



Shire of
Serpentine
Jarrahdale

Special Council Meeting

Confirmed Minutes

6.30pm

Monday 12 November 2018

- Purpose:** Award Tender - RFT11/2018 Street Tree Maintenance
Award Contract - RFQ14/2018 Jarrahdale Road Rehabilitation Works
Award Contract - RFQ20/2018 Road Rehabilitation - Rowley Road and Gossage Road
WITHDRAWN – Award Contract - RFQ21/2018 Australian Government Black Spot Program - Kingsbury Drive and Karnup Road
Award Contract - RFQ22/2018 Insitu Concrete Paths
Award Contract - RFQ23/2018 Purchase of a Grader

Contact Us

Enquiries

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In Person

Shire of Serpentine Jarrahdale
6 Paterson Street, Mundijong WA 6123
Open Monday to Friday 8.30am-5pm (closed public holidays)



www.sjshire.wa.gov.au



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The purpose of this Special Council Meeting is to discuss and, where possible, make resolutions about items appearing on the agenda. Whilst Council has the power to resolve such items and may in fact, appear to have done so at the meeting, no person should rely on or act on the basis of such decision or on any advice or information provided by a Member or Officer, or on the content of any discussion occurring, during the course of the meeting. Persons should be aware that the provisions of the *Local Government Act 1995* (Section 5.25(1)(e)) and *Council's Standing Orders Local Law 2002 (as amended)* – Part 14, Implementing Decisions. No person should rely on the resolutions made by Council until formal advice of the Council resolution is received by that person.

The Shire of Serpentine Jarrahdale expressly disclaims liability for any loss or damage suffered by any person as a result of relying on or acting on the basis of any resolution of Council, or any advice or information provided by a Member or Officer, or the content of any discussion occurring, during the course of the Council meeting.



Minutes of the Special Council Meeting of the Shire of Serpentine Jarrahdale held on Monday 12 November 2018 in the Council Chambers, Civic Centre, 6 Paterson Street, Mundijong.

The Shire President, Cr Rich declared the meeting open at 6.30pm and welcomed Councillors and Staff, and members of the gallery and media, and acknowledged that the meeting was being held on the traditional land of the Noongar People and paid her respects to their Elders past and present.

Minutes

1. Attendances and apologies (including leave of absence):

In Attendance:

Councillors: M RichPresiding Member
D Atwell
M Byas
R Coales
B Denholm
K McConkey
J See

Officers: Mr K Donohoe Chief Executive Officer
Ms H Sarcich Deputy CEO / Director Community Services
Mr F Sullivan Director Corporate Services
Mr S Harding Director Infrastructure Services
Mr A Bowman Manager Governance
Ms A Liersch Agendas and Minutes Officer (Minute Taker)

Leave of Absence:

Apologies: Councillor D Gossage;

Observers:

Members of the Public – 1

Members of the Press – Nil.

Shire Officers – Mr A Bowman, Manager Governance;

Mr M Younger, Manager Information, Communication and Technology;

Mr J Gault, Manager Operations (arrived at the meeting at 6.32pm),



2. Public question time:

2.1 Response to previous public questions taken on notice

Nil.

2.2 Public questions

Nil.

3. Public statement time:

Nil

4. Petitions and deputations:

Nil

5. Declaration of Councillors and Officers interest:

Councillor Rich declared a Financial Interest in items SCM014/11/18; SCM015/11/18 and SCM016/11/18 as money received for service from clients. Councillor Rich will leave the Chambers while this item is discussed.

6. Receipt of minutes or reports and consideration of adoption of recommendations from Committee meetings held since the previous Council meetings:

SCM013/11/18 – Award Tender - RFT11/2018 Street Tree Maintenance (SJ2690)	
Responsible Officer:	Manager Operations
Senior Officer/s:	Director Infrastructure Services
Disclosure of Officers Interest:	No officer involved in the preparation of this report has an interest to declare in accordance with the provisions of the <i>Local Government Act 1995</i> .

Report Purpose

To advise Council of submissions received in relation to Tender RFT11/2018 Street Tree Maintenance and for Council to award the contract to the best value for money tenderer as proposed by the evaluation panel recommendation.

Relevant Previous Decisions of Council

OCM215/10/15 resolved that Council:

1. Award the Tender submitted by Kennedy's Tree Services for the provision of Tree Management Services for the period 1 November 2015 to 31 October 2017.
2. Authorise the Chief Executive Officer to approve a one year extension in accordance with the Tender.



Background

As part of the Shire's ongoing requirement for the management of trees, a Tender was prepared and advertised seeking suitable tree lopping contractors to undertake tree pruning, tree removal and associated works for the Shire for a three year period.

The previous Tree Management Contract RFT03/2015 expired 31 October 2018 and a replacement supplier arrangement is required for Council to be able to continue with efficient delivery of its tree management services. The Shire has the capacity for some remedial works in-house but lacks appropriately skilled staff and specific equipment required for high risk works i.e. larger trees and locations close to power lines. It is envisaged that this contractor will do approximately 40% of the Shire's tree maintenance.

An external contractor is required as risk management requirements, purchase and maintenance of specialised equipment and additional staff training would not be best value Council expenditure at this time.

Community / Stakeholder Consultation

N/A

Submissions

Tenders were advertised in The West Australian newspaper on Wednesday 5 September 2018 and closed at 2.00pm on 20 September 2018.

Tenders submitted:

Company Name
Beaver Tree Services Aust Pty Ltd
ETS Vegetation Management
Kennedys Tree Services Pty Ltd
Trees need Tree Surgeons
Thomas Tree Services WA Pty Ltd
Tree Care Pty Ltd
Associated Tree Services
WA Tree Works

The Tender, once awarded, will provide a continuation of previously provided tree management services and once introduced will meet the service provision requirements for management of street trees, road reserve clearing and the Shire clearing for power line requirements.

Evaluation Panel

An evaluation panel was convened and consisted of the following personnel:

- Manager Operations
- Coordinator Parks and Gardens



- Supervisor Parks and Gardens

All members of the evaluation panel have made a conflict of interest declaration in writing confirming that they have no relationships with any of the tenders. Each member of the panel assessed the quotes separately.

Evaluation Criteria

EVALUATION CRITERIA	WEIGHTING
Relative Experience	20%
Key Personnel Skills and Resources	20%
Demonstrated understanding	10%
Price	50%

Statutory Environment

Section 3.57 (1) of the *Local Government Act 1995* requires a local government to invite tenders before it enters into a contract of a prescribed kind under which another person is to supply the goods or services.

Comment

Submissions have been assessed by the Evaluation Panel against the evaluation criteria defined within the quote specification: Relevant Experience, Key Personnel, Skills and Resources, Demonstrated Understanding and Price.

Following the assessment of tenders against the criteria detailed in the tender specification, the tender submitted by Tree Care Pty Ltd was assessed as being the best value for money and meets the Shire's operational requirements.

Options and Implications

As part of the 2018/19 budget the project total delivery cost as submitted by the recommended successful submitter falls within the allocated Operations budget.

The following options have been identified.

Option 1 –

Award the contract as recommended in the Confidential Evaluation Report to Tree Care Pty Ltd.

Option 2 –

Not award the contract and retender.

Option 3 –

Not award the contract and not retender i.e. – nil action.



Conclusion

Tree Care Pty Ltd has been assessed as per Confidential Evaluation Report as being able to meet the requirements of the contract and it is recommended that Council support Option 1 that the contract be awarded to Tree Care Pty Ltd. The tenderer met the requirements for Relevant Experience; Key Personnel, Skills and Resources; and Demonstrated Understanding and resulted in the best value for money when taking price into account.

Attachments

- SCM013.1/11/18 **Confidential** - RFT11/2018 Street Tree Maintenance - Evaluation Report (E18/12304)
- SCM013.2/11/18 **Confidential** - RFT11/2018 - Street Tree Maintenance - Pricing Schedule Tree Care (E18/12305)

Alignment with our Strategic Community Plan

Outcome 4.1	A resilient , efficient and effective organisation
Strategy 4.1.1	Provide efficient, effective, innovative, professional management of Shire operations to deliver the best outcome for the community within allocated resources

Financial Implications

The proposed contract is a Schedule of Rates Contract. The volume of work historically has been up to the value of approximately \$600,000 per annum. Operations have the ability to ensure that costs associated with tree pruning services is retained within Council's 2018/19 budget allocation. It is expected that this cost will drop as the Shire recently purchased a 6 tonne tree mulcher truck and mulcher to undertake low risk in-house tree maintenance.

Risk Implications

Risk has been assessed on the basis of the Officer's Recommendation.

Risk	Risk Likelihood (based on history and with existing controls)	Risk Impact / Consequence	Risk Rating (Prior to Treatment or Control)	Principal Risk Theme	Risk Action Plan (Controls or Treatment proposed)
Not awarding the tender	Unlikely (2)	Moderate (3)	Moderate (5-9)	Financial Impact - 4 Major - \$500,000 - \$2M	Accept Officer Recommendation



Risk Matrix

Consequence Likelihood		Insignificant	Minor	Moderate	Major	Catastrophic
		1	2	3	4	5
Almost Certain	5	Medium (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Medium (8)	High (12)	High (16)	Extreme (20)
Possible	3	Low (3)	Medium (6)	Medium (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Medium (6)	Medium (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Medium (5)

A risk is often specified in terms of an event or circumstance and the consequences that may flow from it. An effect may be positive, negative or a deviation from the expected and may be related to the following objectives; occupational health and safety, financial, service interruption, compliance, reputation and environment. A risk matrix has been prepared and a risk rating of 6 has been determined for this item. Any items with a risk rating over 10 (considered to be high or extreme risk) will be added to the Risk Register, and any item with a risk rating over 17 will require a specific risk treatment plan to be developed.

Voting Requirements: Absolute Majority

SCM013/11/18 COUNCIL RESOLUTION / Officer Recommendation

Moved Cr Denholm, seconded Cr Byas

That Council awards Tender RFT11/2018 Street Tree Maintenance to Tree Care Pty Ltd for a period of 3 years commencing financial year 2018/19, based on the schedule of rates in confidential attachment SCM013.2/11/18 RFT11/2018 - Street Tree Maintenance - Pricing Schedule Tree Care.

CARRIED BY ABSOLUTE MAJORITY 6/1

Councillor Byas, in accordance with Section 5.21(4)(b), *Local Government Act 1995* requested the votes be recorded.

Councillors Rich, Atwell, Byas, Denholm, McConkey and See voted FOR the motion.

Councillor Coales voted AGAINST the motion.



Shire President, Councillor Rich declared a Financial Interest in SCM014/11/18; SCM015/11/18 and SCM016/11/18 and left the Chambers at 6.38pm prior to these items being discussed.

The Presiding Member, Councillor Rich vacated the chair and Deputy Shire President, Councillor Atwell assumed the chair as Presiding Member at 6.38pm.

SCM014/11/18 – Award Contract - RFQ14/2018 Jarrahdale Road Rehabilitation Works (SJ2695)	
Responsible Officer:	Manager Infrastructure and Assets
Senior Officer/s:	Director Infrastructure Services
Disclosure of Officers Interest:	No officer involved in the preparation of this report has an interest to declare in accordance with the provisions of the <i>Local Government Act 1995</i> .

Report Purpose

To advise Council of submissions received in relation to RFQ14/2018 Jarrahdale Road Rehabilitation Works and to award a contract.

Relevant Previous Decisions of Council

The project was approved by Council as part of the 2018/19 financial year capital project.

Background

Through a successful application to the Metropolitan Regional Road Group, the Shire received grant funding allocation of \$618,133.33 to rehabilitate the Jarrahdale Road pavement between approximately 380m after Jubb Road to Nettleton Road. The pavement rehabilitation works will involve resurfacing the road.

The total project budget is \$927,200.00 made up of a two third contribution from the State Government via the Metropolitan Regional Road Group funding to a value of \$618,133.33 and a one third contribution by the Shire to a value of \$309,066.67.

As part of road rehabilitation works, the Shire also decided to replace a 900mm diameter culvert under Jarrahdale Road that has fallen into disrepair. The funding of the replacement of the culvert is \$50,000 through municipal funding currently within the 2018 /19 budget.

Community / Stakeholder Consultation

N/A

Submissions

The Request for Quote RFQ14/2018 for the Jarrahdale Road rehabilitation and culvert replacement was advertised on the WALGA eQuote Vendor Panel website on 11 September 2018 and closed at 2.00pm on 26 September 2018.



Submissions were received with four of these summarised in the request for quote assessment included at the attachment SCM114.1/11/18 - Confidential - RFQ14/2018 Road Rehabilitation - Jarrahdale Road - Evaluation Report:

At the time of request for quote closure, only four submissions were in the electronic request for quote box. All received submissions comply with the request for quote guidelines.

Submissions were received from the following companies:

Company Name
Densford Civil Pty Ltd
Dowsing Group
RCA Civil Group
WCP Civil Pty Ltd

Evaluation Panel

An evaluation panel was convened and consisted of the following personnel:

- Manager Infrastructure and Assets
- Coordinator Design
- Coordinator Projects and Assets
- Senior Subdivisions Engineer

All members of the evaluation panel have made a conflict of interest declaration in writing confirming that they have no relationships with any of the quoters. Each member of the panel assessed the quotes separately.

EVALUATION CRITERIA	WEIGHTING
Price with quantities	55%
Relevant experience with: <ul style="list-style-type: none">• Details of similar work (type, size and budget)• Quoters involvement including details of outcome• Details of issues and how these were managed• Any additional information	15%
Quoters' Resources, Key Personnel, Skills and Experience with <ul style="list-style-type: none">• Key personnel's role in the performance of the contract, including their experience in similar projects• Curriculum Vitae of key personnel• Plant, equipment and materials• Resources availability schedule, including any contingency measures or back up of resources• Details of subcontractors and major suppliers of goods and services	15%
Demonstrated Understanding/Experience with	15%



EVALUATION CRITERIA	WEIGHTING
<ul style="list-style-type: none">• Project schedule• Process for delivery of goods/services• Project Management Plan• Occupational Health and Safety Management Plan• Critical assumptions• Any additional information	

Comment

Based on the request for quote value for money assessment, the evaluation panel recommended submission is RCA Civil Group (see attachments SCM114.1/11/18 - Confidential - RFQ14/2018 Road Rehabilitation - Jarrahdale Road - Evaluation Report and SCM114.2/11/18 - RFQ14/2018 - Road Rehabilitation - Jarrahdale Road - Pricing Schedule RCA Civil Group).

Statutory Environment

Section 3.57 (1) of the *Local Government Act 1995* requires a local government to invite tenders before it enters a contract of a prescribed kind under which another person is to supply the goods or services. However the *Local Government (Functions and General) Regulations 1996* states:

Part 4; 11.(2) Tenders do not have to be publicly invited according to the requirements of this Division if —

- (b) the supply of the goods or services is to be obtained through the WALGA Preferred Supplier Program

Quotes were sought via the WALGA preferred supplier program.

Options and Implications

As part of the 2018/19 budget the project total delivery cost as submitted by the recommended successful submitter falls within the allocated budgets which are:

- \$927,200.00 for the road rehabilitation works and
- \$50,000.00 for the culvert replacement work.

Assuming the Council is inclined to proceed with the project in its entirety.

Option 1

Award the contract per officer's recommendation to RCA Civil Group as per attachment SCM114.1/11/18 - Confidential - RFQ14/2018 Road Rehabilitation - Jarrahdale Road - Evaluation Report.

Option 2

Not award the contract to RCA Civil Group as recommended by officer and make alternative decision or delay the projects until such time a new request for quote is undertaken and a new respondent selected.

Option 3

Not award the contract and requote.



Option 4

Not award the contract and not requote, i.e., - nil action

Conclusion

It is recommended that Council approve Option 1 and award RFQ 14/2018 for the construction of civil works for Jarrahdale Road rehabilitation and culvert replacement to RCA Civil Group with overall ranking of 1.

Attachments

- SCM014.1/11/18 **Confidential** - RFQ14/2018 Road Rehabilitation - Jarrahdale Road - Evaluation Report (E18/12301)
- SCM014.2/11/18 **Confidential** – RFQ14/2018 - Road Rehabilitation - Jarrahdale Road - Pricing Schedule RCA Civil Group (E18/12313)

Alignment with our Strategic Community Plan

Objective 2.1	Responsible Management
Key Action 2.1.1	Undertake best practice financial and asset management
Outcome 3.3	An innovative, connected transport network
Strategy 3.1.1	Maintain, enhance and rationalise the Shire’s transport network in accordance with affordable sound Asset Management Plans

Financial Implications

Budgets are allocated in the 2018/19 capital works budget to undertake the works. The allocated budgets are:

- \$927,200.00 for the road rehabilitation works and
- \$50,000.00 for the culvert replacement work.

Risk Implications

Risk has been assessed on the basis of the Officer’s Recommendation.

Risk	Risk Likelihood (based on history and with existing controls)	Risk Impact / Consequence	Risk Rating (Prior to Treatment or Control)	Principal Risk Theme	Risk Action Plan (Controls or Treatment proposed)
Not awarding the tender	Unlikely (2)	Moderate (3)	Moderate (5-9)	Reputation - 3 Moderate - Substantiated, public embarrassment, moderate impact on key	Accept Officer Recommendation



				stakeholder trust or moderate media profile	
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Risk Matrix

Consequence Likelihood		Insignificant	Minor	Moderate	Major	Catastrophic
		1	2	3	4	5
Almost Certain	5	Medium (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Medium (8)	High (12)	High (16)	Extreme (20)
Possible	3	Low (3)	Medium (6)	Medium (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Medium (6)	Medium (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Medium (5)

A risk is often specified in terms of an event or circumstance and the consequences that may flow from it. An effect may be positive, negative or a deviation from the expected and may be related to the following objectives; occupational health and safety, financial, service interruption, compliance, reputation and environment. A risk matrix has been prepared and a risk rating of 6 has been determined for this item. Any items with a risk rating over 10 (considered to be high or extreme risk) will be added to the Risk Register, and any item with a risk rating over 17 will require a specific risk treatment plan to be developed.

Voting Requirements: Absolute Majority

SCM014/11/18 COUNCIL RESOLUTION / Officer Recommendation

Moved Cr McConkey, seconded Cr Denholm

That Council awards Contract RFQ14/2018 Jarrahdale Road Rehabilitation Works to RCA Civil Group for \$927,439.77 excluding GST.

CARRIED BY ABSOLUTE MAJORITY 6/0



SCM015/11/18 – Award Contract - RFQ 20/2018 Road Rehabilitation – Rowley Road and Gossage Road (SJ2696)	
Responsible Officer:	Manager Infrastructure and Assets
Senior Officer/s:	Director Infrastructure Services
Disclosure of Officers Interest:	No officer involved in the preparation of this report has an interest to declare in accordance with the provisions of the <i>Local Government Act 1995</i> .

Report Purpose

To advise Council of submissions received in relation to RFQ20/2018 Road Rehabilitation – Rowley Road and Gossage Road and recommend the best value for money quote and for Council to award the contract to the preferred quoter.

Relevant Previous Decisions of Council

There is no previous Council decision relating to this issue.

Background

As part of its effort to keep the Shire's road pavement to high standard and make the road safe to drive, the Shire applied for 'Road Rehabilitation' grant funding through the Metropolitan Regional Road Group and the Road-to-Recovery program to rehabilitate the existing road pavement for:

- Rowley Road from Nicholson Road to 230m east.
- Gossage Road pavement improvement over 980m starting 560m east of Boomerang Road and extending 420m west of Boomerang Road.

Rowley Road is funded through the Metropolitan Regional Group funds and Gossage Road was funded through the Road-to-Recovery funds.

Council was successful in achieving funding to the value of:

- \$58,133.33 for Rowley Road. The Shire is to match that contribution by \$29,066.67 taking the total budget allocated to the project to \$87,200.00.
- \$386,090.00 for Gossage Road. This is inclusive of \$134,700.00 funded through municipal fund drawn from reserve.

Request for Quote

Estimating of the total project cost was assisted by previous civil works cost and officers' experience with the civil construction industry, however the total project cost was still subject to market forces.

The submissions for the request for quote prices for the Rowley Road project, combined with the other project elements, were substantially outside a reasonable budget, therefore the draft contract was reviewed and negotiated by reducing the scope of the works to fit within Council's allocated budget.



Community / Stakeholder Consultation

N/A

Submissions

The Request for Quote RFQ20/2018 Road Rehabilitation – Rowley Road and Gossage Road, was advertised on the WALGA eQuote Vendor Panel website on 6 September 2018 and closed at 2.00pm on 21 September 2018.

Four (4) submissions were received and summarised in the request for quote evaluation included in the confidential attachment SCM015.2/11/18 – Confidential - RFQ20/2018 Road Rehabilitation – Rowley Road and Gossage Road - Evaluation Report. All received submissions comply with the request for quote guidelines.

Submissions were received from the following companies:

Company Name
Densford Civil Pty Ltd
Dowsing Group
RCA Civil Group
WCP Civil Pty Ltd

Evaluation Panel

An evaluation panel was convened and consisted of the following personnel:

- Manager Infrastructure and Assets;
- Coordinator Design
- Coordinator Project and Assets; and
- Senior Engineer Subdivisions.

All members of the evaluation panel have made a conflict of interest declaration in writing confirming that they have no relationships with any of the quoters. Each member of the panel assessed the quotes separately.

EVALUATION CRITERIA	WEIGHTING
Price with quantities	55%
Relevant experience with: <ul style="list-style-type: none">• Details of similar work (type, size and budget)• Quoters involvement including details of outcome• Details of issues and how these were managed• Any additional information	15%
Quoters' Resources, Key Personnel, Skills and Experience with <ul style="list-style-type: none">• Key personnel's role in the performance of the contract, including their experience in similar projects	15%



EVALUATION CRITERIA	WEIGHTING
<ul style="list-style-type: none">• Curriculum Vitae of key personnel• Plant, equipment and materials• Resources availability schedule, including any contingency measures or back up of resources• Details of subcontractors and major suppliers of goods and services	
Demonstrated Understanding/Experience with <ul style="list-style-type: none">• Project schedule• Process for delivery of goods/services• Project Management Plan• Occupational Health and Safety Management Plan• Critical assumptions• Any additional information	15%

Comment

While the submissions are all of high quality with proven records in the delivery of similar projects, the proposed delivery cost for the Rowley Road project came in over the allocated budget while that for Gossage came under budget. Both projects were cost estimates based on previous market forces and available cost statistics, however, the current market dictated higher costs than budgeted for the Rowley Road project. The projects were funded under different grant and therefore there is no opportunity to transfer budget between project.

The current Council 2018/19 capital budget shows no opportunity to increase the budget to deliver the Rowley Road project above the allocated budget. As a consequence, a project scope adjustment was implemented and sent to all submitters with request to resubmit project completion price. The scope adjustment focused on reducing the area of pavement to be rehabilitated, while ensuring no detrimental impact on road and traffic safety and traffic flow effectiveness. Resubmission was received back from all four submitters and was reassessed by officers. The re-assessment only impact the price component.

Based on the request for quote assessment, the Evaluation Panel's recommended submission are:

- RCA Civil Group for the Gossage Road, and
- WCP Civil Pty Ltd for the Rowley Road project

The quote assessment, for all quotes, was based on a lump sum price. The prices submitted for the recommended contractor are documented in confidential attachment SCM015.2/11/18 RFQ20/2018 - Road Rehabilitation – Rowley Road and Gossage Road - Pricing Schedule.

Statutory Environment

Section 3.57 (1) of the *Local Government Act 1995* requires a local government to invite Tenders before it enters a contract of a prescribed kind under which another person is to supply the goods or services.

(2) Tenders do not have to be publicly invited according to the requirements of this Division if —



(b) the supply of the goods or services is to be obtained through the WALGA Preferred Supplier Program

Quotes were sought via the WALGA preferred supplier program.

Options and Implications

A capital budget was allocated to the Rowley Road Rehabilitation project as part of the 2018/19 budget. The budget was allocated based the Metropolitan Regional Road Group's unit rate for road rehabilitation treatment. However, the current market provided a higher construction cost compared to the allocated budget.

The following options have been identified:

Option 1

Award the two projects as separable portions to RCA Civil Group as per attachment SCM015.2/11/18. As part of the 2018-19 budget, adjust the budget to complete the Rowley Road project in its entirety. The budget adjustment being limited to the actual funds required and to be sourced from reserve.

Option 2

Award the projects as separable portions, as per attachment SCM015.2/11/18, with:

- The Gossage Road's road rehabilitation project awarded to RCA Civil Group, and
- The Rowley Road's road rehabilitation project awarded to WCP Civil Pty Ltd as per the reduction of the Rowley Road project scope to remain inside the 2018-19 allocated budget.

As part of the 2018-19 budget, there will be no increase to the budget.

Option 3

Not award the contract and requote.

Option 4 –

Not award the contract and not requote i.e. – nil action.

Option 2 is the recommended option. Officers have redefined the Rowley Road project scope and scaled it back with rehabilitation of the essential pavement width for the section of road. Widening of the road shoulder will be pursued in future year through road improvement funding.

Conclusion

It is recommended that Council award the two projects as separable portions by awarding the Gossage Road project to RCA Civil Group and the Rowley Road project to WCP Civil Pty Ltd as per confidential SCM015.1/11/18 - Confidential - RFQ20/2018 Road Rehabilitation - Rowley Road and Gossage Road - Evaluation Report. The recommendation is based on the reduction of the Rowley Road Rehabilitation project's scope to remain inside the 2018/19 allocated budget. As part of the 2018/19 budget, there will be no increase to the budget required.



Attachments

- SCM015.1/11/18 - **Confidential** - RFQ20/2018 Road Rehabilitation - Rowley Road and Gossage Road - Evaluation Report (E18/12241)
- SCM015.2/11/18 – **Confidential** - RFQ20/2018 Road Rehabilitation – Rowley Road and Gossage Road - Pricing Schedule RCA Civil Group (E18/12311)

Alignment with our Strategic Community Plan

Objective 2.1	Responsible Management
Key Action 2.1.1	Undertake best practice financial and asset management
Outcome 3.3	An innovative, connected transport network
Strategy 3.1.1	Maintain, enhance and rationalise the Shire's transport network in accordance with affordable sound Asset Management Plans

Financial Implications

The financial implications of the projects are discussed above, and recommendation is to narrow the scope of the projects to bring them into the 2018/19 allocated budget.

In this respect, the Shire's Infrastructure Services reviewed the scope of Rowley Road project and achieved favourable. Both project can be implemented within the allocated budgets of:

- \$87,200.00 for Rowley Road, and
- \$386,090.00 for Gossage Road.

Risk Implications

Risk has been assessed on the basis of the Officer's Recommendation.

Risk	Risk Likelihood (based on history and with existing controls)	Risk Impact / Consequence	Risk Rating (Prior to Treatment or Control)	Principal Risk Theme	Risk Action Plan (Controls or Treatment proposed)
Not awarding the quote	Unlikely (2)	Moderate (3)	Moderate (5-9)	Financial Impact - 3 Moderate - \$250,000 - 500,000	Accept Officer Recommendation



Risk Matrix

Consequence Likelihood		Insignificant	Minor	Moderate	Major	Catastrophic
		1	2	3	4	5
Almost Certain	5	Medium (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Medium (8)	High (12)	High (16)	Extreme (20)
Possible	3	Low (3)	Medium (6)	Medium (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Medium (6)	Medium (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Medium (5)

A risk is often specified in terms of an event or circumstance and the consequences that may flow from it. An effect may be positive, negative or a deviation from the expected and may be related to the following objectives; occupational health and safety, financial, service interruption, compliance, reputation and environment. A risk matrix has been prepared and a risk rating of 6 has been determined for this item. Any items with a risk rating over 10 (considered to be high or extreme risk) will be added to the Risk Register, and any item with a risk rating over 17 will require a specific risk treatment plan to be developed.

Voting Requirements: Absolute Majority

SCM015/11/18 COUNCIL RESOLUTION / Officer Recommendation

Moved Cr Byas, seconded Cr Denholm

That Council awards Contract RFQ20/2018 Road Rehabilitation – Rowley Road and Gossage Road as two separable portions with

- a) The Gossage Road's road rehabilitation project awarded to RCA Civil Group, at \$362,211.26 Excl. GST, and**
- b) The Rowley Road's road rehabilitation project awarded to WCP Civil Pty Ltd at \$79,315.66 Excl. GST.**

as per the reduction of the Rowley Road project scope to remain inside the 2018/19 allocated budget.

CARRIED BY ABSOLUTE MAJORITY 6/0



SCM016/11/18 – Award Contract - RFQ22/2018 Insitu Concrete Paths (SJ2716)	
Responsible Officer:	Manager Infrastructure and Assets
Senior Officer/s:	Director Infrastructure Services
Disclosure of Officers Interest:	No officer involved in the preparation of this report has an interest to declare in accordance with the provisions of the <i>Local Government Act 1995</i> .

Report Purpose

To advise Council of submissions received in relation to RFQ22/2018 Insitu Concrete Paths (three (3) year contract) and recommend the best value for money quote and ask Council to award the contract to the preferred quoter.

Relevant Previous Decisions of Council

The project and associated capital budget were approved by Council as part of the 2018/19 financial year capital works program.

The allocated budgets are:

- \$31,000.00 for new paths, and
- \$113,000.00 for renewal path works

Background

RFQ22/2018 Insitu Concrete Paths is to obtain services for the implementation of the footpath work program which aims at the:

- Repair and maintenance of existence path assets falling into deterioration and
- Construction of new path assets where required in accordance with the Shire Path Asset Management Plan.

The 2018 /19 program:

New paths will be constructed on:

- Linton Street, Byford between Brown Street and Walters Rd.

Renewal path works will be undertaken on:

- Paterson Street, Mundijong between Richardson Street and Livesey Street,
- Jarrahdale Road, Jarrahdale between Gooralong Brook bridge and Oak Street and
- Keirnan street, Mundijong between the Whitby Estate and the rail corridor at the intersection of Keirnan Street, Soldiers Road and Paterson Street.



Community / Stakeholder Consultation

N/A

Submissions

The Request for Quote RFQ22/2018 Insitu Concrete Paths quotes were advertised in WALGA Vendor Panel on 5 September 2018 and closed at 2.00pm on 25 September 2018.

At the time of request for quote closure, three (3) submissions were in the electronic request for quote box.

Submissions were received from the following companies:

Company Name
Axiis Contracting
Dowsing Group
RCA Civil Group

Evaluation Panel

An evaluation panel was convened and consisted of the following personnel:

- Manager Infrastructure and Assets
- Coordinator Design
- Coordinator Projects and Assets

All members of the evaluation panel have made a conflict of interest declaration in writing confirming that they have no relationships with any of the quoters. Each member of the panel assessed the quotes separately.

Evaluation Criteria

EVALUATION CRITERIA	WEIGHTING
Price with quantities	60%
Relevant experience with: <ul style="list-style-type: none">• Details of similar work (type, size and budget)• Quoters involvement including details of outcome• Details of issues and how these were managed• Any additional information	20%
Quoters' Resources, Key Personnel, Skills and Experience with <ul style="list-style-type: none">• Key personnel's role in the performance of the contract, including their experience in similar projects• Curriculum Vitae of key personnel	10%



EVALUATION CRITERIA	WEIGHTING
<ul style="list-style-type: none">Plant, equipment and materialsResources availability schedule, including any contingency measures or back up of resourcesDetails of subcontractors and major suppliers of goods and services	
Demonstrated Understanding/Experience with <ul style="list-style-type: none">Project scheduleProcess for delivery of goods/servicesProject Management PlanOccupational Health and Safety Management PlanCritical assumptionsAny additional information	10%

Comment

Overall, the quote process has resulted in the receipt of submissions of high-quality, large contractors, with proven records in the delivery of similar projects. The conforming submissions received were professional, satisfied the Shire's Occupational Health and Safety requirements, addressed the qualitative criteria and demonstrated the ability to provide the Shire with the required services. Accordingly, the award of a contract is recommended.

Based on the request for quote assessment report, the Panel recommended submission is Axiis Contracting based on the schedule of rates as per the confidential report SCM016.1/11/18 – Confidential - RFQ22/2018 - Insitu Concrete Paths - Pricing Schedule Axiis Contracting.

The quote assessment, for all quotes, was based on a fixed schedule of rates for a three year period. The qualitative and quantitative assessments are articulated in confidential attachment SCM016.2/11/18 - Confidential - RFQ 22/2018 Insitu Concrete Paths - Evaluation report.

The prices submitted for the recommended contractor are documented in confidential attachment SCM016.1/11/18 RFQ 22/2018 - Insitu Concrete Paths - Pricing Schedule Axiis Contracting.

Statutory Environment

Section 3.57 (1) of the *Local Government Act 1995* requires a local government to invite Tenders before it enters a contract of a prescribed kind under which another person is to supply the goods or services. However the *Local Government (Functions and General) Regulations 1996* states:

Part 4; 11.(2) Tenders do not have to be publicly invited according to the requirements of this Division if —

- (b) the supply of the goods or services is to be obtained through the WALGA Preferred Supplier Program



Quotes were sought via the WALGA preferred supplier program.

Options and Implications

As part of the 2018/19 budget the project total delivery cost as submitted by the recommended successful submitter falls within the allocated budget.

The following options have been identified.

Option 1

Award the contract as recommended in the confidential Evaluation Report to Axiis Contracting for a three-year period.

Option 2

Not award the contract to Axiis Contracting as recommended in the confidential Evaluation Report and make an alternative decision.

Option 3

Not award the contract and requote.

Option 4

Not award the contract and not requote i.e. – nil action.

Option 1 is the Officer recommended option. While it is recognised that the market may fluctuate, it is reasonable to assume that the current offer by Axiis Contracting represents best value for money in terms of a contract for 3 years commencing from 2018/19 Financial year.

Attachments

- SCM016.1/11/18 – **Confidential** - RFQ22/2018 - Insitu Concrete Paths - Pricing Schedule Axiis Contracting (E18/12307)
- SCM016.2/11/18 - **Confidential** - RFQ 22/2018 Insitu Concrete Paths - Evaluation report (E18/12237)

Alignment with our Strategic Community Plan

Outcome 3.1	A commercially diverse and prosperous economy
Strategy 3.1.1	Actively support new and existing local business within the district.
Outcome 4.2	A strategically focused Council
Strategy 4.2.1	Build and promote strategic relationships in the Shire's interest.



Financial Implications

A budget has been allocated in the financial Year 2018-19 for path renewal and construction of new path.

The allocated budgets are:

- \$31,000.00 for new paths, and
- \$113,000.00 for renewal path works

Risk Implications

Risk has been assessed on the basis of the Officer's Recommendation.

Risk	Risk Likelihood (based on history and with existing controls)	Risk Impact / Consequence	Risk Rating (Prior to Treatment or Control)	Principal Risk Theme	Risk Action Plan (Controls or Treatment proposed)
Not award the contract to the successful quoter	Unlikely (2)	Moderate (3)	Moderate (5-9)	Service Interruption - 3 Moderate - Interruption to Service Unit/(s) deliverables – backlog cleared by additional resources	Accept Officer Recommendation

Risk Matrix

Consequence		Insignificant	Minor	Moderate	Major	Catastrophic	
		1	2	3	4	5	
Likelihood	Almost Certain	5	Medium (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
	Likely	4	Low (4)	Medium (8)	High (12)	High (16)	Extreme (20)
	Possible	3	Low (3)	Medium (6)	Medium (9)	High (12)	High (15)
	Unlikely	2	Low (2)	Low (4)	Medium (6)	Medium (8)	High (10)
	Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Medium (5)



A risk is often specified in terms of an event or circumstance and the consequences that may flow from it. An effect may be positive, negative or a deviation from the expected and may be related to the following objectives; occupational health and safety, financial, service interruption, compliance, reputation and environment. A risk matrix has been prepared and a risk rating of 6 has been determined for this item. Any items with a risk rating over 10 (considered to be high or extreme risk) will be added to the Risk Register, and any item with a risk rating over 17 will require a specific risk treatment plan to be developed.

Voting Requirements: Absolute Majority

SCM016/11/18 COUNCIL RESOLUTION / Officer Recommendation:

Moved Cr Coales, seconded Cr McConkey

That Council awards Contract RFQ22/2018 Insitu Concrete Paths to Axiis Contracting in accordance with the fixed schedule of rates as per confidential attachment SCM016.1/11/18 - RFQ22/2018 Insitu Concrete Paths - Pricing Schedule Axiis Contracting for a period of three years.

CARRIED BY ABSOLUTE MAJORITY 6/0



Shire President, Councillor Rich returned to the Chambers at 6.43pm and resumed the role of Presiding Member.

Councillor Atwell advised President Rich that the Officers Recommendations for items SCM014/11/18; SCM015/11/18 and SCM016/11/18 were carried by absolute majority.

SCM017/11/18 – Award Contract - RFQ23/2018 Purchase of a Grader (SJ2686)	
Responsible Officer:	Manager Operations
Senior Officer/s:	Director Infrastructure Services
Disclosure of Officers Interest:	No officer involved in the preparation of this report has an interest to declare in accordance with the provisions of the <i>Local Government Act 1995</i> .

Report Purpose

To advise Council of submissions received in relation to RFQ23/2018 Purchase of a Grader and recommend the best value for money quote and ask Council to award the contract to the preferred quoter.

Relevant Previous Decisions of Council

The purchase of a Grader was approved by Council as part of the 2018/19 financial year budget.

Background

As part of the process the machines were assessed and the highest rated were performance tested.





Community / Stakeholder Consultation

N/A

Submissions

Quotes were advertised via the WALGA Vendor Panel website on 21 August 2018 and closed at 2.00pm on 05 September 2018.

At the time of request for quote closure, three (3) submissions were officially in the electronic request for quote box. All three comply with the request for quote guidelines.

Submissions were received from the following companies:

Company Name
Hitachi Construction
Komatsu Australia Pty Ltd
WesTrac Pty Ltd

Evaluation Panel

An evaluation panel was convened and consisted of the following personnel:

- Manager Operations
- Workshop Supervisor
- Manager Subdivisions

All members of the evaluation panel have made a conflict of interest declaration in writing confirming that they have no relationships with any of the quoters. Each member of the panel assessed the quotes separately.

Evaluation Criteria

EVALUATION CRITERIA	WEIGHTING
Parts Supply – the ability to supply parts in a timely manner	20%
Mechanical Assessment	10%
Driver/Operator Assessment	10%
Price	60%

Comment

Quote submissions have been assessed by the Evaluation Panel against the evaluation criteria defined within the quote specification: Parts Supply, Mechanical Assessment, Driver/Operator Assessment, and Price.

Following the assessment of quotes against the criteria detailed in the quote specification, the quote submitted by Komatsu Australia Pty Ltd was assessed as being the best value for money and meets the Shire's operational requirements.



Statutory Environment

Section 3.57 (1) of the *Local Government Act 1995* requires a local government to invite Tenders before it enters a contract of a prescribed kind under which another person is to supply the goods or services.

(2) Tenders do not have to be publicly invited according to the requirements of this Division if —

(b) the supply of the goods or services is to be obtained through the WALGA Preferred Supplier Program

Quotes were sought via the WALGA preferred supplier program.

Options and Implications

As part of the 2018/19 budget the project total delivery cost as submitted by the recommended successful submitter falls within the allocated budget.

The following options have been identified.

Option 1

Award the contract as recommended in the Confidential Evaluation Report to Komatsu Australia Pty Ltd.

Option 2

Not award the contract and requote.

Option 3

Not award the contract and not requote i.e. – nil action.

Conclusion

Komatsu Australia Pty Ltd has been assessed (as per confidential attachment SCM017.1/11/18 Confidential - RFQ23/2018 Purchase of a Grader - Evaluation Report) as being able to meet the requirements of the RFQ23/2018 Purchase of a Grader and it is recommended that they be awarded the contract.

Attachments

- SCM017.1/11/18 **Confidential** – RFQ 23/2018 Purchase of a Grader - Evaluation Report (E18/12258)
- SCM017.2/11/18 **Confidential** – RFQ 23/2018 Purchase of a Grader - Pricing Schedule (E18/12514)



Alignment with our Strategic Community Plan

Outcome 4.1	A resilient , efficient and effective organisation
Strategy 4.1.1	Provide efficient, effective, innovative, professional management of Shire operations to deliver the best outcome for the community within allocated resources

Financial Implications

The amount that was included in the 2018 /19 budget was \$375,000, and the recommended quote is within the budget attributed to purchase of a new grader.

Risk Implications

Risk has been assessed on the basis of the Officer's Recommendation.

Risk	Risk Likelihood (based on history and with existing controls)	Risk Impact / Consequence	Risk Rating (Prior to Treatment or Control)	Principal Risk Theme	Risk Action Plan (Controls or Treatment proposed)
Not awarding the quote	Unlikely (2)	Moderate (3)	Moderate (5-9)	Financial Impact - 4 Major - \$500,000 - \$2M	Accept Officer Recommendation

Risk Matrix

Consequence \ Likelihood		Consequence				
		Insignificant	Minor	Moderate	Major	Catastrophic
		1	2	3	4	5
Almost Certain	5	Medium (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Medium (8)	High (12)	High (16)	Extreme (20)
Possible	3	Low (3)	Medium (6)	Medium (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Medium (6)	Medium (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Medium (5)

A risk is often specified in terms of an event or circumstance and the consequences that may flow from it. An effect may be positive, negative or a deviation from the expected and may be related to the following objectives; occupational health and safety, financial, service interruption, compliance, reputation and environment. A risk matrix has been prepared and a risk rating of 6 has been determined for this item. Any items with a risk rating over 10 (considered to be high or extreme risk) will be added to the Risk Register, and any item with a risk rating over 17 will require a specific risk treatment plan to be developed.



Voting Requirements: Absolute Majority

SCM017/11/18 Officer Recommendation

Moved Cr Atwell, seconded Cr Denholm

That Council awards Contract RFQ23/2018 Purchase of a Grader and additional attachments to Komatsu Australia Pty Ltd at \$343,744 ex GST.

During debate, Councillor Coales foreshadowed the following:

That Council awards Contract RFQ23/2018 Purchase of a Grader to WesTrac Pty Ltd.

Voting Requirements: Absolute Majority

SCM017/11/18 COUNCIL RESOLUTION / Officer Recommendation

Moved Cr Atwell, seconded Cr Denholm

That Council awards Contract RFQ23/2018 Purchase of a Grader and additional attachments to Komatsu Australia Pty Ltd at \$343,744 ex GST.

CARRIED BY ABSOLUTE MAJORITY 6/1

Councillor Coales, in accordance with Section 5.21(4)(b), *Local Government Act 1995* requested the votes be recorded.

Councillors Rich, Atwell, Byas, Denholm, McConkey and See voted FOR the motion.

Councillors Coales voted AGAINST the motion.

7. Motions of which notice has been given:

Nil.

8. Urgent business:

Nil.

9. Closure:

There being no further business, the Presiding Member declared the meeting closed at 6.51pm.

I certify that these minutes were confirmed at the Ordinary Council Meeting held on the 26 November 2018.

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Presiding Member

.....
Date