



**Special Meeting of Council
Chinchilla Cultural Centre Project**

*Held at Western Downs Regional Council's
Corporate Office*

On Monday, 29 August 2022

Commencing at 9:00am

**J. Taylor
CHIEF EXECUTIVE OFFICER**

29 August 2022

Special Meeting of Council Agenda

Pages

1. **MEETING OPEN**

2. **APOLOGIES**

3. **DECLARATION OF CONFLICT OF INTEREST**

4. **CORPORATE SERVICES**

- 4.1. Corporate Services Report - Tender MM16-21-22 for the Chinchilla Cultural Precinct Redevelopment and Exterior Works Projects

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This Report presents the evaluation results and recommendation for the award of Tender MM16-21-22 for the Chinchilla *Cultural Precinct Redevelopment and Exterior Works* projects.

5. **MEETING CLOSURE**

Title Corporate Services Report - Tender MM16-21-22 for the Chinchilla Cultural Precinct Redevelopment and Exterior Works Projects

Date 25 August 2022

Responsible Manager A. Ritchie, FACILITIES MANAGER

Summary

This Report presents the evaluation results and recommendation for the award of Tender MM16-21-22 for the Chinchilla *Cultural Precinct Redevelopment and Exterior Works* projects.

Link to Corporate Plan

Strategic Priority: Active Vibrant Community

- Our parks, open spaces, and community facilities are alive with activities and connect our communities.

Strategic Priority: Quality Lifestyle

- Our residents are provided with modern infrastructure and quality essential services across our region.
- Our recreational spaces and community facilities are attractive, safe, and accessible.
- We attract families to live, work, prosper, and play in our region.

Strategic Priority: Sustainable Organisation

- Our effective asset management ensures that we responsibly maintain our community assets.

Material Personal Interest/Conflict of Interest

No material personal interests nor conflict of interest were identified associated with the preparation of the report.

Officer's Recommendation

That Council resolves to:

- (1) approve an increase in the combined allocated budgets for the *Chinchilla Cultural Centre Precinct Redevelopment and Exterior Works* by \$1,477,454 (excluding goods and services tax);
- (2) award tender MM16-21-22:
 - (a) *Project 1 Chinchilla Cultural Centre Precinct Redevelopment* to New State Builders Pty Ltd ABN 70 140 266 575 or its negotiated principal contractor; and
 - (b) *Project 2 Chinchilla Cultural Centre Precinct Exterior Works* to New State Builders Pty Ltd ABN 70 140 266 575; and
- (3) delegate to the Chief Executive Officer the power to make, amend or discharge two (2) contracts to deliver the awarded tender via the two (2) projects:
 - (a) *Project 1 Chinchilla Cultural Centre Precinct Redevelopment*, and
 - (b) *Chinchilla Cultural Centre Precinct Exterior Works*.

Background Information

To date Council has resolved to allocate a budget totalling \$8,377,000 (excluding goods and services tax) for redevelopment of the Chinchilla Cultural Precinct. Of this, \$6,931,320 (excluding goods and services tax) has

been funded by the Local Roads and Community Infrastructure Program Phase three funding programme, which has a condition attached that the project must be completed by 30 June 2023. If completion is not achieved by this date, Council may be required to return all or part of the funding.

Prior to releasing the tender for the redevelopment, a structural engineer was engaged to undertake further investigative works to assess the stability of the pre-existing structures before committing the use of the approved funds to undertake the renovations.

The budget remaining after the delivery of the predevelopment design service and the structural inspection work is \$7,789,546 (excluding goods and services tax). The remaining allocation was to fund the redevelopment works, external superintendent site supervision and contract management and a building contingency of five (5) per cent of the redevelopment works, accounting for latent condition variations arising from the progress of the redevelopment works.

Report

Request for Tender MM16-21-22 was issued by way of advertisement on Tenders.Net and Council's website on 11 April 2022, for the redevelopment of the Chinchilla Cultural Precinct. An extension to the Tender period was issued and it closed on 30 May 2022. Council received no Tender submissions.

Due to no submissions being received and the Local Roads and Community Infrastructure Program Phase 3 funding stipulating a fixed project completion date of 30 June 2023, the risk of funding forfeiture was raised. Options to reduce the risk were developed and reviewed for consideration. After consultation with the Probity Officer, the scope of the tender was re-packaged to provide flexibility to prospective tenderers to meet the completion date. This was achieved by way of breaking the tender's scope into two phases, with the option of submitting a price for one or both phases.

On 1 July 2022, MM16-21-22 Release 2 was similarly advertised and closed on 10 August 2022. One (1) submission was received, from New State Builders Pty Ltd ABN 70 140 266 575. New State Builders Pty Ltd ABN 70 140 266 575 submitted a price for the entire scope and noted its ability to meet a 30 June 2023 completion date, with an allowance for ten (10) wet weather days. The submission was evaluated by a committee consisting of Council officers and external parties, in accordance with the MM16-21-22 Tender Evaluation Probity Plan.

The price submitted for the redevelopment works is \$8,646,000 (excluding goods and services tax) which is higher than the remaining budget of \$7,789,546 (excluding goods and services tax). It also does not account for external superintendent site supervision and contract management, nor a building contingency. While the submission was evaluated as conforming, there is some further clarification required to satisfy the conditions of the Local Roads and Community Infrastructure Program Phase 3 funding. This will be settled before awarding a contract.

The committee's rating score (including price and non-price criteria) is 79.75/100, which is acceptable for recommending award of the contract. While New State Building Pty Ltd ABN 70 140 266 575 has provided a project plan and schedules which meet Local Roads and Community Infrastructure Program Phase 3 funding requirement for a 30 June 2023 completion date, the committee have paid particular attention to the consequence of not completing the project by that date.

The committee has considered three different options.

Options

1) Do Nothing	\$0
<ul style="list-style-type: none">- Advise LRCIP administrators that Council will not be able to meet the 30 June 2023 deadline and therefore declining the funding offer- Return Council's budget contribution (\$0.9m saving to Budget)	
2) Accept the tendered price, appointing New State Builders Pty Ltd to complete the full scope of works plus superintendent, 5% contingency	9, 236,000
<ul style="list-style-type: none">- Increase in budget allocation required- Negotiations with the vendor have commenced to progress this option.	
3) Accept the tendered price, and split into two separate projects/contracts	
Project 1 limit scope of the project to all internal works and library roof replacement plus superintendent and contingency allowances,	\$7,200,000 \$6,931,000 LRCIP and \$269,000 Council funding
<ul style="list-style-type: none">- Program can be completed earlier to provide for weather events etc- The remainder of the approved 22-23 allocation to be allocated to Project 2.	
and	
Project 2 create a second project (incl contract) for the remaining works (plus super and contingency)	\$2,067,000 Council only funding
<ul style="list-style-type: none">- This project can be commenced upon practical completion of Project 1.- The remaining allocation held over from Project 1 to be directed to this project additional Council budget allocation \$1.447m- An additional \$1,447,000 in budget allocation would be required for this project.	

Option three is recommended, having regard to the forecasted weather patterns for Chinchilla in the project period, which projects a higher-than-average chance for significant inclement weather beyond the standard allowable ten (10) days. Under this option Project One will qualify for the Local Roads and Community Infrastructure Program Phase 3 funding, as it provides greater flexibility to manage any delays.

As option three is projected to cost \$9,267,000 (excluding goods and services tax), and the remaining allocated budget is \$7,789,546 (excluding goods and services tax), the projects require an additional \$1,477,454 (excluding goods and services tax) of capital reserve funding.

Consultation (Internal/External)

Consultation has occurred with the Probity Advisor, the Chief Procurement Officer, General Counsel, and the Executive Leadership Team.

Legal/Policy Implications (Justification if applicable)

General Counsel advises that further clarification is required from New State Builders Pty Ltd ABN 70 140 266 575 to satisfy an accreditation clause as part of Local Roads and Community Infrastructure Program Phase 3 funding conditions before awarding the contract.

Budget/Financial Implications

A budget allocation increase of \$1,477,454 (excluding goods and services tax) will be required to complete the projects.

Human Rights Considerations

Section 4(b) of the *Human Rights Act 2019* (Qld) requires public entities 'to act and make decisions in a way compatible with human rights'. All activities will be undertaken in accordance with Council's human rights obligations.

Conclusion

The redevelopment of the Chinchilla Cultural Precinct is a long-awaited project which will deliver many benefits to the Western Downs community. The project will transform the existing facility into an integrated entertainment, education and cultural destination.

Given the contribution of \$6,931,320 (excluding goods and services tax) from the Local Roads and Community Infrastructure Program Phase 3 funding, it presents a significant opportunity to Council to undertake these works for the benefit of the community.

It is recommended Council resolve to:

- (1) approve an increase in the combined allocated budgets for the *Chinchilla Cultural Centre Precinct Redevelopment and Exterior Works*; and

- (2) award tender MM16-21-22 for Projects 1 and 2 to New State Builders Pty Ltd ABN 70 140 266 575, respectively; and
- (3) delegate to the Chief Executive Officer the power to make, amend or discharge two (2) contracts to deliver the awarded tender via the two (2) projects

Attachments

1. Tender Evaluation and Probity Plan
2. Tender Evaluation Scoring Schedule

Authored by: Michael Schmidt, FACILITIES PROJECT MANAGER

Western Downs Regional Council - Weighted Attribute Evaluation Spreadsheet

Contract number MM04-20-21
 Procurement project title Chinchilla Cultural Precinct Redevelopment

Spreadsheet Usage :
 1. Only enter data in the white shaded cells;
 2. You may enter a minimum of two or a maximum of nine Tenderers;
 3. Enter Scores up to a max value of 100.
 100 = excellent 80 = very good 70 = good 60 = fair 50 = Marginal 40 = unacceptable 20 = well below unacceptable level
 4. Once all the data is entered the resultant scores based on the price and non price elements are automatically calculated for you

NAME OF TENDERER	Price submitted (GST inclusive)	Fixed Price	Other price/options	Other price/options	Price Rank Only	Comments
New State Builders	\$9,511,074.10				1	
Tenderer 2					2	
Tenderer 3					2	
Tenderer 4					2	
Tenderer 5					2	
Tenderer 6					2	
Tenderer 7					2	
Tenderer 8					2	
Tenderer 9					2	

Final Score Ranking Table [1 = Best offer - Most economical and attractive tender (MEAT)]	1	Not assessed	Not assessed	Not assessed
		WARNING - Price not yet entered for Tenderer 2 WARNING - Evaluation not yet entered for Tenderer 2	WARNING - Price not yet entered for Tenderer 3 WARNING - Evaluation not yet entered for Tenderer 3	WARNING - Price not yet entered for Tenderer 4 WARNING - Evaluation not yet entered for Tenderer 4

GATE 1 - Non-priced criteria Scored - Weighted items	WEIGHTING (%)	New State Builders					Tenderer 2					Tenderer 3					Tenderer 4				
		Michael Schmidt	Mandy Ritchie	Scott Shelton	Score (out of 100)	Resultant score x weighting	Michael Schmidt	Mandy Ritchie	Scott Shelton	Score (out of 100)	Resultant score x weighting	Michael Schmidt	Mandy Ritchie	Scott Shelton	Score (out of 100)	Resultant score x weighting	Michael Schmidt	Mandy Ritchie	Scott Shelton	Score (out of 100)	Resultant score x weighting
Capacity for financial and resource delivery	5%	60	65	60		62	3.083	#REF!													
Qualifications and expertise in industry	10%	70	70	60		67	6.667	#REF!													
Quality systems and audit compliance	5%	75	70	55		67	3.333	#REF!													
Program	15%	70	70	68		69	10.400	#REF!													
Demonstrated understanding of project scope / capability	15%	60	70	65		65	9.750	#REF!													
Benefits to community, local business and industry - including local content	5%	80	80	70		77	3.833	#REF!													
Growth of existing and introduction of new services	5%	60	50	51		54	2.683	#REF!													
Total Technical Score (weighted)	60%						39.750								0						0

GATE 2 - Price element (use if Price is lump sum)		New State Builders	Tenderer 2	Tenderer 3	Tenderer 4
Total Fees (Pc)	40%	\$9,511,074.10	\$0.00	\$0.00	\$0.00
Average Fees (Pav) \$.....	\$9,511,074.10	Not applicable	Not applicable	Not applicable	Not applicable
Price Score		100.00	0.00	0.00	0.00
Normalised Price Score (Pn)		100.00	0.00	0.00	0.00
Weighted Price Score (Pw)		40.00	0.00	0.00	0.00
Total score of price and non price elements = Final Ranking		79.75	0.00	0.00	0.00

The Evaluation Committee members confirm the above weightings and scores demonstrate the net result from their deliberations and assessments.
 Discrepancies from individual committee members are noted as follows:
 Nil.

AWARD RECOMMENDATION:
 The Evaluation Committee recommends awarding this contract to: **New State Builders**

Committee Member Name	Role	Signature
Michael Schmidt	Chair of Evaluation Committee	
Mandy Ritchie	Evaluation Committee Member	
Scott Shelton	Evaluation Committee Member	
	Evaluation Committee Member	
	Evaluation Committee Member	
Genevieve Dwyer	Internal Probity Advisor	
External Committee Advisors	Role	
Jodie Taylor	Chief Executive Officer	
Scott Thompson	General Counsel	



Tender evaluation and probity plan

Project: Chinchilla Cultural Precinct Redevelopment

Tender no: MM16-21-22

Internal document - not for distribution to tenderers.

Revision history

Version No.	Reason for update	Date issued
01	Tender send out	30/3/2022

Western Downs Regional Council template version 01, dated 07/04/2022

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Tender evaluation and probity plan

1 Tender evaluation and probity plan approval

This Tender Evaluation and Probity Plan has been **prepared** by:

Name Rebecca Martin
Position: Project Manager

Signature:



Date: 07/04/2022

This Tender Evaluation and Probity Plan has been **approved** by General Manager:

Name Peter Greet
Position: A/General Manager Corporate Services

Signature:

Date:

The following members of the Tender Evaluation Panel have read and agree to comply with the requirements of this Tender Evaluation and Probity Plan:

Name Michael Schmidt
Project role: Project Manager
Signature:
Date:

Name: Genevieve Dwyer
Project role: Probity Advisor
Signature:
Date:

Name Mandy Ritchie
Project role: Evaluation Panel Member
Signature:
Date:

Name: Scott Shelton
Project role: Evaluation Panel Member
Signature:
Date:

Name Brendan Lee - Steele Wrobel
Project role: Tender Advisor
Signature:
Date:

Name: John-Paul Delofski
Project role: Procurement Advisor
Signature:
Date:

Name
Project role:
Signature:
Date:

Name:
Project role:
Signature:
Date:

2 Tender process details

Item	Details
Project name	Chinchilla Cultural Precinct
Tender number	MM16-21-22
Project Manager	Michael Schmidt
Project Manager contact details	0408 241 876
Tendering Manager	Mandy Ritchie
Tendering Manager contact details	0429 466 472

3 Project information

3.1 Project summary

Western Downs Regional Council (**Council**) has identified the requirement to undertake Chinchilla Cultural Precinct Redevelopment (**Project**).

3.2 Procurement process

- (a) The procurement process for the Project will be undertaken as follows:
- (i) **(Stage 1)** Open tender process
 - (ii) **(Stage 2)** Tender closing
 - (iii) **(Stage 3)** Registration of tenders and evaluation
 - (iv) **(Stage 4)** Appointment of Tenderer in accordance to Council Resolution
- (b) This Tender Evaluation and Probity Plan is to be finalised before starting the advertisement of Tenders. |

4 Probity objectives and tasks

4.1 Objectives

- (a) The probity objectives are to:
- (i) document the proposed procedures to meet Council's probity obligations;
 - (ii) ensure that a transparent, fair and equitable framework for the tender process is in place;
 - (iii) ensure that, where necessary, records are kept of the tender evaluation process; and
 - (iv) ensure that decisions made during the tender process are achieved as an outcome of a deliberated and structured process.

- (b) This Tender Evaluation and Probity Plan is also intended to facilitate compliance with the requirements of the *Local Government Act 2009* (Qld) and the *Local Government Regulation 2012* (Qld) that requires Council to have regard to 'sound contracting principles', including ethical behaviour and fair dealing in its purchasing and procurement functions.

4.2 Probity tasks

The relevant designated persons identified in the table in the Task Schedule are to carry out the tasks identified in that table.

5 The probity principles

5.1 Fairness and impartiality

- (a) Tenderers are to be treated equally and must have the same opportunity to access information and advice.
- (b) Specifically, for this procurement, relevant Council personnel should:
 - (i) Always demonstrate independence and impartiality
 - (ii) Disclose any conflicts of interest and uphold the principles of this Evaluation and Probity Plan
 - (iii) Call on advice from any source they believe is suitable and request reports from team members or advisers as the Panel deems appropriate and when such reports may assist the Panel in its deliberations.
 - (iv) Meet at the direction of the Chairperson and meetings should be attended by all members of the panel if possible. A meeting of the Panel cannot proceed without at least three members being present.
 - (v) Should be mindful as to where such informal discussions are held and refrain from "talking in corridors".
 - (vi) Observe the discipline of maintaining appropriate working papers to document their work and in particular the basis of decision making.
 - (vii) Minute formal meetings and in particular of decisions taken at those meetings. It is not necessary to document all of the deliberation's at meetings, however the processes leading to the decisions, the basis of the decisions and the actual decisions made should be minuted.
 - (viii) Prepare a written report summarising the processes undertaken, the results of those processes and the recommendations arising there from.

5.2 Maintenance of a competitive process

The procurement team must conduct the procurement process so as to maximise the competitive tension, except to the extent that this could infringe on any other of the probity principles. For example:

- (a) if reasonably possible, conclude negotiations with all potentially desirable tenderers, rather than only the best tenderer;
- (b) but do not cause a tenderer to expend time and effort in additional negotiations and presentations if they have no realistic chance of succeeding.

5.3 Compliance with laws and Council policies

The procurement team must ensure all aspects of the procurement process are conducted in accordance with relevant laws and policies. Specifically:

- (a) any contractual or other legal issues that arise should be referred to the department manager for advice; and
- (b) the following policies are of particular relevance to this procurement process:
 - (i) Procurement - Council Policy
 - (ii) Work Health and Safety - Organisational Policy
 - (iii) Community Engagement - Council Policy
 - (iv) Records Governance - Organisational Policy

5.4 Accountability and transparency

- (a) Accountability and transparency are related concepts. Accountability involves Council being able to demonstrate and justify the use of public resources. This involves allocating and taking responsibility for past and expected performance. This necessarily involves keeping good records that leave an audit trail.
- (b) Transparency refers to the preparedness to open a tender process to scrutiny and possible criticism. This also involves providing reasons for all decisions that are taken and the provision of appropriate information to relevant stakeholders.
- (c) Officers must:
 - (i) establish, promulgate and monitor compliance with all guidelines with respect to probity issues including conflicts of interest, confidentiality and fair dealing; and
 - (ii) disclose to Tenderers the methodology to be adopted for the evaluation of Tenders, including all evaluation criteria, but weightings are not to be disclosed.

5.5 Confidentiality and security of information

- (a) Physical and electronic security of tender documentation and material (including Tenders submitted and evaluation working documents) must be ensured. A lack of confidence in the security of tender documentation and material may result in a challenge to the tender process.
- (b) Whilst accountability and transparency are fundamental to the work of Council there is some information that needs to be kept confidential, at least for a set period of time, in order to ensure the integrity of the tender process and give Tenderers the confidence to do business with Council. This information includes the content of offers, intellectual

property and the Tenderer's pricing and profit structures. Importantly, much of the information relating to the tender process needs to be kept confidential up to the point where a contract is signed. However, once this has happened, the *Local Government Act 2009* (Qld) requires that certain information be released, consistent with the fundamental principles of accountability and transparency.

5.6 Effective management of conflicts of interest

- (a) A conflict of interest arises where an officer involved in the tender process has an affiliation or interest that might prejudice, or be seen or perceived to prejudice, his or her impartiality.
- (b) Conflicts of interest are not wrong in themselves, but they should be properly identified and declared, and effectively and transparently managed. It is when a conflict of interest is ignored, improperly acted upon, or has influenced actions or decision making, that the conduct (not the conflict itself) could be seen as misconduct, abuse of office or even in extreme cases, corruption.
- (c) There are three types of conflict of interest to be aware of:
 - (i) **(actual or real)** where an officer is in a position to be influenced by his or her private interests when doing his or her job;
 - (ii) **(perceived)** where an officer is in a position to appear to be influenced by his or her private interests when doing his or her job; and
 - (iii) **(potential)** where an officer is in a position where he or she may be influenced in the future, by his or her private interests when doing his or her job.
- (d) Officers involved in the tender process will be asked to make written disclosures of their interests which may give rise to a conflict of interest.
- (e) Some examples of circumstances which could result in a conflict of interest occurring are:
 - (i) commercial interests – for example, an officer involved in the tender process has a pecuniary interest (real estate, shares, partnerships, directorships, or trusts) in the matter at hand, or a member of their immediate family has a pecuniary interest in the matter at hand;
 - (ii) personal and family relationships between officers involved in the tender process and a known potential or actual Tenderer, or a known potential or actual contractor, supplier or consultant to any Tenderer;
 - (iii) acceptance of gifts or benefits;
 - (iv) use of official facilities and equipment;
 - (v) use of official information;
 - (vi) personal beliefs or bias;
 - (vii) public comment;

- (viii) multiple roles – for example an officer involved in the tender process works or previously worked for a known potential or actual Tenderer, or a known potential or actual contractor, supplier or consultant to any Tenderer;
 - (ix) outside employment; and
 - (x) political participation.
- (f) Any such conflicts of interest should be disclosed and managed. In broad terms, they can be managed in accordance with one of the following principles (those at the end of the list are more serious):
- (i) Register details of conflict disclosed and recorded (suits low risk conflicts);
 - (ii) Restrict person’s involvement in matter;
 - (iii) Recruit an independent third party engaged to oversee part or all of process;
 - (iv) Remove person is removed from procurement entirely (and create Chinese Walls);
 - (v) Relinquish – the conflicted person relinquishes the private interest that creates the conflict;
 - (vi) Resign – the conflicted person resigns from their position or role (last resort).
- (g) It is not always readily apparent when and where conflicts of interest exist or arise and it is not always readily apparent to those who have conflicts of interest that these exist. If individuals are unsure about a possible conflict of interest, they should seek advice and in the first instance, raise their concern with the Financial Operations representative and/or General Manager.
- (h) Disclosure of conflicts of interest by officers is an ongoing obligation and should be recorded in the conflicts of interest register.

6 Evaluation Committee

6.1 Committee members

Project role	Name	Employment position
Evaluation Panel Member	Michael Schmidt	Project Manager
Evaluation Panel Member	Mandy Ritchie	Facilities Manager
Evaluation Panel Member	Scott Shelton	Facilities Senior Asset Data Project Officer
Evaluation Panel Member	Brendan Lee	External Consultant - Quantity Surveyor
Procurement Advisor	John-Paul Delofski	Chief Procurement Officer
Probity Advisor	Genevieve Dwyer	Procurement & Probity Advisor

6.2 Committee members' duties and meeting dates

Tenders will be evaluated as follows.

- (a) After the Closing Time, Council's Procurement section will collect the Tenders and store them securely.
- (b) Council's Procurement section will open the Tenders received, record the Tenderers' names and the lodgement time and date. The report will be signed by two officers from Councils Finance section.
- (c) The report will note any Tenders received after the Closing Time.
- (d) The Evaluation Committee will check that the Tenders are Conforming Tenders. Any Non-Conforming Tender may be clarified or may be rejected and the Non-Conforming Tender not evaluated any further at the sole discretion of the Evaluation Committee with advice from the probity advisor
- (e) The Evaluation Committee will convene and assess each Tender against the Evaluation Criteria set out in the Annexure to this document.
- (f) Any Tenderer that has not complied with the relevant Mandatory Evaluation Criteria (if any) may not be further evaluated.
- (g) Individual Evaluation Committee members will independently assess and score each acceptable Tender against the pre-determined weighted Evaluation Criteria. The score will be recorded on a scoresheet which is then signed and dated by the Evaluation Committee member.
- (h) The Evaluation Committee will reconvene to discuss the reasons for any differences in individual scoring and to moderate individual Evaluation Committee member scores, if necessary.
- (i) An overall Evaluation Committee score against each Evaluation Criteria will be determined by averaging the moderated scores.
- (j) The Evaluation Committee may conduct Tenderer presentations, question and answer sessions or reference checks (or a combination of these or other types of enquiries) to assist it in identifying the recommended Tenderer for the carrying out of the Works.
- (k) The Evaluation Committee will agree on a ranking based on the evaluation scores.
- (l) The Evaluation Committee will review any scores that may produce an anomalous ranking and represent risk to Council. For example, if scores for a particular criterion were exceptionally low or exceptionally high when assessed against the range of other scores allocated.
- (m) The Evaluation Committee will identify and quantify the consequences of any risks and recommend mitigation strategies. This may include recommending a lower ranked tenderer.
- (n) The Evaluation Committee will prepare and submit an evaluation report to Council, being the ultimate decision maker.

- (o) Council will then decide with which Tenderer it will negotiate and (subject to a successful negotiation) enter into a contract for the Works.

6.3 Advisory resources to support panel

[Steele Wrobel - Quantity Surveyor]

7 Tenderer complaints process

Initial Contact - Contact Project Manager nominated for this project.

Second Contact - Probity Advisor nominated for this project.

Should matter be required to be escalated - Contact Customer Support & Governance Manager.

8 Project objectives and relevant issues

8.1 Project summary

Item	Details
Total Project Cost Estimate	\$8,431,515.00
Scope of Works	Complete design, carry out demolition of existing structures and minor room changes and construct new precinct.
Special considerations	LRCIP Funding - end 30 June 2023
Time line	Completion of works June 2023
Previous design and investigation work	Design complete to 30% with further structural investigations undertaken to confirm make-up of all buildings. Geotechnical testing and survey of existing services has also been undertaken.
Current Council resources dedicated to the delivery of the project	Project Manager - Michael Schmidt

8.2 Project description and location

The Chinchilla Cultural Precinct is located at 80-86 Heeney Street, Chinchilla. This precinct is home to the Western Downs Library, Western Downs Cinema, auditorium and Lapunyah Art Gallery. This project seeks to create an iconic presence for the centre within the main street and improve the current spaces to be creative and user friendly.

8.3 Project constraints and risks

- Timeframe - this project is required to be completed within funding arrangements
- Budget - volatile & saturated construction market

8.4 Project objectives

It is Council's objective to enter into an agreement with a qualified, experienced contractor for the project.

Project Objective:

1. Request for tender from suitable contractors;
2. Select contractor with a selection panel against a scoring matrix;
3. Provide construction services as per specification and construction drawings

8.5 Project stakeholders

Western Downs Regional Council

Facilities Department

8.6 Contract type

AS4300-1995 General conditions of contract for design and construct; Formal Instrument of Agreement - AS4300-1995.

8.7 Construction/performance timetable

It is anticipated the Contractor will take possession of the site in June 2022 and reach practical completion by May 2023

8.8 Target dates for tender process

Action	Date(s)	Notes
Advertise RFT	11/04/2022	Tenders.net, Council website and social media
Close RFT	16/05/2022	Tenders.net
Tenderer meetings	TBA	As required
Evaluate RFT	23/05/2022	
Complete evaluation	25/05/2022	
Award contract	16/06/2022	Following Council meeting 15/06/2022

9 Tender evaluation methodology and basis

9.1 Project risk analysis

Risk/opportunity	Description
Construction comes in over budget	Pricing of RFT comes in from contractors significantly over the estimated budget allowed for

Risk/opportunity	Description
No valid tenders provided	Little interest in market for works to be undertaken
Invalid tenders provided	Works are remote and pricing may reflect the remote distance of the works
Social benefit	Providing a new, modern, inviting space for the community to enjoy
Compliance	Meet current legislation and codes providing disability access

9.2 Selection criteria

Selection criteria	Sub-elements
Price	Realistic costs for construction, including competitive and value for money. Subject to the conditions applicable in section 6 of <i>'Procurement - Council Policy'</i> Council will apply a preference weighting in favour of local suppliers in all circumstances of price evaluation.
Experience	<p>Demonstrated relevant contract experience of similar scope;</p> <ul style="list-style-type: none"> • Technical and design aspects • Contract costs • Quality finish • Final cost compared to agreed contract price • Minimising public impact • Contract disputes <p>Minimising exposure to risks associated with contract.</p>
Methodology	<p>Identified methodology to be applied for the delivery of proposed program.</p> <p>Demonstrated completing contracts with respect to timeliness and achieving satisfactory practical completion.</p> <p>Identified sufficient key personnel and resources for delivery of identified outcomes.</p> <p>Demonstrated compliance with specifications and local and international standards, i.e. Australian Standards.</p> <p>Work health and safety - minimising exposure to WH&S risk associated with contract.</p> <p>Environmental and sustainability - Minimising exposure to environmental risks associated with the contract.</p>

Selection criteria	Sub-elements
	<p>The contractor must show evidence of management / control of the following;</p> <ul style="list-style-type: none"> • WH&S plans • Risk and opportunity management • Traffic management • Staging of works • Project management plan <p>Environmental plan</p>
Local Benefits / Training	Demonstrated local economy benefit and consideration of local training benefits during construction.

9.3 Weighting of criteria

Selection criteria	Weighting	Basis of weighting
Price	40%	Sufficient weight to represent value for money but without ignoring the important non-price qualities of a submission and contractor performance
Experience	20%	Critical criteria that commands significant weighting as contract specification is not completely prescriptive
Timeframe	15%	Requirement to meet timeframes to minimise impact on surrounding and the community
Methodology	15%	Demonstrated understanding of project scope / capability. Consideration of chosen technology to meet requirements
Local Benefits / Training	10%	Demonstrate local economy benefits and considerations. Consideration of local training benefits during construction.

9.4 Methodology for evaluation of alternative and non-conforming tenders

Non-conforming or alternative tenders will be accepted in addition to a conforming tender for consideration.

9.5 Scoring matrix

Refer to Schedule "Scoring Matrix"

10 Tender process

10.1 Tender process method

Open tender advertised on Tenders.net

10.2 Tenderer meetings and site visits

One site visit to be held during the tender process. Subsequent site visits will be considered upon application.

10.3 Tender submission requirements

Tenders must submit a conforming tender and include a response to all returnable schedules.

10.4 Tenderer interview plan

This is not required for this tender.

10.5 Tender opening process

Tender opening shall be managed by Western Downs Regional Council procurement division. |

10.6 Questions and clarifications during evaluation

- (a) Clarifications may be sought by the Evaluation Committee from Tenderers. These will be expressed as questions to the relevant Tenderer, using a template agreed by the Evaluation Committee.
- (b) Any question(s) will be emailed to the Contact Officer by individual Evaluation Committee members. The Contact Officer will register and collate the questions and promptly send them by email to the relevant Tenderers, with blind copies to the Evaluation Committee.
- (c) Responses will be emailed by Tenderers to the Contact Officer under the requirements of the Conditions of Tender, who will register them and then send them to the Evaluation Committee.

10.7 Records

Committee members must observe the discipline of maintaining appropriate working papers to document their own work and in particular the basis of decision making.

The Project Manager/Contact Officer must minute formal meetings and in particular of decisions taken at those meetings. It is not necessary to document all of the deliberations at meetings; however, the processes leading to the decisions, the basis of the decisions and the actual decisions made should be minuted.

10.8 Tender document management

Tender submissions will be managed through Councils document management system and also stored in a secure folder within Project Management Files on SharePoint.

Committee members must observe confidentiality of documentation and decisions at all times and not disclose information outside of the Evaluation Panel.

10.9 Short listing

To be undertaken at the discretion and authority limits of the Evaluation Committee. Shortlisting will be a recommendation to Council for its decision.

10.10 Negotiations

Negotiations must be undertaken by consensus of the Evaluation Committee and with the authority of Council. At least 2 Panel members must be present at any arranged negotiation meeting with Tenderers Evaluation report

10.11 Evaluation report

The Evaluation Report must be prepared and endorsed by all Committee members. Where there is a difference of opinion this also must be noted in the Report.

10.12 Tenderer debriefings

Only if requested a debriefing meeting will be held with Tenderers at a date and time to be determined that is convenient for all parties, within the tender period. |

Schedule

Scoring matrix

Mandatory Criterion

No.	Criteria description	Indicators	Compliance Yes/No
1	Compliance with the <i>Building Code 2016</i> (Cth)	(a) Tenderer complies with the Building Code 2016	Y
		(b) At the time the tender is submitted, the Tenderer is not precluded from tendering for Australian Government funded building and construction work	Y
		(c) The Tenderer has not had an adverse Court or Tribunal decision (not including decisions under appeal) for a breach of workplace relations law, work health and safety law, or workers' compensation law, the order of which the tenderer has not fully complied with, or is not fully complying with	Y
2	Prerequisite Requirements	(d) Tender Form and Annexures (Tender Schedule 1)	Y
		(e) Returnable Schedules (All)	Y
		(f) Insurance Details (Tender Schedule 8)	Y

Non- price Evaluation Criterion

No.	Criteria description	Indicators	Rating indicia 0 – inadequate; 1 to 4 – Less adequate; 5 – Acceptable; 6 to 9 – More acceptable; 10 - Exceptional	Weighting	Score
2	Non-price criteria	(a) Constructability plan and methodology (Returnable Schedule 5) (b) Quality system status (Returnable Schedule 6); (c) Program (Returnable Schedule 7); (d) Organisational Chart (Returnable Schedule 8); (e) Workplace health and safety record (Returnable Schedule 12);		20%	

No.	Criteria description	Indicators	Rating indicia 0 – inadequate; 1 to 4 – Less adequate; 5 – Acceptable; 6 to 9 – More acceptable; 10 - Exceptional	Weighting	Score
	Timeframe	(f) Works program (Tender Schedule 7) (g) Tenderer's current workload (Tender Schedule 13)		15%	
	Methodology / Staging	(h) Constructability plan and methodology (Tender Schedule 5) (i) Plant and Equipment (Tender Schedule 4)		15%	
	Local	(j) Local Content (Returnable Schedule 17).		10%	

Price Evaluation Criterion

The weighting of the price evaluation criterion is 40%.

The score will be determined as follows:

$$\text{Score} = (\text{Lowest Price} / \text{Actual Price}) \times 10$$

where:

- (a) **Score** is the Tenderer's unweighted score for the price evaluation criterion;
- (b) **Lowest Price** is the lowest Tenderer's contract price and the estimated cost of operating and maintaining the Works; and
- (c) **Actual Price** is the Tenderer's contract price and the estimated cost of operating and maintaining the Works.

Task Schedule

	Task	Documents /description	Person(s) responsible	Comments	Date completed
Stage 1 – Pre Tender Tasks					
	<p>Check budget/grant approval obtained Assure that sufficient funds for the project have been approved before commencing the project.</p>		Project Manager		
	<p>Complete Tender Evaluation and Probity Plan Ensure that all tender documents are complete, select contract type, set evaluation criteria and ensure all relevant information is complete</p>		Project Manager		
	<p>Ensure that all tenderers will have access to the same information Significant clarification or further detail is to be provided to all bidders equally by tender addendums prepared by the officer nominated for the specific project. Telephone queries are handled only by personnel named in the tender document, file notes are made of conversations, etc. No information should be provided for the benefit or detriment of particular parties.</p>		Contact Officer		
	<p>Set up confidentiality procedures Confidential information must be protected and only be available to those who need it.</p>		Project Manager		
	<p>Brief all staff involved Confidentiality and security procedures need to be explained to all staff associated with tender.</p>		Contact Officer		
	<p>Set Up Centralised Document and Tender Control Tenders.net</p>		Finance Officer Fleet		

	Task	Documents /description	Person(s) responsible	Comments	Date completed
	Set up process for receipt, recording and acknowledging bids Ensure no bids are read prior to the close of the tender period.		Finance Officer Fleet		
	Obtain confidentiality agreements - Other than Council staff Required from all personnel involved in the tender evaluation.		Project Manager		
	Settle invitation documents Invitation to tender documents should be designed to elicit the information necessary for proper assessment of each against the selection criteria. Settle performance measures and targets and detail how the contractors' performance will be evaluated. All legal issues, accountability and intellectual property restrictions are to be clearly set out. Detail evaluation criteria and selection processes, state how late and non-conforming bids will be dealt with and request declarations of any bidder's conflicts of interest. Include transition in and transition out arrangements, if applicable.		Project Manager		
	Check advertising arrangements Ensure that the tender advertising process is adequate for the specific project.		Contact Officer		
	Review probity at completion of Pre-Tender milestone At this point, the Procurement Team should check that it has met all of the requirements of the Tender Evaluation and Probity Plan.		Procurement & Probity Advisor		
	General Manager Approval of Tender Evaluation and Probity Plan		Project Manager		

	Task	Documents /description	Person(s) responsible	Comments	Date completed
Stage 2 – Tendering and Evaluation					
	<p>Pre-tender briefing meetings</p> <p>Separate record for each attendee. Prepare detailed minutes of all significant questions and answers given. Circulate minutes to all tenderers and post online councils website.</p>		Contact Officer		
	<p>Notify bidders of any alterations or corrections to tender documentation</p> <p>Criteria should never be altered to give advantage to any particular party and all bidders should have access to the same information.</p> <p>If there are changes, allow all bidders the same time an opportunity to re-submit amended bids.</p>		Contact Officer		
	<p>Record tender opening</p> <p>Ensure tenders are opened after closing date and all procedures are followed</p>		Finance Officer Fleet		
	<p>Ask for conflict of interest declarations</p> <p>Required at the outset of the tender process, from all the procurement team and tender evaluation panel members and any external personnel involved in the tender. Remind members of <i>Local Government Act 2009</i> requirements and individual Council's policies and codes of conduct. Members must also disclose any conflicts of interest arising during the procurement process.</p>		Project Manager		
	<p>Check tenders are received according to Conditions of Tender</p>		Finance Officer Fleet		
	<p>Ensure all bids are compared on the same basis</p> <p>Evaluation criteria are to be followed, and responses assessed against pre-determined criteria.</p> <p>Detail reasons for the choice of the preferred tenderer, and ensure these reasons are clear and defensible.</p>		Project Manager		
	<p>Record Panel Evaluation Scores and Minutes</p>		Project Manager		

	Task	Documents /description	Person(s) responsible	Comments	Date completed
	Document any post tender negotiations, if applicable This is usually with short listed tenderers only.		Project Manager		
	Perform due diligence of short listed tenderers This may include corporate information including ownership, litigation, director's profiles, financial security and past history. Referee checking procedures should be substantially the same and confidentiality assured.		Project Manager		
	Finalise Tender Recommendation		Project Manager		
	Review probity completion of Evaluation milestone At this point, the Procurement Team should check that it has met all of the requirements of the Tender Evaluation and Probity Plan.		Procurement & Probity Advisor		
	Prepare Tender approval report for Council to consider Prepare justification report consistent with reasons for selection and non-acceptance of bids. Confidential tender information and evaluation detail to be reported to Council 'In-Confidence'.		Project Manager		
	Councils chooses a tender and Resolution Recorded		Project Manager		
	Notify the successful tenderer This should be accepted subject to contract.		Project Manager		
	Document any post tender negotiations, if applicable This is usually with short listed tenderers only.		Project Manager		
	Notify unsuccessful tenderers their offers are not accepted		Project Manager		
	Debrief unsuccessful tenderers if requested This should be done by a member of the procurement team, with at least one other team member present (at least two council representatives to be present).		Project Manager		

	Task	Documents /description	Person(s) responsible	Comments	Date completed
	Review probity completion of Contract Establishment milestone At this point, the Procurement Team should check that it has met all of the requirements of the Tender Evaluation and Probity Plan.		Procurement & Probity Advisor		
	Contract Executed		Project Manager		