

## **15.1 Confidential - Contract award Central Parks Maintenance Contract – Tender # 12015**

*This report is seeking Council approval to award the contract for the Central Parks Maintenance Contract.*

*This is information seeking Council direction.*

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Attachments: 1. Tender Evaluation Summary (2 pages)

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### **1 Executive summary**

#### **1.1 Topic**

This report is seeking Council approval to award the contract for the Central Parks Maintenance Contract.

#### **1.2 Context**

The tender and evaluation processes are complete and subject to Council approval, award of this contract will allow on ground works to commence by August 2012 and be completed by June 2015.

Tenders were invited through an open tender process and assessed through our Tender Management System (TMS) as tender 12015.

The contract value for the Central Parks Maintenance is outside the Chief Executive Officer's delegated authority (\$500,000) and therefore requires a decision of Council to approve the contract.

It is suggested that Council consider this item in Confidence. Section 90(3)(k) of the *Local Government Act 1999* is suggested as the most appropriate to use for this purpose.

This item is presented as a confidential item as it presents commercial tenders for the carrying out of works for Council's consideration and award. Our procurement policy and process focuses on ensuring the confidentiality of all information in the course of tendering is preserved.

#### **1.3 Financial implications**

The Central Parks Maintenance Contract has a total budget of approximately \$230,000 per annum funded through existing operational budgets.

#### **1.4 Suggested outcome**

That Council approves the award of the contract to Bedford Group Incorporated as recommended by the tender assessment team.

## **2 Recommendations**

### **1. That**

- a. under the provisions of Section 90(2) of the *Local Government Act 1999* an order be made that the public be excluded from attendance at the meeting in order to consider in confidence this item.**
- b. Council is satisfied that it is necessary that the public be excluded to enable the Council to consider the report at the meeting on the following grounds:**

***Section 90(3)(k) tenders for the supply of goods, the provision of services or the carrying out of works.***

**The Council is satisfied that it is reasonably foreseeable that the public disclosure or discussion of the information at the meeting may:**

- prejudice the commercial position of the companies that supplied the information; or**
- confer a commercial advantage on a third party; or**
- prejudice any ongoing negotiations with the preferred supplier**

**potentially causing damage to the interests of the Council.**

- c. accordingly, on this basis the principle that meetings of the Council should be conducted in a place open to the public has been outweighed by the need to keep the information or discussion confidential.**
- 2. That Council accept the tender proposed by Bedford Group Incorporated, tender number 12015 as:**
    - it passed mandatory criteria;**
    - it presented a commercially acceptable offer.**
  - 3. That the offer proposed by Bedford Group Incorporated at a cost of \$664,448.40 (including GST) for a period of 3 years is accepted.**
  - 4. That Council delegate authority to the Chief Executive Officer to sign all required documentation to finalise the contract (and authorise all expenditure in relation to the contract) with Bedford Group Incorporated for works associated with the Central Parks Maintenance Contract.**
  - 5. That an order be made under the provisions of Section 91(7) and (9) of the *Local Government Act 1999* that the abovementioned document (or part of such document) including the minutes and the report of the Council relating to discussion of the subject matter of that document with the exception of part 2 of the recommendation and resolution, having been dealt with on a confidential basis under Section 90 of the Act, should be kept confidential on the grounds of information contained in 90(3)(k) until the contract has been awarded and signed.**

## Key factors

### 3 Discussion

#### 3.1 Details of tender

In accordance with our Contracts, Tenders and Purchasing Policy and Procedures, an open tender invitation was issued through SA Tenders and Contracts.

#### 3.2 Tenders received

Four tenders were received. The following table summarises the tender submission prices.

Tenderer	Annual Price	Total Price 3 years
Bedford Group Incorporated	\$221,482.80	\$664,448.40
GLG GreenLife Group	\$86,271.55	\$258,814.65
Tron Civil Contracting Pty Ltd	\$434,117.38	\$1,436,926.00
UrbanVirons Group Pty Ltd	\$518,274.64	\$1,554,823.92

Tenders were assessed in accordance with our procurement procedures.

#### 3.3 Tender Management System (TMS)

All tender prices were entered into the TMS database program. The database calculates (using the Australian Consulting Engineers Association calculation) the price score based on the median price.

All evaluation scores (other than price) are determined by the evaluation panel based on the weighted criteria nominated for this tender (attachment 1).

Weighting criteria was:

- 40% Price
- 20% Demonstrated ability
- 10% Methodology
- 10% Personnel/experience
- 20% Physical resources

##### 3.3.1 Criteria assessment

The tender evaluation panel scored the tenders in accordance with the agreed selection criteria. This criteria was provided to tenderers as part of our tender documentation.

The tender attracted submissions from a suitable range of contractors representing a broad cross section of the market.

Whilst GLC GreenLife Group offered the lowest price to complete the Central Parks Maintenance contract, their tender submission failed to demonstrate the necessary methodology, expertise and resources required to satisfactorily deliver this contract, as reflected in the scoring. An example of this would be that GLC GreenLife group's machinery and equipment did not meet the mandatory requirements as stipulated in the tender specification.

The recommended tenderer provided detailed information on methodology, expertise as well as having sufficient resources and a demonstrated ability to carry out the contract. Information we were looking for included detailed knowledge of the contracted areas, comprehensive understanding of work to be undertaken, detailed proposed program for when works will occur, work within existing Council systems and reporting, extensive previous experience in parks maintenance in Local Government and appropriate staff and resources to undertake the works.

The tender price is within the operational budget and the evaluation panel is confident they have costed the works appropriately and can satisfactorily complete the contract. The tender evaluation panel assessment identified Bedford Group Incorporated to have the highest weighted score and recommends them as the preferred contractor to undertake this contract.