



KEMPSEY
Shire Council

DIRECTOR CORPORATE AND COMMUNITY SERVICES REPORT

14th August 2007

DCCS12	TENDER FOR THE SUPPLY OF STEEL REINFORCED PIPES & ASSOCIATED DRAINAGE PRODUCTS
FILE: 264	APC {Folio No. *}

SUMMARY:

Reporting on the joint tender for the supply of Steel Reinforced Concrete Pipes & Associated Drainage Products for participating Council's under the Mid North Coast Group of Council's Alliance.

◆◆◆◆◆

DESCRIPTION:

The current tender with Humes facilitated by Hunter Councils on behalf of the Mid North Coast Group of Council's for the supply of steel reinforced concrete pipes and associated drainage products expires on the 31 August 2007.

Hunter Councils on behalf of the Mid North Coast Group of Council's called a new tender for a two year period commencing 1 September 2007, with a option for a further one year extension subject to satisfactory performance by the successful tenderer.

Participating Councils in the tender are Coffs Harbour City, Bellingen, Greater Taree, Great Lakes, Gloucester and Kempsey Shire Councils.

The Hunter Councils tender was based upon the following:

a) Tender evaluation criteria based upon:

- Price
- Referees
- Quality Assurance
- OH&S
- Freight

b) Pricing is fixed for the first year, subsequent years pricing will be adjusted in accordance with increases in the CPI Index.

c) A management fee of 1.5% is payable to Hunter Council's by the service provider under the tender.

d) The service provider will be subject to ongoing performance monitoring by Hunter Council's.

Two tenders were received:

Humes
Hunter Concrete Products Pty Ltd

Kempsey Council was represented on the evaluation panel, which has recommended that Humes be awarded the tender.

A copy of the Tender Evaluation report is attached as an [Appendix A – Page J1 Confidential](#) within the confidential section of Council's business paper. The evaluation report has been provided to Council on a "Commercial in Confidence" basis as it involves commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it. (Local Government Act 1993, Section 10A(2)(d)(i)).

Council has enjoyed access to reduced pricing for concrete pipes under the joint tender, the new tender will continue to deliver savings to Council and provide access to fixed pricing over the term of the tender.

The recommended tenderer is Humes, they have depot and factory in Kempsey and have been the principal supplier to Council for the tendered products over many years.

REPORT IMPLICATIONS:

- ***Environmental***

Nil

- ***Social***

Nil

- ***Economic (Financial)***

The tender delivers fixed pricing for the supply of steel reinforced concrete pipes and associated drainage products over the two year commencing 1 September 2007 with an option allowing for a further twelve month extension. The joint tender allows Council to access pipes at a cost lower than could be achieved in its own right.

- ***Policy or Statutory***

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

- ***Director's Review***

Council spends approximately \$115,000 per annum on concrete pipes and drainage products. The recommendation is supported.

RECOMMENDATION:

That Council accepts the tender from Humes for the supply and delivery of Steel Reinforced Concrete Pipes and Associated Drainage Products for a two year period commencing 1st

September 2007 with an option for a further one year extension subject to satisfactory supplier performance.

.....
G B Snape
DIRECTOR CORPORATE & COMMUNITY SERVICES