

## 7.12 Contract No. 2021/46 - Plumbing and Irrigation Services

### Abstract

This report seeks Council endorsement for the award of Contract No. 2021/46, Plumbing and Irrigation Services - Annual Supply. This contract consists of two panels. One panel is for the provision of maintenance and repair of plumbing services to Council buildings and facilities throughout, whilst the second panel is for the repair and maintenance of Council's irrigations systems including sportsgrounds and parks. The contract is for an initial term of three years, with one possible extension two years, for a maximum contract term of five years. This contract is a direct replacement of Contract No. 2017/87 - Plumbing and Irrigation - Annual Supply which has reached the end of its maximum term.

The estimated cost of this Contract over the full five-year maximum contract term is \$4,477,869 (including GST), excluding any price adjustment due to rise and fall. The estimated cost to Council after return of GST Input Credits is \$4,070,790.

Expenditure in future years will be in accordance with approved budget allocations. Because of the value of the contract it was publicly advertised in accordance with the requirements of section 186 of the *Local Government Act. 1989*.

Confidential information is contained in **Attachment 1**, as circulated in the confidential section of the agenda attachments, in accordance with 66(2)(a) and the definitions of 'confidential information' in Section 3(1) of the *Local Government Act2020*. The information relates to:

- a. private commercial information, being information provided by a business, commercial or financial undertaking that -
  - i. relates to trade secrets; or
  - ii. if released, would unreasonably expose the business commercial or financial undertaking to disadvantage;
- b. confidential meeting information, being the records of meetings closed to the public under section 66(2)(a);
- c. Information prescribed by the regulations to be confidential information for the purposes of this definitions;

This item has been included in the public agenda to facilitate transparency and accountability in Council's decision making.

If discussion of the confidential information in the attachments to this report is required in order for Council to make a decision, this item will be deferred to the confidential section of the agenda.

## Officers' recommendation

That Council resolve to:

1. Award Contract No. 2021/46, Plumbing and Irrigation Services - Annual Supply, to:

**A. Plumbing Services Panel:**

- Ashburton Plumbing Pty Ltd (ACN 096 827 762);
- Hydrotech Services Pty Ltd (ACN 083 931 766);
- Plumbtrax Infrastructure Services (ACN 142 872 491); and
- Eric Robertson Builders Pty Ltd (ACN 005 323 071) the trustee for the Robertson Families Trust (ABN 22 678 404 360) trading as On Time Building Trades.

**B. Irrigation Services Panel:**

- Chapman & Rivett (Vic) Pty Ltd (ACN 008 083 592) trading as Century Rain;
- RMS Groundworks Pty Ltd (ACN 606 867 127); and
- Planned Irrigation Projects Pty Ltd (ACN 006 031 590) trading as Think Water Melbourne.

at their tendered schedule of rates for an initial contract term of three years with a possible extension, by two years, to a maximum contract term of five years. The estimated cost for a five-year maximum contract term is \$4,477,869 (including GST), excluding any price adjustment due to rise and fall. The estimated cost to Council after return of GST Input Credits is \$4,070,790.

2. Authorise the Director Places and Spaces to execute the contract agreements with the above contractors.
3. Authorise the Director Places and Spaces to negotiate extensions to the contract with the above contractors to the maximum five-year contract term.
4. Note that expenditure under this contract in 2021-22 is in accordance with Council's adopted budget and expenditure in future years will be in accordance with the approved budget allocations.

**Responsible director:** Daniel Freer, Director Places and Spaces

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## 1. Purpose

The purpose of this report is for Council to give consideration to the awarding of Contract No. 2021/46, Plumbing and Irrigation Services - Annual Supply.

## 2. Policy implications and relevance to community plan and council plan

This contract aligns with the following themes and strategies in the Boroondara Community Plan (2017 -27) and Council Plan (2017- 21):

*Theme One - “Your Community, Services and Facilities”*

- **Strategy 1.11:** Ensure Council’s assets are suitable for community use through proactive asset inspections, maintenance of asset data in the corporate asset system and development of Asset Management Plans.

*Theme Two - “Your Parks and Green Spaces”*

- **Strategy 2.5:** Increase and improve public amenities and facilities in open spaces to enhance functionality for a wider range of uses.

This procurement process has been carried out in accordance with the requirements of Council's Procurement Policy.

## 3. Background

Council requires suitably qualified and experienced organisations to form two panels, one for the provision of plumbing services and the second panel for the provision of irrigation services.

The works to be performed by the Contractors shall generally include, but not be limited to:

- Maintenance of plumbing services in Council buildings;
- Repair of sportsground and park irrigation; and
- Modification of existing irrigation systems.

The contract structure is a schedule of rates contracts. This contract will replace the existing Contract No. 2017/87 - Plumbing and Irrigation - Annual Supply which expires on 30 October 2021.

### Invitation to tender

In accordance with Council’s procurement procedures and Section 186 of the Local Government Act 1989, Council invited public tenders from suitably qualified and experienced organisations to provide plumbing and irrigation services. An invitation to tender was advertised in the local government tenders section of “The Age” newspaper on Saturday 24 April 2021 and on Council’s website. The closing date for submissions was 4pm, Friday 21 May 2021.

In response to the advertisement, Council received 14 submissions:

- ACE Landscape Services Pty Ltd;
- Ashburton Plumbing Pty Ltd;
- MCD Hydraulics (Vic) Pty Ltd trading as Australian Facilities Plumbing;
- CD Roofing Online;
- CAB Plumbing Pty Ltd the trustee for the CAB Plumbing Trust;
- Chapman & Rivett (Vic) Pty Ltd trading as Century Rain;
- Ecostream Pty Ltd trading as Ecostream Water Management;
- Hydrotech Services Pty Ltd;
- International Plumbing Solutions Pty Ltd as trustee for the New Plumbing Solutions Trust trading as New Plumbing Solutions;
- Eric Robertson Builders Pty Ltd trading as On Time Building Trades;
- Planned Irrigations Projects trading as Think Water Melbourne
- Plumbtrax Pty Ltd trading as Plumbtrax Infrastructure Services;
- RMS Groundworks Pty Ltd; and
- Tees & Greens Pty Ltd.

#### 4. Outline of key issues/options

It is envisaged that there are no issues.

#### 5. Consultation/communication

Internal consultation across the appropriate teams within the Waste, Facilities and Infrastructure & Environmental Sustainability and Open Spaces Departments informed the development of the specification and associated tender documents. The procurement process was facilitated by officers from the Chief Financial Office.

#### 6. Financial and resource implications

Council's 2021-22 Adopted Budget and draft Long Term Financial Plan provides an allocation of \$814,158 (as presented in table 6.1 excluding GST) and is indexed annually for these services in accordance with the consumer price index (CPI).

| Accounts   | Budget Amount    |
|--|------------------|
| 23200-53065 - Plumbing Services                      | \$524,680        |
| 24301 - 53095 - Sportsgrounds Irrigation Maintenance | \$74,478         |
| 72188 - 53010 - Sportsground Irrigation Program      | \$215,000        |
| <b>Grand Total</b>                                   | <b>\$814,158</b> |

Table 6.1 (excluding GST)

At the time of writing the report, \$443,704 of the 2021-22 Budget allocation has been spent or committed.

This is a Schedule of Rates contract, and no guarantee of a minimum quantity of work in relation to any of the contract components has been made.

The amount of works performed will be made in accordance with the need and budgetary allocations each financial year. Payment will be made in line with the respective Tenderer's Schedule of Rates.

Expenditure under this contract may exceed the estimate amounts provided in the event that this contract is utilised for other Council services and projects beyond the anticipated programs outlined above. Under these circumstances quotations will be sought from this panel to ensure best value is maintained.

## **7. Governance issues**

The implications of this report have been assessed in accordance with the requirements of the Victorian Charter of Human Rights and Responsibilities.

The officers responsible for this report have no direct or indirect interests requiring disclosure.

This tender process has been carried out in accordance with the requirements of Council's Procurement Policy.

## **8. Social and environmental issues**

There are minimal social or environmental issues with this contract.

## **9. Evaluation and review**

The tender evaluation report is provided as **Confidential Attachment 1**.

As a result of the tender evaluation, the evaluation panel recommends that Council award Contract No. 2021/46, Plumbing and Irrigation Services - Annual Supply to the following seven Tenderers that collectively will constitute two panels as listed below:

### **9.1 Plumbing Services Panel:**

- Ashburton Plumbing Pty Ltd (ACN 096 827 762);
- Hydrotech Services Pty Ltd (ACN 083 931 766);
- Plumbtrax Infrastructure Services (ACN 142 872 491); and
- Eric Robertson Builders Pty Ltd (ACN 005 323 071) the trustee for the Robertson Families Trust (ABN 22 678 404 360) trading as On Time Building Trades.

### **9.2 Irrigation Services Panel:**

- Chapman & Rivett (Vic) Pty Ltd (ACN 008 083 592) trading as Century Rain;
- RMS Groundworks Pty Ltd (ACN 606 867 127); and
- Planned Irrigation Projects Pty Ltd (ACN 006 031 590) trading as Think Water Melbourne.

at their tendered schedule of rates. The estimated cost for a five year maximum contract term is \$4,477,869 (including GST), excluding any price adjustment due to rise and fall. The estimated cost to Council after return of GST Input Credits is \$4,070,790.

**Manager:** **George Batsakis, Manager Facilities, Waste and Infrastructure**

**Report officer:** Michael Robins, Acting Coordinator Facilities Maintenance  
(Senior Facilities Compliance Supervisor)