




ADVERTISING REQUEST

Contact Name:	David Chidlow			
Department:	Development Services			
Manager:	CEO			
Title of advertisement:	Request for Tender – Jurien Bay Pavilion			
Advertisement Details:	Advertising Date(s):	Newspaper(s): West Australian Wed, 20 Jan & Sat, 23 Jan 2021 Midwest Times anytime on or after 20 Jan 2021		
Cost Code:	G/L 68400	Dept 1103	Act 60105	Loc 150208
Logo required:	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>		
Display / Lineage advertisement: <small>(if applicable)</small>	Display <input type="checkbox"/>	Lineage <input checked="" type="checkbox"/>		
Section: <small>(if relevant, please list which section of the paper, if known)</small>	Local Government Tenders			
Comments:	Further advertising Shire webpage and social media from 20 Jan 2021 Direct email to local and regional builders on Tues 19 Jan 2021			

(Shire Officer use only)

Manager Approval	
Name:	Brent Bailey
Position:	Chief Executive Officer
Signature:	
Date:	18 January 2021

Shire Officer Approval	
Name:	Julie Rouse
Signature:	
Purchase Order No:	69456 / 69457 / 69458
Advertising Reference: (if applicable)	C07695 / C07697 / and C07698

SHIRE OF DANDARAGAN

RFT 01/2021 – Jurien Bay Foreshore Pavilion Café Ablutions Construction

The Shire of Dandaragan invites Tenders for the Construction of the Jurien Bay Foreshore combined Pavilion/Café/Ablutions.

Tender packages are available by contacting our Executive Secretary at es@dandaragan.wa.gov.au.

Queries relating to the Request for Tender can be directed to David Chidlow, Executive Manager Development Services on (08) 9652 0800.

Tenders will close at **4.00pm (WST) on Tuesday, 16th February 2021.**

Proposal submissions can be lodged electronically to tenders@dandaragan.wa.gov.au or hand delivered to the Tender Box at the Shire of Dandaragan Administration Centre, 69 Bashford Street, Jurien Bay. Alternatively Proposal submissions can be posted and addressed as follows: PRIVATE & CONFIDENTIAL- RFT 01-2021, Tender Box, Chief Executive Officer, Shire of Dandaragan, PO Box 676, JURIEN BAY WA 6516. Posted tenders must be received at the Shire Administration Centre prior to the closing date and time above. Late Tenders will not be accepted.

Canvassing of any Shire of Dandaragan Councillors or officers will disqualify your application from the process.

BRENT BAILEY
CHIEF EXECUTIVE OFFICER

9.4.2 TENDER – PAVILION – JURIEN BAY FORESHORE RESERVE 28541

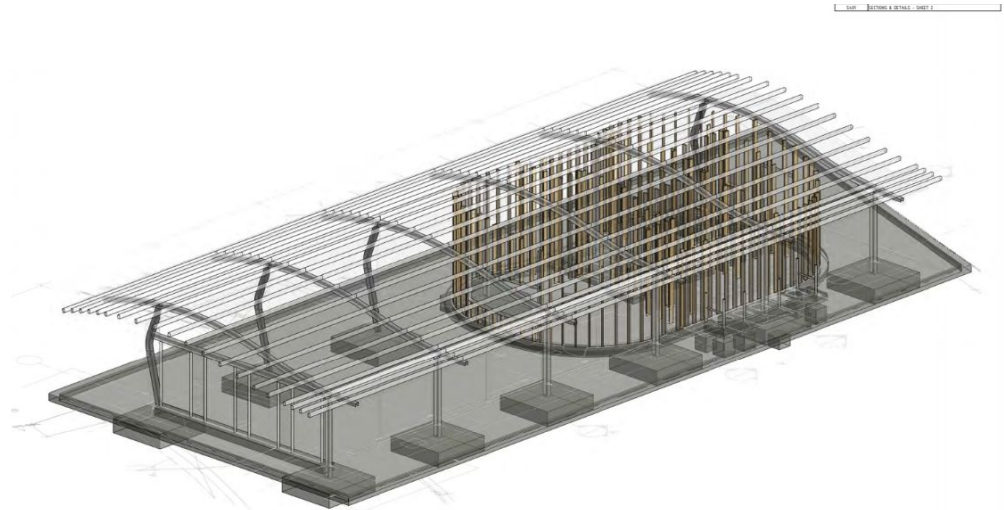
Location:	Reserve 28541 Jurien Bay Foreshore
Applicant:	N/A
Folder Path:	Tenders / 2021 / RFT 001-21
Disclosure of Interest:	None
Date:	5 February 2021
Author:	David Chidlow, Executive Manager Development Services
Senior Officer:	Brent Bailey, Chief Executive Officer

PROPOSAL

This item addresses the recent tender which was called for the construction of the Jurien Bay Foreshore Pavilion. It is recommended that Council reject all tenders and proceed with direct negotiations with businesses for the construction of the facility.

BACKGROUND

Council endorsed the design of a pavilion/café/ablutions facility on the Jurien Bay Foreshore to proceed to tender at the October 2020 Council meeting. The architect's design is shown below and was developed in consultation with the Foreshore Working Group with the allocated construction budget guiding the size and scale of the development.



Following the finalisation of the detailed design process in January 2021, which included electrical design components coordinated with other projects being completed on the foreshore, tenders were invited for the construction activities.

Tenders closed on the 16 February at 4:00pm with five electronic tenders received.

COMMENT

All tenders received were significantly above the budgeted amount of \$650,000 construction cost. The prices ranged from \$969,233 up to \$1,493,251 (excl GST). The following table sets out the prices received;

Price	
1	\$969,233.00
2	\$996,787.51
3	\$1,015,498.88
4	\$1,185,543.29
5	\$1,493,251.00

A detailed assessment of the submissions is provided as a confidential attachment to this item. In summary, the significant divergence between the tendered amounts and the proposed budget warrants the rejection of tenders to allow negotiations to commence on price and potentially scope of the project. There has also been a significant shift in pricing and demand within the Western Australian building industry which has anecdotally influenced the capacity and lead times of many local trades.

Following these negotiations it is proposed that a further item be brought back to Council to progress the project to construction.

CONSULTATION

The tender was advertised in State and regional Newspapers, social media and the Shire website, as well as directly to ten builders operating in this region.

STATUTORY ENVIRONMENT

Local Government Act 1995 s3.57 – Tenders for providing goods or services

3.57. Tenders for providing goods or services

- (1) *A local government is required to invite tenders before it enters into a contract of a prescribed kind under which another person is to supply goods or services.*
- (2) *Regulations may make provision about tenders.*

Local Government Regulations 1996 s11(1)

11. When tenders have to be publicly invited

- (1) *Tenders are to be publicly invited according to the requirements of this Division before a local government enters into a contract for another person to supply goods or services if the consideration under the contract is, or is expected to be, more, or worth more, than \$250 000 unless subregulation (2) states otherwise.*

Local Government Act 1995 s5.23(2)(e)(iii)

- (2) *If a meeting is being held by a council or by a committee referred to in subsection (1)(b), the council or committee may close to members of the public the meeting, or part of the meeting, if the meeting or the part of the meeting deals with any of the following — (e) a matter that if disclosed, would reveal — (iii) information about the business, professional, commercial or financial affairs of a person,*

Local Government Regulations 1996 s18(5)

18. Rejecting and accepting tenders

(5) *The local government may decline to accept any tender.*

POLICY IMPLICATIONS

Policy 1.1 C-1PAT01 – Purchasing and Tender

\$250,000+ Public tender process to be undertaken unless excluded under Exemptions listed below. Prior to any documentation being issued a Request for Tender (RFT) number must be obtained from the Executive Manager of Corporate and Community Services, as applicable provided to maintain the Shire's Tender Register.

FINANCIAL IMPLICATIONS

The pre-tender construction estimate for this project as advised by the architect was \$650,000 which excludes additional design and procurement, project management and land costs. The total budgeted sum for this project is \$750,000.

Since the budget was set there has been change in the building industry and demand for labour and tradespersons. This is due to federal and state funding towards new home builders putting builders at or above capacity.

STRATEGIC IMPLICATIONS

Strategic Community Plan – Envision 2029

01 Infrastructure	The Shire will sustain a dynamic infrastructure network responsive to usage demand that attracts and retains residents and businesses.
Priority Outcomes	Our Roles
Our communities contain vibrant, activated public open space and buildings with high levels of utilisation and functionality.	To manage and facilitate community assets that are flexible, vibrant, adaptable and enjoyable places to occupy employing the principals of place making and design thinking.

ATTACHMENTS

Circulated with the agenda is the following item relevant to this report:

- Confidential 01/2021 Tender Evaluation (Doc Id: 171131)
(Marked 9.4.2)

VOTING REQUIREMENT

Simple Majority

OFFICER RECOMMENDATION / COUNCIL DECISION

Moved Cr Eyre, seconded Cr Clarke

That Council:

- 1. rejects all tenders for Tender 01/2021 – Jurien Bay Foreshore Pavilion**
- 2. authorises the Chief Executive Officer to enter negotiations with suitably qualified and experienced builders and report back to Council.**

CARRIED 5 / 0