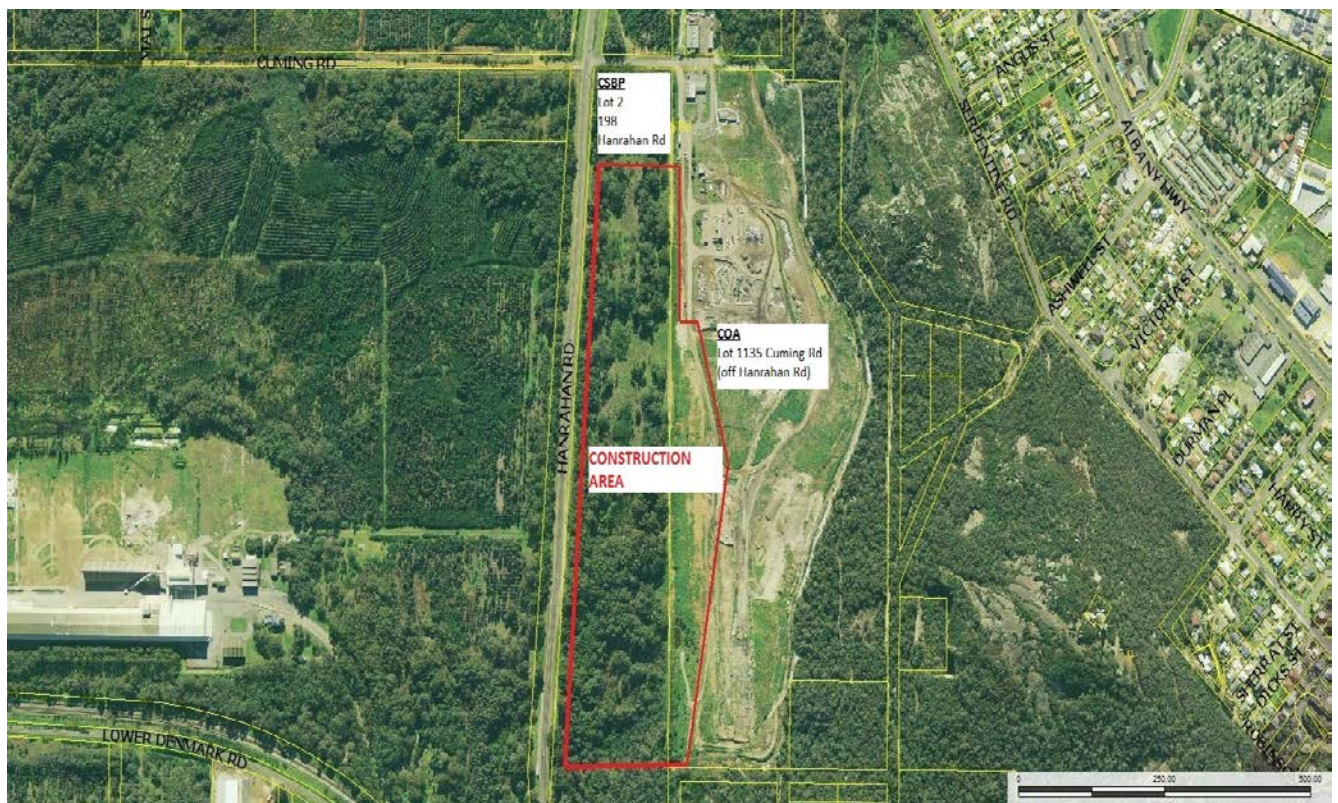


**5.1: CONTRACT C12025 – HANRAHAN STAGES 1 and 2 LEACHATE
MANAGEMENT WORK**

Land Description	: Lot 1135 Cuming Rd (off Hanrahan Rd) Lot 2 198 Hanrahan Rd
Proponent	: City of Albany
Owner	: City of Albany (Lot 1135 Cuming Rd) CSBP(Lot 2 198 Hanrahan Rd)
Business Entity Name	: Hanrahan Landfill Site
Responsible Officer(s)	: Executive Director Works & Services (S. Grimmer)

Maps and Diagrams:



IN BRIEF

- Tender award for construction of Stages 1 & 2 of the leachate drainage management system for the Hanrahan Landfill Site;
- Three complying tenders with Great Southern Sands the recommended contractor;
- Works scheduled for completion by end of April 2013.

RECOMMENDATION

**ITEM 5.1: RESPONSIBLE OFFICER RECOMMENDATION
VOTING REQUIREMENT: ABSOLUTE MAJORITY**

THAT Council:

- **ACCEPT the Tender from Great Southern Sands for C12025 Hanrahan Stages 1 and 2 Leachate Management Work.**
- **AWARD contract C12025 Hanrahan Stages 1 and 2 Leachate Management Work to Great Southern Sands subject to the successful negotiation of access to the adjoining CSBP owned property.**

BACKGROUND

1. The Department of Environment and Conservation (DEC) has directed the City of Albany, as a condition of its licence for the Hanrahan Landfill Site, to achieve the outcome of no offsite leachate discharges from the premises by 31 January 2013.
2. Design, specification and contract documentation has been prepared by external consultants to the stage of "Issue for Tender". The tender was from 10 October 2012 to 24 October 2012.
3. The City of Albany will act in the role of superintendent for the project.

DISCUSSION

4. A total of thirty four tender documents were downloaded from the City of Albany website.
5. Three completed tender documents were submitted on or before the stipulated closing date and time.
6. The tenders were evaluated using the weighted attributes methodology. This method scores the evaluation criteria and weights their importance to determine an overall point score for each tender. The criteria are tabled below:

Criteria	% Weight
Cost	50
Demonstrated Understanding	15
Relevant Experience	15
Key Personnel (skills & experience)	10
Tenderers Resources	10
Total	100

7. The following table summarises the tenders and overall evaluation scores applicable to each submission.

Tenderer	Total Evaluation Score
Great Southern Sands	522.88
AD Contractors	505.64
Tri Coast Civil	455.48

8. On the basis of the total evaluation score which considers cost, demonstrated understanding, key personnel (skills & experience) and relevant experience the most suitable company is considered to be Great Southern Sands.

GOVERNMENT CONSULTATION

9. The Department of Environment and Conservation has been consulted throughout the process with their works approval currently pending. It is anticipated that works approval for Stage 1 will be issued 16 November 2012 and Stage 2 approval issued 21 December 2012. Work cannot commence without Department of Environment and Conservation works approval.
10. All other relevant Government approvals, including SWALSC have been received for the project.

PUBLIC CONSULTATION / ENGAGEMENT

11. A request for tenders was published in the West Australian on 10 October 2012 and the Albany Weekender on 11 October 2012.

STATUTORY IMPLICATIONS

12. Regulation 11 of the *Local Government (Functions and General) Regulations 1996 (Regulations)* requires Council to publicly tender if the contract is, or is expected to be, more, or worth more, than \$250,000.
13. Regulation 18 of the Regulations 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 to accept any tender.
14. Regulation 19 of the Regulations requires Council to advise each tenderer in writing the result of Council's decision

STRATEGIC IMPLICATIONS

15. This item directly relates to the following elements of the City of Albany Strategic Plan 2011-2021:

Key Focus Area

Sustainability and Development

Community Priority

Adopt "Green City" principles

Proposed Strategies

Provide incentives and increased options for recycling and or reuse of waste

POLICY IMPLICATIONS

16. The City of Albany Tender Policy and Regional Price Preference Policy are applicable to this item

RISK IDENTIFICATION & MITIGATION

17. The risk identification and categorisation relies on the City's Risk Management Framework.

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
<i>If Stage 1 of the leachate drainage system is not constructed by 31 January 2013 the City of Albany will be in non-compliance with its DEC landfill licence conditions and will be liable for financial penalties and/or potential closure of the landfill facility</i>	<i>Likely</i>	<i>Major</i>	<i>High</i>	<i>Ensure leachate drainage system is constructed prior to 31 January 2013</i>
<i>Non compliance with contract or business failure</i>	<i>Unlikely</i>	<i>Moderate</i>	<i>Moderate</i>	<i>General conditions of contract allow for contract termination on the basis of failure to supply goods & services</i>

FINANCIAL IMPLICATIONS

18. Funding for the leachate management work is sourced from the Waste Reserve and is budgeted for in the 2012/13 financial year under budget line item Job Number 8358.

LEGAL IMPLICATIONS

19. There are no legal implications associated with this item.

ALTERNATE OPTIONS

20. Council can accept or reject the tenders as submitted.

SUMMARY CONCLUSION

21. On reviewing the submissions, the evaluation team assessed Great Southern Sands as being the most suitable tenderer across the evaluation criteria in terms of cost, demonstrated understanding, key personnel (skills & experience) and relevant experience. Great Southern Sands are recommended to be awarded the Hanrahan Stages 1 and 2 Leachate Management Works contract.

Consulted References	:	Local Government (Functions and General) Regulations 1995 Council Policy – Purchasing (Tenders & Quotes) Council Policy – Buy Local (Regional Price Preference)
File Number (Name of Ward)	:	C12025