

TENDER RECOMMENDATION FOR LOCAL GOVERNMENT CONSTRUCTION WORKS WITHOUT SCORING AND WEIGHTING OF NON-PRICE CRITERIA



NSW Public Works
Department of Regional NSW

OPF-260 LGg [v1.2]

| CONTRACT DETAILS | | File No: P-FY20231534 |
|------------------------------------|---|-----------------------|
| CONTRACT NAME: | Ray Walsh House Refurbishment – Stage 1: Demolition and Remediation | |
| RFT/CONTRACT NO. : | RFT - 10055221 | |
| CONTRACT DESCRIPTION: | Non-structural demolition of Ray Walsh House | |
| TIME FOR COMPLETION: | 12 weeks | |
| PROJECT MANAGING OFFICE: | Tamworth (HNE) | |
| PROCUREMENT SYSTEM: | | |
| Tender Method: | Invited | |
| Commercial Conditions: | MW21 | |
| Payment Method: | Lump Sum with Schedule of Rates for Variations | |
| Payment Process | NSW Public Works pays | |
| Cost adjustment: | Not Applicable | |
| PRE-TENDER ESTIMATE (incl. GST): | [REDACTED] at 06/03/2023; revised to [REDACTED] on 07/03/2023; revised post-tender to [REDACTED] on 01/5/2023 | |
| CLIENT AGENCY: | Tamworth Regional Council | |
| PRINCIPAL IN THE CONTRACT: | Tamworth Regional Council | |
| Recommending Officer / Contact No: | Stephen Hansen / 0427 200 609 | |
| RPC Contact No: | Christopher Hague / 0467 713 905 | |

DESCRIPTION OF THE WORK

The Ray Walsh House Refurbishment – Stage 1: Demolition and Remediation includes:

- The demolition, stripping, and disposal/recycling of all non-structural items/elements throughout the building, on specified floors; The works have been identified by the Principal as all works below the ceiling on all floors of the Ray Walsh House.
- The class B removal and safe disposal of all non-friable asbestos-contaminated waste, as per SafeWork asbestos waste disposal requirements and the site-specific Asbestos Register and Management Plan.
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TENDERS RECEIVED

Tenders were called on 08/03/2023 and closed at 9.30am on 27/4/2023. Six tenders were received as follows (amounts incl. GST):

| Tenderer | A.B.N. | Tender Amount | Assessed Tender Amount ¹ | Recommended Tender Amount ² |
|---------------------------------|----------------|---------------|-------------------------------------|--|
| | | | | |
| Rice Construction Group Pty Ltd | 32 149 851 114 | | | |
| | | | | |

Notes:

1. The 'Assessed Tender Amount' is the Tender Amount plus (or minus) the Assessed Values of qualifications and departures in the tender and any loadings that apply.
2. The 'Recommended Tender Amount' is the Tender Amount plus (or minus) adjustments offered by the tenderer to withdraw qualifications and departures AND including prices offered by the tenderer for changes of scope requested after tenders closed.

EXAMINATION OF TENDERS

1. PRE-EVALUATION ACTIONS

The Regional Projects Coordinator approved calling tenders, after concurrence was received from the client.

The tendering process was required to comply with the Local Government (General) Regulation 2021 (the Regulation).

Council decided to call tenders from a list of suitable contractors prepared by NSW Public Works, in accordance with clause 169 of the Regulation.

A Tender Evaluation Plan consistent with the Conditions of Tendering in the RFT documents was prepared and signed off by the Tender Evaluation Committee prior to close of tenders. Also, everyone involved in the tender evaluation process has signed the Tender Process Code of Conduct with no conflicts of interest declared.

A Mandatory Pre-Tender meeting was held onsite on Thursday 30th March 2023. Seven (7) invited organisations were represented as per the signed Attendance Register.

Six addenda were issued during the tender period. Addendum 06 included a revised version of Schedule 2 – Schedule of Prices Lump Sum which contained an additional rate item. The pre-tender estimate was revised to reflect the additional rate item plus the other two original rate items not included in the pre-tender estimate. All other addenda included clarification only, therefore did not alter the pre-tender estimates.

The tender documents included an item of Optional Additional works. The client has advised that this work will be not included therefore will not form part of the tender. Tenders were assessed on this basis.

2. INITIAL EVALUATION

All tenderers attended the Mandatory Pre-Tender site meeting.

The tender from [REDACTED] did not include prices for rates items 3.1, 3.2 and 3.3. As [REDACTED] were clearly not in contention no further action was taken.

[REDACTED] failed to acknowledge receipt of all six addenda. Addendum 06 included an additional line item (3.3). [REDACTED] did not include a price for this additional rate item. As [REDACTED] were clearly not in contention no further action was taken.

The tender from [REDACTED] included methodology that did not comply with RFT documents. [REDACTED] methodology included use of existing lifts for movement of materials, tools, waste, and personnel between floors. Addendum 03 clearly stated "Lockable hoarding to be installed at all lift doors on all floors to protect surfaces. Lifts are not available for use during the works". As such the tender was deemed non-conforming and therefore was not considered further. [REDACTED] did not submit a conforming tender as required by the Conditions of Tendering to then allow a non-conforming tender to be considered.

The tender from [REDACTED] failed to acknowledge receipt of Addendum No.6. [REDACTED] were not requested to acknowledge receipt of Addendum No.6 as they were clearly not in contention.

[REDACTED] met the requirements of the RFT documents, including the completed schedules required to be submitted with the tender and acknowledging receipt of the six addenda issued.

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Rice Construction Group Pty Ltd met the requirements of the RFT documents in the Schedule of Prices – Lump Sum, although it failed to acknowledge receipt of all six addenda. Rice Construction Group Pty Ltd was requested to acknowledge receipt of the addenda and did so on 17/05/2023. Correction of this mistake did not alter the original tender and was permitted under clause 176 of the Regulation.

3. EVALUATION OF PRICE

3.1 Examination of Tendered Rates

The amounts tendered in the Schedule of Prices – Lump Sum were compared to both the pre-tender and revised pre-tender estimates (see **Appendix A**). The comparisons revealed no differences of concern.

A sensitivity analysis confirmed that the relativity of tenders is not affected by changes in the scheduled quantities, within the expected range (see **Appendix B**).

3.2 Assessment of Qualifications and Departures

Rice Construction Group Pty Ltd included qualifications and departures (anomalies) and Clause 178 of the Regulation requires Council to accept the most advantageous tender. To identify which tender was 'most advantageous' for the specified work, the values of the qualifications and departures were assessed and added to the original Tender Amounts (see **Appendix C**).

The qualifications and departures of [REDACTED] and [REDACTED] were not valued but were reviewed to assess whether they would affect the relativity of tenders or raise issues that could affect the assessed values of other tenders. No issues were identified.

3.3 Determination of loadings and other assessments

No loadings were applicable to any of the tenders.

3.4 Assessed Tender Amounts

The tenders were compared on the basis of the Assessed Tender Amounts, calculated by adding the assessed values of qualifications and departures to the original Tender Amounts.

4. SELECTION OF THE MOST ADVANTAGEOUS TENDERER

Rice Construction Group Pty Ltd had the lowest Assessed Tender Amount at [REDACTED] and was identified as the most advantageous.

Rice Construction Group Pty Ltd was requested to withdraw its unacceptable qualifications and departures (i.e. to correct the anomalies in the tender), in accordance with clause 176 of the Regulation. Rice Construction Group Pty Ltd offered to do so at no change to the tendered amount, (see Rice Construction Groups Pty Ltd.'s written confirmation at **Appendix D**).

Neither of the other tenders included the same non-compliance characteristics as that of Rice Construction Group Pty Ltd, and there was therefore no requirement under clause 176 of the Regulation to give them an opportunity to vary their tenders in a similar way.

The revised pre-tender estimate amounted to \$ [REDACTED]

Rice Construction Group's Pty Ltd Assessed Tender Amount is approximately 25% above the revised pre-tender estimate. In consideration of this difference the revised pre-tender estimate was reviewed and found to have omitted the cost of a materials hoist, contractor's overheads and location allowances, as well as undervalued items including contractor's management costs and accommodation/travel expenses. The post-tender estimate was therefore revised to [REDACTED] Inc GST as a result.

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Rice Construction Group Pty Ltd.'s Adjusted Tender Amount is 4% below the post-tender estimate and is considered reasonable.

The Adjusted Tender Amount of Rice Construction Group Pty Ltd is less than the Assessed Tender Amounts of [REDACTED] and [REDACTED] and is therefore identified as the most advantageous.

The Recommended Tender Amount is [REDACTED] (including GST).

5. COMMENTARY ON RECOMMENDED TENDERER

Recent Contractor Performance Reports indicate satisfactory performance by Rice Construction Group Pty Ltd. Rice Construction Group Pty Ltd has confirmed that it has the resources required to undertake the work.

A financial assessment by Equifax Australasia Credit Ratings Pty Ltd rated Rice Construction Group Pty Ltd as 'Acceptable'.

Rice Construction Group Pty Ltd has demonstrated satisfactory Work Health and Safety management and satisfactory environmental management on previous projects. This is recorded in the completed *Checklist for Reviewing Tenderer's WHS Management Performance* and the completed *Checklist for Reviewing Tenderer's Environmental Management Performance*.

Rice Construction Group Pty Ltd has submitted acceptable proposed methodology for demolition and class B asbestos removal. A subsequent program was provided to compliment the proposed methodology, which details the sequence of work within the contractual timeframe of 12 Weeks. A review of the program concludes that sufficient time has been allocated to demolish each individual floor and complete all other obligations.

Rice Construction Group Pty Ltd is considered capable of completing the Works satisfactorily.

6. MISCELLANEOUS

The tender evaluation process followed the agreed Tender Evaluation Plan.

The tender evaluation process complied with the Local Government (General) Regulation 2021.

The Tender of Rice Construction Group Pty Ltd offers best value for money.

The client has confirmed that sufficient funds are available to cover the Recommended Tender Amount and a contingency allowance adequate for contract variations and other assessed risks.

Sufficient of the site is available to meet the requirements in the proposed contract.

Development Consent has been granted by Tamworth Regional Council

The [Tender Evaluation Checklist OPF-250](#) has been completed.

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7. RECOMMENDATION

It is recommended that:

1. The tender submitted by Rice Construction Group Pty Ltd, in the Recommended Tender Amount of \$[REDACTED] (including GST) be accepted for RFT-10055221 for the Ray Walsh House Refurbishment – Stage 1: Demolition and Remediation project.

1) Evaluating Officer

Andrew Mooney

16/06/2023

Andrew Mooney

Date

Project Manager, NSW Public Works

2) Recommending Officer

Steve Hansen

19/06/2023

Steve Hansen

Date

Senior Project Manager, NSW Public Works

3) Reviewing Officer

The tender evaluation process requirements identified in the Tender Evaluation Review Checklist at Attachment 1 have been satisfied, and the Checklist has been signed.



20/06/2023

Chris Hague

Date

Regional Projects Coordinator, Tamworth

APPROVED to recommend to the client

Peter Davis

20/06/2023

Date

Peter Davis

Regional Projects Coordinator, Hunter New England Region

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ATTACHMENT 1 - TENDER EVALUATION REVIEW CHECKLIST

| | |
|-----------------------------|--|
| RFT/CONTRACT NUMBER: | RFT - 10055221 |
| CONTRACT NAME: | Ray Walsh House Refurbishment – Stage 1: Demolition and Remediation |

[Tendering](#)

I confirm, from evidence I have sought, and which has been placed on file, that:


- ✓ The method of selecting tenderers complied with applicable procedures and was properly approved. **V**
- ✓ Before tenders closed, a Tender Evaluation Plan covering relevant matters and consistent with the Conditions of Tendering was prepared and signed by those responsible for the evaluation. **V**
- ✓ A pre-tender and post-tender estimate were prepared and is as shown in the Tender Recommendation. **V**
- ✓ The Tender Recommendation correctly identifies the tenders received, including any late tenders. **V**
- ✓ Everyone involved in evaluating the tenders signed the Tender Process Code of Conduct and any declared conflict of interest was managed satisfactorily. **V**
- N/A Any tenders withdrawn after tenders closed were withdrawn in writing.
- ✓ All qualifications and departures in all tenders have been identified, and those in the tenders in contention have been addressed in the Qualifications and Departures Tables. **V**
- N/A Any agreed price adjustments for qualifications & departures or scope changes were confirmed in writing.
- ✓ Contractor Performance Reports or referee reports confirm the Recommended Tenderer's satisfactory past performance in general. **V**
- ✓ The Recommended Tenderer has demonstrated satisfactory WHS management. The *Checklist for Reviewing Tenderer's WHS Management Performance* has been completed and signed. **V**
- ✓ The Recommended Tenderer has demonstrated satisfactory environmental management, and the *Checklist for Reviewing Tenderer's Environmental Performance* [OPF-2205](#) has been completed and signed. **V**
- ✓ The Financial Assessment has been sighted (if applicable) and the result is accurately reproduced in the Recommendation. Any concerns have been addressed. **V**
- N/A The CCU has endorsed the Recommended Tenderer's Workplace Relations Management Plan (if applicable).
- N/A The Recommended Tenderer's commitments to skills development meet or exceed the specified targets.
- N/A The Recommended Tenderer's past experience with Aboriginal participation is satisfactory.
- N/A If any unusual circumstances occurred during the evaluation of tenders, documents are provided demonstrating that probity and fairness were maintained.
- N/A If there was an increase in scope, approval to a direct negotiation was obtained using Form OPF-0601 before the negotiation was commenced and the approved negotiation protocol was followed.
- N/A If the tender validity period has been extended, it has been done in writing.
- ✓ The tender evaluation process followed the Tender Evaluation Plan. **V**
- ✓ The client has confirmed that sufficient funds are available.
- ✓ The [Tender Evaluation Checklist OPF-250](#) has been satisfactorily completed and signed. **V**
- ✓ The submission was signed by officers in positions as specified in the TERP Authorities Schedule. **V**
- ✓ I have read and understand the [Tender Process Code of Conduct - OPF-204](#) and have complied with it in performing this tender evaluation review.

For items I have not confirmed, the attached comments explain why I support the Recommendation.

See attached comments.

Y/N

V = verified by Recommending Officer Steve Hansen 19/06/2023

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|--|---|
| Reviewing officer's signature:  | Position: Regional Projects Coordinator |
| Name (Print): Chris Hague | Date: 20/06/2023 |

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Appendixes

Appendix A: Comparison of Lump Sum Prices and Rates Tendered with PTE

| Item No. | Item Description | Pre Tender Estimate | Pre Tender Estimate V2 | Post Tender Estimate | Tenderer 1 - | Tenderer 2 - Rice Construction Group Pty Ltd | Tenderer 3 - B14 | Tenderer 4 - | Tenderer 5 - | Tenderer 6 - |
|----------|---|---------------------|------------------------|----------------------|--------------|--|-------------------------|--------------|--------------|--------------|
| 1 | Preliminaries, Preparation, Protection: | | | | | | | | | |
| 1.1 | Provision of WHS Management Plan and Environmental Management Plan as per schedules 6, 7, 8, and 9 of this Tender Schedule and as specified under the balance of the tender documents | | | | | | | | | |
| 1.2 | The provision of other reports such as the dilapidation report, the demolition management plan, the asbestos removal plan | | | | | | | | | |
| 1.4 | Construction Preliminaries: site preparation, mobilisation, and demobilisation, site fencing, site signage. | | | | | | | | | |
| 1.5 | Other management plans and reports required, not mentioned above (e.g. noise and vibration) | | | | | | | | | |
| 1.6 | Payments to specialist consultants (e.g., Hygienist) | | | | | | | | | |
| 2 | Licences, Approvals, Insurances: | | | | | | | | | |
| 2.1 | Construction certificate (if require) and final inspection, water authority fee | | | | | | | | | |
| 2.2 | Public liability insurance | | | | | | | | | |
| 3 | Scope of Works: Demolition/Stripping, Disposal, and/or Retention/Protection and/or Modification | | | | | | | | | |
| 3.1 | Temporary replacement of 4 MSB backing boards with four power points protected by earth leakage circuit breakers at each MSB. | | | | | | | | | |
| 3.2 | Stripping, demolition, and disposal of all non-structural items as detailed under the technical specifications. These works include but are not limited to features to be protected (as required), and/or modified. | | | | | | | | | |
| 3.3 | HVAC/Air Conditioning: Power isolation and cooling tower drainage of water to meet compliance and all other requirements. Works include but not limited to: confirmation of power isolation of AC system, drainage of water from the cooling tower to satisfy compliance requirements, and isolation of AC split system units in all rooms. | | | | | | | | | |
| 4 | Non-Friable Asbestos Removal | | | | | | | | | |
| 4.1 | Asbestos removal and disposal – walls and floor | | | | | | | | | |
| 4.2 | Asbestos removal and disposal – 4 MSB backing boards | | | | | | | | | |
| 4.3 | Payments to specialist consultants (e.g., Hygienist) | | | | | | | | | |
| 5 | All other work not itemised above | | | | | | | | | |
| | Total for Lump Sum Items | | | | | | | | | |
| 6 | Rate Items | | | | | | | | | |
| 6.1 | Removal and disposal of unexpected, additional non-friable asbestos found in walls (class B asbestos removal and disposal), including labour and materials /plant. For quantities between 0 and 100 sqm. | | | | | | | | | |
| 6.2 | Removal and disposal of unexpected, additional non-friable asbestos found in floors (class B asbestos removal and disposal), including labour and materials /plant. For quantities between 0 and 100 sqm. | | | | | | | | | |
| 6.3 | Bonding /treatment of unexpected friable asbestos (no removal or disposal required), but including labour and materials/plant. For quantities between 0 and 100 sqm. | | | | | | | | | |
| | Extended Total for Rate Items | | | | | | | | | |
| | Total Including Rate Items | | | | | | | | | |
| | Optional Additional Work Item | | | | | | | | | |
| 2.2.6.1. | Audio Visual Equipment: Retrieval of all audio-visual equipment located in two separate meeting room on the 4th floor. This includes two projectors and multiple speakers, all fitted into the ceiling panel on the 4th floor of the Ray Walsh House. | | | | | | | | | |

Appendix B: Sensitivity Analysis

| Rice Construction Group Pty Ltd | | | | | | | |
|---|-----------------------|----------------|-------|----------|----------|-----------|-----------|
| Item | Estimated amount (m2) | Tendered Rate | Total | Plus 10% | Plus 50% | Plus 500% | Minus 10% |
| Removal and disposal of unexpected, additional non-friable asbestos found in walls (class B asbestos removal and disposal), including labour and materials /plant. For quantities between 0 and 100 sqm. | 50 | | | | | | |
| Removal and disposal of unexpected, additional non-friable asbestos found in floors (class B asbestos removal and disposal), including labour and materials /plant. For quantities between 0 and 100 sqm. | 50 | | | | | | |
| Bonding /treatment of unexpected friable asbestos (no removal or disposal required), but including labour and materials/plant. For quantities between 0 and 100 sqm. | 50 | | | | | | |
| | | Lump Sum Total | | | | | |
| | | Ranking | 1 | 1 | 1 | 1 | 1 |
| | | | | | | | |
| Item | Estimated amount (m2) | Tendered Rate | Total | Plus 10% | Plus 50% | Plus 500% | Minus 10% |
| Removal and disposal of unexpected, additional non-friable asbestos found in walls (class B asbestos removal and disposal), including labour and materials /plant. For quantities between 0 and 100 sqm. | 50 | | | | | | |
| Removal and disposal of unexpected, additional non-friable asbestos found in floors (class B asbestos removal and disposal), including labour and materials /plant. For quantities between 0 and 100 sqm. | 50 | | | | | | |
| Bonding /treatment of unexpected friable asbestos (no removal or disposal required), but including labour and materials/plant. For quantities between 0 and 100 sqm. | 50 | | | | | | |
| | | Lump Sum Total | | | | | |
| | | Ranking | 2 | 2 | 2 | 2 | 2 |



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Qualifications and Departures Table:

| | | | | | | | |
|--|--|--|--|--|-----------------------|---------------|--|
| | | | | | Tender Evaluation by: | | |
| | | | | | Name: | Andrew Mooney | |
| | | | | | Signature and date: | A.mooney | |

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CONSTRUCTION WORKS
WITHOUT SCORING AND WEIGHTING
OF NON-PRICE CRITERIA**



NSW Public Works
Department of Regional NSW

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Appendix D: Qualifications and Departures Withdrawal Letter from Rice Construction Group Pty Ltd

From: [REDACTED] >
Sent on: Wednesday, May 10, 2023 2:01:06 AM
To: Andrew Mooney <andrew.mooney@pwa.nsw.gov.au>; Jeremy Cameron <jcameron@ricegroup.com.au>
CC: Christopher Hague <christopher.hague@pwa.nsw.gov.au>
Subject: RE: Subject: RFT - 1005521 – Qualifications and Departures - Ray Walsh House Refurbishment - Stage 1: Demolition and Remediation

Hi Andrew,

Please see below my formal reply.

- If Successful we will need to confirm start date due to supply of temporary hoist etc. *Please provide more precise estimation of lead time for supply of temporary hoist.*

Reply - The materials hoist is available mid to late July. Pending the removal from another project. We would be able to get started onsite prior to this though.

- We have not allowed for any plans our draughtsmen services. *Plans or draughtsmen services are not required for tender. Please withdraw this qualification.*

Reply - Withdrawn

- We have not allowed for a statement of Environmental Effects. *A Statement of Environmental is not required for tender. Please withdraw this qualification.*

Reply - Withdrawn

- We have not allowed for any services consultants. *Service consultants not required for tender. Please withdraw this qualification.*

Reply - Withdrawn

- We have not allowed for any council approvals fees and charges. *Council approval fees have been paid for by the Principal. Please confirm all other council fees associated with works are include in your tender price.*

Reply - We have included in our tender price all waste disposal fees. This is only relevant to council approval fees and charges not waste disposal fees.

If you require anything else please feel free to give me a call.

Regards

[REDACTED]

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PH: (02) 6772 2820 | TEAMS: [REDACTED] | MB: [REDACTED]
EMAIL: [REDACTED] WEB: www.ricegroup.com.au

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