

**ITEM 18. TENDER – SUPPLY AND DELIVERY OF BULK LANDSCAPING
MATERIALS - REJECT AND NEGOTIATE**

FILE NO: X008365

TENDER NO: 1709

SUMMARY

This report provides details of the tenders received for the supply and delivery of bulk landscaping materials, including soils, sands, composts, mulches, gravel and manures.

These materials are used in the City's parks, open spaces, sportsfields, playgrounds and streetscapes for landscape projects and maintenance operations.

Three tender submissions were received and all were evaluated as being non-compliant.

This report recommends that Council cancel the tender and enter into negotiations with suitable suppliers.

RECOMMENDATION

It is resolved that:

- (A) Council reject the tender submissions received for the supply and delivery of bulk landscaping materials for the reasons set out in confidential Tender Evaluation Summary, shown at Attachment A to the subject report;
- (B) Council enter into negotiations with suppliers who are suitable and demonstrate an ability to supply bulk landscape materials required for use by the City. It is noted that:
 - (i) inviting fresh tenders may not attract additional suitable suppliers over and above those that have responded to this tender; and
 - (ii) Council's reasons for determining to enter into negotiations with suppliers are to ensure the best value for money outcome for the supply of all landscaping materials required by the City;
- (C) authority be delegated to the Chief Executive Officer to enter into a contract subject to the conclusion of negotiations with suitable companies for the supply and delivery of bulk landscaping materials; and
- (D) Council be informed of the successful supplier by CEO Update.

ATTACHMENTS

Attachment A: Tender Evaluation Summary (Confidential)

BACKGROUND

1. The City uses bulk landscape materials such as sands, soils, mulches and compost in the maintenance of the City's parks, open spaces and sports fields, and in the construction of new street gardens and verges.
2. Materials are delivered to City depots or direct to work sites.
3. The average quantities of bulk materials used each year are:
 - (a) Soils and sands - 775 tonnes;
 - (b) Composts and manures – 20m³;
 - (c) Mulches - 2,508m³; and
 - (d) Pebble and Gravels – 150 tonnes.
4. The current supply contract expired on 30 June 2017.
5. The tender covers the main types of landscape materials used by the City, with tenderers submitting a schedule of rates to cover supply and delivery.

INVITATION TO TENDER

6. The tender was advertised in The Sydney Morning Herald and The Daily Telegraph for a period of three weeks from the 21 March to 13 April 2017.
7. Tenderers were invited to provide a schedule of rates for the supply and delivery of bulk landscape materials.

TENDER SUBMISSIONS

8. Three submissions were received from the following organisations:
 - Benedict Sand & Gravel/Benedict Pty Ltd
 - Collins Construction Materials Pty Ltd
 - McMahons Transport (NSW) Pty Ltd
9. No late submissions were received.

TENDER EVALUATION

10. All members of the Tender Evaluation Panel have signed Pecuniary Interest Declarations. No pecuniary interests were noted.
11. The relative ranking of tenders as determined from the total weighted score is provided in the Confidential Tender Evaluation Summary – Attachment A.
12. All submissions were assessed in accordance with the approved evaluation criteria being:
 - (a) Financial stability and financial position of the Tenderer;

- (b) The schedule of rates;
- (c) Warranties and standards;
- (d) Proposed delivery times;
- (e) Environmental management;
- (f) Work Health and Safety; and
- (g) Financial and commercial trading integrity including insurances.

PERFORMANCE MEASUREMENT

13. Upon entering into a Contract, the City will ensure performance standards are monitored against specific key performance indicators by:
- (a) reviewing work method statements, biannual reports and claims;
 - (b) undertaking quality assurance inspections, reviewing samples, product data and certifications to ensure all materials meet specifications and Australian Standards; and
 - (c) conducting biannual contract meetings with the contractor and undertaking formal performance reviews in accordance with the City's standard contract management practices.

FINANCIAL IMPLICATIONS

14. There are sufficient funds allocated for this contract within the current year's operating budget and future years' forward estimates.

RELEVANT LEGISLATION

15. The tender has been conducted in accordance with the Local Government Act 1993, the Local Government (General) Regulation 2005 and the City's Contracts Policy.
16. Attachment A contains confidential commercial information of the tenderers and details of Council's tender evaluation which, if disclosed, would:
- (a) confer a commercial advantage on a person with whom Council is conducting (or proposes to conduct) business; and
 - (b) prejudice the commercial position of the person who supplied it.
17. Discussion of the matter in an open meeting would, on balance, be contrary to the public interest because it would compromise Council's ability to negotiate fairly and commercially to achieve the best outcome for its ratepayers.

CRITICAL DATES / TIME FRAMES

18. The relevant timeframes are:
- (a) Council approval to reject and negotiate tender – July 2017
 - (b) Negotiate tender with suitable suppliers – August 2017

(c) Appoint supplier – September 2017

19. The contract would be for an initial three year period. Subject to performance, and at the City's discretion, there is an option for a two year extension.
20. Goods will be obtained until the new contract has been entered into. Staff will purchase materials as required in July and August following the City's procurement process of requesting a quote from any Landscape Supply company prior to raising a purchase order.

PUBLIC CONSULTATION

21. No public consultation has been undertaken.

DAVID RIORDAN

Director City Operations

Michelle Munda, Contract Coordinator – Parks

Joel Johnson, Manager City Greening and Leisure