

## **6.9. CONTRACT 2023-6204 - JUNCTION ROAD SPS MA RISING MAIN REPLACEMENT**

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### **RECOMMENDATION**

#### **That Council:**

- 1. Resolves to award Contract 2023-6204 – Junction Road SPS-MA Rising Main Replacement to JDI Earthworks and Machinery Hire (ABN 27 063 984 762) for \$599,965.07 (GST exclusive).**
- 2. Delegates authority under s 257 of the *Local Government Act 2009* to the Chief Executive Officer to negotiate, finalise and execute any and all matters in relation to this contract.**

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### **EXECUTIVE SUMMARY**

The sewerage rising main along Junction Road requires replacement due to its age and its insufficient flow capacity.

Council issued an open tender invitation through our procurement portal for suppliers to undertake this necessary work. Council received four submissions, with three conforming submissions and one non-conforming submissions for material supply only. The non-conforming submission was not considered further.

The remaining submissions were evaluated against a variety of priced and non-priced criteria with a weighting scoring system applied.

JDI Earthworks and Machinery Hire were the best ranked submission and hence the recommended supplier to undertake the works. The project is anticipated in being within budget.

### **BACKGROUND**

The existing sewerage rising main infrastructure along Junction Road is aging and has a frequent burst history. A 2013 sewage report identified that it is significantly undersized to cater for the sewage flows in the Mossman catchment.

Upgrading the sewerage rising main will reduce the repair frequency and reduce environmental consequences from the sewage spills. Increasing the size of the sewerage rising main will provide improvements in operational costs and energy savings in pumping costs. It will also provide adequate capacity for future demand in the Mossman catchment.

## COMMENTS

A request for tender (RFT) was issued through our procurement portal, Vendor Panel with four responses. The Vendor panel reference number is VP 382142.

Evaluation of the received submissions was conducted by the evaluation panel.

One response was deemed non-conforming following review from the evaluation panel due to it not meeting the tender requirements. The three conforming offers were considered in terms of price, technical capacity, business profile, program, work procedures and methodology.

A summary of the compliance check is shown in Table 1.

**Table 1. Tender Submission Conformance**

Tenderer	Price	Offer	Status
JDI Earthworks & Machinery Hire	\$ 599,965.07	Comparative	Conforming
Company #2	\$ 641,111.87	Comparative	Conforming
Company #3	\$ 1,209,145.62	Comparative	Conforming
Company #4	N/A	N/A	Non-Conforming

The submissions were assessed against the evaluation criteria detailed in the RFT documentation. Specific criteria were weighted according to their importance in delivering the project successfully and providing the best overall value solution in accordance with Council's procurement policies.

The weighting attributed to each criterion was:

**Table 2. Evaluation Criteria**

Criteria	Weighting
Price	40%
Business Profile (Local, Social and Sustainability)	20%
Technical Capacity of Tenderer	15%
Works Procedures and Methodology	15%
Program of Works	10%

Each Tenderers evaluation score and rankings are shown in Table 3.

**Table 3. Tenderer's Ranking and Scoring**

Tenderer	Weighted Score					Total Score	Ranking
	Price (40%)	Technical Capacity (15%)	Business Profile (20%)	Program (10%)	Methodology (15%)		
JDI Earthworks & Machinery Hire	40	11.75	17	8.4	12.35	89.5	1
2	38.4	11.9	16.1	7.9	11.75	86.05	2
3	16.4	12.5	16.8	8.1	12.5	66.3	3

The green shading in the above table indicates the highest score for the criteria and the red shading indicates the lowest score for the criteria.

Based on the results of the evaluation, JDI Earthworks and Machinery Hire is the recommended tenderer for the contract. JDI Earthworks and Machinery Hire provided the lowest price and has installed rising mains in the Douglas Shire region. The offer meets all the required technical criteria and is under budget.

## PROPOSAL

It is proposed that Council adopts to accept the evaluation panel's award recommendations.

That Council:

1. Resolves to award Contract 2023-6204 – Junction Road SPS-MA Rising Main Replacement to JDI Earthworks and Machinery Hire (ABN 27 063 984 762) for \$599,965.07 (GST exclusive).
2. Delegates authority under s 257 of the Local Government Act 2009 to the Chief Executive Officer to negotiate, finalise and execute any and all matters in relation to this contract

## FINANCIAL/RESOURCE IMPLICATIONS

The price from the recommended contractor is within Council's allocated budget for this work.

## RISK MANAGEMENT IMPLICATIONS

The sewerage rising main requires upgrading in the next few years. Currently, the system is operating well below desired performance levels and is continuing to degrade. The existing sewerage rising main has a frequent burst history and is undersized to cater for the flows in the Mossman catchment.

The selection of JDI Earthworks and Machinery Hire provides reduce risk by engaging a local based contractor who has a significant understanding of the scope of work and has undertaken similar work previously.

## SUSTAINABILITY IMPLICATIONS

- Economic:** Once the sewer rising main has been upgraded it is anticipated that there will be a significant reduction in operating and maintenance costs.
- Environmental:** Upgrading the sewerage rising main will reduce the burst frequency and reduce environmental consequences from bursts.
- Social:** Nil

## CORPORATE/OPERATIONAL PLAN, POLICY REFERENCE

This report has been prepared in accordance with the following:

### Corporate Plan 2019-2024 Initiatives:

#### Theme 2 - Fostering Sustainable Economic Growth

A robust economy is at the heart of a thriving community and enables investment in environmental protection. While our remoteness is a key attribute, it also presents challenges for attracting new business and investment. We must also meet the challenges of fierce competition in the tourism sector.

Council will partner with industry to build, diversify and promote the Douglas economy. Council will design and deliver infrastructure, strategies and services that support the local economy and businesses.

**Goal 1 - We will build appropriate infrastructure and deliver services that connect and support businesses.**

#### Theme 3 - Leading Environmental Stewardship

Our visitors and residents deeply value the unparalleled environment in which we live. We recognise our responsibility in protecting and preserving our natural world for generations to come. We understand the strong link between the environment and the economy: they are interdependent. Douglas Shire will be at the forefront of environmental protection by developing strategies, setting policies, and working with all stakeholders to become the envy of and to inspire locations across Australia and the World.

**Goal 1 - We will protect our sensitive environment and plan for the impact of climate change.**

#### Theme 5 - Robust Governance and Efficient Service Delivery

Strong governance and financial management are the foundations of the way in which Council will conduct its business and implement the initiatives of the Corporate Plan.

**Goal 1 - We will conduct Council business in an open and transparent manner with strong oversight and open reporting.**

## 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 program. The council will manage its assets with appropriate frameworks and deliver its projects through robust project management.

**Service Provider** Council provides many services to the community from roads and waste services to libraries and recreational facilities. Services evolve over time and it is the Council's mission to ensure that these services are appropriate, delivered efficiently, and designed with the customer at the centre.

## CONSULTATION

**Internal:** Water and Wastewater Department  
Councillor Workshop 14 November 2023

**External:** Tenders were received through public advertising of the project.

## COMMUNITY ENGAGEMENT

Not Applicable – Asset Infrastructure upgrade.

## ATTACHMENTS

Nil