



Southern Grampians
SHIRE COUNCIL

Council Meeting Minutes

Special Meeting

8 November 2017

Held at 5.47pm in the Council
Chambers at 5 Market Place, Hamilton

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The Meeting opened at 5.47pm

1. Present

Councillors

Cr Mary-Ann Brown – Mayor
Cr Chris Sharples – Deputy Mayor
Cr Cathy Armstrong
Cr Albert Calvano
Cr Colin Dunkley
Cr Greg McAdam
Cr Katrina Rainsford

Officers

Mr Michael Tudball – Chief Executive Officer
Ms Vickie Williams – Acting Director Community and Corporate Services
Mr Michael McCarthy - Director Shire Futures
Ms Megan Kruger – Governance Coordinator
Ms Nola McFarlane – Manager Flood Recovery

2. Acknowledgement of Country

The CEO, Michael Tudball, read the acknowledgement of country –

“Our meeting is being held on the traditional lands of the Gunditjmara, Tjap Wurrung and Bunganditj people.

I would like to pay my respects to their Elders, past and present, and the Elders from other communities who may be here today.”

3. Prayer

Vickie Williams, Acting Director Community and Corporate Services, led the meeting in a prayer.

4. Apologies

Mr David Moloney – Director Shire Infrastructure and Ms Evelyn Arnold – Director Community and Corporate Services.

5. Declaration of Interest

None declared.

6. Management Reports

6.1 41-17 Restoration Works to Flood Affected Roads

Directorate: David Moloney, Director Shire Infrastructure
Author: Nola McFarlane – Manager Flood Recovery
Attachments: None.

Executive Summary

The Flood and Storm event of September and October 2016 resulted in widespread damage to the essential public infrastructure network within the Southern Grampians Shire. The rural road network was known to have been significantly impacted and have been inspected by asset officers seconded to the Flood Recovery Unit to evaluate damage arising from the event.

This contract will deliver the reinstatement of the damage identified through those inspections to pre flood condition, in accordance with the Natural Disaster Relief and Recovery Arrangements and Guidelines established by the State and Federal Governments.

Costs associated with this contract will be claimed under the National Disaster Relief and Recovery Arrangements for providing Natural Disaster Financial Assistance to Local Government for event AGRN728 Victorian Floods and Storms (September/October 2016).

A tender was publicly advertised on 9 September for contractors to restore flood impacted road damage: 41-17 Restoration Works to Flood Affected Roads.

Tender submissions were received and evaluated based on tender price, previous relevant work history and performance, quality assurance, available resources and skills, Occupational Health and Safety, and environmental sustainability.

Four submissions were received.

The recommendation is to award the Tender 41-17 Restoration to flood affected roads to Quality Roads.

Discussion

The events of September and October have been recognised as having a significant impact on public, private and community assets within the Southern Grampians Shire. As a result the National Disaster Relief and Recovery Arrangements were activated to enable Council and impacted residents to access funding to support the recovery process.

Funding is provided, under strict eligibility criteria, which needs to be expended and works completed by June 2019. The works will largely be completed through contracted resources, as works completed by staff within normal hours of operation are not able to be claimed for reimbursement. The level of damage to essential infrastructure across Southern Grampians Shire is beyond the capacity of Council to reinstate using their own resources and hence there is a requirement to engage contractors to complete the works. These contracted works will reinstate the portion of the damaged roads inspected by the Flood Recovery Unit, which will see 200 roads reinstated of the 296 identified with flood damage.

As the Contract is a Schedule of Rates, Council needs to award on this basis. To allow the comparison of pricing, Council officers pre-determined the estimated quantities for each scheduled rate and from these extend the tendered rates to provide an indicative total cost based on those quantities. A pricing sensitivity analysis was conducted on Mibus Bros submitted prices which included options based on a number of factors, most notably the haulage distance for materials.

Tender 41-17:

- MACA Infrastructure Pty Ltd
- James Milne Pty Ltd
- Mibus Bros (Aust) Pty Ltd
- Quality Roads Pty Ltd

The total contract value estimated by officers for this work was \$15,090,500 (inc GST).

The outcome of the tender evaluation is tabled below:

	Specification Conformance	Tendered Price	Total
MACA	YES	\$20,170,450	6.05
DISCUSSION			
Mibus Bros	YES	\$14,614,503	7.77
DISCUSSION			
Milne Civil	NO	\$75,755,500	0.58
DISCUSSION			
Quality Roads	YES	\$14,585,250	8.01

The tendered price was calculated against an estimated use rate for each of the requested services provided in the schedules of rates. Three of the four submissions received were close to the estimate calculated by officers, with one submission significantly higher.

The evaluations were confirmed through reference checks for both Mibus Bros and Quality Roads with other Councils and clients. Referees were asked for assessment against reliability of performance, applied performance of OH&S and Quality systems, compliance with work schedules, relationship with the contractor, variations sought by the contractor, and type of work performed. Both tenderers scored 86% which is considered by the evaluation panel to be a high score with demonstrated capacity meeting or exceeding all required standards.

Financial and Resource Implications

The works contracted through this tender will be funded through the NDRRA for AGRN 728 Victorian Floods and Storms (September/October 2016). The costs will be forecast into the budget documents once awarded but will be budget neutral – not requiring the allocation of Council funds. These works have in principle support from Vic Roads as the auditors for the State Government of expenditure against the funding arrangements. The works are considered an essential part of the recovery and reinstatement process and are unlikely to be rejected as an allowable expense.

The works program covered by these contracts have been audited and approved by Vic Roads on behalf of the Department of Treasury and Finance as eligible and appropriate reinstatement meeting the guidelines of the Natural Disaster Relief and Recovery Arrangements.

The contract will be managed and administered by the Flood Recovery staff. These positions are also supported with funding from the natural disaster recovery fund, resulting in little impact on Council resources.

Legislation, Council Plan and Policy Impacts

Costs associated with this contract will be claimed under the National Disaster Relief and Recovery Arrangements for providing Natural Disaster Financial Assistance to Local Government.

Risk Management

The Flood and Storm event of September /October 2016 resulted in widespread damage to the essential public infrastructure network within the Southern Grampians Shire. These contracted works will reinstate 200 flood impacted roads to their pre flood condition, ensuring the safety of the traveling public within the Shire. The completion of these works will allow the removal of a number, but not all, traffic management arrangements currently limiting speed on the local road network.

Environmental and Sustainability Considerations

The recommended tenderer provided information on their sustainable buying considerations and environmental management systems, which support this work being completed with minimal impact on the environment.

Community Consultation and Communication

Public notice was given of the tender in accordance with section 186 of the Local Government Act 1989 and the tender process complied with Council's Procurement Policy.

Tenderers will be notified by the Procurements Officer of the decision made by Council at its Special Meeting on 8th November 2017.

Disclosure of Interests

All Council Officers involved in the development and advice provided in this Report affirm that no direct or indirect interests need to be declared in relation to any matters in this Report.

The evaluation panel affirm that no direct or indirect interests need to be declared in relation to any matters in this Report:

- David Moloney (Director Shire Infrastructure)
- Ian Mitchell (Recovery Infrastructure Project Manager)
- Nola McFarlane (Manager Recovery)
- Paula Gardiner (Infrastructure Recovery Project Officer)
- Janelle Dahlenberg / Bree Harris (Contracts/Procurement Officer).

RECOMMENDATION

1. That the tender submission to 41-17 received from Quality Roads Pty Ltd for the schedule of rates inclusive of GST for \$14,585,250 be awarded.
2. That the Contract documents be signed and sealed when prepared.

COUNCIL RESOLUTION

MOVED: Cr Rainsford
SECONDED: Cr McAdam

1. That the tender submission to 41-17 received from Mibus Bros for the schedule of rates inclusive of GST for \$14,614,503 be awarded based on the following:
 - 1.1. Council's desire to grow regional capacity and business in supporting a Great South Coast regionally based company (Portland).
2. That the Contract documents be signed and sealed when prepared.

CARRIED

7. Other Business

Cr Rainsford sought to include another item of business on the Special Meeting Agenda in accordance with section 84(4) of the Local Government Act 1989. The item sought to be included was calling for the establishment of a Pedrina Park Hockey Pavilion Working Group.

As all Councillors were present at the Meeting a vote was taken seeking agreement to include another item of business on the Agenda. Unanimous agreement was not reached, therefore the item of business could not be included on the Agenda.

A division was called

DIVISION	
FOR	AGAINST
Cr Armstrong	Cr Brown
Cr Calvano	Cr Dunkley
Cr Rainsford	Cr McAdam
	Cr Sharples

8. Close of Meeting

This concludes the business of the meeting.

Meeting closed at 5.55 pm.

Confirmed by resolution 22 November 2017.

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Chairman