

## 7.4.2 2025023 SEGMENTAL PAVING AND MINOR WORKS

(2025023)

<b>Responsible Manager:</b>	Andrew Andonopoulos, Manager Capital Works
<b>Responsible Director:</b>	Jarrod Doake, Director City Services

### RECOMMENDATION

#### That Council

1. Awards the tender from Prestige Paving Pty Ltd and Van Hooydonk Pty Ltd for Segmental Paving and Minor Works, Contract No. 2025023 for a schedule of rates based contract with an estimated contract value of \$805,000 for the initial term and an estimated total contract value of \$4,725,000 inclusive of all available extension options.
2. Authorises the Chief Executive Officer or her delegate to execute the contract agreement.
3. Notes that the contract will commence on 1 April 2025, with an initial term of Two (2) years and the contract has Two (2) extension options of Two (2) years each and authorises the Chief Executive Officer to approve extension options subject to satisfactory performance and
4. Notes that the estimated schedule of rates contract values stated above are based on anticipated spend, inflation and growth (please refer to Financial section for more information).

(Please note that all dollar figures are GST Inclusive unless stated otherwise).

### INTRODUCTION

Council has conducted a tender for Segmental Paving and Minor Works.

As part of the planning process for this tender, Council Officers considered various procurement options, including conducting the procurement internally, participating in regional or sector collaborations, or accessing established contracts through other compliant procurement agreements.

Given the small size and specialised nature of this work, which requires adherence to tight time frames in alignment with Council's Road Management Plan, it is most effectively managed as a standalone procurement and panel contract. This approach ensures that Monash can achieve compliance with legislated requirements while efficiently addressing the reactive nature of the work.

### BACKGROUND

This contract seeks the provision of services for the annual supply of segmental paving installation and maintenance works and for the provision of other minor works at various locations within the City of Monash as detailed within this specification. The primary focus of the contract is to deliver segmental paving maintenance to ensure Council meets its Road Management Plan delivery timeframe targets.

## NOTIFICATION

A public notice was placed in The Age newspaper on 30 November 2024 and the tender closed on 29 January 2025.

## TENDERS RECEIVED

Tender submissions were received from the following five (5) suppliers by the appointed closing time.

No.	Tenderer
1	Kaizen Civil Pty Ltd
2	McDonough Contracting Pty Ltd
3	MMP Projects
4	Prestige Paving Pty Ltd
5	Van Hooydonk Pty Ltd

## TENDER CONFORMANCE

All submissions were assessed for their compliance with the tender conditions including the contractual terms and conditions and the requirements of the response schedules. Three (3) submission was deemed non-conforming, and this submission was not evaluated further.

## PRE-TENDER PROCESS

Two separate pre-tender supplier briefings were undertaken to provide Tenderers an opportunity for clarification on 17 and 20 December 2024 with prospective tenderers able to attend either session. These briefing were mandatory as they included:

- Clarity and understanding: Ensuring tenderers have a comprehensive understanding of contract scope, constraints including standard work hours, reporting requirements, responsiveness & customer service.
- Risk Management and OH&S: Ensuring that contractors are aware of compliance obligations under the current traffic management code of practice and Council's expectations for traffic and pedestrian management.
- Legal requirements: Highlighted Council's Legal obligations and timeframes for completion of work subject to Council's Road Management Plan.

The pre-tender briefings provided an opportunity for tenderers to seek any clarifications, ensuring that tender submissions are well-informed about Council’s expectations and requirements.

## TENDER EVALUATION

All members of the evaluation panel signed Conflict of Interest and Confidentiality forms, and no conflicts were raised.

The shortlisted tenders were assessed in accordance with the following criteria as per the tender documentation.

Pass/Fail Assessment Criteria	Score
Quality Systems	Pass/Fail
Certified OHS System	Pass/Fail
Mandatory Insurances	Pass/Fail
Attendance at Mandatory Pre-Tender Meeting	Pass/Fail

Table 2	Key Selection Criteria	Criteria Weightings
Qualitative Criteria	Capacity and Capability	30%
	Sustainability (Mandatory)	20%
Quantitative Criteria	Price (Mandatory)	50%

## DISCUSSION

All conforming tender submissions were assessed by the Tender Evaluation Panel (TEP) against the tender evaluation criteria (price and non-price evaluation criteria) including relevant capacity & capabilities, sustainability and price.

The TEP evaluated the pricing component for the conforming tenderers based on a typical annual program & volume of works delivered under the contract. Council Officers also estimated likely future workloads for these services based upon the Long-Term Capital Works Program and Council’s Long Term Financial Plan and determined that a panel of two contractors would be required for this service.

The two conforming tenders were evaluated against the selection criteria and both were shortlisted to proceeded to interviews and reference checks. Interviews were conducted to confirm the TEP’s assessment of tenderer’s capacity to deliver the work safely, to the specified quality and service level.

The interview questions related to the following areas:

- Experience
- Comply with specified delivery timeframes
- Resourcing, capability and capacity to deliver
- OH&S and reporting compliance

A summary of key findings follows:

### **Prestige Paving Pty Ltd**

Prestige have completed work of a similar nature expected within the contract to a good standard. They are also a current contractor with Monash Council on the asphalt works panel contract. Reference checks for Prestige Paving undertaking segmental paving works for other councils indicates that they have a good work ethic and provided a quality service.

### **Van Hooydonk Pty Ltd**

Van Hooydonk Pty Ltd was the previous contractor providing segmental paving services to Monash Council and has an excellent reputation together with a strong commitment to achieving high quality outcomes and a high level of customer service.

Council Officers have first-hand experience having worked with both tenderers who demonstrate a collaborative and responsive working relationship with Council Officers.

Both tenderers have demonstrated experience working in high pedestrian areas, local and collector roads and are capable of implementing traffic and pedestrian management on all work sites that comply with the traffic management code of practice and in accordance with the Department of Transport and Planning accreditation scheme.

An independent financial assessment was conducted on the preferred tenderers by Corporate Scorecard as follows:

Prestige Paving Pty Ltd was deemed satisfactory.

Van Hooydonk Pty Ltd was deemed unsatisfactory however, the following contract conditions were also taken into consideration:

- This contract work is issued in small packages and no additional work is issued until the previous package of work is completed.
- The contract payment terms are 30 days nett from completion of work so there is limited to no financial exposure to council for work in progress or incomplete works.
- The component and nature of the works includes reuse of segmental pavers and therefore, the bulk of the cost/value of the contract is labour cost and so the risk is borne by the contractor.
- A security deposit is required pre commencement of works and is kept for the duration of the contract.

Taking this into consideration, Van Hooydonk Pty Ltd was deemed low risk. Based on the review of information supplied by Corporate Scorecard and recommendation received from Council’s Financial Business Partner, both shortlisted contractors were deemed satisfactory for this contract.

As such, the evaluation panel recommends that Prestige Paving Pty Ltd & Van Hooydonk Pty Ltd represent the best value outcome for Council and that they are awarded this tender.

## FINANCIAL

Contract Term	Year or Period of Time	Estimated Contract Value (incl GST)*
Initial Term	1 Year	\$805,000
<b>Initial Term Sub Total</b>		<b>\$805,000</b>
First Extension Option	2 Years	\$1,780,000
Second Extension Option	2 Years	\$2,140,000
<b>Total Estimated Contract Value</b>		<b>\$4,725,000</b>

\*Please note that the estimated values above are based on anticipated spend, inflation and volume growth.

The segmental paving renewal maintenance component of this contract comprises of 80% of the contract works with the remaining 20% of the program being capital works and other projects.

These services will be funded from within Council’s adopted Capital Works program and Operational budgets.

## SUSTAINABILITY OUTCOMES

As part of Council’s commitment to sustainability, all contractors recommended for this panel have been evaluated and demonstrated evidence of business commitments to environmental, local, and social sustainability practices.

All contractors have committed to sourcing local materials and resources where feasible and are also commitment to providing opportunities to support young and disadvantaged communities as part of this contract.

## CONCLUSION

That Council approves the recommendations contained within this report.

## ATTACHMENT LIST

Nil

