

7.7 Contract No 2021/123 Annual Supply of Concrete, Bluestone and Associated Works

Executive Summary

Purpose

The purpose of this report is to seek Council approval to award Contract 2021/123 Annual Supply of Concrete, Bluestone and Associated Works.

Background

Council requires a panel of suitably qualified organisations to provide concrete, bluestone and associated services. Council's current annual supply contract for Concrete, Bluestone and Associated Construction Works (Contract No. 2017/144) expires on 1 February 2023.

The tender was developed with a view to delivering a range of high-quality Concrete, Bluestone, and Associated Construction Works throughout the municipality.

The broad objectives of the Contract are to deliver:

- Concrete, Bluestone and Associated Construction Works for residents and ratepayers of the municipality, and
- Cost-effective, reliable, and efficient Concrete, Bluestone and Associated Construction Works which comply with regulations, local laws, and policies.

To ensure that Council obtains these services in the most cost-effective and efficient manner, Council intends to enter contracts with a number of Contractors for Concrete, Bluestone, and Associated Construction Works and to allocate work based on the Schedule of Rates of the successful Contractors.

Council does not guarantee either a minimum quantity of work in relation to any of the contract components or any mix of work within contract components.

Key Issues

This Annual Supply contract for Concrete Bluestone and Associated Works is a key enabler to allow the extensive road renewal program to be completed each year and ensure high quality construction.

Next Steps

Upon award of the Contract, Council will appoint the panel of contractors and oversee the delivery of road resurfacing works based on asset condition and renewal program.

Confidentiality

Confidential information is contained in **Attachment 1**, as circulated in the confidential section of the agenda attachments, in accordance with Section 66(2)(a) and the definitions of 'confidential information' in section 3(1) of the *Local Government Act 2020*. The information relates to Council business information, being information that would prejudice the Council's position in commercial negotiations if prematurely released.

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

Officers' recommendation

That Council:

1. Award Contract No. 2021/123, Annual Supply of Concrete Bluestone and Associated Works to:
 - The Trustee for Hall Family Trust; and (ABN 17 984 563 213)
 - Zecon Pty Ltd (ABN 41 196 979 265)
 - Giust Bros Pty Ltd (ABN 46 007 138 043)
 - Fercon Pty Ltd (ABN 43 116 527 363)
 - MFP Enterprise Pty Ltd (ABN 34 154 882 907)
 - CDN Constructors Unit Trust (ABN 62 884 294 341)
 - Cole Civil (The Trustee for THE CENTOFANTI UNIT TRUST) (ABN 27 593 149 786)

at their tendered schedule of rates for an initial contract period of five (5) years plus optional extension periods of 2 years (1+1) to be exercised at the discretion of Council. The estimated total contract cost is \$66,890,000 (excluding GST).

2. Authorise the Director of Places and Spaces to execute the contract agreements with the above contractors.
3. Authorise the Director Places and Spaces to negotiate extensions to Contract No. 2021/123 (Concrete, Bluestone, and Associated Works) with the above contractors to the maximum contract term.
4. Note that expenditure under this contract in 2022-23 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

1. Purpose

The purpose of this report is to seek Council approval to award Contract No. 2021/123, Annual Supply of Concrete, Bluestone, and Associated Works.

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 (2021-31) and Council Plan (2021-25): follows seven priority themes:

- Community, Services and Facilities
- Parks and Green Spaces
- The Environment
- Neighbourhood Character and Heritage
- Moving Around
- Local Economy
- Leadership and Governance

The proposed panel contract for concrete bluestone and associated works.

Theme 5: Moving Around

Strategy 5.1 - Safe roads are provided through proactive maintenance, renewal and community education

This procurement process has been carried out in accordance with the requirements of Council's Procurement Policy 2021-25.

3. Background

Council requires suitably qualified organisations for Annual Supply of Concrete, Bluestone, and Associated Works in accordance with the requirements of the specification.

Invitation to tender

In accordance with Council's Procurement Policy 2021-25 and Sections 108 and 109 of the Local Government Act 2020, Council invited public tenders from suitably qualified organisations to Concrete Bluestone and Associated Works.

An invitation to tender was advertised in the local government tenders' section of "The Age" on Saturday, 27 August 2022, and the Vendor panel. The closing date for submissions was 4:00 PM, Tuesday, 11 October 2022.

In response to the advertisement, Council received fifteen (15) submissions:

- Prestige Paving Pty Ltd; and
- Rapid Paving Construction Co., Pty Ltd
- CDN Constructors Unit Trust
- Giust Bros Pty Ltd
- Cole Civil (The Trustee for THE CENTOFANTI UNIT TRUST)
- Fercon Pty Ltd
- The Trustee for Hall Family Trust (Entity Name) Hall Family Trust (Trading Name)
- Zecon Pty Ltd

- Merlo Concreting Pty Ltd
- The Trustee for Parente Paving Civil Unit Trust
- MFP Enterprises (VIC) Pty Ltd
- Victorian Infrastructure Services Pty Ltd
- A and G Concrete Construction Pty Ltd
- Vision Civil and excavation (The Trustee for Egan Family Trust)
- Stone Culture (Business name) Italian Porphyry Pty Ltd (Entity name)

4. Outline of key issues/options

Renewal of Council's footpaths, trails, concrete roads and road infrastructure is essential in providing a high level of amenity for the Boroondara community. Ensuring the timely renewal and works on these assets will prevent significant future decline in asset standards and avoid greater cost in full replacements.

5. Collaborative Procurement Opportunities

Collaborative opportunities were not sort as the annual works program requires contractors to be always available for the City of Boroondara to carry out the extensive concrete, bluestone and associated works under this contract. Tendering for this contract was carried out in accordance with Council's tendering procedures and Sections 108 and 109 of the Local Government Act 2020.

6. Consultation/communication

Consultation and communication with residents regarding works under this Contract are carried out for each individual project as required.

7. Financial and resource implications

Council's 2022-23 adopted budget contains a total allocation of \$9,000,000 for Concrete, Bluestone, and Associated Works:

Accounts	2022/2023 Available Budget	Budget Allocation for this contract
Traffic Management Devices	\$172,706	\$150,000
Account No. 71636-Roads Resheeting	\$3,912,889	\$218,000
Account No. 71637 - Full Road Reconstruction & Kerb Replacement (part of budget is used for this contract)	\$7,699,004	\$ 6,900,000
Account No. 71659 - Bicycle Strategy Implementation	\$100,000	\$50,000
Account No. 71728 - Condition 4 Footpaths renewal	\$700,000	\$400,000
Account No. 71729 - Unscheduled Footpath Works	\$200,000	\$150,000
Account No. 71996 - Retaining Walls - Unscheduled works	\$132,000	\$132,000
Account No. 72012 - Unscheduled Footpath Works	\$200,000	\$150,000
Account No. 72099 - Bicycle & Pedestrian Trail	\$450,000	\$450,000
Account No. 72116 - Crossing facilities	\$115,000	\$115,000
Account No. 72255 - Shopping Centre footpath works	\$120,000	\$120,000
Account No. 72375 - Condition 4 safety treatments	\$165,000	\$165,000
Total	\$13,801,599	\$9,000,000

Council does not guarantee the appointed contractors a minimum quantity of work in relation to any of the contract components. The amount of works performed will be in accordance with the need and budgetary allocations each year.

Payment will be made in line with the respective Tenderer's Schedule of Rates.

8. 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 general or material interests requiring disclosure.

This tender process has been carried out in accordance with the requirements of the Council's Procurement Policy 2021-25.

9. Social and environmental issues

The road network, shared bicycle and pedestrian network and traffic management devices provide essential links to enable a mobile community. High quality roads improve drainage, reduce noise, vibration, and improve vehicle fuel economy and are visually more attractive.

10. Evaluation and review

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

As a result of the evaluation, the evaluation panel recommends that Council award Contract No. 2021/123, Annual Supply of Concrete, Bluestone, and Associated Works to:

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- Zecon Pty Ltd (ABN 41 196 979 265)
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Manager:	Christine White, Manager Capital Projects
Report officer:	Cid Mariani, Coordinator Civil Projects, Capital Projects