its Procurement policy.

Issues

Council has been progressing the childcare centre development since the start of this year and has been focused on commissioning the construction of the facilities, obtaining all necessary approvals and preparing the site. The onsite building installation is the next major phase of development with the buildings being transported to site, connections to all utility services occurring and works such as decking, ramps, fencing and landscaping being undertaken.

An earlier report to this meeting provides a detailed overall project update, including a budget update.

The childcare service provided by Council is highly valued and the development of the two childcare centres will have significant social and economic benefits to the whole community for many years to come.

Alternate options

Council has no other obvious alternative to awarding the contract for this work. If this work is not undertaken the childcare centres could not be completed and would not be able to gain necessary Commonwealth and State Government approvals and could not operate.

Council can utilise accumulated savings to fund the increase in the total project budget for the overall childcare projects, including the installation of the decking. Alternatively Council could look at part, or wholly funding, an increase in the total project budget for the childcare centres by reallocation of funds from other projects in the 2019/20 annual business plan and budget. This is not recommended and should include community consultation if it is the preferred option.

Financial implications

The development of the two decking areas at each of the two new childcare centres will cost \$83,852. This amount is outside of Council's previously approved budget. If Council does not approve an increase to the overall budget amount then this part of the project cannot be undertaken and the childcare centres cannot be completed.

Council has accumulated savings. These projects are considered high value projects, in terms of their support from the community, and social and economic value to the community. The expenditure of accumulated savings on projects such as this can be justified.

Work Health and Safety and Risk implications

This report raises no new work health and safety issues. A decision not to deliver the decking projects, and thus not enable the completion of the childcare centre developments would be a very significant risk to Council's reputation. The projects have significant levels of community support. There would also be risks related to Commonwealth funding if Council decided not to complete the projects.

Consultation

There is a small project steering committee for the delivery of the two childcare centres with one elected member, Lameroo Regional Community School and Pinnaroo Primary School representation and relevant project staff. The community has been kept up to date on this project through regular project newsletters.

Council is in regular contact with relevant Commonwealth and State Government departments about this project.

Quotation evaluation report

Pinnaroo and Lameroo Childcare Centre Decking

1. Contract details

- 1.1 Type of contract:
This contract is a lump sum contract.
- 1.2 Term of contract:
28 August 2019 until 30 October 2019
- 1.3 Budget:
Commonwealth Government funding and Council's current year budget

2. Submitters

Two quotations were received by the closing date of 25 July 2019 at 5:00 pm.

Submitter	PRICE PER DECK	TOTAL PRICE
Scott Meneghetti Carpentry	\$41,926.00	\$83,852.00
Handbuilt Homes Riverland	\$43,505.45	\$87,010.90

Both quotations are considered to be conforming with the specification.

3. Evaluation panel

An evaluation panel was formed to evaluate the quotations received consisting of:

- CEO, Jason Taylor
- Property & Development Services Officer, Sara Hughes

4. Evaluation criteria

The quotations were evaluated according to the following criteria in order of priority and weighting:

- | | |
|--|-----|
| 1. Cost to council (direct and indirect) | 50% |
| 2. Response to specification/project brief | 25% |
| 3. Experience and qualifications | 25% |
| 4. Risk management | % |
| 5. Business capacity | % |
| 6. Financial capacity | % |
| 7. Quality management | % |

Selection Criteria 1 – Cost to Council			
<p>- Direct</p> <p>The tender/quotation price submitted for the provision of goods, services or works.</p> <p>- Indirect</p> <p>All costs associated with the management, including risk management and contract management, of the contract supervision shall be applied consistently to each tender submission. For example contract supervision, asset resource utilisation and risk management. Should significant differences in requirement of Council be apparent the comparative indirect costs borne by Council must form part of the evaluation.</p>			
No.	Submitter	Comments	Score
1.	Scott Meneghetti Carpentry	One single quote matching specification provided Both quotes close in price	Score 45 out of 50
2.	Handbuilt Riverland Homes	Hand built provided four options, the option closest to specification was used for evaluation	Score 40 out of 50

Selection Criteria 2 – Response to specification/project brief			
<p>A specification/project brief is a clear, complete and accurate statement of the description and technical requirements of a material, an item or a service. It may include the procedure to be followed to determine if the requirements are met.</p> <p>The submissions should incorporate a statement noting compliance or non compliance with the specification requirements. The tenders/quotations should also detail their proposed methodology to comply with the specification.</p>			
No.	Submitter	Comments	Score
1.	Scott Meneghetti Carpentry	detailed and clear description of works	Score 22.5 out of 25
2.	Handbuilt Riverland Homes	limited description of works and four options provided with no explanation two options did not match specification and one option exceeded the cost of the option being evaluated	Score 16 out of 25

Selection Criteria 3 – Experience and qualifications			
Details of the submitter’s previous experience with similar projects together with the qualifications of the submitting firm’s proposed staffing.			
No.	Submitter	Comments	Score
1.	Scott Meneghetti Carpentry	Evidence of experience with unique projects, such as renovations and remodeling of existing buildings	Score 20 out of 25
2.	Handbuilt Riverland Homes	Company has a great focus on new builds	Score 20 out of 25

TOTAL SCORES		
No.	Submitter	Total scores
1.	Scott Meneghetti Carpentry	Score 87.5 out of 100
2.	Handbuilt Homes Riverland	Score 76 out of 100

6. Evaluation

6.1 Evaluation scores

Submitter	Score
Scott Meneghetti Carpentry	87.5
Handbuilt Homes Riverland	76

As can be seen Scott Meneghetti Carpentry scored highest against the evaluation criteria.

7. Issues of concern

There are no issues of concern with Scott Meneghetti Carpentry. His quotation and project experiences demonstrates he has the capacity to deliver this project to a high quality.

8. Summary

Scott Meneghetti provided a clear quotation for this work demonstrating a good understanding of the project. He has considerable experience with bespoke building projects and works well with his client. He has completed many decking projects.

Handbuilt Homes Riverland's multiple options and less detail made their submission confusing.

9. Recommendation of evaluation panel

That Council awards the lump sum contract for the development of decking at the childcare facilities in Pinnaroo and Lameroo to Scott Meneghetti Carpentry for a contract price of \$83,852.00 (excluding GST).

Evaluation panel

Name: Sara Hughes Signature:  Date: 13/08/2019

Name: Jason Taylor Signature:  Date: 13/08/2019

RECOMMENDATION TO COME OUT OF CONFIDENCE

That having considered agenda Item 16.3 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 2020, as to if this order is to continue in operation.

**MOVED COUNCILLOR NEVILLE PFEIFFER
SECONDED COUNCILLOR MICK SPARNON**

That having considered agenda Item 16.3 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 2020, as to if this order is to continue in operation.

CARRIED.

17 URGENT BUSINESS

The inclusion of matters at a meeting on which there has been no public notification, no relevant report from officers and possible subsequent decisions of Council is not in keeping with the provisions or the tenor of the Act. The practice should be restricted to matters of urgency.

The Regulations provide that a member may, with leave of the meeting, raise a matter of urgency. In most circumstances it would be the principal member who seeks leave to introduce an urgent matter to the meeting.

Late items that the meeting does not resolve to be a matter of urgency should be deferred to the next meeting or a special meeting to allow time for public notification of the matter and for relevant input from officers and due reading time and consideration by members.

Nil.

18 MEETING CLOSED

Meeting closed at 8:57pm.

These minutes are to be taken as read and confirmed at the meeting of Ordinary Council Meeting on Wednesday 18 September 2019.

MAYOR CR ANDREW GRIEGER

.....

DATED Wednesday 18 September 2019