

14.2 Works Manager's Report dated November 2016

Recommendation

The Works Manager's report dated November 2016 is received

14.2.1 Confidential Item - Sealing Tenders

Recommendation

Pursuant to Section 90 [2] of the Local Government Act 1999 the Council orders that all persons, except the Chief Executive Officer, Works Manager, and the Minute Secretary be excluded from attendance at the meeting for Agenda Item 14.2.1 Sealing Tenders

The Council is satisfied that pursuant to section 90 [3] [k] of the Act, the information to be received, discussed or considered in relation to the Agenda Item is information the disclosure of which would involve tenders for the supply of goods, the provision of services or the carrying out of works

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 item in confidence because the disclosure would involve tenders for the supply of goods, the provision of services or the carrying out of works

Recommendation

Having considered item 14.2.1 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 item and the minutes, reports and all other records, relating to the matter be retained in confidence. This order is to be reviewed at the Ordinary Council Meeting to be held in October 2017, as to if this order is to continue in operation

Tender – Sealing Works 2016/17

Southern Mallee district Council issued a selective Tender for sealing works incorporating 6.9km of new works and reseals throughout the district

The Tender closed 5pm 4 November 2016

Tenders were submitted electronically

There were a total of 4 companies selected to take part in the tender process and all provided a response.

An evaluation was undertaken on all tenders and the following information is supplied

All Prices are Ex GST and line marking to be included in the price

Company	Price per m2 Geranium South	Price per m2 District Reseals [budget \$446,000]	Total overall dollar value	Binder Variation
Fulton Hogan	\$6.28 [\$351,680]	\$4.08 [\$674,179]	\$1,025,589	\$0.12Lm2
InRoads	\$5.69 [\$323,192]	\$3.15 [\$520,506]	\$843,698	\$0.05Lm2
Boral	\$4.96 [\$277,760]	\$3.23 [\$533,725]	\$811,485	\$0.08Lm2
SMS Bitumen	No Price Submitted			

Price includes delivery of aggregate as well as traffic control

All tenderers except SMS Bitumen have a Binder rate variation which may be used after assessment of the road and formulated seal design. **Please note that all of the companies that tendered have not assessed the roads individually**

Council's assessment criteria for this project is outlined as follows

Price 80%

Capacity- Project Plan 10%

Relevant Experience 10%

From the figures provides Fulton Hogan are very highly priced compared to Boral and Inroads and therefore should not be awarded the contract

Inroads have again been very competitive in their pricing especially with reseal works

Boral have overall come in the lowest price on the back of the price for new work on the Geranium South road

All tenders had different application rates for their binders and variation rates are given as per the table. These are given because once a detailed inspection has occurred then seal design is formulated. All application rates at this stage are default rates, therefore these figures will change it will be just a matter of how much once the inspection has occurred. All tenders have highlighted that seal design will be adjusted if they are successful.

This is why given that Inroads has prior knowledge of the roads to reseal [application rates are closer to the mark as per previous work] and their undertaking of the new Geranium South Road works last financial year, even though at this stage their price is higher for the New Works Geranium South Road, their price for reseals is superior and given that the opportunity to cover more area due to the budget figure of \$661,000 for reseal work I recommend that Inroads be awarded the contract for Sealing of Council Roads

Council has previously used inroads on 3 occasions for sealing works 2010, 2013 and 2016 and all work has been done to the highest quality and on time

Sealing Work since 2010

Fulton Hogan - \$75,000 [2010]

\$58,500 [2011]

\$217,000 [2012]

Inroads- \$74,000 [2010]

\$171,000 [2013]

\$629,000 [2016]

SMS Bitumen- \$146,275 [2014]

14 Reports

14.2 Works Manager's Report dated November 2016

Cr Neville Pfeiffer moved Cr Brian Toogood seconded that the Works Manager's report dated November 2016 is received

Carried 24 / 1116

14.2.1 Confidential Item - Sealing Tenders

Cr Allan Dunsford moved Cr Stacey Milde seconded that pursuant to Section 90 [2] of the Local Government Act 1999 the Council orders that all persons, except the Chief Executive Officer, Works Manager, and the Minute Secretary be excluded from attendance at the meeting for Agenda Item 14.2.1 Sealing Tenders

The Council is satisfied that pursuant to section 90 [3] [k] of the Act, the information to be received, discussed or considered in relation to the Agenda Item is information the disclosure of which would involve tenders for the supply of goods, the provision of services or the carrying out of works

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 item in confidence because the disclosure would involve tenders for the supply of goods, the provision of services or the carrying out of works at 11.26 am

Carried 25 / 1116

Cr Neville Pfeiffer moved Cr Allan Dunsford seconded that Inroads be awarded the contract for the Sealing of Council Roads for the 2016 / 2017 financial year

Carried 26 / 1116

Cr Allan Dunsford moved Cr Brian Toogood seconded that having considered item 14.2.1 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 item and the minutes, reports and all other records, relating to the matter be retained in confidence. This order is to be reviewed at the Ordinary Council Meeting to be held in October 2017, as to if this order is to continue in operation at 11.35 am

Carried 27 / 1116