



SPECIAL MEETING AGENDA

Tuesday 23 April 2024
commencing at 8:30 AM

Quilpie Shire Council Boardroom
50 Brolga Street, Quilpie

Special Meeting of Council

16 April 2024

The Mayor and Council Members
Quilpie Shire Council
QUILPIE QLD 4480

Dear Members

Notice is also hereby given that the Special Meeting of the Quilpie Shire Council will be held at the Council Chambers, on **Tuesday 23 April 2024**, commencing at **8:30 AM**.

The agenda for the special meeting is attached for your information

Yours faithfully

Justin Hancock
Chief Executive Officer





SPECIAL MEETING OF COUNCIL AGENDA

Tuesday 23 April 2024
Quilpie Shire Council Boardroom
50 Broлга Street, Quilpie

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- 1 OPENING OF MEETING**
- 2 ATTENDANCE**
- 3 APOLOGIES**
- 4 DECLARATIONS OF INTEREST**

5 ENGINEERING SERVICES

5.1 T10 23-24 SOUTH WEST QUEENSLAND FLOODING, 6-23 JANUARY 2024 REPA PROJECT MANAGEMENT SERVICES

IX: 248326

Author: Kasey-Lee Davie, Procurement Officer

Attachments: Nil

KEY OUTCOME

Key Outcome: 2. Flourishing Economy

Key Initiative: 2.3 Maintain safe and efficient transport networks

Key Outcome: 4. Strong Governance

Key Initiative: 4.3 Maintain good corporate governance

4.4 Long-term financial sustainability underpinned by sound financial planning and accountability

EXECUTIVE SUMMARY

The purpose of this report is to provide council with a recommendation to award T10 23-24 for the Project Management of the Reconstruction of Essential Public assets from the South West Queensland Flooding, 6-23 January 2024 rain event.

RECOMMENDATION

1. That Council:
 - a) Subject to funding approval and finalisation, award T10 23-24 South West Queensland Flooding, 6-23 January 2024 Reconstruction of Essential Public Assets Project Management Services to Lonergan Project Services Pty Ltd noting the tendered Schedule of Rates; and
 - b) Delegate power to the Chief Executive Officer, pursuant to section 257 of the *Local Government Act 2009* to negotiate, finalise and execute any and all matters associated with or in relation to this project and contract including without limitation any options and/or variations as per Council's Procurement Policy.

BACKGROUND

Queensland Reconstruction Authority (QRA) activated the assistance under the Disaster Recovery Funding Arrangements (DRFA) in response to the South West Queensland Flooding Event, 6-23 January 2024. Assistance has been activated for the area formally defined as: "*Communities within South West Queensland affected by heavy rains and flooding between 6-23 January 2024*".

Council's priority is now with the recovery phase, and accordingly, Council crews are working on the emergency works and seeking proposals to appoint qualified consultants to assist Council with the Reconstruction of Essential Public Assets submission.

WORK SCOPE

The scope of services includes the provision of qualified Project Management and Engineering personnel to program and project manage all components of the REPA works inclusive of a 4-month period beyond for close-out and acquittal of all works under the REPA.

General services include but not limited to-

- Project management services, including liaison with key stakeholders within Council, Queensland Reconstruction Authority (QRA), relevant State Government, local community and land holders including assisting council with public notification.
- Post-event damage inspections and assessments on the Council owned infrastructure for Emergency Works (if required) and REPA
- Submission preparation including lodgment of activation requests.
- Internal reporting to Council Management Team and Council
- Works procurement and delivery management, Design, Tender Preparation, Review and Evaluation, working closely with Council in compliance with Council Procurement Policy
- Provide Contract Administration services generally following the principles of Department of Transport and Main Roads Contract Administration System CAP001M – Guidance and compliance.
- Support council in the management of council owned and freehold/private owned gravel pits including liaising with cultural heritage monitors, quantity surveying, adherence to development and environmental conditions, royalty negotiations, agreements with landowners, monitoring of construction progress and rehabilitation.
- Regular inspections of completed works to capture completion photos that satisfy QRA guidelines, Program finalisation, acquittals and record keeping.

Finance includes but not limited to -

- Monitor individual projects and combined programs to ensure works are completed within budget and any discrepancies are highlighted early.
- Regularly report to QRA to meet or exceed minimum reporting requirements to ensure that project expenditure is reimbursed in an expediated manner.
- Provide advice on job costing structure, review internal labour and plant timesheets and contractor invoices to ensure works are booked correctly, Liaise with Council's finance team to ensure all eligible costs are captured and claimed.
- For each event that falls with DRFA, conduct an audit of the expenditure within the project cost ledger from Council's Finance Software
- Provide project cashflows per event, Monitor Council's DRFA cashflow position over multiple events and provide advice/recommendations.
- Raise any financial or procedural concerns directly with the DOI or CEO as soon as practicable.

Betterment includes but not limited to -

- Identification of potential projects that meet funding guidelines and align with Council's priorities for Betterment.
- Development of preliminary project drawings, cost estimates, cost benefit analyses and submission documentation for funding applications.

- Project management and engineering support for the delivery of approved projects including design, procurement, construction inspections and acquittal.

Tenderers were requested to nominate individuals for the roles below: additional roles and more than one of each role may be required to meet the scope of works-

-
- Project Director
- Project Manager
- Qualified Engineer
- Graduate Engineer
- Road Inspector
- Trainee Road Inspector
- Project Administration
- GIS Officer

PROCUREMENT PROCESS

In accordance with Council’s Procurement Policy and Chapter 6, Part 3 of the *Local Government Regulation 2012*, Council proceeded with a public tender process. Council invited tenders from suitably qualified Project Managers and Engineers, to assist with program and project management of Councils Emergency Works and Reconstruction of Essential Public Assets programs under the Disaster Recovery Funding Agreements.

A public tender process was conducted to permit maximum competition among all available suppliers, thus allowing for an assessment of the current market. An open market process ensures this procurement activity and future likewise procurement activities continue to result in a value for money decision.

In compliance with S232(5) and s232(6), the tender was released on the VendorPanel Public Tenders platform, advertised on Council's website, public notices and on Council's Facebook page for the requirement of at least 21 days.

Description	Details
Advertising	Vendor Panel Portal
Tender Open	Wednesday 20 March 2024
Supplier Query Cut-off	Friday 05 April 2024
Tender Close	5pm Wednesday 10 April 2024

At the close of the tender at 5.00pm Wednesday 10 April 2024, 352 suppliers read the request for tender.

Council received a total of 15 responses via VendorPanel.

The request was assessed in accordance with the evaluation criteria below:

Criteria	Weighting	Rationale
Price	40%	To ensure a competitive market rate is provided.
Previous Experience	20%	To ensure suppliers are aware of local terrain and best practices to deliver value for money.
Methodology	10%	To ensure appropriate practices will be undertaken to assess, submit, deliver and acquit works in line with funding requirements
Key Personnel	10%	To ensure adequately experienced staff will be available throughout the delivery of works
Local Content	10%	To ensure contracts support local businesses and staff delivering works are based locally.
WHS	10%	To ensure tenderers are compliant and will operate in accordance with Councils enterprise WHS Policy and WHS Legislation.

On evaluation, three (3) submissions were found non-compliant.

An assessment of the tender responses was undertaken by three (3) officers, the evaluation summary of the top four (4) scoring submissions can be seen in the below table:

Council may decide not to accept any responses it receives. The response accepted must be the

Suppliers-			Lonergan Project Services Pty Ltd	Proterra Group	GBA Consulting Engineers	Shepherd Services Pty Ltd
Evaluation Criteria	Price	40%	32	28	28	24
	Experience	20%	18	18	16	18
	Methodology	10%	8	7	8	9
	Key Personnel	10%	8	9	8	8
	Local Content	10%	6	9	7	7
	WHS	10%	8	8	8	8
	Overall Score -		80	79	75	74

one deemed most advantageous to Council; it is noted that the lowest price response and/or the highest weighted response may not be the most advantageous.

In accordance with S104 (3) of the *Local Government Act 2009*, Council must give consideration to the following sound contracting principles:

- (a) value for money; and
- (b) open and effective competition; and
- (c) the development of competitive local business and industry; and
- (d) environmental protection; and
- (e) ethical behaviour and fair dealing.

If a decision is made that is inconsistent with the above recommendation, Council must provide reason as per Part 2, Division 1A of the *Local Government Regulation 2012*:

254H Recording of reasons for particular decisions

(1) This section applies if a decision made at a local government meeting is inconsistent with a recommendation or advice given to the local government by an advisor of the local government and either or both of the following apply to the decision—

(a) the decision is about entering into a contract the total value of which is more than the greater of the following—

- (i) \$200,000 exclusive of GST;*
- (ii) 1% of the local government’s net rate and utility charges as stated in the local government’s audited financial statements included in the local government’s most recently adopted annual report*

Note: 1% of the Net Rates and Utility Charges in the Quilpie Shire Council Financial Statements for 2022/23 (audited) is \$74,861.21 (Net Rates and Utility Charges for 2022/23 was \$7,486,121).

OPTIONSOption 1 - Recommended

That Council:

- a) Subject to funding approval and finalisation, award T10 23-24 South West Queensland Flooding, 6-23 January 2024 Reconstruction of Essential Public Assets Project Management Services to Lonergan Project Services Pty Ltd noting the tendered Schedule of Rates; and
- b) Delegate power to the Chief Executive Officer, pursuant to section 257 of the *Local Government Act 2009* to negotiate, finalise and execute any and all matters associated with or in relation to this project and contract including without limitation any options and/or variations as per Council's procurement policy.

Option 2-

That Council:

- a) Subject to funding approval and finalisation, award T10 23-24 South West Queensland Flooding, 6-23 January 2024 REPA Project Management Services to Proterra Group noting the tendered Schedule of Rates; and
- b) Delegate power to the Chief Executive Officer, pursuant to section 257 of the *Local Government Act 2009* to negotiate, finalise and execute any and all matters associated with or in relation to this project and contract including without limitation any options and/or variations as per Council's procurement policy.

Option 3-

That Council:

- a) Subject to funding approval and finalisation, award T10 23-24 South West Queensland Flooding, 6-23 January 2024 REPA Project Management Services GBA Consulting Engineers noting the tendered Schedule of Rates; and
- b) Delegate power to the Chief Executive Officer, pursuant to section 257 of the *Local Government Act 2009* to negotiate, finalise and execute any and all matters associated with or in relation to this project and contract including without limitation any options and/or variations as per Council's procurement policy.

Option 4-

That Council:

- a) Resolve not to award T10 23-24 South West Queensland Flooding, 6-23 January 2024 REPA Project Management Services.

CONSULTATION (Internal/External)

Chief Executive Officer	Justin Hancock
Director Of Engineering	Peter See
Manager of Finance and Administration	Sharon Frank
Manager Governance & Compliance	Janelle Menzies
Procurement Officer	Kasey Davie
Project Manager Consultant (External)	Jamie Galloway

LEGAL IMPLICATIONS

NIL

POLICY AND LEGISLATION

Local Government Act 2009

Local Government Regulations 2012

Procurement Policy

FINANCIAL AND RESOURCE IMPLICATIONS

Activation of the DRFA allows for eligible expenditure to be reimbursed by QRA to activated state agencies and local governments, and for loans to be disbursed to eligible individuals, not-for-profit organisations, primary producers, and small businesses.

Subject to funding approval and finalisation, the estimated price for these services is expected to be over \$200,000 excluding GST and will be listed on Council’s Notice of Contracts Awarded/Contractual Arrangements worth \$200,000 or more.

RISK MANAGEMENT IMPLICATIONS

Council does not have the experience or knowledge to manage the rehabilitation project of South West Queensland Flooding, 6-23 January 2024. Appointing specialised project management will ensure the project is efficiently and effectively assessed through the establishment of phases and decision points designed to assure project alignment with strategy, resource utilization processes, budgets and schedules.

Risk assessment was conducted in the planning stages of the tender process as seen below-

Risk Name & Description <i>What could happen and why?</i>	Current Controls <i>Are there current controls for the risk</i>	Impacts <i>Impact if the risk eventuates</i>	Risk Assessment			Risk Treatment <i>Depending on risk rating - additional controls / mitigation strategy to be implemented (to reduce risk rating)</i>
			Likelihood	Consequence	Risk Rating	
			<i>Refer to risk calculator provided below for measures</i>			
Undertaking works not funded by QRA	Ineligible expenditure works maybe undertaken but not funded by QRA	Additional Expenditure not budgeted for	Possible	Minor	Medium	Ensure funding budgets for additional works is allowed for in budget.
Delays in delivering project	Funding is provided by QRA	Delays in delivering this project has resulted in weather events could extent the length of the contract	Possible	Insignificant	Low	Funding from QRA is based on expenditure on the program.
Conflicts of Interest	Declarations of Conflicts of Interest	When assessing conflicts of interest there is 3 main types of conflict:	Possible	Minor	Medium	Any parties involved in the decision making or discussion leading into the decision making where a conflict

		Actual, Perceived and Potential. The inappropriate handling of conflicts of interest can cause reputational, financial, legal and loss of public trust.				exists should declare their interest. Relationships may have already been developed with consulting firms.
Procurement or contract failure	Inadequate procurement and contract management policies	Failure in Delivery of planned project	Rare	Insignificant	Low	Council has developed and implemented robust tender processes.
Drought	Inadequate water available to undertake works	Lack of available water could impact upon the ability to undertake restoration works.	Possible	Moderate	High	Delivery of works undertaken in a timely manner to ensure water sources are available.
Delays in funding announcement	Lodgement of timely applications to ensure Council's programs are prioritised	Delays in funding announcements can result in works not being undertaken for extended period of time to restore the roads.	Possible	Minor	Medium	This engagement will ensure applications are lodged in a timely manner to progress restoration works.
Supplier Availability	The availability of suitably qualified contractors to undertake the works	Due to the current large amount of disaster events throughout the state, the availability of resources may be stretch, resulting in contractors being unavailable to undertake the work.	Possible	Moderate	High	Council do not have the internal resources available to undertake the project management of QRA REPA works. An open market tender is to be released to invite tenderers to provide this service.

6 LATE ITEMS