



9th July, 2004

EXTRAORDINARY COUNCIL MEETING

NOTICE IS HEREBY GIVEN THAT AN EXTRAORDINARY COUNCIL MEETING OF THE COUNCIL OF THE CITY OF RANDWICK WILL BE HELD IN THE COUNCIL CHAMBER, TOWN HALL, 90 AVOCA STREET, RANDWICK, ON TUESDAY, 13TH JULY 2004 AT 5:45 P.M.

- 1 Apologies**
- 2 Addresses to the Council by the Public**
- 3 Mayoral Minute**
- 3.1 MAYORAL MINUTE 43/2004 – NEW GENERAL MANAGER’S CONTRACT. 2
- 4 Acting General Manager's Report**
- 4.1 ACTING GENERAL MANAGER'S REPORT 17/2004 - RATES FOR 2004/05 FINANCIAL YEAR. 4
- 5 Director Assets & Infrastructure Services' Report**
- 5.1 DIRECTOR ASSET & INFRASTRUCTURE SERVICES' REPORT 39/2004 - TENDER NO T014/04 - CONSTRUCTION OF MCKEON STREET, UPGRADE WORKS AT MAROUBRA BEACH. 6
- 6 Confidential Reports**
- 7 Committee-of-the-Whole**
- 8 Report of the Committee-of-the-Whole**
- 9 Notice of Rescission Motions**

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ACTING GENERAL MANAGER

MAYOR'S MINUTE 43/2004

SUBJECT:	NEW GENERAL MANAGER'S CONTRACT
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DATE:	6 July, 2004	FILE NO:	H01753
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REPORT BY: MAYOR

BACKGROUND:

It is necessary for Council to resolve to adopt a new General Manager's contract prior to offering the position to an applicant. There is some degree of urgency in this matter.

ISSUES:

Jim Mitchell of Employment Solutions initially provided Council with a suggested draft contract for the new General Manager.

On the 4/5/04 myself and Councillor Seng met with Council's lawyer John Cox and considered the draft.

On the 18/05/04 I met with Jim Mitchell and discussed our desired amendments with him. He responded with various suggestions as to the suitability of those alterations and presented some difficulties that he perceived with some of them, based on his practical experience.

On my request, he subsequently supplied me with a revised draft of the contract. Whilst this contract at the present time does not relate to any particular person, as no appointment has yet taken place, it will, in the future, have a direct relationship as a personnel matter concerning a particular individual. For this reason the draft contract is circularised under separate confidential cover.

CONCLUSION:

The second draft of the proposed contract is submitted for the consideration of Councillors.

RECOMMENDATION:

That Council consider the draft new General Manager's Contract.

ATTACHMENT/S:

Confidential revised draft employment contract for new General Manager. (Under Separate Cover)

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MURRAY MATSON
MAYOR

ACTING GENERAL MANAGER'S REPORT 17/2004



SUBJECT:	RATES FOR 2004/05 FINANCIAL YEAR
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DATE:	6 July, 2004	FILE NO:	98/S/0555 xr 98/S/5310
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REPORT BY: ACTING GENERAL MANAGER

INTRODUCTION:

Council, at its Extraordinary Meeting held on 1 June, 2004 resolved to seek Ministerial Approval in relation to rating to:-

- (1) Make permanent the special rating variation approved for a three year period commencing 2001/2002.
- (2) Seek a further special variation of 6 % for a five year period for environmental projects.

ISSUES:

Advice has now been received from the Department of Local Government that the Council's application has been approved.

Final rating calculations have now been made and it is necessary to amend slightly the rates in the dollar approved by the Council at its Extraordinary Meeting on 1 June 2004.

RECOMMENDATION:

- 1) That an Ordinary Residential Rate be made and levied for 2004/2005 under s494 and s498 (1)(a) and (2) of the Local Government Act 1993 of 0.2107 cents in the dollar on the land value of all rateable land within the City of Randwick being Residential land.
- 2) That an Ordinary Business Rate be made and levied for 2004/2005 under s494 and s498 (1)(a) and (2) of the Local Government Act 1993 of 0.82584 cents in the dollar on the land value of all rateable land within the City of Randwick being Business land
- 3) That a minimum ordinary Residential rate be made and levied in 2004/05 under s548(1)(a) (2) (4) &(5) of the Local Government Act of \$493.70.

- 4) That a minimum ordinary Business rate be made and levied in 2004/05 under s548(1)(a) (2) (4) & (5) of the Local Government Act of \$795.50.

ATTACHMENT/S:

Nil

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ACTING GENERAL MANAGER

Director Asset & Infrastructure Services' Report 39/2004



SUBJECT:	TENDER NO T014/04 - CONSTRUCTION OF MCKEON STREET, UPGRADE WORKS AT MAROUBRA BEACH
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DATE:	6 July, 2004	FILE NO:	98/S/5500
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REPORT BY: DIRECTOR ASSET & INFRASTRUCTURE SERVICES

INTRODUCTION:

In April 2004, Lump Sum Tenders were invited from suitably qualified Contractors to undertake the construction of McKeon Street Upgrade Works at Maroubra Beach. The McKeon Street Upgrade project is a major component of the refurbishment of the Maroubra Beach Foreshore, undertaken by Randwick City Council in accordance with the Plan of Management for the area.

The objective of this Tender assessment process is to ensure the Council selects the Tenderer offering the best value for money, capable of constructing the project within time and budget.

The major items of work under this Tender included:

- demolition and disposal of existing roadway, kerbs, pavements, concrete paths, grassed areas;
- salvage and stockpile of existing materials for re-use;
- construction of new asphalt roadway;
- construction of new concrete kerb and gutter;
- construction of concrete kerbing to new garden bed planters
- construction of new concrete pavements;
- installation of unit pavements to widened footpath area;
- installation of hazard tactile pavers;
- installation of salvaged kerbstone paving;
- construction/installation of steel fencing;
- electrical conduits for new light poles and pedestrian lighting;
- installation of new light poles and pedestrian lighting;
- soft landscape works;
- mature tree planting;
- supply of seats by Council;
- install new seating and litter bins

- install and commission irrigation system;

TENDER PROCESS

Evaluation Criteria

Mandatory and general evaluation criteria were provided to the Tenderers in the Tender document.

The Mandatory evaluation criteria for this Tender were:

- (a) Experience in fulfilling the requirements of similar contract(s)
- (b) Capacity to fulfil the requirements of this Tender.

The general evaluation criteria for this Tender were:

- (a) Price
- (b) Time period to complete the Work
- (c) Financial capacity to carry out the Work
- (d) Experience of work of a similar nature and ability to complete the Work
- (e) Compliance with the Specification
- (f) Quality Management System of the Tenderer
- (g) Occupational Health and Safety.
- (h) Environmental Management

Tenders Received

The request for Tender was issued on Tuesday 20th April 2004. After a 5-week Tendering period the Tender closed on Tuesday 25th May 2004. At the close of Tenders seven (7) Tenders had been received, consisting of the following:

1. FIREDAM CIVIL P/L
2. GMW URBAN P/L
3. GLASCOTT GROUP P/L
4. QMC GROUP P/L
5. FORD CIVIL CONTRACTING P/L
6. M&R CIVIL P/L
7. DIONA P/L

Tender Evaluation Plan

A Tender Evaluation Plan was developed for this project and endorsed by the Manager, Purchasing and Contracts. The relevant roles and responsibilities of members of the Tender Assessment Committee (**TAC**), and Council are fully described in this document.

The Evaluation Plan details the process that was followed in the assessment of the Tenders including scoring, weightings, qualitative assessment and consideration of the lump sum cost.

TAC is responsible for formulating and making recommendations on the selection of the successful Tenderer for referral to Randwick City Council (Council).

TENDER ASSESSMENT

The Tender Assessment Committee (**TAC**) undertook a thorough Tender evaluation in accordance with the Local Government Act 1993, the Tendering Regulation 1999, Councils Purchasing Policy and Procedures and the Evaluation Plan. The following describes the major components of the evaluation process.

Culling of Tenders

The Condition of Tendering supplied to Tenderers states:

“..... Tenderers must meet the Mandatory Criteria. Tenderers unable to fulfill the Mandatory Criteria will be automatically excluded from the evaluation process.”

The initial Tender assessment by **TAC** ascertained that there was one unacceptable submission which did not meet the mandatory criteria.

The reasons for culling the Tender submitted by Firedam Civil Engineering P/L are outlined in the following:

The Tender received from Firedam Civil Engineering Pty Ltd did not meet the mandatory criteria; Firedam's Tender did not demonstrate sufficient previous project experience and did not show expertise in undertaking detailed streetscape upgrade works as a Head Contractor. The Tender comprised projects consisting of small to medium civil based projects. Previous experience was largely stormwater pipe renewal and other related drainage works, not experience equivalent to the type required for this contract.

The following Tenderers were deemed to have met the mandatory criteria and were further assessed by the Tender Assessment Committee;

1. GMW URBAN P/L
2. GLASCOTT GROUP P/L
3. QMC GROUP P/L
4. FORD CIVIL CONTRACTING P/L
5. M&R CIVIL P/L
6. DIONA P/L

Qualitative Scoring of Tenders

Following completion of Stage 1- the initial cull, Tenders were assessed in line with the weighted quality criteria in the Evaluation Plan.

TAC scored each Tender submission against the qualitative criteria in accordance with the Evaluation Plan.

The accumulated scores of the **TAC** were calculated by applying the raw scores to each of the weighted criteria (refer Attachment A- Selection Criteria and Weightings) to produce the accumulated qualitative score for each Tenderer.

Lump Sum Prices Offered

Each Tenderer provided a lump sum offer in the Tender submission including a detailed break down of prices. The lump sum was calculated to establish a cost index.

Value for Money

This Tender was assessed on a “value for money” basis. “Value for money” does not automatically mean the lowest price. It is determined by considering all factors relevant to a particular purpose. It includes the cost of the deliverables, experience, innovation and value adding components.

OUTCOME OF TENDER ASSESSMENT

The following describes the outcome of the Tender Assessment for this project.

Stage 1 - Accumulated Qualitative Scores

The accumulated qualitative scores in order of merit are as set out in Table 1 below. In the qualitative assessment the highest score infers the highest qualitative assessment as evidenced by the Tender submission excluding Referee scores.

**TABLE 1 – QUALITATIVE ASSESSMENT OF TENDER
EXCL REFEREE SCORE**

TENDERERS	QUALITATIVE SCORES
2. GMW URBAN P/L	71.6%
1. DIONA P/L	70 %
3. FORD CIVIL CONTRACTING P/L	61%
4. GLASCOTT GROUP P/L	59.5%
5. M&R CIVIL P/L	40%
6. QMC GROUP P/L	39%

Stage 2 - Referee Checks

There was a clear break in the quality of the Tenders submitted and therefore referee checks were undertaken on the four highest ranked Tender submissions in terms of quality. The referee checks on all four Tenderers were positive, clearly conveying their ability to undertake the project in a professional manner.

After the referee checks the score was included to calculate final quality score of the highest four Tenders as set out in Table 2 below.

**TABLE 2 – FINAL QUALITATIVE ASSESSMENT OF TENDER
INCL REFEREES SCORE**

TENDERERS NAME	QUALITATIVE SCORES
1. GMW Urban P/L	72%
2. Diona P/L	70.6%
3. Ford Civil P/L	65.8%
4. Glascott Group P/L	60.5%

Stage 3 - Lump Sum Price

Value for money calculation requires the computation of a cost index based on the best (cheapest overall) financial offer compared to all other prices offered.

Table 3 below sets out the lump sum prices (excluding GST) offered by the Tenderers in apparent order of cost. It also calculates the relevant cost index that is used for the ‘value for money’ computation:

TABLE 3 – LUMP SUM PRICE /COST INDEX

TENDERERS	LUMP SUM PRICE (excl GST)	COST INDEX
1. GMW URBAN P/L	\$741 716	1
2. GLASCOTT GROUP P/ L	\$811 842	1.09
3.QMC GROUP P/L	\$892 000	1.2
4. FORD CIVIL CONTRACTING P/L	\$946 857	1.27
5. M&R CIVIL PTY LTD P/L	\$980 871	1.3
6. DIONA P/ L	\$1 301 996	1.75

Stage 4 - Final Value for Money Score

The accumulated value for money scores as outlined in the Evaluation Plan, are in order of merit as set out in Table 4 below. These scores rank the Tenderers in order of value for money when quality and price have been taken into account. The higher the score the greater “value for money”.

TABLE 4 – FINAL VALUE FOR MONEY SCORE

TENDERERS	VALUE FOR MONEY SCORES
1. GMW URBAN P/L	72
2. GLASCOTT GROUP P/L	55.5
3. FORD CIVIL P/L	52
4. DIONA P/L	40

Evaluation of Tenders against the specified evaluation criteria indicates that GMW URBAN Pty Ltd has submitted the Tender representing the best value for money to Council; they were assessed as capable of completing the project to a high standard at a reasonable cost by the **TAC**.

PROJECT FUNDING

The funding required for this project is as follows;

Construction costs	\$741 716
Construction contingency	\$ 50 284
Principal Supplied Items (street furniture)	\$ 23 000
Project Management Services-	\$ 25 000
Total Project Costs	\$840 000

Funds for this project of \$840 000 are available from 2004/5 Capital works budget and existing carry over funds.

RECOMMENDATION:

That :

1. The Tender from GMW URBAN Pty Ltd ACN 084 753 113, for the **Tender No T014/04 Construction Of McKeon Street Upgrade Works At Maroubra Beach, NSW** – be accepted under s19 (1) (a) of the Local Government (Tendering) Regulation 1999.
2. That a sum of \$840 000 excl GST is provided for the completion of this project.
3. That authority is granted for Council's Common Seal to be affixed to the Agreement for the **Tender No T014/04 Construction of McKeon Street Upgrade Works at Maroubra Beach, NSW**
4. The unsuccessful Tenderers are notified of the Tender result.

ATTACHMENT/S:

Attachment A - Selection Criteria & Weightings

Attachment B - Tender Precis

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MICK SAVAGE
DIRECTOR ASSET &
INFRASTRUCTURE SERVICES

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KERRY COLQUHOUN
SENIOR PARKS & RECREATION
MANAGEMENT OFFICER

ATTACHMENT A – SELECTION CRITERIA AND WEIGHTINGS

EVALUATION CRITERIA	TENDER SCHEDULES	WEIGHTED CRITERIA
STAGE 1 – MANDATORY CRITERIA		
Experience in fulfilling the requirements of similar contract(s)	All schedules	All criteria must be met
Capacity to fulfil the requirements of this Tender	All schedules	All criteria must be met
STAGE 2 – DESIRABLE CRITERIA		
a) Time period to complete the Work	B9,	25%
b) Experience and ability to complete Work	B7, B8, B11, B12, B13, B19	25%
c) Compliance with the Specification.	B1, B2, B10, B20 All	10%
d) Quality Management System of the Tenderer	B16	10%
e) Occupational Health and Safety	B17	10%
Compliance With Local Government Procurement Policy		
a) <i>Environmental</i>	B18	5%
b) <i>Must have Public liability Insurance cover of at least \$10 mil</i>	B14,	2.5%
c) <i>Must have Workers Compensation Insurance cover for all staff employed</i>		2.5%
STAGE 3 - REFEREE CHECKS		
		10%
TOTAL		100%

ATTACHMENT B - TENDER PRÉCIS

1. Diona P/L

Diona Pty Ltd offered the second highest qualitative Tender. This company proved they are capable of undertaking the project from their experience in similar projects. The company however submitted the highest lump sum price, \$1 301 996 excl GST. The lump sum price offered by the company was significantly above the available budget. It also was \$506 280 above the lowest lump sum offered by GMW URBAN P/ L.

2. Glascott Group P/L

Glascott Group Pty Ltd had a qualitative score of 60.5% which required that they were to be reference checked by TAC. They are a company that has good experience in detailed landscape works and a proven capacity to undertake medium size civil works. The price offered by them was competitive being the second lowest at \$811 842 excl GST. The time period to complete the project was 98 calendar days.

3. Ford Civil P/L

Ford Civil Pty Ltd had the third highest qualitative score, showing that they were capable of undertaking the proposed works. They are a company with particular expertise in civil works. They offered a lump sum price of \$946 857 excl GST, being marginally higher than the Quantity Surveyors estimate for the project.

4. GMW URBAN P/L

GMW URBAN Pty Ltd is a construction company that specialises in streetscape works. They recently completed a similar project to McKeon Street for Canada Bay Council and were given good references. They attained the second highest qualitative score and submitted the lowest lump sum price of the conforming Tenders. They therefore attained the highest Value for Money Score.

5. M&R Civil P/L

M&R Civil Pty Ltd is a small company with experience mainly in civil projects. They scored second lowest in their qualitative score and the second highest cost index.

6. QMC Group P/L

The QMC Group Pty Ltd was not competitive in the case of this Tender. They scored the second lowest value for money score having submitted a high Tender price and attained the lowest qualitative score.