

# Special Meeting Agenda

To be held at McKinlay Shire Council, Boardroom  
29 Burke Street, Julia Creek, Queensland 4823

Tuesday 27<sup>th</sup> August 2024, 8:30am

Notice is hereby given that a Special Meeting will be held at the Council Chambers,  
Civic Centre, Julia Creek on 27<sup>th</sup> August 2024 at 8:30am.

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## **1. OPENING BUSINESS**

All Councillors having signed the Attendance Book, the Mayor declared the meeting open.

## **2. ATTENDANCE**

Mayor: Cr. J Fegan

Members: Cr. S Royes, Cr. L. Spreadborough, Cr. F. Malone

### Staff:

Chief Executive Officer, Mr. Trevor Williams  
Director of Engineering, Environment and Regulatory Services,  
Mr. Cameron Scott  
Director Corporate & Community Services, Ms. Tenneil Cody  
Team Leader, Environmental and Regulatory Services, Mr. Jason Brady  
Executive Assistant, Ms Cathy Bowe

Other people in attendance:

### Apologies:

Cr J Lynch

## **3. DECLARATION OF CONFLICT OF INTEREST**

## **4. ITEMS FOR DISCUSSION**



Special Meeting of Council Tuesday 27 August 2024

**4.1 Subject: VP42093 DRFA WP01 AWARD**

**Attachments: WP01 Recommendation Report**

**Author: Director of Engineering and Regulatory Services – Mr Cameron Scott**

**Date: 21<sup>ST</sup> AUGUST 2024**

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**Executive Summary:**

The purpose of this report is for Council to consider submitted tenders and award Preferred Contract Status for VP420693 – WP01 Southeast.

McKinlay Shire Council was a declared Natural Disaster Area January and February 2024, due to the effects of Tropical Cyclone Kirrily and associated Rainfall and Flooding event. Council has since undertaken the grant applications in accordance with the QRA guidelines for the Restoration of Essential Public Assets.

Based on assessment against the evaluation criteria, it is proposed to accept Hammer and Co Earthmoving as preferred contractor with further negotiation on exceptions and value for money approval from the QRA.

**Recommendation:**

*That Council Resolves to;*

- a) Accept Hammer and Co Earthmoving as preferred contractor for contract VP420693 and;*
  - b) In accordance with the Local Government Act 2009, Council delegate authority to the Chief Executive Officer to enter into a contract, negotiate, finalise and execute any and all matters associated with or in relation to the contract subject to Council's existing procurement policies and practices and the approval by QRA for the above recommended market value and costs to execute the contract and;*
  - c) Note the tendered amount for Hammer and Co Earthmoving for Contract VP420693 is \$2,990,697.99 (excl GST).*
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Special Meeting of Council Tuesday 27 August 2024

**Background:**

McKinlay Shire Council was a declared Natural Disaster Area January and February 2024, due to the effects of Tropical Cyclone Kirrily and associated Rainfall and Flooding event. Council has since undertaken the grant applications in accordance with the QRA guidelines for the Restoration of Essential Public Assets.

The repair and rehabilitation work for the damaged assets is funded under the Disaster Recovery Funding Arrangements (DRFA) is a jointly funded program between the Australian Government and the Queensland State Government through which provides financial assistance to support with disaster recovery.

This Contract is to undertake and complete road recovery works on approximately 200km of rural road network for the following roads:

- ARDBRIN ROAD
- ISABEL DOWNS ROAD
- MINAMERE NELIA ROAD
- PROA ROAD
- YORKSHIRE NELIA ROAD
- YORKSHIRE ROAD

**Projects/Report**

McKinlay Shire Council (MSC) invited quotations from Register of Prequalified Suppliers (ROPS) for Roads Construction and Maintenance (VP-382241) on the 17<sup>th</sup> of July 2024 for appointment of a suitably experienced and qualified contractor to conduct rural road recovery repair works.

Tenders Closed at 2pm on the 14 August 2024. Seven Tenders were received for the works:

Contractor	PRICE
KW Murphy Holdings Pty Ltd	\$5,324,922.83
Durack Civil Pty Ltd	\$3,276,735.63
Koppen Developments Pty Ltd	\$4,163,049.19
Trustee for Crocker Rural Trust	\$5,197,563.05
Alexander Plant Hire Pty Ltd	\$5,122,553.10
Hammer and Co Earthmoving	\$2,990,697.99
T's Plant Hire Pty Ltd	\$5,680,645.50



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The evaluation team consisted of:

Name	Position/Company	Reason For selection
Cameron Scott	Director of Engineering and Regulatory Services / McKinlay Shire Council	Councils' Executive member responsible for delivery
Jim Sullivan	Program Director / Project Delivery Managers	Engaged to Support MSC DRFA works
Adam Sadler	Principal Program Manager / Project Delivery Managers	Engaged to Support MSC DRFA works

Each of the panel members have signed a declaration to ensure no conflict of interest.

The panel has assessed the conforming tenders in accordance with Council Procurement policy and the following evaluation criteria in Table B – below:

Table B – Evaluation Criteria

Evaluation Criteria	Weighting (%) (Optional)
Value for Money (Pricing, Cashflow & Rates)	40%
Experience, Key Personnel and Capability	30%
Methodology, Technical Data and Program	30%

Refer to Attachment 01 - WP01 – Recommendation Report.

This report recommends that Council accepts Hammer and Co Earthmoving as preferred contractor for contract VP420693 – for Work Package 01.

In accordance with the Local Government Act 2009, it is recommended Council delegate authority to the Chief Executive Officer to enter into a contract, negotiate, finalise and execute any and all matters associated with or in relation to the contract subject to Council's existing procurement policies and practice.



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### Project Risks

Weather – There is a risk that the 2025 wet season will impact the program. Hammer and Co Earthmoving have not allowed for wet weather contingency, however their construction timeline of 266 days is within construction tolerances and funding timelines. This risk is considered low based on the submitted methodology and capability.

Project Program – Works Commence - November 2024 (Crushing) – Construction works commencing - January 2025 with an estimated completion of July 2025 - No Allowance for wet weather - Allowance for Christmas Shutdown has been programmed. The Program has a float of 5 months to meet the target completion date for all works by the 31<sup>st</sup> of December 2025. The risk is considered low as there is ample time to complete the works within the funding guidelines (June 30<sup>th</sup> 2026).

Financial - Value for Money (VFM) – the submitted grant value to the QRA is \$7,489,300.48, the tendering process undertaken demonstrates VFM on the basis of procurement policy compliance. The market has been tested in accordance with Council's procurement policy and practices with all regionally relevant & experience contractors having been requested to make submission. As has been practice for previous disaster recovery and capitals works. Regional market factors including competing projects, size of the scope – economy of scale, availability of subcontractors and timing, antidotally have impacted a greater number of responses for this tender.

Final Bill of Quantities – further negotiations are required with the preferred contractor once the QRA have issued the final approved scope of works. No contract will be entered into and all matters associated with or in relation to the contract are resolved to the satisfaction of the Chief Executive Officer Council's existing procurement policies.

### **Legal Implications:**

Nil

### **Policy Implications:**

Nil.

### **Financial and Resource Implications:**

As provided in the report.

**InfoXpert Document ID: 132254**



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# **WP01 - RECOMMENDATION REPORT**

## **21st August 2024**



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## INTRODUCTION

McKinlay Shire Council was a declared Natural Disaster Area January and February 2024, due to the effects of Tropical Cyclone Kirrily and associated Rainfall and Flooding event. Council has since undertaken the grant applications in accordance with the QRA guidelines for the Restoration of Essential Public Assets (REPA).

Contained within is the assessment and recommendation of award of Preferred Contractor. The award of preferred contractor shall allow for the contract negotiations to resolve for award of contract.

Regards



**Jim Sullivan**

MSC 2024 DRFA - Project Director

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## 1 TENDER EVALUATION CRITERIA

### 1.1 Pricing

Contractor	BOQ PRICE	Ranking	Comments
KW Murphy	\$5,324,922.83	5	Original Price included Gravel Haulage - amended assessment
Durack	\$3,276,735.63		Non-Conforming Bid - Departures redefine risk profile
Koppen Civil	\$4,163,049.19	2	
Crocker Rural	\$5,197,563.05	4	
Alexander Plant Hire	\$5,122,553.10	3	
Hammer and Co	\$2,990,697.99	1	
T's Plant Hire	\$5,680,645.50	6	

### 1.2 Methodology – Summary

Contractor	Methodology	Ranking
KW Murphy	Good	3
Koppen Civil	Fair	4
Crocker Rural	Poor	6
Alexander Plant Hire	Fair	5
Hammer and Co	Good	2
T's Plant Hire	Good	1

## 1.3 Capability – Summary

Contractor	Capability	Ranking
KW Murphy	Good	3
Koppen Civil	Fair	4
Crocker Rural	Poor	6
Alexander Plant Hire	Fair	5
Hammer and Co	Excellent	1
T's Plant Hire	Excellent	2

## 2 RECOMMENDATION

### 2.1 Assessment Summary

Contractor	Ranking	Comments
KW Murphy	3	
Durack		Assessed as non-conforming based on commercial departures – Rise and fall on materials - Risk profile not accepted by Council
Koppen Civil	4	
Crocker Rural	6	
Alexander Plant Hire	7	
Hammer and Co	1	Nominated Preferred Contractor
T's Plant Hire	2	

### 2.2 Recommendation

The Evaluation Committee recommends that Council endorse the nomination of Hammer and Co Earthmoving as the Preferred Contractor for Work Package 01 South East, to allow the project team to negotiate for the final Contract Award.

**3 CONTRACTOR FEEDBACK**

Contractor	Price	Methodology	Capability	Comments
KW Murphy	Poor	Good	Good	Failed on Price
Durack	Good	Good	Good	Commercial Departure for the inclusion of Rise and Fall on Materials including Fuel - considered non-compliant as the risk profile was not acceptable to Council.
Koppen Civil	fair	Fair	Fair	Minimal Rual Roads experience noted
Crocker Rural	Poor	Poor	Poor	Failed on Price and Non-price criteria were poorly scored - did not answer effectively
Alexander Plant Hire	Poor	Fair	Fair	Failed on Price and Non-price criteria were scored fair - did not answer effectively – Generic documents
Hammer and Co	Good	Good	Excellent	Recommended
T's Plant Hire	poor	Good	Excellent	Failed on Price



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**4.2 Subject: VP420780 DRFA WP04 Award**

**Attachments: WP04 Recommendation Report**

**Author: Director of Engineering and Regulatory Services – Mr Cameron Scott**

**Date: 21<sup>ST</sup> AUGUST 2024**

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**Executive Summary:**

The purpose of this report is for Council to consider submitted tenders and award Preferred Contract Status for VP420780 – WP04 Northwest.

McKinlay Shire Council was a declared Natural Disaster Area January and February 2024, due to the effects of Tropical Cyclone Kirrily and associated Rainfall and Flooding event. Council has since undertaken the grant applications in accordance with the QRA guidelines for the Restoration of Essential Public Assets.

Based on assessment against the evaluation criteria, it is proposed to accept T's Plant Hire Pty Ltd as preferred contractor with further negotiation on exceptions and value for money approval from the QRA.

**Recommendation:**

*That Council Resolves to:*

- a) Accept T's Plant Hire Pty Ltd as preferred contractor for contract VP420780.*
- b) In accordance with the Local Government Act 2009, Council delegate authority to the Chief Executive Officer to enter into a contract, negotiate, finalise and execute any and all matters associated with or in relation to the contract subject to Council's existing procurement policies and practices and the approval by QRA for the above recommended market value and costs to execute the contract.*
- c) Note the tendered amount for T's Plant Hire Pty Ltd For Contract VP420780 - is \$10,042,634.95 (excl GST).*

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**Background:**



## Special Meeting of Council Tuesday 27 August 2024

McKinlay Shire Council was a declared Natural Disaster Area January and February 2024, due to the effects of Tropical Cyclone Kirrily and associated Rainfall and Flooding event. Council has since undertaken the grant applications in accordance with the QRA guidelines for the Restoration of Essential Public Assets.

The repair and rehabilitation work for the damaged assets is funded under the Disaster Recovery Funding Arrangements (DRFA) is a jointly funded program between the Australian Government and the Queensland State Government through which provides financial assistance to support with disaster recovery.

This Contract is to undertake and complete road recovery works on approximately 200km of rural road network for the following roads:

- DALGONALLY MILLUNGERA ROAD
- ERNSTINA PLACE ACCESS ROAD
- ETTA PLAINS ROAD
- GILLIAT PLAINS ACCESS ROAD
- JULIA CREEK TALDORA ROAD
- KORONG ROAD
- LYRIAN DORAVALE ROAD
- OLD NORMANTON ROAD
- OLD NORMANTON ROAD 2
- SEDAN DIP ROAD
- SUNNY PLAINS ACCESS ROAD

### **Projects/Report**

McKinlay Shire Council (MSC) invited quotations from Register of Prequalified Suppliers (ROPS) for Roads Construction and Maintenance (VP-382241) on the 17<sup>th</sup> of July 2024 for appointment of a suitably experienced and qualified contractor to conduct rural road recovery repair works.





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Quotations Closed at 2pm on the 14 August 2024. Six quotes were received for the works:

<b>Contractor</b>	<b>PRICE</b>
Durack Civil Pty Ltd	\$7,303,988.93
Koppen Developments Pty Ltd	\$9,334,984.90
Townsville Earthmoving Pty Ltd	\$10,586,971.31
Alexander Plant Hire Pty Ltd	\$12,141,479.10
Hammer and Co Earthmoving	\$7,238,060.64
T's Plant Hire Pty Ltd	\$10,042,634.95

The evaluation team consisted of:

Name	Position/Company	Reason For selection
Cameron Scott	Director of Engineering and Regulatory Services / McKinlay Shire Council	Councils' Executive member responsible for delivery
Jim Sullivan	Program Director / Project Delivery Managers	Engaged to Support MSC DRFA works
Adam Sadler	Principal Program Manager / Project Delivery Managers	Engaged to Support MSC DRFA works

Each of the panel members have signed a declaration to ensure no conflict of interest.

The panel has assessed the conforming quotations in accordance with Council Procurement policy and the following evaluation criteria in Table B – below:

Table B – Evaluation Criteria

Evaluation Criteria	Weighting (%) (Optional)
Value for Money (Pricing, Cashflow & Rates)	40%
Experience, Key Personnel and Capability	30%
Methodology, Technical Data and Program	30%

Hammer and Co Earthmoving was assessed as unable to have the capacity to complete the works due to the recommendation to award preferred contractor status for WP01 – Southeast.



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Durack Civil Pty Ltd offered commercial terms inclusive of rise and fall for all material including fuel. The Evaluation Panel assessed the commercial offer as non-conforming as Council had excluded rise and fall for the quotation.

Refer to Attachment 01 - WP04 – Recommendation Report.

This report recommends that Council accepts T's Plant Hire Pty Ltd as preferred contractor for contract VP420780 – for Work Package 04.

In accordance with the Local Government Act 2009, it is recommended Council delegate authority to the Chief Executive Officer to enter into a contract, negotiate, finalise and execute any and all matters associated with or in relation to the contract subject to Council's existing procurement policies and practice.

### Project Risks

Weather – There is a risk that the 2025 wet season will impact the program. T's Plant Hire Pty Ltd have not allowed for wet weather contingency, however their construction timeline of 274 days is within construction tolerances and funding timelines. This risk is considered low, based on the submitted methodology and capability.

Project Program – Works Commence - October 2024 (Crushing) – Construction works commencing - November 2024 with an estimated completion of July 2025 - No Allowance for wet weather - Allowance for Christmas Shutdown has been programmed. The Program has a float of 5 months to meet the target completion date for all works by the 31<sup>st</sup> of December 2025. The risk is considered low as there is ample time to complete the works within the funding guidelines (June 30<sup>th</sup> 2026).

Financial - Value for Money (VFM) – the submitted grant value to the QRA is \$17, 503,286.89, the tendering process undertaken demonstrates VFM on the basis of procurement policy compliance. The market has been tested in accordance with Council's procurement policy and practices with all regionally relevant & experience contractors having been requested to make submission. As has been practice for previous disaster recovery and capitals works. Regional market factors including competing projects, size of the scope – economy of scale, availability of subcontractors and timing, antidotally have impacted a greater number of responses for this tender.

Final Bill of Quantities – further negotiations are required with the preferred contractor once the QRA have issued the final approved scope of works. No contract will be entered into and all matters associated with or in relation to the contract are resolved to the satisfaction of the Chief Executive Officer Council's existing procurement policies.



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**Legal Implications:**

Nil

**Policy Implications:**

Nil.

**Financial and Resource Implications:**

As provided in the report.

**InfoXpert Document ID:**



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# **WP04 - RECOMMENDATION REPORT**

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## INTRODUCTION

McKinlay Shire Council was a declared Natural Disaster Area January and February 2024, due to the effects of Tropical Cyclone Kirrily and associated Rainfall and Flooding event. Council has since undertaken the grant applications in accordance with the QRA guidelines for the Restoration of Essential Public Assets (REPA).

Contained within is the assessment and recommendation of award of Preferred Contractor. The award of preferred contractor shall allow for the contract negotiations to resolve for award of contract.

Regards



**Jim Sullivan**

MSC 2024 DRFA - Project Director

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## 1 TENDER EVALUATION CRITERIA

### 1.1 Pricing

Contractor	BOQ PRICE	Ranking	Comments
Durack	\$7,303,988.93		Non-Conforming Bid - Departures redefine risk profile
Koppen Civil	\$9,334,984.90	2	
TEM	\$10,586,971.31	4	
Alexander Plant Hire	\$12,141,479.10	5	
Hammer and Co	\$7,238,060.64	1	
T's Plant Hire	\$10,042,634.95	3	

### 1.2 Methodology – Summary

Contractor	Methodology	Ranking
Koppen Civil	Fair	4
TEM	Good	1
Alexander Plant Hire	Fair	5
Hammer and Co	Good	3
T's Plant Hire	Good	2

### 1.3 Capability – Summary

Contractor	Capability	Ranking
Koppen Civil	Fair	5
TEM	Excellent	2
Alexander Plant Hire	Good	4
Hammer and Co	Excellent	1
T's Plant Hire	Excellent	3

**2 RECOMMENDATION**

**2.1 Assessment Summary**

Contractor	Ranking	Comment
Durack		Assessed as non-conforming based on commercial departures – Rise and fall on materials - Risk profile not accepted by Council
Koppen Civil	4	
TEM	3	
Alexander Plant Hire	5	
Hammer and Co	1	Hammer Capacity exhausted due to Recommendation of WP01
T's Plant Hire	2	Nominated Preferred Contractor

**2.2 Recommendation**

The Evaluation Committee notes first placed contractor is unable to complete the work due to their recommendation for Work Package 01 South East. Subsequently the committee recommends that Council endorse the recommendation of the second placed contractor, nominating T’s Plant Hire as the Preferred Contractor for Work Package 04 North West. The nomination of T’s Plant Hire as preferred contractor shall allow the project team to negotiate the final Contract Award.



**3 CONTRACTOR FEEDBACK**

Contractor	Price	Methodology	Capability	Comments
Durack	Excellent	Good	Good	Commercial Departure for the inclusion of Rise and Fall on Materials including Fuel - considered non-compliant as the risk profile was not acceptable to Council.
Koppen Civil	Good	Fair	Fair	Minimal Rual Roads experience noted
TEM	Good	Good	Excellent	Failed on Price
Alexander Plant Hire	Poor	Fair	Good	Failed on Price and Non-price criteria were scored fair - did not answer effectively
Hammer and Co	Good	Good	Excellent	Resources assessed as unable to deliver second contract
T's Plant Hire	Good	Good	Excellent	Recommended



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**6. CLOSE**