

<p>ORDINARY MEETING 22 NOVEMBER 2023</p>	<p>9</p>
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REGISTER OF PREQUALIFIED SUPPLIERS (ROPS) 2881 – WET AND DRY PLANT HIRE

63/1/377 | #7277537

RECOMMENDATION:

That Council:

- 1. Awards Register of Prequalified Suppliers (ROPS) 2881 – Wet and Dry Plant Hire and appoints the list of Suppliers in Attachment 1, for a term of five years commencing 8 December 2023, with an extension option of up to five years, available at Council’s discretion.**
- 2. Delegates authority to the Chief Executive Officer in accordance with the *Local Government Act 2009* to enter into contracts, negotiate, finalise and execute any and all matters associated with or in relation to this contract subject to Council’s normal procurement policies and practices.**

INTERESTED PARTIES:

Refer to Attachment 1.

Note: The identification of interested parties is provided on a best endeavours basis by Council Officers and may not be exhaustive.

EXECUTIVE SUMMARY:

Tenders were invited for Wet and Dry Plant Hire under a Register of Prequalified Suppliers (ROPS) 2881 to replace the existing arrangement (ROPS 2741), which expires on 7 December 2023. The new ROPS 2881 is recommended to be established for a term of five years with a further five year extension option, solely at Council’s discretion.

Council delivers a range of civil construction and maintenance services across Council infrastructure assets that requires the use of various contracted earthmoving plant and equipment. This external equipment is used to supplement Council’s own equipment and resources.

Based on the expenditure across the term of the existing ROPS, it is anticipated that approximately \$12.5 million of plant and equipment will be hired annually under this arrangement. Following a comprehensive evaluation process, all recommended suppliers (refer to Attachment 1) were assessed as have the capability, financial capacity, experience and qualifications to meet Council’s current operational requirements.

BACKGROUND:

Council requires services from qualified and experienced contractors for appointment as prequalified suppliers of the Wet Hire (with Operator) and Dry Hire (without Operator) of mobile and fixed plant and equipment. The ROPS for Plant Hire is heavily utilised by Council as significant plant and equipment is required to support annual capital works maintenance, construction and major project activities. Plant and equipment types include but are not limited to backhoes, excavators, graders, rollers, cranes, tipper trucks etc.

Contractors may be required to work with substrates such as gravel, limestone, road base, asphalt, bitumen, salt and rock and other construction materials used by Council in the construction of roads, drainage and reserves, etc. The ROPS arrangement is used to supplement the Council's own yellow plant, equipment and resources. Council has insufficient machines and operators to cater for these capital works programs and it is therefore necessary to engage or subcontract plant hire contractors from Councils' ROPS arrangement.

To establish the Register of Prequalified Suppliers arrangement for the Wet and Dry Plant Hire, Council invited tenders pursuant to section 228 and section 232 of the *Local Government Regulation 2012* (Qld) (Regulation). The Request for Tender was advertised on 30 June 2023 and closed on 27 July 2023. A total of 113 tender submissions were received, which was within the expected range based on past tender history. The list of contractors are identified in Attachment 1.

During the tender period, two non-mandatory tender information briefings were held with Contractors invited to learn more about the operational requirements of Council, as well as how to complete and upload their tender responses to Tenderlink.

The evaluation panel consisted of relevant Council officers from the Procurement, Fleet and Work Health and Safety teams. Each team played a role in the assessment process to ensure that the contractors recommended for ROPS 2881 have the relevant and necessary qualifications as well as experience, licences, registration and insurances for the services. All tenders were checked for conformance against the requirements of the Request for Tender.

In selecting the recommended tenderers, the evaluation panel had regard to the sound contracting principles described in section 104 of the *Local Government Act 2009*. The panel members reviewed responses against conformance requirements and were also assessed, but not scored, against qualitative criteria. Prequalification was based upon the following criteria:

- Business profile (local, social and sustainability) – 5%
- Relevant experience and key personnel – 20%
- Resources and management systems – 20%
- Management systems – 15%
- Value for money (rates and pricing) – 40%

It is recommended that 113 contractors be appointed to the Register due to the quality of their responses and the applicability of their offered services which align with Council's operational needs.

COMMENT:

It is important to note that appointment to the ROPS does not obligate Council to engage any Contractor and does not guarantee any work or services to recommended contractors. It is up to the relevant Council officer to ensure the selected Contractor is capable to perform, has required availability and resources and have all necessary qualifications or requirements for specific works or projects.

The Recipient Created Tax Invoices (RCTI) process has been used for all Contractors who are GST registered. RCTI is where Council (the recipient) issues a tax invoice based on daily dockets received on behalf of the Contractor. Contractors are required to provide daily dockets, authorised by Council officers, as proof of works. The RCTI process has a number of benefits including administration efficiencies for both Council and Contractors, invoices paid on time, improved cash flow and improved accuracy and costing to projects.

The following is a summary of notable changes from the existing scope of works in ROPS 2741 to ROPS 2881:

- Rates are fixed for each 12 months – changed from two years fixed rates
- Standard Days no longer includes Saturdays – Monday to Friday only
- Emergency call out – minimum charge changed from two to three hours
- Cancellation fee – changed from two to three hours where Council has not provided minimum of 30 minutes notice of job cancellation
- Rock charges allowed – 80% of the load must consist of rock or concrete greater than 400mm
- Salt charges allowed – applies to spoil that contains salt contaminants
- Trackable or regulated waste requirements – contractors must have relevant permits to transport regulated waste
- Tighter controls for contractor to manage fatigue with relevant policy and plans to be put in place
- Potential future changes which requires contractors to demonstrate reduction of carbon emissions and greenhouse gases

Given that some specific items of plant and equipment are of limited supply in the region, or if additional suitable Suppliers enter the market, Council may choose to return to market to invite additional suppliers before the end of term of the existing arrangement. The arrangement includes a provision for Council to go to market and invite additional Suppliers (known as a Refresh) to be appointed to the Register of Prequalified Suppliers subject to the Standard Terms and Conditions for Services at any time during the Term of the contract, or within the subsequent extension option.

As an outcome of the evaluation process, the evaluation panel recommended that all 113 contractors be appointed to ROPS 2881. This will provide Council with a sufficiently wide pool of suppliers to provide the required works and services for Wet and Dry Plant Hire.

OPTIONS:**Option 1: (Recommended)**

That Council:

1. Awards Register of Prequalified Suppliers (ROPS) 2881 – Wet and Dry Plant Hire and appoints the list of Suppliers in Attachment 1, for a term of five years commencing 8 December 2023, with an extension option of up to five years, available at Council’s discretion.
2. Delegates authority to the Chief Executive Officer in accordance with the *Local Government Act 2009* to enter into contracts, negotiate, finalise and execute any and all matters associated with or in relation to this contract subject to Council’s normal procurement policies and practices.

Option 2:

That Council does not endorse ROPS 2881 – Wet and Dry Plant Hire and adopts an alternative course of action.

CONSIDERATIONS:**Risk Management:**

The risk to Council in terms of working with these Contractors on a daily basis or per engagement is considered relatively low as most of these Contractors are well known to Council and have been working with Council for many years. The contractual terms within the ROPS arrangement also allows suppliers to be issued a Work Improvement Notice (WIN) and subsequent suspension or termination for non-performance, non-compliance to safety and law, or other breaches of contract.

With regards to risk and Work Health and Safety practices, prior to commencement of the arrangement, all Contractors are required to go through a mandatory risk and safety induction with Council officers to understand WHS legislation and Council requirements. The induction generally covers best WHS practices, risk and hazard identification, PPE, Sun Safe and UV policies, biosecurity risks including transfer of pests and weeds, fatigue management, compliance to Heavy Vehicle National Law (HVNL) and other safety and compliance requirements.

Council Finance and the Local Economy:

The average expenditure on plant and equipment hire over the past several financial years was approximately \$12.5 million excluding GST. Subsequent years are likely to be of similar nature in value depending on final scope of Council’s operations and capital works construction programs where plant and equipment is required.

A price comparison analysis was undertaken to assess the impact of increased rates and pricing across labour and equipment. On average, prices have increased by 10% across previous rates adjustments, which may impacts on current financial budgets by over \$1 million annually. Negotiations are underway with selected suppliers to seek justification on some of the highest rates.

Nearly 90% of Contractors and locally based within the rate-paying region of Cairns. The remainder of Contractors who are non-local, are all regionally based in areas such as Mossman, Mareeba and Innisfail.

Natural Environment:

The specification required all Contractors to demonstrate their methodology and practices for ensuring that any biosecurity risks associated with plant and equipment such as transfer of pests and weeds are minimised. This includes strict instructions for the wash-down of equipment prior to leaving each site.

Corporate and Operational Plans:

The services forming the basis of this report relate to the following goals in Council's Corporate Plan 2021 to 2026:

- Robust Economy: "Supporting a diversified and resilient economy"; and
- Community and Culture: "Fostering a vibrant and healthy community where everyone feels they belong".

Statutory:

This tender process has been conducted in accordance with legislative requirements under the *Local Government Act 2009* and the *Local Government Regulation 2012*.

Policy:

The tender process was undertaken in accordance with Council's adopted Procurement Policy.

CONSULTATION:

Business managers and officers within Infrastructure Services were consulted as they are the major users of plant and equipment hire. The Procurement and Payables Branch facilitated the tender and evaluation process and provided financial data.

ATTACHMENTS:

Attachment 1 – List of contractors recommended to be appointed to ROPS 2881 – Wet and Dry Plant Hire.



David Pollak
Executive Manager Asset Services



Gary Everson
Associate Director Engineering Services



Mark Wuth
Director Cairns Infrastructure and Assets

Attachment 1 – List of contractors recommended to be appointed to ROPS 2881 – Wet and Dry Plant Hire

No	Legal Entity	Business/Trading Name	Local (Yes / No)
1	Addison (Aust) Pty Ltd	1300 Meteor Rentals	Yes
3	Advanced Civil Earthworks Pty Ltd	Advanced Civil Earthworks	Yes
4	The Trustee for Gill Family Trust	AIS (Aussie Illuminated Sign) Hire	Yes
5	Edward John Fitzgerald	Allround Excavations	Yes
6	AME Civil Contracting Pty Ltd	AME Civil Contracting	Yes
7	Andrew William Plumb	Andrew Plumb	Yes
8	Astute Civil Constructions Pty Ltd	Astute Civil Constructions	Yes
2	Aussie Drill Kings Pty Ltd	Aussie Drill Kings (ADK)	Yes
9	B and A Earthmoving Pty Ltd	B and A Earthmoving	Yes
10	Gary Hooper Family Trust	Barron River Towing	Yes
11	Christipher Beanham	Beanham's Earthmoving	Yes
12	Bell's Carrying and Crane Hire Service Pty Ltd	Bell's Carrying and Crane Hire	Yes
13	Brendan Grant Master Builders Pty Ltd	BGH Commercial	Yes
14	Boulders Engineering Pty Ltd	Boulders Engineering	Yes
108	R&A Enterprises (Qld) Pty Ltd	Breakthrough Group	Yes
15	Brenton Colby Hepworth	Brenton Hepworth Tipper Hire	Yes
16	Brooks Hire Service Pty Ltd	Brooks Hire Service	No
17	Boe Peter Willcox	BT Hire	Yes
18	Perchfield Pty Ltd	Bugeja Earthmoving	Yes
19	The Trustee for Hatzis Family Trust	C and M Contracting Services	No
20	Cairns Locating Specialists Pty Ltd	Cairns Locating Specialists	Yes
21	The Trustee for Panebianco Holdings Trust	Cairns Mulch	Yes
22	Cann Concrete Pty Ltd	Cann Concrete	Yes
23	Cairns Steel Construction Pty Ltd	Century Cranes	Yes
24	Cheshire Contractors Pty Ltd	Cheshire Contractors	Yes
27	CJM Earthworks Pty Ltd	CJM Earthworks	Yes
25	Clarke Trenching Pty Ltd	Clarke Trenching	Yes
28	Milan John Bosnich	Coral Coast Truck Hire	Yes
29	Crossy's Crane Hire Pty Ltd	Crossy's Crane Hire	Yes
30	The Trustee for Mason Family Trust	Dig n Dump	Yes
31	Sell's Tip Truck Hire Pty Ltd	Dirt Taxis	Yes
32	Dixon Excavations Pty Ltd	Dixon Civil Excavation	Yes
34	Doug McCormack Pty Ltd	Doug McCormack	No
35	EGB Group Pty Ltd	Eclipse Hire	Yes
36	EcoSmart Earthworks Pty Ltd	EcoSmart Earthworks	Yes

No	Legal Entity	Business/Trading Name	Local (Yes / No)
33	D.J Quabba and M Quabba	Edge Away	Yes
37	EJ Grader Hire Services Pty Ltd	EJ Grader Hire Services	Yes
38	Ellis Profiling (QLD) Pty Ltd	Ellis Profiling	No
39	EWCS Unit Trust	Enviro Sweep	No
40	Flexihire Pty Ltd	Flexihire	No
41	Christopher Wayne Coran	FNQ Bobcat Hire	Yes
42	FNQ Traffic Hire Pty Ltd	FNQ Hire	Yes
43	FDH Equip Pty Ltd	Froggy's Dry hire	Yes
44	Gary Alan Shearer	GA Shearer	Yes
45	GFM Trees Pty Ltd	GFM Trees	Yes
46	GJ and JM Hall	GJ and JM Hall	Yes
48	Glen W Swindley Pty Ltd	Glen W Swindley	Yes
49	Global Hire and Services Pty Ltd	Global Hire and Services	No
50	Gregg Construction Pty Ltd	Gregg Construction	No
47	GS and SM Jones	GS and SM Jones	Yes
51	Hard Road Transport Pty Ltd	Hard Road Transport	Yes
52	Hastings Deering (Australia) Limited	Hastings Deering	Yes
53	The Trustee for Clements-Markham Family Trust	Heath's Excavations	Yes
72	The Trustee for Hepworth Family Trust	Hepworth Truck Hire	Yes
54	Cycletune Pty Ltd	Heyne Mechanical Solutions	Yes
55	The Trustee for Howard Plumb Family Trust	Howard Plumb Family Trust	Yes
56	Ian William and Laura Fay McCulloch	I and F McCulloch	Yes
57	IKCO Pty Ltd	Ikin Civil	No
58	i-LEC Group Pty Ltd	i-LEC Solutions	Yes
59	The Trustee for J and P Foyle Contractors Trust	J and P Foyle Contractors	Yes
64	John D and Ronney M Grego	J and R Grego Group	Yes
60	Jeffrey Seiler	Jeffrey Seiler	Yes
61	JM and HD Pedrola	John and Hilary Pedrola	Yes
62	John Mario Villari	John Villari	Yes
63	Jordan Daniel Quabba	Jordan Quabba	Yes
67	Kennedy Tom	K Tom Excavator Hire	Yes
65	KA and KM Rayment	Ken and Karen Rayment	Yes
66	Kennards Hire Pty Limited	Kennards Hire	Yes
68	GBR Hire Pty Ltd	King Hire and Trailers	Yes
69	The Trustee for Kingsley Family Trust	Kingsleys Earthmoving Contractors	Yes
70	Koppen Construction Pty Ltd	Koppen Bitumen	Yes
71	Darrin John Fenoglio	Larry's Hoe Hire	Yes
73	Magnum Plumbing Pty Ltd	Magnum Plumbing	Yes

No	Legal Entity	Business/Trading Name	Local (Yes / No)
74	The Trustee for Grant Marino Family Discretionary Trust	Marino Plant Hire	Yes
75	Marrin Pty Ltd	Marrin	No
76	MC Group QLD Pty Ltd	MC Group	No
77	Matthew Cranitch	MC Haulage FNQ	Yes
78	Maurice Huff	MGH Excavations	Yes
79	Mick Newport Contracting Pty Ltd	Mick Newport Contracting	Yes
80	Hewwell Pty Ltd	Mustang Excavations NQ	Yes
81	MyBuild Civil FNQ Pty Ltd	MyBuild Civil	Yes
82	Christea Pty Ltd	Nash Truck and Machinery Hire	Yes
83	The Trustee for Nordig Operations Discretionary Trust	Nordig	Yes
84	Ryncor Pty Ltd	Norlift	Yes
85	Northern Pump Rentals Pty Ltd	Northern Pump Rentals	Yes
26	NQ Resource Recovery Pty Ltd	NQ Resource Recovery	Yes
86	The Trustee for Vrashtil Family Trust	NV Earthworks	Yes
87	Ontrack Civil Contracting Pty Ltd	Ontrack Civil Contracting	Yes
88	Laurence Kenneth Holder	Ozworks FNQ	Yes
89	A Clarke and P Clarke	Peter Clarke Backhoe Hire	Yes
90	Peter Morris	PM Earthworks	Yes
91	The Trustee for Van Eck Family Trust	ProDig Qld	Yes
92	JC Puglisi and the Trustee for Sam DiPalma Family Unit Trust	Puglisi Brothers	No
94	Rainforest Contractors FNQ Pty Ltd	Rainforest Contractors	Yes
95	The Trustee for Ellis Family Trust	Raymond Ellis	Yes
96	Raymond William Hussey	Raymond William Hussey	Yes
97	Huxam Enterprises Pty Ltd	Rhino Excavator and Bobcat Hire	Yes
98	RKW Excavations Pty Ltd	RKW Excavations	Yes
93	Robert and Velia Ridolfi	Robert and Velia Ridolfi	Yes
99	Rodney A and Naomi A Stewart	Rodney and Naomi Stewart	Yes
104	S and ST Quabba	S and ST Quabba	Yes
100	A Sacchi and D Sacchi	Sacchi's Precision Earthmoving and Civil	Yes
101	Sherrin Rentals Pty Ltd	Sherrin Rentals	Yes
102	Specialised Pavement Services Pty Ltd	Specialised Pavement Services	Yes
103	The Trustee for the Spiller Family Trust	Spillers Quality Corrosion Control	Yes
105	Suck It Up Vactron Trucks NQ Pty Ltd	Suck It Up Vactron Trucks	Yes
106	Wymere Pty Ltd	Terranovus Plant Hire	Yes
107	The Trustee for the TFH Hire Trust	TFH Hire Services	Yes

No	Legal Entity	Business/Trading Name	Local (Yes / No)
109	Glenn Aitchison	Tight Spot Excavator	Yes
110	The Trustee for Bremner Family Trust	Trayback Hire	Yes
111	LB Brown and PJ Brown	Tropical Sweepers	Yes
112	Tutt Bryant Hire Pty Ltd	Tutt Bryant Hire	Yes
113	Wyatt Bartram Excavations Pty Ltd	Wyatt Bartram Excavations	No