

**CITY OF PALMERSTON**

**Notice of Special Council Meeting  
to be held in Council Chambers, Civic Plaza, Palmerston  
on Tuesday, 29 March 2016 at 5:00pm**

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**AGENDA**

**Audio Disclaimer**

An audio recording of this meeting will be made for minute taking purposes as authorised by City of Palmerston Policy MEE3 Recording of Meetings, available on Council's Website.

**1. PRESENT**

**2. APOLOGIES**

Alderman Carter – Leave of Absence

**ACCEPTANCE OF APOLOGIES AND LEAVE OF ABSENCE**

**3. DEPUTATIONS / PRESENTATIONS**

**4. OFFICER REPORTS**

4.1 The Boulevard Stage 2 – Contract Award

8/0847

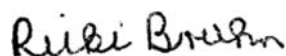
4.2 Mayor's Report

M8-17

**5. CONFIDENTIAL REPORTS**

Nil

**6. CLOSURE**



**Ricki Bruhn  
Chief Executive Officer**

**Any member of Council who may have a conflict of interest, or a possible conflict of interest in regard to any item of business to be discussed at a Council meeting or a Committee meeting should declare that conflict of interest to enable Council to manage the conflict and resolve it in accordance with its obligations under the Local Government Act and its policies regarding the same.**

**ITEM NO.** 4.1                      **The Boulevard Stage 2 – Contract Award**

**FROM:**                                      **Director of Technical Services**

**REPORT NUMBER:**                      **8/0847**

**MEETING DATE:**                        **29 March 2016**

**Municipal Plan:**

**2. Economic Development**

**2.3 City Planning**

We are committed to effective and responsible city planning which balances and meets both residential and commercial needs in our community

**Summary:**

The City of Palmerston called tenders for the construction of The Boulevard Stage 2 on 6 February 2016 by public advertisement in the NT News, City of Palmerston web site and tenders.net. Tenders closed 4 March 2016 with five tenders received. The tender evaluation panel assessed the tenders based on both price and non-price criteria and following interviews with short listed tenderers, recommend that Mark Cundall Earthmoving offers the best value for money. Council is asked to:

- receive this report
- award Schedule of Rates Contract TS2016-01 The Boulevard Stage 2 to Mark Cundall Earthmoving for the indicated sum of \$3,107,303.80 (ex GST) plus \$70,200 (ex GST) for additional landscaping
- approve the Mayor and Chief Executive Officer signing and sealing all required contract documentation for Contract TS2016-01

**Background:**

Council considered the scope of works and associated costs to construct The Boulevard Stage 2 at an Ordinary Council Meeting on 2 February 2016. Council decision 8/1812 approved:

*constructing the whole scope of works of The Boulevard Stage 2 in 2016.*

Council decision 8/1818 further approved:

*a project construction budget for The Boulevard Stage 2 of \$4,571,500 comprised of:*

- (a) \$2,731,648 in external funding;*
- (b) \$1,839,852 drawn from the infrastructure reserve*

The City of Palmerston subsequently called tenders for the construction of The Boulevard Stage 2 on the 6 February 2016 by public advertisement in the NT News as required under the *Local Government (Accounting) Regulations*. Tenders were also advertised on the City of Palmerston website and Tenders.Net (Australasia). Tender documentation was downloaded by 24 organisations. Tenders closed at 1400 CST 4 March 2016 with five tenders received.

### **General:**

The tender evaluation panel was comprised of:

- EDI Committee Chairman – Alderman Paul Bunker
- Director Technical Services – Mark Spangler
- Major Projects Officer – Gary Boyle

Submitted tenders including the indicated price are shown below in Table 1.

**Table 1: Tenders as submitted - in order of opening**

Ref	Tenderer	Indicated Total *
1	Mugavin Contracting	\$3,405,773.26
2	Wolpers and Grahl	\$3,948,303.00
3	Mark Cundall Earthmoving	\$3,107,303.80
4	BMD Urban	\$3,382,068.83
5	Allan King and Sons	\$3,794,957.26

*\*All prices shown are GST exclusive*

The tender evaluation panel assessed all tenders as if they were conforming although the Mugavin Contracting tender was considered non-conforming as Tender Form 9 was not completed correctly. The non-conforming tender would need to be formally considered by Council prior to awarding a contract to Mugavin Contracting.

Tenders were assessed on both price (60%) and non-price criteria (40%) including:

- Contractor's capacity 5%
- Contractor's experience 5%
- Contractor's past performance 15%
- Contractor's ability to meet timeframe 10%
- Support for local industry 5%

Based on the assessment criteria the tenders were ranked as shown in Table 2 and the tender evaluation panel shortlisted Mark Cundall Earthmoving and BMD Urban for further consideration and interview.

**Table 2: Tender ranking based on assessment criteria**

<b>Tenderer</b>	<b>Ranking</b>
Mark Cundall Earthmoving	1
BMD Urban	2
Allan King and Sons	3*
Mugavin Contracting	3*
Wolpers and Grahl	4

*\*Ranked equally*

A referee report for Mark Cundall Earthmoving was sought from the City of Darwin. A referee report for BMD Urban was not sought as the contractor was well known to the tender evaluation panel having recently completed The Boulevard Stage 1 and Goyder Square Stage 2 projects.

As part of the tender process, tenderers were requested to consider the requirement for pedestrian and vehicle movements and include costed options for any detours to maintain suitable pedestrian and vehicle access to premises such as the bus interchange, Bunnings and Quest Apartments. At the tender interview the two tenderers were requested to clarify traffic management proposals and costs associated with:

- Option 1 - maintaining 2-way vehicle access to Kilgour Lane from Roystonea Ave intersection by means of a detour constructed across vacant Lot10027 and 2-way vehicle access to Kilgour Lane from The Boulevard by means of a detour constructed at the rear of the library
- Option 2 - maintaining 2-way vehicle access to Kilgour Lane from The Boulevard by means of a detour constructed at the rear of the library only

The two tenderers views differed as to which detour option was the most suitable as there are merits and issues associated with both options. The impact of the detour options on the tendered price are shown below in Table 3.

**Table 3: Tendered price for detour options:**

<b>Tenderer</b>	<b>Tendered Price Option 1</b>	<b>Tendered Price Option 2</b>
Mark Cundall Earthmoving	\$3,125,921	\$3,107,303
BMD Urban	\$3,382,068	\$3,372,068

Based on the submitted tenders, referee report and tender interview, the tender evaluation panel believe that the tender submitted by Mark Cundall Earthmoving including detour option 2 offers Council the best value for money.

Tender documentation excluded landscaping to the verge area adjacent to Lot 10026 (superblock) and Lot 9635 (car park) however the developer of the superblock has now requested Council undertake some of this work. Based on the recommended tender, the value of this landscape work including trees and concrete footpath is in the order of \$70,200 ex GST dependent on final measured quantities.

**Financial Implications:**

Staff are currently talking with the NTG about the effect that a reduced scope of works has on the Strategic Local Road Infrastructure funding.

The value of the additional landscape work will increase the indicated contract sum by approximately \$70,200 ex GST.

Funding for The Boulevard Stage 2 was allocated under Council decision 8/1818. The tendered price (including additional landscape works) is within budget.

**Legislation / Policy:**

Section 29 of the *Local Government (Accounting) Regulations* require a council to publically call tenders for all works over \$100,000.

City of Palmerston Delegations Manual authorises the Chief Executive in conjunction with the Mayor to execute contracts or other documents requiring the Common Seal.

**RECOMMENDATION**

1. THAT Council receives Report Number 8/0847.
2. THAT Council award Schedule of Rates Contract TS2016-01 The Boulevard Stage 2 to Mark Cundall Earthmoving for the indicative sum of \$3,107,303.80 (ex GST) plus \$70,200 (ex GST) for additional landscaping.
3. THAT Council approves the Mayor and Chief Executive Officer signing and sealing all required contract documentation for the Contract TS2016-01 The Boulevard Stage 2.

**Recommending Officer:** Mark Spangler, Director of Technical Services

Any queries on this report may be directed to Mark Spangler, Director of Technical Services on telephone (08) 8935 9958 or email [mark.spangler@palmerston.nt.gov.au](mailto:mark.spangler@palmerston.nt.gov.au).

Author: Gary Boyle, Major Projects Officer.

**Schedule of Attachments:**

Nil

**ITEM NO.** 4.2                      **Mayor's Report**

**FROM:** Ian Abbott

**REPORT NUMBER:** M8-17

**MEETING DATE:** 29 March 2016

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**Summary:**

My report provides Council with an update on recent meetings or events of interest to Elected Members.

**General:**

**Thursday, 25 February 2016**

9:45am – Attended Tunes and Tales at the Library

**Friday, 26 February 2016**

10:00am – Meeting with Michael Fleming, Chairman of Touch Football NT

3:00pm – Photoshoot for Rheumatic Heart Disease – Wear Your Heart on Your Sleeve campaign

**Saturday, 27 February 2016**

7:15am – Day at Sea on Patrol Boat

**Wednesday, 2 March 2016**

11:00am – Meeting with Brigadier Ben James

4:00am – Presented the Palmerston Rugby League Cup at Moulden Park

6:00pm – Attended the signing of Funding Agreement between NT Government and the Satellite BMX Club at the BMX Club in Marlow Lagoon.

**Thursday, 3 March 2016**

10:30am – Interview with Territory FM

**Sunday, 6 March 2016**

8:30am – Participated in Clean up Australia Day

### **Forwarding Schedule:**

The Regional Capitals Australia Regionalism 2.0 Conference is being held on Friday, 8 April 2016 at the City of Wodonga, Victoria. The Regionalism 2.0 brings together key stakeholders to discuss the major issues faced by regional capitals.

The cost to attend the conference is estimated as follows:-

Registration	\$1,100
Flights (approximately)	\$ 800
Accommodation for 2 nights (approximately)	\$ 300
Incidentals (approximately)	\$ 300

Estimated Total = \$2,500

### **RECOMMENDATION**

1. THAT Council receives Report Number M8-17.
2. THAT the Mayor attend the Regional Capitals Australia Regionalism 2.0 Conference on Friday 8 April 2016 held at the City of Wodonga, Victoria.

**Recommending Officer:** Ian Abbott, Mayor

Any queries on this report may be directed to Ian Abbott on telephone (08) 8935 9902 or email [ian.abbott@palmerston.nt.gov.au](mailto:ian.abbott@palmerston.nt.gov.au)

### **Schedule of Attachments:**

Nil