

4.3 TENDER FOR ROAD RESURFACING AND ASSOCIATED SERVICES (2023017: VD)

Responsible Director: Jarrod Doake

RECOMMENDATION*

That Council:

1. *Approves access to Procurement Australia Contract 2507/0335 Road Resurfacing and Associated Services for provision of Road Resurfacing and Associated Services and appoints a panel of suppliers to Council Contract No. 2023017 for a schedule of rates-based contract with an estimated annual contract value of \$7.86M (GST inc) and an estimated total contract value of \$39.3M (GST inc) of all available extension options to:
 - *Asphalt & Civil Construction P/L As Trustee for The RJ Pettifer Trust*
 - *BA Road Service Pty Ltd*
 - *Prestige Paving Pty Ltd*
 - *RABS Paving Services Pty Ltd*
 - *Silman Bros Asphalt Pty Ltd*
 - *The Trustee for The Centofanti Unit Trust T/A Metro Asphalt Pty Ltd**
2. *Authorises the Chief Executive Officer or her delegate to execute the contract agreement;*
3. *Notes that the contract initial term ends on 31 July 2025 and the contract also has 1 extension option of 2 years and authorises the Chief Executive Officer to approve extension options subject to Procurement Australia extension approval and satisfactory performance for the City of Monash.*

*(*all dollar figures are GST Inclusive unless stated otherwise).*

INTRODUCTION

Council is seeking to appoint a panel of suppliers to provide the services of Road Resurfacing, asphalt repairs and associated services through Procurement Australia contract. Council currently engages these services through Procurement Australia for Resurfacing and Associated Service and this contract ended on 31 July 2022.

BACKGROUND

The Municipal Association of Victoria, Procurement Australia and the Victorian Government Department of Treasury and Finance often establish contracts on behalf of or accessible to Local Government authorities so that they may access supplier contracts in an efficient and cost-effective manner. These organisations are focused on achieving

better procurement outcomes by aggregating demand and achieving improved commercial and service outcomes.

In April 2022, Monash Council collaborated with five councils from within the Eastern Regional Procurement Network to obtain a tender in the category of Road Resurfacing and Associated Services.

On the 28 January 2022, Monash Council appointed Procurement Australia as tendering agent for the purpose of seeking tenders for contract 2023017 (PA Ref 2507/0335 Road Resurfacing and Associated Services pursuant to the provisions of the Local Government Act VIC Section 186. This tender was in collaboration with the following councils:

1. Boroondara City Council
2. Knox City Council
3. Whitehorse City Council
4. Stonnington City Council

The proposed Procurement Australia contract is for an initial period ending 31 July 2025 with an extension option of 2 years.

NOTIFICATION

The tender for 2507/0335 Road Resurfacing and Associated Services was advertised in the Herald Sun on 6 April 2022 with a tender closing date of 4 May 2022.

TENDER EVALUATION

Procurement Australia undertook an evaluation of all the submissions. Council was provided with a confidential recommendation report from Procurement Australia detailing the suppliers that were successfully awarded a contract.

The Council evaluation panel reviewed the recommendation report and recommends that the City of Monash accesses this contract for the following suppliers:

1. Asphalt & Civil Construction P/L As Trustee for The RJ Pettifer Trust
2. BA Road Service Pty Ltd
3. Prestige Paving Pty Ltd
4. RABS Paving Services Pty Ltd
5. Silman Bros Asphalt Pty Ltd
6. The Trustee for The Centofanti Unit Trust T/A Metro Asphalt Pty Ltd

The contractors have been awarded a contract and form the panel for Contract 2507/0335 Road Resurfacing and Associated Services Eastern RPEN with Procurement Australia.

Having been assessed by the non-price criteria as part of the Procurement Australia contract it was noted by Monash that some tenderers did not pass the no price assessment, these tenderers were not considered further.

From here, the contractors were then assessed based on price for the two types of works programs required to be delivered for the City of Monash; Resurfacing & Patching.

Patching

A typical annual program of works for patching was applied across the submitted rates for those contractors providing this service to the City of Monash. The tenderers were then ranked by their responsiveness and estimated annual cost to deliver this program of works.

It is recommended that four (4) contractors be appointed to deliver the patching component of this contract to ensure that the appropriate site safety, quality and responsiveness is achieved to comply with our Road Management Plan. For the larger resurfacing works the engagement of four (4) contractors will ensure that the service delivery can best be achieved to suit the City of Monash program of works.

1. Prestige Paving Pty Ltd
2. Silman Bros Asphaltting Pty Ltd
3. BA Road Service Pty Ltd
4. Asphalt & Civil Construction P/L As Trustee for The RJ Pettifer Trust

Resurfacing

For the resurfacing program the majority of expenditure (85%) is influenced by the tonnage rate to supply, deliver and lay asphalt and profiling. So, this was used to rank the tenderers.

Other associated activities such as traffic management, plant & equipment hire that make up the remainder of the annual expenditure (15%) were compared between the various tenderers and were found to be similar in price across the panel as would be expected as these services are delivered by specialist subcontractors in most instances.

Based on pricing submitted through the schedule of rates applied to City of Monash estimated quantities, the tenderers ranked in the following order from highest to lowest for each of the services provided.

FINANCIAL IMPLICATIONS

The Resurfacing and other associated work component of the contract comprises of an annual spend of approximately \$6.22M (GST incl); Patching is estimated at \$540K GST

incl) annually and the other Capital Works projects up to \$1.1M (GST incl) per annum.
The total estimated spend for this contract is \$7.86M (GST incl) per annum.

CONCLUSION

That Council approves the recommendations contained within this report.