



DIRECTOR SHIRE SERVICES REPORT

8th August 2006

**DSS2 SPRAY SEALING AND/OR SUPPLY OF
SEALING AGGREGATE
FILE: 905 GAW {Folio No. *}**

SUMMARY:

Reporting on the tenders received for the Spray Sealing of Pavements program for 2006/07 financial year.



Tenders were called for the Spray Sealing of Pavements and/or Supply of Sealing Aggregate within the Shire of Kempsey for Council's Sealing Program for 2006/2007 program. At the conclusion of the tender period, three conforming tenders were received for Spray Sealing of Pavements and one for the supply of Aggregate. The Tenderers for spray sealing of pavements were Pioneer Road Services, Tropic Asphalts and Emoleum. Nambucca Valley Gravel Pty Ltd lodged a Tender for the Supply of Aggregate.

The tenderers were given the opportunity to submit prices on a Schedule of Rates basis for either:

- (a) spray sealing of pavements including the supply and laying of aggregate;
- (b) spray sealing of pavements including the laying of sealing aggregate only; or
- (c) supply of aggregate only.

Based on the rates supplied, Council would then assess the most beneficial way of undertaking its Spray Sealing Program for the financial year.

Part (c) of the tender was for the supply of aggregate only. This was called to give Council a comparison of the cost between separately purchasing the aggregate and having the aggregate supplied as part of the total service. After assessing the prices for the supply of aggregate separately, it has been found that it would not be cost effective for Council to consider this option for this financial year.

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Tenders were assessed based on Council's proposed program for 2006/2007 which includes 111,000 square metres of reseal and 120,000 square metres of new work. Below is Table 1 showing a summary of unit rates derived from the tender prices submitted. Note that the unit rates and actual estimated value are indicative only as the tender is a unit rate tender not a lump sum tender.

TABLE 1
COMPARISON OF TENDERS FOR BITUMEN SEALING

Tenderer	Unit Rate Resealing (\$/m²)	Unit Rate New Work (\$/m²)	Total Estimated Value
Pioneer Road Services	\$2.48	\$6.89	\$952,280
Emoleum	\$2.55	\$9.64	\$1,378,500
Tropic Asphalts	\$2.57	\$8.59	\$1,215,450

The tenders were assessed and ranked in order based on the following attributes:

- (a) relevant experience;
- (b) general track record;
- (c) technical skills;
- (d) management skills; and
- (e) price.

From these attributes a point score in the range of 0 - 5 was given (0 – unsatisfactory and 5 – excellent). The point score is multiplied by a weighting factor giving a total attribute figure, and these values are added together for each tender to give a ranking score. Based on the assessment criteria and ranking scores, Pioneer Road Services is ranked first, followed by Emoleum and Tropic Asphalt.

The assessment summary is shown below:

Ranking	Tenderer	Total Ranking Score
1	Pioneer Road Services	3.13
2	Emoleum	2.64
3	Tropic Asphalt	2.62

REPORT IMPLICATIONS:

- **Environmental**

Nil.

- **Social**

Nil.

- *Economic (Financial)*

There are no economic implications from the following recommendation as funds are allocated in the budget to cover costs. The preferred tenderer submitted the cheapest rate for the work.

- *Policy or Statutory*

Nil.

- *Director's Review*

Council is urged to accept the preferred tender submitted by Pioneer Road Services. Pioneer Road Services have generally performed satisfactorily in the past and are locally based.

RECOMMENDATION:

- 1 That the tender submitted by Pioneer Road Services for Spray Sealing of Pavements in 2006/2007 be accepted.

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A P Vermeulen
DIRECTOR SHIRE SERVICES