

Richmond  
Valley  
Council



## **Minutes**

**Extraordinary Meeting**

**Tuesday, 6 December 2016**

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**MINUTES OF THE EXTRAORDINARY MEETING OF RICHMOND VALLEY COUNCIL, HELD IN THE COUNCIL CHAMBERS, CNR WALKER STREET AND GRAHAM PLACE, CASINO, ON TUESDAY, 6 DECEMBER 2016 AT 6.00 P.M.**

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**PRESENT**

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Crs Robert Mustow (Mayor), Sam Cornish, Robert Hayes, Sandra Humphrys, Jill Lyons, Steve Morrissey and Daniel Simpson.

Vaughan Macdonald (General Manager), Angela Jones (Director Infrastructure and Environment), Ryan Gaiter (Chief Financial Officer/Manager Mid-Richmond), and Julie Clark (Personal Assistant to the General Manager and Mayor) were also in attendance.

**1 ACKNOWLEDGEMENT OF COUNTRY**

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In opening the meeting the Mayor provided an Acknowledgement of Country by reading the following statement on behalf of Council:

*"Council would like to show its respect and acknowledge all of the traditional custodians of land within the Richmond Valley Council area and show respect to elders past and present."*

**2 APOLOGIES**

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Nil.

**3 DECLARATION OF INTERESTS**

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Nil.

## **4 MATTERS FOR CONSIDERATION**

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### **4.1 TENDER RVC340.16 - DESIGN AND STAGE 1 CONSTRUCTION FOR RENEWAL OF NORTHERN RIVERS LIVESTOCK EXCHANGE**

**Responsible Officer:**

Ben Zeller (Coordinator Projects and Performance)

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### **RECOMMENDATION**

Recommended that:

1. Wiley & Co Pty Ltd be awarded the tender for the Design and Stage 1 Construction for Renewal of the Northern Rivers Livestock Exchange (NRLX).
2. The General Manager be delegated the authority to negotiate with Wiley & Co Pty Ltd on the Northern Rivers Livestock Exchange options to ensure the renewal meets Council's requirements while not exceeding the project budget of \$7 million.
3. The Common Seal of Council be affixed to any documentation where required.

**061216/1 RESOLVED** (Cr Morrissey/Cr Simpson)

That the above recommendation be adopted.

FOR VOTE - All Council members voted unanimously.

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### **Executive Summary**

Richmond Valley Council sought Expressions of Interest (EOI) for the "Supply and Delivery of Landscape Design, Architecture, Engineering and Project Management Services" (EOI 340.16) on 1 July 2016. Among other planned projects, part of this EOI called for capable companies to express interest in the redevelopment of the Northern Rivers Livestock Exchange.

Forty-three (43) companies responded to the EOI of which twenty-one (21) expressed specific interest in part or all of the NRLX upgrade project. By the tender closing date of 31 October, Council received four (4) tender submissions. At the conclusion of the tender evaluation process, the evaluation panel agreed to recommend Wiley & Co Pty Ltd to Council as the successful tenderer.

Wiley & Co Pty Ltd will provide Council with the necessary design and construction experience and the best value for money proposal with the capability to include further innovative options, that will maximise the outcomes for the funding Council has available.

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## **Community Strategic Plan Links**

Focus Area 2 Local Economy - Long Term Goal 2.1 Business, Industry and Agriculture (Strategy 2.1.2 Promote a broad agricultural base while ensuring our current position as the beef capital of NSW is maintained).

## **Budget Implications**

This tender is for the Design and Stage 1 Construction for Renewal of the Northern Rivers Livestock Exchange. Council has approved funding of \$3.5 million under the National Stronger Regions Fund programme, \$3 million in Low Interest Rate Subsidy (LIRS) borrowings, and \$500,000 in extra borrowings for a total stage 1 budget of \$7 million. As a contingency, \$334,695 is available in the Saleyards Reserve Fund.

## **Report**

### ***Tender Process***

An Expression of Interest for the “Supply and Delivery of Landscape Design, Architecture, Engineering and Project Management Services” (EOI 340.16) process was posted on Tenderlink on 1 July 2016. The EOI period concluded on 26 July 2016 and called for interested companies to become potential partners in the delivery of Council’s signature projects.

Council received forty-three (43) responses and all were deemed suitable to tender for future projects. The priority project highlighted in the EOI was the NRLX upgrade and twenty-one (21) of the respondents were interested in being involved in some or all of the various disciplines required.

Council’s Performance Management Office (PMO) facilitated discussions amongst key stakeholders on the best way to approach the NRLX upgrade and agreed to pursue a targeted design and construct tender where the successful tenderer would be engaged to deliver the full design of an upgraded NRLX where Stage 1 of the construction will be to the extent of \$7 million.

The Request for tender document was released directly to the 21 interested providers on 15 September 2016. A key feature of the tender document was the requirement that those wishing to participate in the NRLX tender, needed to attend an information session and onsite inspection on 23 September 2016. The information session was held in the Chambers and then at the NRLX with Council hosting nine interested parties.

The timeline for the NRLX tender was:

- 15 September 2016 - Tender Release;
- 23 September 2016 - Mandatory Tender Briefing;
- 24 October 2016 - Clarification and Questions closed;
- 31 October 2016 - Tender Closed.

At the conclusion of the tender period, Council received submissions from Ahrens Group Pty Ltd, Wiley & Co Pty Ltd, Osborn Consulting Engineers Pty Ltd and CBC Innovation Pty Ltd.

### ***Tender Analysis***

The tender evaluation was conducted between 2 November and 25 November 2016, by the following evaluation panel members:

- David Timms – Manager Infrastructure Services
- Ryan Gaiter – Chief Financial Officer
- Fran Ryan – Saleyards Administrator
- Ben Zeller – Coordinator Projects and Performance

The panel met several times in this period and forwarded clarification questions to each of the tenderers. The tender request stated that submissions would be evaluated on the following criteria and weightings:

- Total Lump Sum Price (50%)
- Experience in similar projects, for design, construction and project management (15%)
- Proposed Methodology and Timelines (15%)
- Innovation and Environmental Consideration (10%)
- Evidence of benefit to local economy (10%)

### ***Evaluation Results***

Criteria	Wt	CBC Innovation		Ahrens		Osborne		Wiley	
		Score	Wt Score	Score	Wt Score	Score	Wt Score	Score	Wt Score
Total Lump Sum Price	<b>50%</b>	4.56	2.28	0.00	0.00	0.09	0.04	10.00	5.00
Experience in similar projects, for design, construction and project management	<b>15%</b>	1.00	0.15	4.00	0.60	6.00	0.90	8.00	1.20
Proposed Methodology and Project Timelines	<b>15%</b>	0.00	0.00	9.00	1.35	6.00	0.90	7.50	1.13
Innovation and Environmental Consideration	<b>10%</b>	2.00	0.20	5.50	0.55	5.00	0.50	6.00	0.60
Evidence of benefit to local economy	<b>10%</b>	2.00	0.20	7.50	0.75	0.00	0.00	5.00	0.50
<b>Total Score</b>			<b>2.83</b>		<b>3.25</b>		<b>2.34</b>		<b>8.43</b>
<b>Rank Order</b>			<b>3</b>		<b>2</b>		<b>4</b>		<b>1</b>

The lump sum prices (ex GST) for the received tenders were:

- CBC Innovations - \$6,605,845
- Ahrens - \$6,699,777
- Osborn Consulting - \$6,698,000
- Wiley - \$4,637,869

Please Note: Where lump sum price is given a weighting, the lowest price receives a score of ten, the highest price receives a score of zero and the remaining tenders receive scores relative to the highest and lowest prices.

As per the evaluation matrix table above, Wiley & Co Pty Ltd scored the highest of all the tenderers. Wiley provided the best price, but also scored the highest on non-price criteria (Wiley 3.43, CBC 0.55, Ahrens 3.25, Osborne 2.30). The evaluation panel unanimously endorsed Wiley & Co Pty Ltd as the company that will deliver the best project outcome for Council.

**Price:**

Wiley provided an innovative tender proposal where their base price of \$4,637,869 (exc. GST) delivers Council requirements of roof structure, gate and pen upgrades, walkways, storm water management, electrical upgrades, perimeter fencing, security and soft flooring. They have also provided eleven (11) further 'options' for Stage 1 totalling \$1,133,579 (exc. GST) which includes; semi-automated drafting, automated gates, power upgrades and improvement of the existing roof.

If Council were to select all of these options, the total price would be \$5,771,448 (exc. GST), still significantly below the other tendered prices. This would leave Council with considerable scope to negotiate with the successful tenderer even further improvements in Stage 1, so as to utilise the full \$7 million available.

**Experience:**

Wiley has successfully delivered projects of a similar scale and complexity. The Dalby Saleyards redevelopment was recently completed to a value of \$12 million and a key feature was Wiley's ability to stage the construction enabling the facility to continue to operate at full capacity.

**Methodology / Timelines:**

Wiley's provided a detailed methodology evidenced by the plan for minimal disruption during construction. Another feature was their management of extensive stakeholder consultation which will be useful for deciding on a final design and achieving buy in from users of the facility. Wiley's projected timeline suggested a completion in October/November 2017.

**Innovation:**

As referred to above, Wiley have provided several innovative options that have become standard inclusions for most modern saleyards facilities especially automated drafts and gates and the provision of best practice soft flooring.

**Local Economy:**

Wiley have first-hand experience with involving and engaging our local community as they were the contractors for the recent Northern Cooperative Meat Company project upgrade. They worked with a wide variety of local consultants, contractors and suppliers and have committed to further these relationships if successful with this tender.

As part of Council's due diligence, credit checks and referee checks were performed on Wiley & Co Pty Ltd. These were both extremely positive for the company and provided reassurance that any partnership would be a successful one.

### ***Probity***

The tender has been conducted in accordance with Clause 166(a) of the Local Government (General) Regulation 2005.

To ensure Council observed the necessary probity requirements throughout the process, Thomas Noble and Russell accountants (TNR) were engaged on 15 August 2016 to be Council's probity advisors. On an as needs basis, the PMO liaised with TNR on probity issues and have obtained comment from them at the completion of milestone events with the NRLX upgrade.

The feature document to ensure compliance with probity is the Probity Plan which was drafted by the PMO and reviewed by TNR on 24 August 2016.

Conflict of Interest Declarations were signed by all participating evaluation panel members.

All tenderer insurance records were checked against Tender requirements and potential non-conformities were noted in the Evaluation Matrix for the consideration of the panel.

The evaluation was conducted in accordance with the Local Government Tendering Guidelines and Tendering Evaluation Principles and Process. Confidentiality and probity were maintained throughout the process.

### **Conclusion**

It is recommended that Wiley & Co Pty Ltd, be awarded the tender for the Design and Stage 1 Construction for Renewal of the Northern Rivers Livestock Exchange as they scored the highest by the evaluation panel **(8.43)**.

As Wiley & Co Pty Ltd have been recognised as the best option to deliver the project for Council, it is also recommended that the General Manager be delegated the authority to negotiate with Wiley & Co Pty Ltd on the Northern Rivers Livestock Exchange options to ensure the renewal meets Council's requirements while not exceeding the project budget of \$7 million.

The Meeting closed at 6.10pm.

**CONFIRMED - 20 December 2016**

**CHAIRMAN**