

6.23. WO6432 PAVEMENT RENEWAL PROGRAM 2024-2025 - TENDER EVALUATION

REPORT AUTHOR Project Engineer

MANAGER Manager Infrastructure

DEPARTMENT Infrastructure

RECOMMENDATION

That Council resolves to:

1. **Enter into contract WO6432 with Pioneer North Queensland Pty Ltd (PNQ) ABN 80 068 203 734 to the value of \$347,285.00 (GST exclusive).**
2. **Delegates authority under Section 257(1)(b) of the *Local Government Act 2009* to the Chief Executive Officer to negotiate, finalise and execute any and all matters associated with the contract.**

EXECUTIVE SUMMARY

Council engaged Shepherd Services Pty Ltd in 2023-2024 to undertake a condition assessment of the network for Council to develop a three-year renewal program based on pavement failures identified. Various sections across the Douglas Shire Council local road network have been identified as requiring pavement repairs under the 2024-2025 Pavement Renewal Program.

Council requested submissions via the Vendor Panel for the WO6432 Pavement Renewal Program 2024-2025 project. Four (4) conforming submissions were received and evaluated by the tender evaluation panel. Pioneer North Queensland Pty Ltd was recommended as they provided a competitive submission within the project budget requirements and had the required capability and capacity to complete the works within the specified timeframes.

BACKGROUND

Council manages approximately 220km of sealed roads, 54km of concrete floodway's and 156km of gravel roads throughout the Shire. Council engaged Shepherd Services Pty Ltd in 2023-2024 to undertake a condition assessment of the network for Council to develop a three-year renewal program based on pavement failures identified. Various sections across the Douglas Shire Council local road network have been identified as requiring pavement repairs under the 2024-2025 Pavement Renewal Program. Staff within the Infrastructure Department reviewed the program and made the necessary adjustments to exclude Tropical Cyclone Jasper affected areas from this program.

COMMENTS

Council requested submissions via the Vendor Panel platform in January 2025, for the WO6432 Pavement Renewal Program 2024-2025 project.

The *Local Government Act 2009* (the Act) and the *Local Government Regulation 2012* (the Regulation), provide the legislative framework for local government procurement in Queensland.

Chapter 6, Part 3 of the Regulation, outlines the process for tendering to enter a large-sized contract (\$200,000 or more). Council must invite written tenders before making a contract for the works, or the supply of goods or services with a contract sum greater than \$200,000 (excluding GST) in a financial year or another amount as set out in the Act or Regulation.

Council invited five (5) contractors to participate in the request for tender (RFT) process through the market via Vendor Panel, which closed on 21 February 2025.

Four (4) submissions were received. Four (4) conforming and zero non-conforming submissions. The tender evaluation was conducted by the evaluation panel.

Specific criteria were weighted according to their importance in delivering the project successfully and providing the best overall value for money solution in accordance with Council's procurement policies. The weighting attributed to each criterion is outlined in Table 1.

Table 1 – Evaluation Criteria

Criteria	Weighting
Technical Capacity	15%
Business Profile	20%
Methodology	15%
Price	50%
Total	100%

Pioneer North Queensland Pty Ltd was the highest scoring tenderer. They have the technical capacity to complete the project and have previously completed similar projects as the Principal Contractor throughout the Douglas Shire, meeting the required standard. They have indicated that they have capacity to complete the project within specified timeframes. Their tender submission is within the budget requirements for this project. The tender evaluation panel therefore recommends Pioneer North Queensland Pty Ltd as the preferred supplier.

PROPOSAL

That Council resolves to:

1. Enter into contract WO6432 with Pioneer North Queensland Pty Ltd (PNQ) ABN 80 068 203 734 to the value of \$347,285.00 (GST exclusive).
2. Delegates authority under Section 257(1)(b) of the Local Government Act 2009 to the Chief Executive Officer to negotiate, finalise and execute any and all matters associated with the contract.

FINANCIAL/RESOURCE IMPLICATIONS

Council has allocated \$700,000.00 to the Pavement Renewal Program in the 2024-2025 Capital Works budget. Expenditure to date and the current and planned committals against this program total \$186,936.76. Officers recommend that the project be awarded to Pioneer North Queensland Pty Ltd for \$347,285.00 (GST exclusive). The remaining portion of the budget will be utilised for internal costs such as project management, line marking and a 15% contingency allowance. It is anticipated that the entire project will be delivered on budget.

RISK MANAGEMENT IMPLICATIONS

If Council does not resolve to enter into a contract for the Pavement Renewal Program 2024-2025 the major risk is that the required works will not be completed within the financial year and the acceptable level of service would be compromised.

SUSTAINABILITY IMPLICATIONS

Economic:	The project is budgeted for in Council's 2024-2025 Capital Works budget.
Environmental:	The preferred supplier operates under an Environmental Management System which complies with the requirements of ISO 14001:2015.
Social:	The project will improve the safety and level of service provided for Council's Road network.

CORPORATE/OPERATIONAL PLAN, POLICY REFERENCE

This report has been prepared in accordance with the following:

Corporate Plan 2019-2024 Initiatives:

Theme 1 - Celebrating Our Communities

Douglas Shire Council embraces the diversity of our communities and values the contribution that all people make to the Shire. We recognise that it is a core strength of the region. We acknowledge our past so that it may guide us in the future. We recognise the wrongs done to our Indigenous community and we actively seek to reconcile so that we may all benefit from and enjoy our Shire. We acknowledge early European settlers who forged an agricultural base for our economy and we welcome all new arrivals as part of our broader community.

Goal 1 - *We will celebrate the diversity of our community and ensure that all infrastructure, programs, and services are underpinned with inclusiveness and accessibility.*

Goal 2 - *We will deliver programs and services that protect and enhance the liveability of our beautiful Shire.*

Operational Plan 2024-2025 Actions:

Legislative requirement.

COUNCIL'S ROLE

Council can play a number of different roles in certain circumstances and it is important to be clear about which role is appropriate for a specific purpose or circumstance. The implementation of actions will be a collective effort and Council's involvement will vary from information only through to full responsibility for delivery.

The following areas outline where Council has a clear responsibility to act:

Builder/Owner	Council makes a significant investment every year in the infrastructure that underpins the Shire through its capital works
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program. Council will manage its assets with appropriate frameworks and deliver its projects through robust project management.

CONSULTATION

Internal: Infrastructure Department.
Discussed with Councillors on 18 March 2025.

External: Nil

COMMUNITY ENGAGEMENT

Will commence after the Contract is awarded.

ATTACHMENTS

Nil