

CT7428: WORKS & SERVICE PANEL (WASP)

Report Author: Manager Infrastructure Services
Responsible Officer: Director Built Environment & Infrastructure
Ward(s) affected: (All Wards);

The author(s) of this report and the Responsible Officer consider that the report complies with the overarching governance principles and supporting principles set out in the Local Government Act 2020.

CONFIDENTIALITY

This item is to be considered at a Council meeting that is open to the public.

Confidential information is contained in Attachment 1. This information relates to contractual matters and contains commercially sensitive information including, but not limited to, the name of tendering parties, the evaluation panel members, the tendered prices, and the evaluation of the tenders received against the published evaluation criteria.

Any disclosure of the information included within the confidential attachment to this report could be prejudicial to the interests of the Council or other parties. If discussion of this information is required, the Council is recommended to resolve that the item be deferred to the confidential section of the agenda when the meeting is closed to members of the public in accordance with Section 3(1)(g)(i)(g)(ii) of the Local Government Act 2020.

SUMMARY

Yarra Ranges Council is actively pursuing a Contract Panel that provides a standing offer with contractors for a range of projects dedicated to the maintenance and management of its assets, infrastructure, and facilities.

This report proposes the formation of the CT7428 Works and Services Panel (WASP) to optimise and simplify procurement procedures through a consolidated tender across all works categories outlined:

- | | |
|--------------------------------------|---|
| 1. Plant and Equipment | 11. Pest Control Services |
| 2. Concrete Works | 12. Safety Barriers |
| 3. Supply of Asphalt Products | 13. Bridge Works Maintenance |
| 4. Asphalt Works | 14. Bin Services |
| 5. Carpentry Services | 15. Sportsground Drainage & Irrigation |
| 6. Electrical Services | 16. Turf Services |
| 7. Plumbing Services | 17. Mowing, Tractor Slashing & Brushcutting |
| 8. Drainage Works | 18. Specialist Tree Works |
| 9. Supply of Pit Lids, Frames, Pipes | 19. Emergency Tree Works |
| 10. Supply of Quarry Products | 20. Landscape Services. |

The report seeks Council's endorsement to form the Works and Services Panel, consisting of pre-selected contractors that meet the Council's strict standards and demonstrate a dedication to providing outstanding value. The initiative facilitates the following:

- A range of projects dedicated to the maintenance and management of its assets, infrastructure, and facilities across 20 categories.
- A selection of contractors based on their ability to meet Council's requirements offering competitive rates and overall value.
- Upholding high standards, valuing stakeholder feedback, and ensuring community satisfaction through key partnerships.

Overall, Council's decision to tender this panel serves to streamline contractor engagement, ensuring swift service delivery while demonstrating value for money and maintaining transparency throughout the procurement process.

RECOMMENDATION

That

- 1) Council recommends the following tenderers to be accepted onto a panel of providers for CT7428 Works and Services Panel for an initial period of two years with two extension options of a further two years each.***

Category 1 Plant and Equipment:

- (a) JTX Civil Contracting Pty Ltd (ABN: 72 161 928 436)***
- (b) Anterior Engineering and Construction Pty Ltd (ABN: 41 078 779 469)***
- (c) Bells Civil Excavations Pty Ltd (ABN: 62 169 307 939)***
- (d) Foley Services Pty Ltd (ABN: 96 102 222 579)***
- (e) State Plant Hire Pty Ltd (ABN: 48 071 212 292)***
- (f) EJ's Plumbing Pty Ltd (ABN: 83088398770)***
- (g) Etheredge Mintern Pty Ltd (ABN: 36 006 521 151)***
- (h) Fern Earthmoving Pty Ltd (ABN: 28 081 358 796)***
- (i) Prestige Paving (ABN: 84 140 970 912)***
- (j) TDM Earthworks Pty Ltd (ABN: 80 606 123 924)***
- (k) B.L Beard & B.L Carr (ABN: 54 725 195 735)***
- (l) Justin Cameron (ABN: 99783874799)***
- (m) Yarra Ranges Fire Management Pty Ltd (ABN: 97 140 738 996)***
- (n) RK & JA Kent & Co Pty Ltd (ABN: 30006592490)***

- (o) Ashley Amber Pty Ltd (ABN: 85 364 980 639)**
- (p) D & L Excavations Pty Ltd (ABN: 83 093 289 528)**
- (q) Maca Civil Pty Ltd (ABN: 20 146 021 347)**
- (r) CopeAg Pty Ltd (ABN: 97 139 749 198)**
- (s) Knox Maintenance Pty Ltd (ABN: 64107063838)**
- (t) VIS Group Pty Ltd (ABN: 34618155927)**
- (u) 1831 Pty Ltd (ABN: 74 119 252 710)**
- (v) J&R Rainford Nominees Pty Ltd (ABN: 48546127377)**
- (w) Bitu-Mill Pty Ltd (ABN:280 972 829 81)**
- (x) Ace Tree Management Pty Ltd (ABN: 58 804 786 029)**
- (y) Accomplished Plumbing Services Pty Ltd (ABN: 33 151 075 875)**
- (z) Brennan Contracting (ABN: 38 672829897)**
- (aa) Total Drain Cleaning Services Pty (ABN: 17 130 467 346)**
- (bb) Hartrax Civil Pty Ltd (ABN: 645 861 829)**
- (cc) Yarra Ranges Contracting Pty Ltd (ABN: 73 075 330 077)**
- (dd) Woods Earthmoving & Plant Hire Pty Ltd (ABN: 67 062 230 719)**
- (ee) Habitat Civil Pty Ltd (ABN: 186 524 710 04)**
- (ff) City Asphalt Pty Ltd (ABN: 74 630 114 466)**

Category 2 Concrete Works:

- (a) Foley Services Pty Ltd (ABN: 96 102 222 579)**
- (b) G & E & M D'alessandro (ABN: 12093355581)**
- (c) Ultimate Civil Solutions Pty Ltd (ABN: 481 381 394 38)**
- (d) Etheredge Mintern Pty Ltd (ABN: 36 006 521 151)**
- (e) Prestige Paving (ABN: 84 140 970 912)**
- (f) JTX Civil Contracting Pty Ltd (ABN: 72 161 928 436)**
- (g) Germano Construction Pty Ltd (ABN: 66093180842)**
- (h) A&V Creative Concrete Pty (ABN: 98 947 414 573)**
- (i) JN Tait Pty Ltd (ABN: 66 653 738 188)**
- (j) Bells Civil Excavations Pty Ltd (ABN: 62 169 307 939)**
- (k) TDM Earthworks Pty Ltd (ABN: 80 606 123 924)**

Category 3 Supply of Asphalt Products:

- (a) May Asphalt Group Pty Ltd (ABN: 72 450 624 025)**
- (b) Boral Resources (Vic) Pty Ltd (ABN: 87004620731)**

(c) Downer EDI Works Pty Ltd (ABN: 66 008 709 608)

(d) Prestige Paving Pty Ltd (ABN: 84 140 970 912)

(e) City Asphalt Pty Ltd (ABN: 74 630 114 466)

Category 4 Asphalt Works:

(a) Prestige Paving (ABN: 84 140 970 912)

(b) Etheredge Mintern Pty Ltd (ABN: 36 006 521 151)

(c) Bells Civil Excavations Pty Ltd (ABN: 62 169 307 939)

(d) May Asphalt Group Pty Ltd (ABN: 72 450 624 025)

(e) Pro Pave Asphalt (ABN: 17 276 185 439)

(f) City Asphalt Pty Ltd (ABN: 74 630 114 466)

(g) MACA Civil Pty Ltd (ABN: 20 146 021 347)

(h) Bitu-mill Pty Ltd (ABN:280 972 829 81)

(i) Bild Infrastructure Pty Ltd (ABN: 78 099 996 344)

(j) Downer EDI Works Pty Ltd (ABN: 66 008 709 608)

(k) The Trustee for SuperSealing (ABN: 228 687 812 89)

Category 5 Carpentry Services:

(a) T2 construction group Pty Ltd (ABN: 86400742964)

(b) A & C Patterson Family Trust (ABN: 71713914051)

(c) Programmed Facility Management Pty Ltd (ABN: 23 001 382 010)

(d) Yarra Ranges Fire Management Pty Ltd (ABN: 97 140 738 996)

Category 6 Electrical Services:

(a) Talk Electrical Pty Ltd (ABN: 57 101 046 673)

(b) The Trustee for Eco Electrical Services Trust (ABN: 93 101 239 118)

(c) Lighton Electrics Pty Ltd (ABN: 59 007 281 914)

(d) Adapt Essential Services Pty Ltd (ABN: 94 489 751 476)

(e) Bells Civil Excavations Pty Ltd (ABN: 62 169 307 939)

(f) Programmed Facility Management Pty Ltd (ABN: 23 001 382 010)

(g) High Access Cabling Pty Ltd ATF (ABN: 51 260 874 027)

(h) Westwoods Electrical and Property Services Pty Ltd (ABN: 69 007 211 403)

Category 7 Plumbing Services:

- (a) EJ's Plumbing Pty Ltd (ABN: 83088398770)**
- (b) Plumbtrax Pty Ltd (ABN: 11142872491)**
- (c) Programmed Facility Management Pty Ltd (ABN: 23 001 382 010)**
- (d) Bells Civil Excavations Pty Ltd (ABN: 62 169 307 939)**

Category 8 Drainage Works:

- (a) Foley Services Pty Ltd (ABN: 96 102 222 579)**
- (b) EJ's Plumbing Pty Ltd (ABN: 83088398770)**
- (c) M. Tucker & Sons Pty Ltd (ABN: 14 007 193 811)**
- (d) TDM Earthworks Pty Ltd (ABN: 80 606 123 924)**
- (e) JTX Civil Contracting Pty Ltd (ABN: 72 161 928 436)**
- (f) Ultimate Civil Solutions Pty Ltd (ABN: 481 381 394 38)**
- (g) Ashley Amber Pty Ltd (ABN: 85 364 980 639)**
- (h) Bells Civil Excavations Pty Ltd (ABN: 62 169 307 939)**
- (i) J&R Rainford Nominees Pty Ltd (ABN: 48546127377)**
- (j) Prestige Paving (ABN: 84 140 970 912)**
- (k) Hartrax Civil Pty Ltd (ABN: 645 861 829)**
- (l) Etheredge Mintern Pty Ltd (ABN: 36 006 521 151)**
- (m) Interflow Pty Limited (ABN: 34 000 563 208)**
- (n) Justin Cameron (ABN: 99783874799)**
- (o) Abergeldie Rehabilitation Pty Ltd (ABN: 90 601 658 066)**
- (p) Veolia Environmental Services (ABN: 20 051 316 584)**
- (q) TDM Pipeline Solutions Pty Ltd (ABN: 80 654 325 863)**
- (r) Total Drain Cleaning Services Pty Ltd (ABN: 17 130 467 346)**

Category 9 Supply of Pit Lids, Frames, Pipes:

- (a) Road Safety Grating (ABN: 54 326 673 505)**
- (b) Prestige Paving (ABN: 84 140 970 912)**
- (c) Accomplished Plumbing Services Pty Ltd (ABN: 33 151 075 875)**
- (d) MACA Civil Pty Ltd (ABN: 20 146 021 347)**
- (e) SVC Products Pty Ltd (ABN: 96 004 279 458)**

Category 10 Supply of Quarry Products:

- (a) Prestige Paving (ABN: 84 140 970 912)**

- (b) The Trustee for Castella Quarries Unit Trust (ABN: 97 138 449 316)**
- (c) MACA Civil Pty Ltd (ABN: 20 146 021 347)**

Category 11 Pest Control Services:

- (a) Propest Pest Control (ABN: 67 096 465 413)**
- (b) Safe Spray Pty Limited (ABN: 31 155 391 941)**

Category 12 Safety Barriers:

- (a) Frazer Safety Installations (ABN: 12069589457)**
- (b) The trustee for JEC Family Trust (ABN: 29474983540)**

Category 13 Bridge Works Maintenance:

- (a) Yarra Ranges Fire Management Pty Ltd (ABN: 97 140 738 996)**
- (b) CopeAg Pty Ltd (ABN: 97 139 749 198)**
- (c) Bells Civil Excavations Pty Ltd (ABN: 62 169 307 939)**
- (d) RK & JA Kent & Co Pty Ltd (ABN: 30006592490)**

Category 14 Bin Services:

- (a) WM Waste Management Services Pty Ltd (ABN: 69 897 425 789)**
- (b) M. Tucker & Sons Pty Ltd (ABN: 14 007 193 811)**

Category 15 Sportsground Drainage & Irrigation:

- (a) EJ's Plumbing Pty Ltd (ABN: 83088398770)**
- (b) ETNW Pty Ltd (ABN: 97 638 760 111)**
- (c) L.D Irrigation Design Pty Ltd (ABN: 88 632 537 261)**
- (d) Chapman and Rivett (Vic) Pty Ltd (ABN: 95 008 083 592)**

Category 16 Turf Services:

- (a) Evergreen Turf Group (ABN: 17 007 427 536)**
- (b) Australian Agribusiness (Holdings) Pty Ltd (ABN: 61 135 355 958)**
- (c) AJ & RM Uhr-Henry Turf Maintenance Consultancy (ABN: 73 389 665 389)**

Category 17 Mowing, Tractor Slashing & Brushcutting:

- (a) Yarra Ranges Contracting Pty Ltd (ABN: 73 075 330 077)**
- (b) Yarra Ranges Fire Management Pty Ltd (ABN: 97 140 738 996)**
- (c) Bells Civil Excavations Pty Ltd (ABN: 62 169 307 939)**
- (d) Fern Earthmoving Pty Ltd (ABN: 28 081 358 796)**

(e) Land Management Systems Pty Ltd (ABN: 33082231481)

Category 18 Specialist Tree Works:

- (a) Ace Tree Management Pty Ltd (ABN: 58 804 786 029)**
- (b) ETS Infrastructure Management (ABN: 38 070 013 884)**
- (c) C&R Ryder Consulting Pty Ltd (ABN: 47376684521)**
- (d) Austree Pty Ltd (ABN: 56 656 065 646)**
- (e) The Trustee for Ben & Rachael (ABN: 39 531 880 706)**
- (f) Active Green Services Pty Ltd (ABN: 88 079 090 181)**
- (g) Hallyburton Engineering Pty Ltd (ABN: 71 007 160 009)**
- (h) Brennan Contracting (ABN: 38 672829897)**
- (i) Tree Dimensions Pty Ltd (ABN: 45 139 982 639)**
- (j) Woods Earthmoving & Plant Hire (ABN: 67 062 230 719)**
- (k) Cmore Pty Ltd (ABN: 58 096 262 494)**
- (l) Sevron Pty Ltd (ABN: 41 165 444 011)**
- (m) ENSPEC Pty Ltd (ABN: 92062909255)**
- (n) Leaf and Limb Tree Services Pty (ABN: 31 164 508 043)**
- (o) Ironbark Environmental Arboriculture Pty Ltd (ABN: 13 601 242 568)**
- (p) Lucas and Co Pty Ltd (ABN: 50 611 315 452)**
- (q) The Trustee for the Meyer (ABN: 43 741 345 801)**
- (r) McLeod Trees (ABN: 13 108 979 308)**
- (s) The Tree Company (ABN: 97120997239)**
- (t) Arborspray P/L (ABN: 66076529747)**
- (u) Heritage Tree Professionals (ABN: 11318125425)**
- (v) Landlinks Environmental (ABN: 53078936151)**
- (w) Environmental Tree (ABN: 13 130 335 287)**

Category 19 Emergency Tree Works:

- (a) Ace Tree Management Pty Ltd (ABN: 58 804 786 029)**
- (b) ETS Infrastructure Management (ABN: 38 070 013 884)**
- (c) Austree Pty Ltd (ABN: 56 656 065 646)**
- (d) Hallyburton Engineering Pty Ltd (ABN: 71 007 160 009)**
- (e) Brennan Contracting (ABN: 38 672829897)**
- (f) Leaf and Limb Tree Services Pty (ABN: 31 164 508 043)**

- (g) Lucas and Co Pty Ltd (ABN: 50 611 315 452)**
- (h) Bells Civil Excavations Pty Ltd (ABN: 62 169 307 939)**
- (i) The Tree Company (ABN: 97120997239)**
- (j) McLeod Trees (ABN: 13 108 979 308)**
- (k) Zentia Integrated Services Unit (ABN: 54 452 075 070)**
- (l) Fern Earthmoving Pty Ltd (ABN: 28 081 358 796)**

Category 20 Landscape Services:

- (a) 1831 Pty Ltd (ABN: 74 119 252 710)**
 - (b) Knox Maintenance Pty Ltd (ABN: 64107063838)**
 - (c) Bells Civil Excavations Pty Ltd (ABN: 62 169 307 939)**
 - (d) Sevron Pty Ltd (ABN: 41 165 444 011)**
 - (e) The Trustee for Ecodynamics (ABN: 14 772 744 278)**
 - (f) Australian Synthetic Turf Enterprises (ABN: 98 105 615 263)**
- 2) Council approves the Director of Built Environment & Infrastructure be delegated authority to extend the Deed term by two periods of two years each.**
 - 3) Council approves the contract documents to be signed by the Director of Built Environment & Infrastructure.**
 - 4) The confidential attachment to this report remains confidential indefinitely as it relates to matters specified under Section 3(1) (g)(i), (g)(ii) of the Local Government Act 2020.**

RELATED COUNCIL DECISIONS

There are no related Council decisions relevant to this item.

DISCUSSION

Purpose

The purpose of this deed arrangement is to establish a panel of contractors to undertake municipal works that includes but limited to civil infrastructure, landscaping, tree services and associated works.

Background

The municipality of Yarra Ranges is a unique environment that presents many wide and varied maintenance requirements. The terrain varies greatly from an urban setting to semi-rural to a rural environment. The environment is also heavily treed and has extremely steep and both urban and rural terrains.

Yarra Ranges Council is actively pursuing a Contract Panel that provides a standing offer with contractors for a range of projects dedicated to the maintenance and management of its assets, infrastructure, and facilities. These initiatives encompass various areas which have been classified into the below categories.

Ongoing Need for Works and Services and Establishment of a Panel

Council recognises a consistent requirement for various works and services across 20 categories, necessitating a reliable and efficient procurement process.

The Works and Services Panel to be established, is the retender of the existing key contracts which was made up of approximately 80 service providers:

- CT5515 Annual Supply of Works, Services & Products (18 Categories)
- CT5391 Annual Supply - Mowing, Tractor Slashing & Brush Cutting
- CT2912 Landscape Services

This panel will consist of pre-qualified contractors who must meet Council's standards and demonstrate high value across multiple criteria.

Panel arrangements provide an ability to have a closer relationship with the panel of providers and are expected to lead to improvements in product quality, delivery reliability, lead times, product development and design and provide opportunities for cost reductions. Key benefits of a panel contract include:

- A consistent approach to service engagements,
- Pre-negotiated terms and conditions,
- Cost reductions,
- Simplified purchase order process to engage suppliers,
- Access to a mix of suppliers including small to medium enterprises and larger operations.

Criteria for Panel Selection

Contractors are assessed based on their ability to fulfil requirements, including rates, capability and capacity, and overall value they bring to Council across various criteria such as environmental, local and social sustainability.

Alignment with Council's Procurement Policy

The methodology and operation of the panel align with Council's policies for spending and procurement, ensuring transparency and fairness.

Options considered

The selection process for contractors awarded to the panel for each service category was developed to prioritise the quality and comprehensiveness of the submissions received. This strategic approach aimed to cultivate a panel characterised by its diversity and expertise, ensuring not only a broad representation of services but also the capacity to meet and exceed the Council's service level expectations.

In determining the optimal number of contractors for each category, the evaluation panel carefully assessed several critical factors, including the scope of services proposed, the geographical spread of tenderers to ensure local and broader community benefits, and the possession of specialised skills vital for addressing the unique challenges presented by different projects.

This nuanced evaluation process guaranteed a panel structure that is both dynamic and adept, capable of responding flexibly to varying project demands across tender cycles. More importantly, by integrating a rigorous assessment of each contractor's ability to deliver high service levels into the selection criteria, the panel would not only be diverse and skilled but also committed to delivering exceptional quality and value.

The emphasis on balancing submission quality with the ability to meet specified service levels ensures that the panel remains aligned with the Council's strategic goals, providing dependable, high-quality services across the community. This framework supports the Council's overarching objective to establish and maintain infrastructure and services that meet the current and future needs of its community, fostering a safe, vibrant, and sustainable environment.

Opportunities for resource sharing or jointly tendering some service elements with other councils were also considered as part of the pre-tender process.

Evaluation Approach

Option 1 - Pre-Qualification Based on Compliance

Contractors are pre-qualified based on their ability to meet all compliance criteria. If they meet these criteria, they are likely to be awarded a place on the panel.

Advantages

- **Simplicity and Efficiency** – easier and quicker to evaluate, as it involves confirming whether submissions meet set standards rather than scoring them on various criteria.
- **Broad Inclusion** – encourages a wider pool of contractors, potentially increasing diversity and options for Council.
- **Reduced Subjectivity** – minimises the subjective nature of scoring, leading to a more straightforward decision-making process.

Option 2 - Competitive Process with Scoring and Ranking

Tenderers are evaluated based on a set of criteria and then scored and ranked accordingly. This ranking is to form the shortlist for recommendations.

Advantages:

- **Quality and Value Focus** – encourages contractors to submit high-quality, competitive proposals, potentially leading to better outcomes.
- **Selective Inclusion** – limits the number of contractors on the panel, potentially leading to simpler management, coordination and relationship building.

- Incentivises Excellence – promotes a higher standard as contractors know they are competing.

Council's procurement strategy for the establishment of the WASP has been developed to align with the overarching goals outlined in the Council Plan 2021-2025.

This plan emphasises the:

- Creation of Connected and Healthy Communities,
- Development of Quality Infrastructure and Liveable Places,
- Protection and enhancement of the Natural Environment,
- Promotion of a Vibrant Economy
- Along with robust Agriculture and Tourism sectors, and the ambition to become a High Performing Organisation.

To ensure these strategic objectives are met through procurement activities, Council has opted for a competitive scored approach over a conformance-based method for tender evaluations.

This decision is rooted in the desire to incentivise excellence, innovation, and sustainability among contractors, encouraging them to contribute meaningfully to Council's vision for its community and environment.

The competitive scored approach differentiates itself by not just evaluating tenders on the basis of meeting minimum requirements but on how well they align with and contribute to Council's strategic priorities.

By doing so, it ensures that the panel of contractors selected is not only capable of delivering high-quality services but also shares the Council's commitment to making a positive impact across various sectors. Furthermore, this approach facilitates a dynamic and flexible procurement process, adaptable to the evolving needs and goals of Council and community.

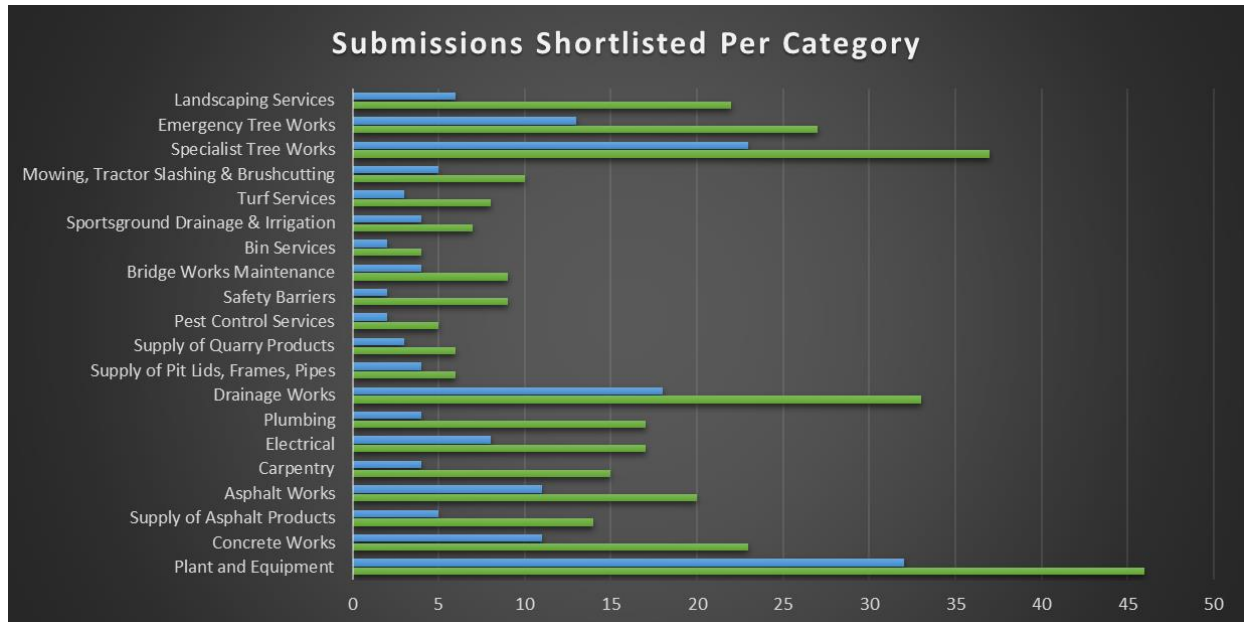
Importantly, the competitive process acknowledges that not all valuable contractors will be selected for the panel. However, this does not preclude their future engagement with the Council.

Unsuccessful tenderers for the WASP may still be considered for specific projects outside the panel framework through open market requests, leveraging their unique skills and offerings. This flexibility underscores the Council's commitment to fostering a diverse and vibrant local economy and ensuring the best outcomes for its community.

By maintaining the possibility of engagement outside the WASP, Council retains the agility to respond to unique challenges and opportunities, reinforcing its role as a high-performing organisation dedicated to excellence, inclusivity, and sustainable development.

Tender Assessment

Tenders closed 14 February 2024, Council received 141 Tenders with 98 companies were short listed to provide services, with the majority providing service across multiple categories.



The tender evaluation panel considered the importance of the provision of services from local suppliers, and over 46 local suppliers have been recommended. Furthermore, following evaluation of submissions, the proportion of Local Suppliers recommended for the various categories is over 65%, with Council receiving a strong response from the wider regions and interstate.

The Tender response for Category 10 Supply of Quarry Products had limited market response from existing service providers. To increase availability and ensure continuity of services it is proposed that a separate procurement process be undertaken.

The recommended service providers from this evaluation process are still to be awarded the Works and Services contract with the understanding that the Quarry Products service provision is to be expanded for the best interest of Yarra Ranges Council via a future process.

The Tender Evaluation Panel(s) conducted extensive due diligence checks and are satisfied that the recommended tenderers are suitable for appointment.

Recommended option and justification

The recommended option is to award the 98 tenderers outlined in the Recommendation and detailed within the separate Evaluation Recommendation Report - CT7428 Works and Services Panel under their respective categories. These tenderers have been evaluated and considered through a thorough and competitive tender process to offer value for money to Council.

The Evaluation Recommendation Report - CT7428 Works and Services Panel is to be provided as a Confidential Attachment to the Forum / Council Report to support the recommended option.

FINANCIAL ANALYSIS

The budget allocation for the various contracted panel services CT7428 within the 2024/2025 Operations and Capital Budget is approximately \$36 M per annum, (excluding GST).

Cat #	Cat Title	Annual Expenditure (approx.)	Cat #	Cat Title	Annual Expenditure (approx.)
1	Plant and Equipment	\$5M	11	Pest Control Services	\$25k
2	Concrete Works	\$3M	12	Safety Barriers	\$50k
3	Supply of Asphalt Products	\$3M	13	Bridge Works Maintenance	\$750k
4	Asphalt Works	\$3.5M	14	Bin Services	\$100k
5	Carpentry	\$250k	15	Sportsground Drainage & Irrigation	\$600k
6	Electrical	\$600k	16	Turf Services	\$900k
7	Plumbing	\$1.2M	17	Mowing, Tractor Slashing & Brushcutting	\$800k
8	Drainage Works	\$3.5M	18	Specialist Tree Works	\$8M
9	Supply of Pit Lids, Frames, Pipes	\$200k	19	Emergency Tree Works	\$1M
10	Supply of Quarry Products	\$200k	20	Landscaping Services	\$3.5M

Over the past 18 – 24 months significant increases in expenditure have been experienced in Specialist Tree and Emergency related services. Plant and equipment hire, and Asphalt/Concrete related activities have also experienced

increased expenditure for the reinstatement / renewal of roads and footpaths, supported by external grant funding.

The arrangement is based on a Schedule of Rates with no guarantee of any specific quantity of works or exclusivity of works. The Schedule of Rates Items are subject to annual CPI adjustments for any subsequent extensions and consideration made to current direct cost pressures associated with fuel material supply, disposal fees, material costs and lease arrangements for property plant and equipment.

Based on the recommendations made by the Tender Evaluation Panel for awarding these contracts, the total cost of these contracts is in within budget estimations.

Council's contract managers will assess the service level requirements and benchmarking of services via the contract management plan that will be in use for the duration of the arrangement.

The total net expected expenditure for the six-year term (includes the extension options) of the Contract, in current dollars, is \$230 million and this is consistent with budget forecasting.

APPLICABLE PLANS AND POLICIES

CT7428 Works and Services Panel is a key component of enabling Council to meet its obligations outlined in the endorsed Asset Management Policy, Strategy and Plans. It is envisaged that the proposed Contracts will facilitate Council's assets continuing to be maintained to a standard that has had stakeholder input and provides an acceptable level of service for the community.

A new arrangement with contractors will provide Council with flexibility in delivery of maintenance services and potentially improved value for money through strategic planning of programmed maintenance and reduce the amount of reactive unplanned maintenance.

This report contributes to the following strategic objective(s):

- Council Plan 2021- 2025
 - Connected and Healthy Communities
 - Quality Infrastructure and Liveable Places
 - Protected & Enhanced Natural Environment
 - Vibrant Economy, Agriculture and Tourism
 - High Performing Organisation
- Yarra Ranges Council Liveable Climate Plan 2020-2030.

RELEVANT LAW

This report seeks Council approval to award a Deed of Arrangement that complies with Section 108 of the *Local Government Act 2020*.

The Deed is based on a specification for the service together with terms and conditions that ensure the Deed is enforceable and provides protocols for managing the Contract.

The Tender Evaluation Panel acknowledged the support of existing in-house contract management resources for systematically reviewing the effectiveness of the procurement activities associated with this tender process.

Functions of the contracted services will be delivered in accordance with Council's Road Management Plan, which is implemented in accordance with requirements of the *Road Management Act 2004* and associated Regulations.

SUSTAINABILITY IMPLICATIONS

Yarra Ranges Council places a high importance on sustainability and resilience and expects the same from its vendors. The scored qualitative criterion utilised for the WASP is reflective of these objectives emphasising the importance of economic, social, and environmental outcomes for the community. The following are a portion of the qualitative criterion used to evaluate tenderers:

Local Content / Community Benefit

- Considers the tenderer's contribution to local economy and community development.

Social Sustainability

- Reviews commitment to social inclusion, equity, and community welfare.

Environmental Management

- Focuses on the tenderer's practices for environmental protection and sustainability.

Economic Implications

The outlay for the WASP is a significant component of Council's annual expenditure and decisions on how the Annual Supply contracts are awarded will have multiple-year budget impacts. The recommendations made in this report are designed to optimise the balance between financial cost and appropriate levels and quality of service, whilst minimising economic, reputational, and other risks across the components of the services.

Social Implications

A principal consideration in selecting staff for the outsourced services under the WASP includes policies that promote local employment and traineeship

opportunities. While contractors assert their commitment to hiring the most qualified candidates for each role, the objective is to enhance consciousness and foster a collaborative partnership with the Contractor. This collaboration aims to bolster social procurement initiatives, integrating them more deeply into the fabric of our community engagement and service delivery strategies.

The contractors are required to comply and work with Council's Social Procurement Initiatives. It is proposed that Councils in-house teams continue to provide services in accordance with the organisations Reconciliation Action Plan. This can include undertaking cultural heritage assessments to determine the nature of compliance, obligations and other options under the Cultural Heritage Act. Council's in-house teams are also able to provide cultural safety and awareness training.

Environmental Implications

All works and services through WASP must be provided safely and in accordance with the relevant environmental protection regulations, Council policies and industrial best practice. Waste management plays a significant part of sustainable delivery of Council Services. WASP Contractors are required to operate with an Environmental Management Plan (EMP) based on a hierarchy of avoid, reduce, reuse and recycle which is a critical part of its service delivery ethos.

COMMUNITY ENGAGEMENT

An online tender briefing session was held on 18 January 2024 to inform the open market of CT7428 Works and Services Panel tender. The briefing session was conducted via a digital platform to maximise accessibility and participation. Registration was open to all interested parties, encouraging a diverse range of participants.

The session provided comprehensive insights into the tender's scope, the submission process, evaluation criteria, and the strategic importance of the Works and Services Panel to the local community's development. It facilitated an open dialogue between the Council and potential tenderers, allowing for the clarification of queries, enhancement of transparency, and fostering of a competitive tendering environment.

Feedback collected during and after the briefing session highlighted a positive reception to the Council's efforts towards transparency and inclusivity. Specific suggestions from the community included requests for further clarity on specifications and speciality services. These inputs were invaluable in refining the tender documentation.

COLLABORATION, INNOVATION AND CONTINUOUS IMPROVEMENT

In the initiation of the WASP project, collaboration with external Councils, Governments, or statutory bodies was considered but not actively pursued. This approach allows our Council to fully manage the WASP, tailoring it to our specific needs, including contractor selection and contract specifics. Nonetheless, the project

is designed to accommodate future opportunities for collaboration, aiming to leverage collective insights while upholding our governance standards.

A key innovation within the WASP project is the strategic contract structure, which is set for an initial two-year period, complemented by two extension options, each for an additional two years. This flexible framework ensures long-term service provision while allowing for periodic assessment and adjustment to meet evolving community needs.

Further enhancing the project's innovative approach are the integrated Key Performance Indicators (KPIs) and reporting requirements within the Deed of Arrangement. These elements facilitate rigorous performance monitoring and evaluation, underpinning our commitment to data-driven decision-making and high accountability standards. This structure not only measures contractor performance effectively but also aligns with continuous improvement principles, ensuring the delivery of superior value and service quality.

Continuous improvement is a cornerstone of the WASP project, underscored by a commitment to adopting feedback for ongoing process optimisation. The dynamic nature of the contract, with its initial term and extension options, allows for iterative reviews and enhancements. KPIs and structured reports will provide critical insights into performance trends, highlighting areas for improvement and innovation.

While the report's immediate focus may not pinpoint specific technological or methodological breakthroughs, the introduction of a structured performance evaluation system, coupled with a flexible contract duration, significantly contributes to operational efficiency and community service excellence. These measures, poised for future collaborative expansion, reinforce our Council's strategic vision for continuous enhancement and innovation.

RISK ASSESSMENT

A risk assessment has been developed for this tender process and risk has been considered in development of the tender documents, Deed of Arrangement, and specification. Risk will be continued to be assessed over the duration of the arrangement for individual engagements.

Tenderers are required to submit several plans which will be evaluated during the tender process and updated as reasonably requested.

A Project Steering Committee maintained oversight of the tender process to ensure risks were appropriately managed.

Council utilises Rapid Global Compliance system to manage contractors for works and services delivered to Council. Rapid Global is a tool to effectively manage and assess risk levels to Council, tenderers were required to state compliance with Rapid Global will be completed prior to being engaged for works or services by Council.

In the evaluation, each qualitative criterion is aligned with the Council's strategic plan and assessed on a scored basis. The Risk Management criteria assesses the

tenderer's strategies for identifying, managing, and mitigating risks in delivering the works and/or services.

The proposed service model is a panel of providers to ensure coverage 24/7 and risk mitigation in the case of service interruption; this allows Yarra Ranges Council flexibility and surge capacity. As the preferred tenderers are a good mix of incumbents and new service providers there is no risk in transitioning to the new contracts.

NON-CONFORMING SUBMISSIONS

In order to submit a conforming submission, tenderers were required to meet the below Mandatory Criteria.

- Tender Submitted with all Required Schedules in electronic format by Tender Close Time.
- Recognition as an Acceptable Legal Entity capable of entering into a contractual agreement with Council.
- Valid and current Certificates of Currency for Insurance or a declaration to obtain the required insurances prior to the contract award, with coverage levels appropriate to the category being tendered for.
- Commitment to comply with Rapid Global requirements before the contract award for alignment with Council's contractor management systems.
- Appropriate Licenses and Certifications relevant to the category being tendered for, such as trade licenses for plumbing and electrical work, or confined space certifications for stormwater drainage work.

During the evaluation process, it was noted that several submissions did not comply with one or more of the mandatory criteria. These instances of non-conformance were recorded and brought before the evaluation panel for consideration. The panel undertook a thorough review of the non-conformances, this is detailed in the Confidential Attachment.

CONFLICTS OF INTEREST

Due to the large volume of submissions, diverse range of categories and number of stakeholders involved in the process, there were conflicts of interest identified and raised. These were managed in accordance with Council's policies and are detailed within the Confidential attachment.

ATTACHMENTS TO THE REPORT

1. Council Evaluation Report (Confidential Attachment)