



**COFFS HARBOUR CITY COUNCIL**  
**SUPPLEMENTARY AGENDA**  
**(LAND USE, HEALTH & DEVELOPMENT COMMITTEE)**

**COUNCIL CHAMBERS**  
**COUNCIL ADMINISTRATION BUILDING**  
**COFF AND CASTLE STREETS, COFFS HARBOUR**

**10 SEPTEMBER 2009**

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**CITY SERVICES DEPARTMENT REPORT**

**CONFIDENTIAL ITEM**

The following item either in whole or in part may be considered in Closed Meeting for the reasons stated:

A portion of this report is confidential for the reason of Section 10A (2) of the Local Government Act, 1993:

- (d) commercial information of a confidential nature that would, if disclosed:
  - (i) prejudice the commercial position of the person who supplied it, or
  - (ii) confer a commercial advantage on a competitor of the council, or
  - (iii) reveal a trade secret.

and in accordance with Section 10A (1) the meeting may be closed to the public.

<b>S46</b>	<b>TENDER: SUPPLY OF DUCTILE PIPE &amp; WATER SERVICE FITTINGS (RTA WATERMAIN RELOCATIONS SAPPHIRE TO WOOLGOOLGA PROJECT STAGE 1)</b>	<b>1</b>
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## COFFS HARBOUR CITY COUNCIL

### SUPPLEMENTARY AGENDA (LAND USE, HEALTH & DEVELOPMENT COMMITTEE)

10 SEPTEMBER 2009

Mayor and Councillors

#### CITY SERVICES DEPARTMENT REPORT

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#### **S46 TENDER: SUPPLY OF DUCTILE PIPE & WATER SERVICE FITTINGS (RTA WATERMAIN RELOCATIONS SAPPHIRE TO WOOLGOOLGA PROJECT STAGE 1)**

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##### **Purpose:**

To report on tenders received for the supply of Ductile Pipe and various Water Service Fittings and to gain Council approval to accept one (1) tender for the supply and delivery of all relevant categories.

##### **Description of Item:**

Council called tenders for the Supply of Ductile Pipe and various Water Service Fittings (RTA Watermain Relocation Sapphire to Woolgoolga Project Stage1), Contract No. 09/10-405-TO that closed on Tuesday, 1 September 2009.

Tenders were evaluated on the following criteria:

- Tender Price
- Delivery Lead Times
- Previous Experience
- Quality Assurance
- Referees
- Tender Compliance

Three (3) tenders were received and one of the tenders was non-conforming:

1. Crevet Pipelines
2. Tyco Water
3. Vinidex

Cont'd

## **S46 Tender: Supply of Ductile Pipe & Water Service Fittings (RTA Watermain Relocations Sapphire to Woolgoolga Project Stage 1) ...(Cont'd)**

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### **Sustainability Assessment:**

The supply of Ductile Pipe and Water Service Fittings will be made directly to Council Site Compounds that will be strategically located between Sapphire and Woolgoolga. Though minimal, Triple bottom line issues were addressed in the assessing of Tenders:

- **Environment**

The supply of Ductile Pipe & Water Service Fittings has virtually a nil environmental impact. All Pipes and Fittings delivered are non-hazardous and do not release any residue upon storage.

- **Social**

The delivery of Pipes and Fittings will be delivered to Council site compounds strategically located on specially prepared gravel roads between Sapphire and Woolgoolga. Local residents will not be affected by the emission of dust, and noise will not be an issue as all deliveries by large vehicles/semi-trailers are expected to take place between the hours of 8.00am and 4.00pm Monday to Friday.

- **Economic**

The approval of this contract will have no economic impact on Council as this project is being totally funded by the Roads and Traffic Authority (RTA). The agreement to complete this work does not include any late completion penalties to Council.

An Alliance is being formed between the RTA and Council where the work will be done on a cost plus an arrangement involving pain share / gain share affecting profit margins. Material supplies such as those including this contract approval, will be paid in full by the RTA regardless of any pain share / gain share arrangements. The RTA has formally committed to funding these pipes and fittings.

### **Related Policy and / or Precedents:**

Tendering procedures were carried out in accordance with Council policy. Council's Tender Value Selection System was applied during the tender review process to determine the most advantageous offer. Council's policy is that the tender with the highest weighted score becomes the recommended tender.

### **Statutory Requirements:**

The calling, receiving and reviewing of tenders was carried out in accordance with Part 7 of the Local Government (General) Tendering Regulations 2005.

**Cont'd**

**S46 Tender: Supply of Ductile Pipe & Water Service Fittings (RTA Watermain Relocations Sapphire to Woolgoolga Project Stage 1) ...(Cont'd)**

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**Issues:**

Assessment of the tenders is contained in the attached confidential supplement.

The Tender document was written in a format that advised Tenderers that Council reserved the right to award the contract in separate categories or as a whole contract. To ensure that Council completed this project without any delays and complications the assessment panel agreed the tender be awarded to only one supplier.

As a result of the tender value selection system applied as per Council's policy it was evident that one (1) tenderer had scored the highest weighted total score after assessing all categories.

The Assessment Panel considered the Delivery Lead Times to be a critical criterion and were also concerned with the quality of pipe tendered by one of the tenderers which is to be manufactured outside of Australia, specifically in respect of its unknown long term performance. The recommended tenderer scored well in both Delivery Lead Times and Quality Assurance.

**Contract Duration:**

The contract comprises the total supply requirements set out in the Schedule of Rates. There is to be an initial delivery of pipes and fittings as required in Schedule D (Guaranteed Delivery Times) which must be completed within six (6) weeks of the Letter of Acceptance. The total supply of all items listed in the Schedule of Rates must be delivered within ten (10) weeks of the Letter of Acceptance.

**Recommendation:**

**That Council considers tenders received for the Supply of Ductile Pipe & Water Service Fittings (RTA Watermain Relocations Sapphire to Woolgoolga Project Stage 1), Contract No. 09/10-405-TO & move the motion as detailed in the confidential attachment.**

**Jason Gordon  
Director City Services**