



**KEMPSEY**  
Shire Council

## **DIRECTOR CORPORATE AND COMMUNITY SERVICES REPORT**

14<sup>th</sup> August 2007

<b>DCCS11</b>	<b>TENDER FOR THE SUPPLY AND DELIVERY OF PIPES AND ASSOCIATED FITTINGS</b>
<b>FILE:264</b>	<b>APC {Folio No. *}</b>

### **SUMMARY:**

Reporting on the joint tender for the supply and delivery of water and wastewater pipes and associated fittings for Kempsey Shire Council and Port Macquarie Hastings Council.

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### **DESCRIPTION:**

A joint tender was facilitated by Port Macquarie Hastings Council for the supply and delivery of pipes and associated fittings for a two year period commencing 1<sup>st</sup> July 2007, with a further twelve month option available.

Participating Councils in the tender were Port Macquarie Hastings Council and Kempsey Shire Council.

The tender was based upon the following:

- a) Panel tender with tenderers able to price product based upon the respective Local Government areas.
- b) Tender evaluation conducted by the respective participating Councils with the assessment based upon conformity to the documentation and value for money.
- c) Pricing is fixed for the first twelve months with a formal review for an increase for the subsequent twelve month period with all materials guaranteed for one year from date of service.
- d) Council reserves the right to obtain goods or services from other suppliers outside the tender under certain conditions.
- e) Council reserves the right to cancel or reject goods or equipment under certain conditions.

Five tenders were received: Vinidex Pty Ltd, P & L Pipeline Supplies Pty Ltd, Tyco Water Pty Ltd, Iplex Pipelines Australia Pty Ltd and Mallet Foundry. Mallet Foundry's tender was received after the closing date and time and was therefore rejected.

Each Council created a panel of staff to evaluate the received tenders against an assessment criteria which were specifically weighted by the participating Councils. During this process, P & L Pipelines Pty Ltd was found to be non-conforming and was eliminated. From the remaining tenders, Iplex Pipelines Pty Ltd and Tyco Water Pty Ltd were selected as successful tenderers.

The majority of prices tendered are marginally less than those currently being obtained whilst the terms of the tender provides Council with a guarantee in terms of future pricing, and an option to renegotiate the rates or call for quotation or tenders for one off large purchases.

**REPORT IMPLICATIONS:**

- *Environmental*

*Nil*

- *Social*

*Nil*

- *Economic (Financial)*

*Fixed pricing over the twelve months to June 2008 with a price review with Council approval for a possible increase to apply in respect of the subsequent twelve months.*

*Council spends in the order of \$350,000 annually on pipes and fittings.*

- *Policy or Statutory*

*The tender has been processed in accordance with the Local Government Act 1993 and Tendering Regulations.*

- *Director's Review*

*The recommendation is supported.*

**RECOMMENDATION:**

That Council accepts the tenders for the supply and delivery of pipes and associated fittings for a two year period commencing July 2007 with an option for a further twelve month extension from Iplex Pipelines Australia Pty Ltd and Tyco Water Pty Ltd.

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**G B Snape**

**DIRECTOR CORPORATE & COMMUNITY SERVICES**