

16 CONTRACT 19/02 - PROVISION OF PLANT TOOLS EQUIPMENT AND TRAFFIC MANAGEMENT HIRE SERVICES

FILE REFERENCE INT1940130

RESPONSIBLE GENERAL MANAGER Peter Benazic

AUTHOR Mark Howard

RECOMMENDATION

That:

1. Council award contract CT 19/02 Provision of Plant Tools Equipment and Traffic Management Hires Services to the 14 following contractors, Accomplished Plumbing Services, Ashleys Domestic Water Cartage, Australian Traffic Control, Comar Constructions, Kennards Hire, Kent Environmental & Vegetation Management, Lincroads, Momentum Traffic Control, Pipeline Services & Equipment, Porter Plant, Sherrin Rentals, TFH Hire Services, Traffic Control Victoria and Tutt Bryant Hire, for a three-year period from 24 June 2019 to 30 June 2022 (with the option to extend the contract for a further period of up to two years), in accordance with the General Conditions of Contract;
2. All contractors be advised accordingly.

Attachments

- 1 Confidential Memorandum, circulated to Councillors only 7 Pages
- 2 Confidential Memorandum, circulated to Councillors only 2 Pages

EXECUTIVE SUMMARY

This contract is for the supply of the full range of plant as well as various tools and small items of equipment and traffic management services that are typically used in the Councils day to day maintenance and minor construction activities associated with its infrastructure including roads, drainage, open space and bridge maintenance for the next three years. There is an option for Council to extend the contract for a further period of up to two years.

The Council typically expends in excess of \$700,000 in hiring plant, equipment and tools and traffic management hire services over the course of a year which includes items of heavy plant as well as smaller tools and equipment.

The tender is structured to enable Council to engage several hire firms as each firm generally has a slightly different range of equipment available and none of these firms has all of the equipment available that is likely to be required.

Where several suppliers are contracted, Council will select a preferred supplier from those under contract based on their lowest rates, transport costs and plant availability and suitability. Council may also seek separate quotations or tenders when hired continuously in excess of four weeks.

It is considered that the acceptance of the following 14 tenders will provide best value to council for the provision of plant, tools and equipment and traffic management hire services over the next three-years:

- Accomplished Plumbing Services
- Ashleys Domestic Water Cartage
- Australian Traffic Control
- Comar Constructions
- Kennards Hire
- Kent Environmental & Vegetation Management
- Lincroads
- Momentum Traffic Control
- Pipeline Services & Equipment
- Porter Plant
- Sherrin Rentals
- TFH Hire Services
- Traffic Control Victoria
- Tutt Bryant Hire

BACKGROUND

Council hires a wide range of plant, tools, equipment and traffic management hire services over the course of the year to supplement its own resources. This equipment is required either to meet peak demands or where the need for specialised items that are used infrequently and ownership or long term leasing is not justified. Equipment typically comprises excavators, skid steer loaders, tip trucks, water carts, rollers and sundry smaller items including jackhammers, scaffolding and pumps. In addition, the hiring of traffic management services to support our field workforce.

The tender documents provide for items to be supplied on a wet (operator and fuel included) and on a dry (no operator or fuel included) hire basis where Council has suitably experienced operators. Suppliers are also required to comply with the Occupational Health and Safety legislation particularly with respect to plant safety and maintenance systems to ensure supplied plant and equipment does not pose a health and safety risk to those operating or involved with its operation.

The tender was structured to enable Council to enter into contracts with several suppliers for the supply of plant, tools, equipment and traffic management hire services. It is not an exclusive contract and Council may contract separately for hire of specific items of plant where longer than four weeks continuous hire is required. Where several contracts are awarded which involve the same or similar items of plant or equipment, Council will allocate specific orders based on an assessment of the total cost of supply including hire rates and float charges where they are applicable and the availability of the item of plant. Under the terms of the contract, the Contractor is not required to have specific items of plant and equipment on standby and awaiting Councils order at all times.

Twenty five tenders were received and evaluated in accordance with the 'Conditions of Tendering' on the basis of Occupational Health and Safety and Risk Management Systems, Compliance with Specifications, Capability and Capacity, relevant experience & past performance, Quality System, Customer Service and Range, Age, Condition, Reliability of Plant Tools and Equipment to provide the service. Where a contractor tendered for a range of items of which portion are considered to offer best value, it is generally recommended that the tender for the full range of plant and equipment be accepted. This provides for additional flexibility in supply and there is no requirement that Council hire all of the items listed in a particular schedule.

POLICY IMPLICATIONS

The Local Government Act requires Council to call tenders by public notice prior to entering into any contract valued in excess of \$150,000 for the supply of services and materials. This requirement has been complied with.

RELEVANCE TO COUNCIL PLAN

The Council Plan provides for Council to maintain and develop its infrastructure including roads, buildings and facilities. Plant and equipment are essential resources required for Council to construct and maintain this infrastructure.

CONSULTATION/COMMUNICATION

The tender was publicly advertised on the 19 January 2019 and it is intended to notify all tenderers of the outcome following this Council meeting. Further community consultation will occur as appropriate for the works in which this plant and equipment is to be utilised. No specific community consultation is involved for periodic supply contracts.

FINANCIAL AND RESOURCE IMPLICATIONS

Council typically expends approximately \$700,000 per annum on the hire of plant, equipment and traffic management hire services to assist in delivering its minor construction and maintenance programs. The budget for this hire is spread over a wide range of individual activities including shoulder maintenance, gravel road maintenance, and footpath and drainage maintenance and parks maintenance as well as smaller construction projects managed in-house. Plant and equipment hire comprises one of a range of elements including quarry products, labour and other materials associated with these maintenance activities that are managed to meet the overall annual demand within the available budget. In short there is not a specific budget set aside exclusively for plant and equipment hire however the various budgets provide for in excess of \$700,000 to be expended on the items annually.

CONCLUSION

It is considered that the acceptance of the following tenders will provide best value to council for the provision of plant, tools and equipment and traffic management hire services over the next three-years:

- Accomplished Plumbing Services
- Ashleys Domestic Water Cartage
- Australian Traffic Control
- Comar Constructions
- Kennards Hire
- Kent Environmental & Vegetation Management
- Lincroads
- Momentum Traffic Control
- Pipeline Services & Equipment
- Porter Plant
- Sherrin Rentals
- TFH Hire Services

- Traffic Control Victoria
- Tutt Bryant Hire