



TWEED
SHIRE COUNCIL

Mayor: Cr K Milne

Councillors: P Allsop
R Byrnes
C Cherry (Deputy Mayor)
R Cooper
J Owen
W Polglase

Agenda

Extraordinary Council Meeting Tuesday 2 May 2017

held at **Council Chambers, Murwillumbah Civic & Cultural
Centre, Tumbulgum Road, Murwillumbah** commencing at
4.00pm

Principles for Local Government

The object of the principles for Tweed Shire Council, as set out in Section 8 of the Local Government Amendment (Governance and Planning) Bill 2016, is to provide guidance to enable council to carry out its functions in a way that facilitates a local community that is strong, healthy and prosperous.

Guiding Principles for Tweed Shire Council

(1) Exercise of functions generally

The following general principles apply to the exercise of functions by Tweed Shire Council:

- (a) Provide strong and effective representation, leadership, planning and decision-making.
- (b) Carry out functions in a way that provides the best possible value for residents and ratepayers.
- (c) Plan strategically, using the integrated planning and reporting framework, for the provision of effective and efficient services and regulation to meet the diverse needs of the local community.
- (d) Apply the integrated planning and reporting framework in carrying out their functions so as to achieve desired outcomes and continuous improvements.
- (e) Work co-operatively with other councils and the State government to achieve desired outcomes for the local community.
- (f) Manage lands and other assets so that current and future local community needs can be met in an affordable way.
- (g) Work with others to secure appropriate services for local community needs.
- (h) Act fairly, ethically and without bias in the interests of the local community.
- (i) Be responsible employers and provide a consultative and supportive working environment for staff.

(2) Decision-making

The following principles apply to decision-making by Tweed Shire Council (subject to any other applicable law):

- (a) Recognise diverse local community needs and interests.
- (b) Consider social justice principles.
- (c) Consider the long term and cumulative effects of actions on future generations.
- (d) Consider the principles of ecologically sustainable development.
- (e) Decision-making should be transparent and decision-makers are to be accountable for decisions and omissions.

(3) Community participation

Council should actively engage with the local community, through the use of the integrated planning and reporting framework and other measures.

Items for Consideration of Council:

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REPORTS THROUGH THE GENERAL MANAGER

REPORTS FROM THE DIRECTOR ENGINEERING

- 1 [E-EXT] RFO2017021 Supply of 3 x Medium Commercial Truck Cab Chassis and Build and Supply of 3 x Service Bodies and Cranes

SUBMITTED BY: Infrastructure Delivery

Validms



Civic Leadership

LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK:

- | | |
|-------|---|
| 1 | Civic Leadership |
| 1.3 | Delivering the objectives of this plan |
| 1.3.1 | Council's organisation will be resourced to provide the essential services and support functions to deliver the objectives of this Plan |

SUMMARY OF REPORT:

Request for Offer RFO2017021 Supply of 3 x Medium Commercial Truck Cab Chassis and Build and Supply of 3 x Service Bodies and Cranes was called to supply Council operations with replacement of three existing aged units as per Council's 10 year asset replacement program.

At the closing time for offer submissions, the Tender Box was opened and Three (3) Offers were recorded at the Tender Box opening for supply of the 3 x Medium Commercial Truck Cab Chassis and Two (2) Offers were recorded for the Supply of the 3 x Service Bodies and Cranes.

The evaluation of the offers against the Selection Criteria is contained in the Offer Evaluation Report included in **CONFIDENTIAL ATTACHMENTS 1 and 2**. The recommendations are based on the evaluation.

RECOMMENDATION:

That in respect to Contract RFO2017021 Supply of 3 x Medium Commercial Truck Cab Chassis and Build and Supply of 3 x Service Bodies and Cranes:

1. Council awards the contract for Supply of 3 x Medium Commercial Truck Cab Chassis (Hino FD1124 Crew Cab) to Scifleet Hino (ABN 25057783749, ACN 057 783749) for the amount of \$240,471.81 (Exclusive of GST)

2. **Council awards the contract for Build and Supply of the 3 x Service Bodies and Cranes to Lift Industries Pty Ltd (ABN 11109172803, ACN 109172803) for the amount of \$180,889.08 (Exclusive of GST).**
3. **The General Manager be granted delegated authority to approve appropriately deemed variations to the contract and those variations be reported to Council at finalisation of the contract.**
4. **ATTACHMENTS 1 and 2 are CONFIDENTIAL in accordance with Section 10A(2) of the Local Government Act 1993, because they contain:-**
 - (c) **information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business.**

REPORT:

Background

Request for Offer RFO2017021 Supply of 3 x Medium Commercial Truck Cab Chassis and Build and Supply of 3 x Service Bodies and Cranes was called to supply Council operations with replacement of three existing aged units as per Council's 10 year asset replacement program.

Offer Advertising

In accordance with the provisions of the Local Government Act 1993, the NSW Local Government (General) Regulation 2005, the Request for Offer was advertised from 7 March 2017 in the Sydney Morning Herald and on Council's website.

Offer Addendums

There were no notices to bidders issued before close of offer.

Offer Submissions

At the closing time for offer submissions, the Tender Box was opened and Three (3) Offers were recorded at the Tender Box opening for supply of the 3 x Medium Commercial Truck Cab Chassis and Two (2) Offers were recorded for the Supply of the 3 x Service Bodies and Cranes. Offers were recorded as below:

Bidder	ABN	Separable Portion of Contract
Gold Coast Isuzu	47010210723	A
Murwillumbah Truck Centre	72001859454	A
Scifleet Hino	25057783749	A
Lift Industries Pty Ltd	11109172803	B
Custom Truck Bodies and Trailers Pty Ltd	23607269483	B

Offer Evaluation

An Offer Evaluation Plan was developed based on the premise that competitive offers were to be received and scored against specific selection criteria in order to select the best value offer.

The Offer Evaluation Panel consisting of the following expertise who conducted the Offer assessment.

Position
Operations Coordinator Plant and Materials
Fleet Plant Maintenance Technician
Council Truck Operator

Offers were evaluated based on the criteria noted in the table below which were also listed in the Conditions of Offering.

Criterion	Document Reference	Weighting (%)
Value for Money - Whole Of Life (WOL) Costs	Section 18	70
Operational Evaluation	Section 18	10
Maintenance Evaluation	Section 18	5
Operator Evaluation	Section 18	5
Local Content	Section 18	10

The details of the price and non-price evaluation are shown on the Offer Evaluation Report and Offer Evaluation Scoring Sheet. A copy of the Offer Evaluation Report and Offer Evaluation Scoring Sheet are included in ATTACHMENTS 1 and 2 which are CONFIDENTIAL in accordance with Section 10A:

- (d) commercial information of a confidential nature that would, if disclosed:
- (i) prejudice the commercial position of the person who supplied it, or
 - (ii) confer a commercial advantage on a competitor of the council, or
 - (iii) reveal a trade secret

OPTIONS:

1. Council accepts the recommendation to award the contracts to Scifleet Hino and Lift Industries Pty Ltd for the Supply of 3 x Medium Commercial Truck Cab Chassis and Build and Supply of 3 x Service Bodies and Cranes.
2. Council awards the contracts to other suppliers and advises the suppliers of the reasons for not proceeding.
3. Council does not proceed with the contracts and advises the suppliers of the reasons for not proceeding.

CONCLUSION:

Evaluation Conclusion – Cab Chassis - Separable Portion A

The recommended and highest scoring Offer from Scifleet Hino for the supply of 3 x Medium Commercial Truck Cab Chassis offers the best value for Council. The Cab Chassis are available immediately for delivery and body build.

Evaluation Conclusion – Service Body and Crane - Separable Portion B

The recommended offer from Lift Industries Pty Ltd for the build and supply of 3 x Service Bodies and Cranes represents the best value to Council. The proposed build to delivery timeframe is also half of that proposed by the other bidder.

COUNCIL IMPLICATIONS:

a. Policy:

The Offer invitation and evaluation have been conducted in accordance with the provisions of:

- The Local Government Act 1993 and the NSW Local Government (General) Regulation 2005
- Council's Procurement Policy

In accordance with Local Government (General) Regulations 2005.

b. Budget/Long Term Financial Plan:

Provision for RFO2017021 Supply of 3 x Medium Commercial Truck Cab Chassis and Build and Supply of 3 x Service Bodies and Cranes is included in the 2016/2017 Fleet Budget.

c. Legal:

Not Applicable.

d. Communication/Engagement:

Inform - We will keep you informed.

UNDER SEPARATE COVER/FURTHER INFORMATION:

(Confidential) Attachment 1. RFO2017021 - Offer Evaluation Report (ECM 4507070).

(Confidential) Attachment 2. RFO2017021 - Offer Evaluation Scoring Sheet (ECM 4507221).

REPORTS FROM THE DIRECTOR CORPORATE SERVICES

2 [CS-EXT] Plant Purchases under NSW State Government Contract

SUBMITTED BY: Corporate Governance

Validms



Civic Leadership

LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK:

- 1 Civic Leadership
 - 1.3 Delivering the objectives of this plan
 - 1.3.1 Council's organisation will be resourced to provide the essential services and support functions to deliver the objectives of this Plan
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SUMMARY OF REPORT:

Resulting from the Flood Event within the Shire in late March/early April 2017, Council has lost a substantial amount of Plant and Equipment and this report sets out the process that Council is proposing to follow to fast track the replacement of these assets.

RECOMMENDATION:

That the utilisation of the provisions of the Local Government Act 1993 - Section 55(3)(a) and the Local Government (General) Regulation 2005 - Clause 163(1A) for Plant and Equipment Purchases following the March/April 2017 Flood Event be noted and endorsed.

REPORT:

Resulting from the Flood Event within the Shire in late March/early April 2017, Council has lost a substantial amount of Plant and Equipment and this report sets out the process that Council is proposing to follow to fast track the replacement of these assets.

Council normally utilises the Open Tendering method for replacement/purchase of items of Plant, but given the circumstances that currently exist and the need to ensure continuity of service to the community it is proposed to utilise the provisions of the Local Government Act 1993 - Section 55(3)(a) and the Local Government (General) Regulation 2005 - Clause 163(1A). These provisions allow the use of State Government Contracts through the Local Government Procurement Partnership and the utilisation of these Contracts (as the suppliers have met pre-qualification requirements), do not then require resolution of Council in authorising these purchases. This will speed up the procurement process and ensure that plant that require body building will be booked in for the appropriate builds within a timely manner.

The Contracts proposed to be utilised are:

NPN04-13 Trucks for Local Government
NPN1.15 Specialised Trucks and Bodies
LGP707-3 Heavy Plant and Equipment
LGP508-2 Small Plant and Outdoor Power Equipment

(Details of these Contracts and the Approved Suppliers within each Contract are included as Attachments to this report).

A recent amendment to the Local Government Act 1993 – Section 377 (1)(i) enables the Council, should it so wish, to Delegate to the General Manager the power to accept tenders that do not affect the services currently provided by staff. The purchase of Plant and Equipment falls within the allowable categories within the application of this Section of the Act and Council may also give consideration to extending the delegations to the General Manager to allow for acceptance of tenders for a specific period following this Flood Event.

377 General power of the council to delegate

- (1) *A council may, by resolution, delegate to the general manager or any other person or body (not including another employee of the council) any of the functions of the council under this or any other Act, other than the following:*
- (i) *the acceptance of tenders to provide services currently provided by members of staff of the council,*

Council is currently in negotiations with its Plant Insurer in regards to this substantial claim and has already received verbal advice to proceed with purchasing like for like items that fall within a two year purchase timeframe. To expedite these purchases, council needs to put streamlined purchasing processes in place and this report highlights those proposed processes.

Further, to ensure the continuity of services and the appropriate timeframes for the building of specialised plant, the utilisation of the provisions of State Government Contracts is highly recommended.

OPTIONS:

To enable the expediting of Plant and Equipment Purchases the utilisation of the provisions of the Local Government Act 1993 - Section 55(3)(a) and the Local Government (General) Regulation 2005 - Clause 163(1A) for Plant Purchases following the March/April 2017 Flood Event be noted and endorsed.

Council may also consider the granting of additional delegations, specific to the purchase of Plant and Equipment following the Flood Event, to the General Manager in accordance with the Local Government Act 1993 – Section 377(1)(i).

CONCLUSION:

To enable the expediting of Plant and Equipment Purchases the utilisation of the provisions of the Local Government Act 1993 - Section 55(3)(a) and the Local Government (General) Regulation 2005 - Clause 163(1A) for Plant Purchases following the March/April 2017 Flood Event be noted and endorsed.

COUNCIL IMPLICATIONS:

a. Policy:

Procurement Policy v1.6

In accordance with Local Government Act 1993 - Section 55(3)(a)

55 What are the requirements for tendering?

(3) This section does not apply to the following contracts:

- (a) subject to the regulations, a contract for the purchase of goods, materials or services specified by a person prescribed by the regulations made with another person so specified, during a period so specified and at a rate not exceeding the rate so specified;

and Local Government (General) Regulation 2005 - Clause 163(1A)

163 Application of Part

(1) This Part applies to all contracts for which a council is required by section 55 of the Act to invite tenders.

Note : This Part does not apply to other kinds of contracts. However, a council may apply provisions of this Part (with any necessary alterations) to other kinds of contracts if it wishes to do so.

(1A) The following persons are prescribed for the purposes of section 55 (3) (a) of the Act:

- (i) Local Government Procurement Partnership (ABN 34 578 553 267),
- (ii) MAPS Group Limited trading as Procurement Australia (ABN 45 058 335 363).

(1B) To avoid doubt, a reference to a person prescribed by subclause (1A) includes any duly appointed agent of that person.

- (2) For the purposes of section 55 (3) (n) of the Act, section 55 does not apply to a contract involving an estimated expenditure or receipt of an amount of less than \$150,000.

377 General power of the council to delegate

- (1) A council may, by resolution, delegate to the general manager or any other person or body (not including another employee of the council) any of the functions of the council under this or any other Act, other than the following:
- (i) the acceptance of tenders to provide services currently provided by members of staff of the council,

b. Budget/Long Term Financial Plan:

Purchases will be funded from the Plant Policy Insurance Claim. Any shortfall of funds will be funded through the Plant reserve.

c. Legal:

Not Applicable.

d. Communication/Engagement:

Inform - We will keep you informed.

UNDER SEPARATE COVER/FURTHER INFORMATION:

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| Attachment 1. | NPN04-13 Trucks for Local Government – details of Contract and Approved Contractors. (ECM 4507591) |
| Attachment 2. | NPN1.15 Specialised Trucks and Bodies – details of Contract and Approved Contractors. (ECM 4507638) |
| Attachment 3. | LGP707-3 Heavy Plant and Equipment – details of Contract and Approved Suppliers. (ECM 4507655) |
| Attachment 4. | LGP508-2 Small Plant and Outdoor Power Equipment – details of Contract and Approved Contractors. (ECM 4507684) |
| Attachment 5. | Details of Pricing and Approved Contractor Specifications. (ECM 4507624) |
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