

# **Works & Services**

## **REPORTS**

**WORKS & SERVICES REPORTS**

**- R E P O R T S -**

**13.1 CITY ASSETS - ASSET MANAGEMENT**

Nil

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**13.2 CITY SERVICES – WASTE MANAGEMENT**

**13.2.1 Building Rubble Crushing Project – Funding Approval**

<b>File/Ward</b>	:	SER068 (Frederickstown)
<b>Proposal/Issue</b>	:	Request for approval of grant funds to trial a building rubble crushing project
<b>Subject Land/Locality</b>	:	Hanrahan Landfill Site
<b>Proponent</b>	:	City of Albany
<b>Owner</b>	:	City of Albany
<b>Reporting Officer(s)</b>	:	Executive Support Officer Grant Funding and Finance (S Pepper)
<b>Disclosure of Interest</b>	:	Nil
<b>Previous Reference</b>	:	Nil
<b>Summary Recommendation</b>	:	That Council approves the grants funding of \$20,000 to trial a building rubble crushing project at the Hanrahan Landfill Site
<b>Bulletin Attachment</b>	:	Nil
<b>Locality Plan</b>	:	N/A

**BACKGROUND**

1. Staff have been crushing building rubble delivered to the Hanrahan landfill site and then using the product as road base for the site's internal roads. The process has proven to be quite successful in reducing this type of waste that would normally be deposited in landfill.
2. The quantity of rubble produced per annum is approximately 4,000 tonnes. This amount is well in excess of Council requirements for internal roads. If the rubble were processed to an Australian Standard, it would be used as commercial road base and be sold as such.

**STATUTORY REQUIREMENTS**

3. Under the Local Government Act, Section 6.8, a local government is not to incur expenditure from its municipal fund for an additional purpose except where the expenditure:
  - a) is incurred in a financial year before the adoption of the annual budget by the local government
  - b) is authorised in advance by a resolution (absolute majority required) or
  - c) is authorised in advance by the mayor in an emergency

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**POLICY IMPLICATIONS**

- 4. There are no policy implications relating to this item.

**FINANCIAL IMPLICATIONS**

- 5. Council has budgeted \$80,000 for Recyclable Building Rubble Crushing, with an offset of costs in the sale of the recycled rubble. The Department of Environment and Conservation’s Strategic Waste Initiatives Scheme funding totalling \$20,000.00, could be a saving in this offset.

**STRATEGIC IMPLICATIONS**

- 6. This item directly relates to the following elements from the City of Albany 3D Corporate Plan...

**“Community Vision**

Albany’s community will enjoy healthy, fulfilling lifestyles, and a flourishing natural environment through excellent community infrastructure and services.

**Mission Statement**

The City of Albany is committed to sustainably managing Albany’s municipal assets, and promoting our Community’s vision for the future.

**Priority Projects**

Nil.”

**COMMENT/DISCUSSION**

- 7. The Department of Environment and Conservation has offered funding for projects that support waste management initiatives under its Strategic Direction and the Waste Management and Recycling Fund.
- 8. A project has been identified that supports the waste management initiatives of the Department, whereby recycled building materials can be re-used in the construction of secondary roads, by a further refinement of the current process of crushing building rubble, to meet appropriate Australian Standards.
- 9. Staff were pro-active in seeking funding of funding for the trailing of the further refinement to crush building rubble, establish a potential recycling outlet to supplement the cost of road works throughout the area. The total will see an additional step in the crushing process which will screen the rubble and separate contaminants.

**RECOMMENDATION**

**THAT Council approves the grants funding of \$20,000 to trial a building rubble crushing project at the Hanrahan Landfill Site.**

*Voting Requirement Absolute Majority*

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**13.3 CITY SERVICES – AIRPORT MANAGEMENT**

Nil

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**13.4 CITY SERVICES – CONTRACT MANAGEMENT**

**13.4.1 Contract C07011 – Winning and Supply of Gravel - 2007/08**

<b>File/Ward</b>	:	C07011 (All Wards)
<b>Proposal/Issue</b>	:	Winning and Supply of Gravel – Various Pits 2007/08
<b>Subject Land/Locality</b>	:	Nil
<b>Proponent</b>	:	Nil
<b>Owner</b>	:	Nil
<b>Reporting Officer(s)</b>	:	Manager City Services (I Neil), Depot Services Co-ordinator (J Harbach), Contracts Officer (W Male)
<b>Disclosure of Interest</b>	:	Nil
<b>Previous Reference</b>	:	Nil
<b>Summary Recommendation</b>	:	That Council award the tender C07011 to Armogedin Pty Ltd and A.D. Contractors for the winning and supply of gravel from various pits during 2007/08 as indicated.
<b>Bulletin Attachment</b>	:	Nil
<b>Locality Plan</b>	:	Nil

**BACKGROUND**

1. As part of the City's construction program, it is necessary to source gravel for use in construction and routine maintenance of existing gravel roads. A number of strategic gravel sources have been identified and Council will operate these pits within the conditions and guidelines of the Extractors Industry Licence. Contractors are now required to extract, crush and stockpile the gravel.

**STATUTORY REQUIREMENTS**

2. Regulation 11 of the Local Government (Functions and General) Regulations 1996 state that tenders must be called if the consideration under the contract is, or is expected to be, more, or worth more, than \$100,000.
3. Regulation 18 of the Local Government (Functions and General) Regulations 1996 outlines a number of requirements relating to choice of tender. Council is to decide which of the acceptable tenders is the most advantageous to Council. It may also decline and not accept any tender.
4. Regulation 19 requires Council to advise each tenderer is writing the result of Council's decision.

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**POLICY IMPLICATIONS**

5. The City of Albany Regional Price Preference Policy is applicable to this item.

**FINANCIAL IMPLICATIONS**

6. The budget for gravel is included in the overall road construction and routine maintenance programs. The tendered prices are within those allocations.

**STRATEGIC IMPLICATIONS**

7. This item directly relates to the following elements from the City of Albany 3D Corporate Plan:

***“Community Vision:***

*A healthy City: Albany’s community will enjoy healthy, fulfilling lifestyles, and a flourishing natural environment through encouraging alternative forms of transport and implementing an effective public transport system.*

***Mission Statement***

*The City of Albany is committed to sustainably managing Albany’s municipal assets: and at all times we will respect the Community’s aspirations and resources.*

***Priority Projects***

*Nil.”*

**COMMENT/DISCUSSION**

8. A request for tenders was published in the West Australian on 22<sup>nd</sup> August 2007 and in the Albany Advertiser on 23<sup>rd</sup> August 2007 with a copy in the Albany Extra on 24<sup>th</sup> August 2007 for the processing and supply of gravel from various pits.
9. The tender documents included tender evaluation criteria using the weighted attribute method. This method scores the evaluation criteria and weights their importance to determine an overall point score for each tender. The criteria used for this tender is documented below:

<b>Criteria</b>	<b>% Weight</b>
Cost	45
Relevant Skills, Experience & Reliability	45
Reliability of Tenderer	10
<b>TOTAL</b>	<b>100%</b>

10. A total of seven specifications were issued. The tenderers were asked to tender on varying amounts of gravel production – dependant on the pit location – with associated works. The following table summarizes those submissions received by the close of the tender period.

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Pit Location	Tendered Price	Score
<b>WILCOX ROAD PIT - 6000m<sup>3</sup></b>	<b>(inc. GST)</b>	
<b>AD Contractors</b>	<b>\$23,600.00</b>	<b>631.10</b>
Armogedin Pty Ltd	\$24,750.00	611.75
Palmer and Rayner	\$31,040.00	464.65
<b>SOUTH COAST HIGHWAY PIT – 15,000m<sup>3</sup></b>		
<b>AD Contractors</b>	<b>\$54,200.00</b>	<b>657.65</b>
Armogedin Pty Ltd	\$61,600.00	606.80
Palmer and Rayner	\$79,480.00	443.05
<b>DAWSON ROAD PIT – 12,000m<sup>3</sup></b>		
<b>AD Contractors</b>	<b>\$48,200.00</b>	<b>622.55</b>
Armogedin Pty Ltd	\$51,425.00	595.10
Palmer and Rayner	\$59,040.00	490.30
<b>GNOWELLEN ROAD PIT – 8,000m<sup>3</sup></b>		
<b>AD Contractors</b>	<b>\$31,800.00</b>	<b>618.05</b>
Armogedin Pty Ltd	\$33,000.00	602.30
Palmer and Rayner	\$38,750.00	487.15
<b>VENNS ROAD PIT – 8,000m<sup>3</sup></b>		
<b>Armogedin Pty Ltd</b>	<b>\$35,600.00</b>	<b>628.40</b>
Palmer and Rayner	\$38,950.00	550.60
AD Contractors	\$44,400.00	528.50
<b>MARBELLUP HILL PIT – 7,000m<sup>3</sup></b>		
<b>AD Contractors</b>	<b>\$32,300.00</b>	<b>601.40</b>
Armogedin Pty Ltd	\$34,650.00	570.35
Palmer and Rayner	\$34,230.00	535.75
<b>SOUTH COAST HIGHWAY/SANDLEWOOD ROAD PIT - 7,000m<sup>3</sup></b>		
<b>Armogedin Pty Ltd</b>	<b>\$29,150.00</b>	<b>610.85</b>
AD Contractors	\$31,500.00	577.10
Palmer and Rayner	\$32,720.00	519.55
<b>OLD BOUNDARY ROAD PIT – 10,000m<sup>3</sup></b>		
<b>Armogedin Pty Ltd</b>	<b>\$41,800.00</b>	<b>614.45</b>
AD Contractors	\$45,000.00	582.05
Palmer and Rayner	\$48,130.00	511.00
<b>LILYDALE ROAD PIT – 5,000m<sup>3</sup></b>		
<b>Armogedin Pty Ltd</b>	<b>\$11,220.00</b>	<b>617.60</b>
AD Contractors	\$11,400.00	610.85
Palmer and Rayner	\$13,887.50	479.05



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<b>Pit Location</b>	<b>Tendered Price</b>	<b>Score</b>
<b>MILLBROOK ROAD PIT – 5,000m<sup>3</sup></b>		
<b>AD Contractors</b>	<b>\$21,500.00</b>	<b>648.65</b>
Armogedin Pty Ltd	\$26,400.00	560.90
Palmer and Rayner	\$27,700.00	497.95

11. An alternative submission was received from Palmer and Rayner for the total cost to win & supply gravel from all of the gravel pits. In order to evaluate on a whole of works cost, the evaluation team totalled the costing of all pits for AD Contractors and Armogedin Pty Ltd. The amount was still significantly higher than the combined other contractors.
12. The evaluation team decided not to award all pits to one company, as Council would receive greater value for money by awarding each pit on an individual basis.
13. All of the tenderers have performed this type of work for Council over preceding years. The companies are considered capable of undertaking the work.
14. Each pit was individually evaluated and represents the highest weighted score and is recommended to be the most advantageous option for Council.

**RECOMMENDATION**

**THAT Council award the tender C07011 for the winning and supply of gravel from various pits during 2007/08 to the following tenderers:**

- i) **AD Contractors Pty Ltd for pits:**
  - **Wilcox Road at a scheduled rate of \$23,600.00**
  - **Southcoast Highway at a scheduled rate of \$54,200.00**
  - **Dawson Road at a scheduled rate of \$48,200.00**
  - **Gnowellen Road at a scheduled rate of \$31,800.00**
  - **Marbellup Hill at a scheduled rate of \$32,300.00, and**
  - **Millbrook Road at a scheduled rate of \$21,500.00.**
- ii) **Armogedin Pty Ltd for pits:**
  - **Venns Road at a scheduled rate of \$35,600.00**
  - **Southcoast Highway/Sandlewood Road at a scheduled rate of \$29,150.00**
  - **Old Boundary Road at a scheduled rate of \$41,800.00 and**
  - **Lilydale Road at a scheduled rate of \$11,220.00**

*Voting Requirement Simple Majority*

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**13.5 CITY SERVICES – PROPERTY MANAGEMENT**

Nil

**13.5 CITY WORKS – CAPITAL WORKS**

Nil

**13.6 CITY WORKS – RESERVES, PLANNING & MANAGEMENT**

Nil

**13.7 WORKS & SERVICES COMMITTEES**

Nil