

10.2.3 - Award Request for Tender– RFT 09/2020 – Mundijong and Kargotich Road – Roundabout Construction (SJ3283)

| | |
|---|--|
| Responsible Officer: | Manager Infrastructure and Assets |
| Senior Officer: | 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> . |

Authority / Discretion

| | |
|-----------|---|
| Executive | The substantial direction setting and oversight role of the Council such as adopting plans and reports, accepting tenders, directing operations and setting and amending budgets. |
|-----------|---|

Report Purpose

The purpose of this report is to advise Council of submissions received in relation to Tender RFT 09/2020 - Mundijong and Kargotich Road – Roundabout Construction 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

The project was approved by Council as part of the 2019/20 and 2020 /21 Annual Budgets.

Background

The intersection of Mundijong Road and Kargotich Road was identified as a black spot based on the number of accidents over the past 5 years. There have been more than 15 intersection crashes in the last five years, which resulted in one fatal, two hospitalisations and four required medical treatment. The approach speed is 100km/hr for both roads. Given the roadside environment and approach sight distance at this intersection, the effective treatment measures considered is to install a single lane roundabout at this intersection to improve the road safety.

Even though this project qualified as black spot based on the number of accidents, to maximise the funding opportunity, the Shire applied for the Metropolitan Regional Road Group (MRRG) improvement project scheme rather than the Black Spot project, where the funding will be limited due to the Benefit Cost Ratio (BCR) threshold requirements. Through a successful application to the MRRG Improvement Program, the Shire received grant funding to improve the intersection of Mundijong Road and Kargotich Road.

Contact Us

Enquiries

Call: (08) 9526 1111
Fax: (08) 9525 5441
Email: info@sjshire.wa.gov.au

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

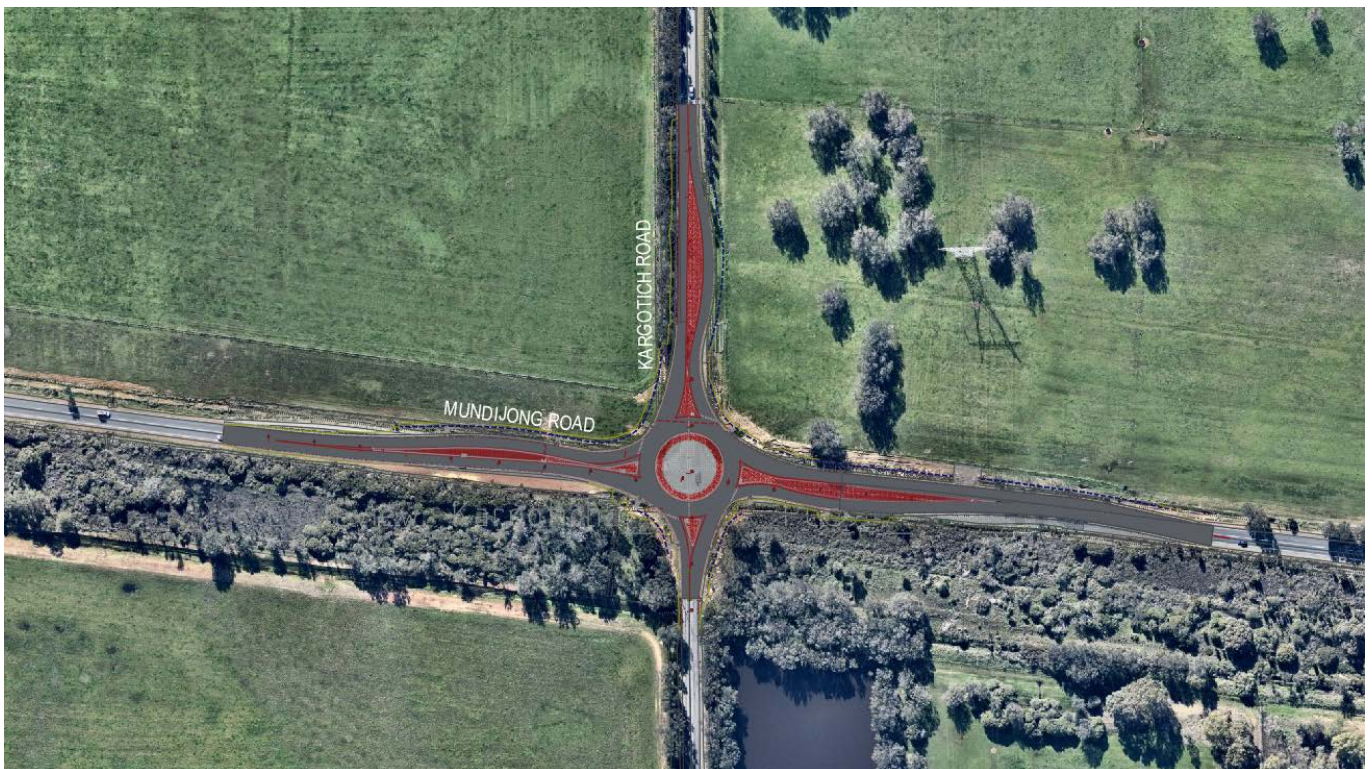


The initial design budget allocated for the project was \$67,500. Upon completion of the design works, the MRRG Improvement program approved a total project budget of \$1,875,000 to cover the construction costs. The total project budget approved by MRRG is made up of:

- State Government (via the MRRG) contribution to a value of \$1,250,000;
- Shire contribution to a value of \$625,000.

During 2019/20 financial year, all works including land acquisition, utility services relocation (Telstra and Western Power), new street lighting, fence relocation and vegetation clearing works are completed to assist the civil construction works.

Figure 1: Proposed Mundijong Road/Kargotich Road Roundabout



Community / Stakeholder Consultation

Nil.

Prior to commencement of site works, notification shall be made to the public via the Shire's website and Facebook page. In addition, the adjacent properties will be notified via letter drop.



Submissions

The Request for Tender RFT 09/2020 - Mundijong and Kargotich Road – Roundabout Construction was advertised on Wednesday 15 July 2020 and closed at 2.00pm on Thursday 30 July 2020.

The Tender was advertised in the following papers:

- West Australian Newspaper;
- Examiner (Serpentine Jarrahdale & Armadale);
- Pinjarra/Murray Times (Inc. Mandurah Coastal Times);
- Sound Telegraph (Rockingham & Kwinana).

Five (5) submissions were received, and the submissions are summarised in **confidential attachment 1**.

All tender submissions comply with the request for tender and compliance criteria.

Tender submissions were received from the following companies:

| # | Company Name |
|---|----------------------------------|
| 1 | Egan Civil Pty Ltd |
| 2 | Industrial Roadpavers WA Pty Ltd |
| 3 | Raubex Construction Pty Ltd |
| 4 | RCA Civil Group Pty Ltd |
| 5 | WCP Civil Pty Ltd |

Evaluation Panel

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

- Project Coordinator Infrastructure and Assets;
- Technical Officer Infrastructure and Assets;
- Road and Drainage Engineer;
- Coordinator Design;
- Director Infrastructure Services.

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 tenderers. Each member of the panel assessed the submissions separately.

**Evaluation Criteria**

The following evaluation criteria and weightings were used by the tender evaluation panel to assess tender submissions:

| EVALUATION CRITERIA | WEIGHTING |
|---|------------------|
| Price with quantities | 55% |
| Relevant experience with: <ul style="list-style-type: none">• Demonstrated relevant experience of the Company in providing the same or similar services to local government or the private sector over the past five years. | 15% |
| Tenderers' Resources, Key Personnel, Skills and Experience with: <ul style="list-style-type: none">• Capacity to deliver the services including:• Key personnel / Professional skills;• Describe the key personnel who will be involved in the work, including past work of a similar nature. | 15% |
| Demonstrated Understanding/Experience with: <ul style="list-style-type: none">• Project schedule;• Process for delivery of goods/services;• Project Management Plan;• Critical assumptions; and• Any additional information. | 15% |

Comment

All tender submissions were assessed against the evaluation criteria and the qualitative and quantitative results of this assessment and prices are documented in **confidential attachment 1**.

Approval by probity auditor Butler Settineri has been received and is documented in **confidential attachment 2**.

Following the assessment of all tender submissions, against the selection criteria, the tender submitted by Raubex Construction Pty Ltd was assessed as being the best value for money that meets the Shire's requirements.

The tender evaluation panel therefore recommends the tender submission made by Raubex Construction Pty Ltd be accepted.



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.

Council Policy - *Procurement of Goods or Services through Public Tendering* (E19/5672):

Tendering

2. Tender Exemption

The regulations make provision for certain circumstances where tendering is not required. Regulation 11(2) of the *Local Government (Functions and General) Regulations 1996*:

- The purchase is obtained from a pre-qualified supplier under the WALGA Preferred Supply Program or State Government Common Use Arrangement;

Options and Implications

The following options have been identified:

Option 1

That Council awards the contract as recommended in **confidential attachment 1** – RFT 09/2020 - Mundijong and Kargotich Road – Roundabout Construction to Raubex Construction Pty Ltd.

Option 2

That Council not award the contract and retender.

Option 3

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

Option 4

That Council reassess and appoint an alternative tenderer.

Option 1 is recommended.

Conclusion

Raubex Construction Pty Ltd has been assessed as being able to meet the requirements of the contract. The respondent met all of the requirements for Relevant Experience, Key Personnel, Skills and Resources and Demonstrated Understanding and was assessed as providing the best value for money.

Therefore, it is recommended that Council support option 1 and the contract be awarded to Raubex Construction Pty Ltd.



Attachments (available under separate cover)

- **10.2.3 – CONFIDENTIAL attachment 1** – RFT 09/2020 - Mundijong and Kargotich Road - Roundabout Construction – Evaluation Report (E20/9605)
- **10.2.3 – CONFIDENTIAL attachment 2** – RFT 09/2020 - Mundijong and Kargotich Road - Roundabout Construction – Probity Report (E20/10441)

Alignment with our Strategic Community Plan

| | |
|-----------------------|---|
| Outcome 3.4 | An innovation centre of excellence. |
| Strategy 3.4.1 | Identify and promote innovation and education opportunities. |
| 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. |
| Strategy 4.1.2 | Maximise the Shire's brand and reputation in the community. |
| Outcome 4.2 | A strategically focused Council. |
| Strategy 4.2.1 | Build and promote strategic relationships in the Shire's interest. |
| Strategy 4.2.2 | Ensure appropriate long term strategic and operational planning is undertaken and considered when making decisions. |
| Strategy 4.2.3 | Provide clear strategic direction to the administration. |

Financial Implications

The funding for this tender is included in the 2019/2020 and 2020/21 Annual Budgets to undertake the construction works.

The total allocated budget for the roundabout project is \$1,875,000. The total budget for the civil works and other miscellaneous items are \$1,616,863 and the recommended tender value of \$1,368,975.32 ex GST is within budget.

| MRRG IMPROVEMENT PROGRAM | | | |
|---|-----------|-------------|-------------|
| Project | Shire | MRRG | Total |
| Roundabout- Mundijong Road/ Kargotich Road | \$625,000 | \$1,250,000 | \$1,875,000 |



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) |
|---|---|---------------------------|---|---|---|
| Poor selection of contractor to provide quality works | Possible (3) | Moderate (3) | Moderate (5-9) | Reputation - 3 Moderate - Substantiated, public embarrassment, moderate impact on key stakeholder trust or moderate media profile | 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 rating of **9** has been determined for this item.



Continued

Ordinary Council Meeting – Agenda – 21 September 2020 – Item 10.2.3

Voting Requirements: Simple Majority

Officer Recommendation

That Council:

1. **AWARDS** Tender RFT 09/2020 - Mundijong and Kargotich Road - Roundabout Construction to Raubex Construction Pty Ltd to the value of \$1,368,975.32, excluding GST, as contained within confidential attachment 1.
2. **AUTHORISES** the Chief Executive Officer to execute a contract on behalf of the Shire of Serpentine Jarrahdale for Tender RFT 09/2020 - Mundijong and Kargotich Road - Roundabout Construction.