



# ADDENDUM AGENDA

FOR THE

ORDINARY MEETING  
OF COUNCIL

TO BE HELD ON

TUESDAY, 22 MAY 2012

PLEASE READ THE FOLLOWING DISCLAIMER BEFORE PROCEEDING

Members of the public are cautioned against taking any action on Council decisions, on items in this Agenda in which they may have an interest, until such time as they have been advised in writing by Council staff.

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### ORDINARY COUNCIL MEETING 22 MAY 2012

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## 1. SUPPLEMENTARY REPORTS

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### B.433.1

**Subject:** Cleaning Contract for Shire Buildings and Facilities  
**Reporting Officer:** Chief Executive Officer  
**File Reference:** FM.TE  
**Date Prepared:** 18 May 2012  
**Voting Requirements:** Simple Majority

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#### **Report Purpose:**

To seek Council's determination in respect of the 3 year Shire facilities cleaning contract from 2012 - 2015.

#### **Officers Recommendation:**

That Council resolves to accept the following tenders for the 2012 - 2015 cleaning contract for Shire buildings and facilities:

1. Section A – C to Delron Cleaning, Geraldton
2. Section D (South Beach ablutions) to 'the Little Starfish'.

This is subject to the following conditions:

- Should a facility be closed during the contract period, the contractor is not entitled to issue an invoice for work not carried out; and
- Any additional cleaning needed, ie over Easter, Christmas and festivals, is negotiated on a needs basis and the hourly rate applies as submitted in the tender offer.

#### **Body/Background:**

Following publication of the agenda for the ordinary meeting of Council to be held on 22 May 2012, it became apparent that the report of the Manager Community Development dated 10 May 2012 concerning Council's cleaning contract for a three year period from 1 July 2012 (Item B.433 refers) included a computational error within the tender pricing table as outlined under the report's 'Financial Implications' section.

The error saw the total tender pricing of Delron reduced by \$9,547.74 (being Delron's tender price for the South Beach public conveniences) to \$88,539.08 as staff are recommending that this work be awarded to 'The Little Starfish') however no such reduction was applied to the tender from Henderson Clean. Inadvertently, this error may indicate that the price differential between the tenderers was greater than it should.

The Shire's senior officers regret and apologise for this error and, in the interests of accuracy and clarity, the tender pricing table is now re-presented, on the following page, in its corrected form.

Property	Delron Cleaning	Seabreeze Cleaning & Maintenance	Henderson Clean	The Little Starfish
Main Office	\$16,689.23	\$23,166.00	\$16,632.99	
Council Chamber	\$2,291.01	\$1,930.00	\$3,696.22	
Dongara Public Library	\$9,951.75	\$15,444.00	\$16,632.99	
Works Depot	\$4,493.40	\$5,148.00	\$1,848.11	
Dongara Town Park – Public Conveniences	\$9,547.74	\$18,018.00	\$12,966.45	
Dongara Memorial Park – Public Conveniences	\$5,517.75	\$12,870.00	\$7,392.44	
Dongara Hall and Public Conveniences	As Required	As Required	Depending on use	
Dongara Pavilion and Public Conveniences	\$8,709.60	\$10,296.00	\$7,392.44	
Seaspray – Public Conveniences	\$9,547.74	\$7,722.00	\$3,696.22	
Port Denison Foreshore and Harbour Facilities	\$21,790.87	N/A	\$18,481.10	
South Beach – Public Conveniences	\$9,547.74	N/A	\$12,936.77	\$5,992.80
<b>Total</b>	\$98,086.83	\$94,594.00 (excl. Denison Foreshore & South Beach)	\$101,675.72	N/A
Hourly Rate (CPI adjusted at the end of each financial year)	\$41.00	\$49.50	\$34.87	\$32.92
Offering Fixed Price	Yes	Yes	Yes	Yes

**Officers Comment:**

As described in the report of the Manager Community Development, the tender documents have been evaluated in accordance with the tender document and Council's 'Localised Purchasing' Policy.

By taking this assessment and the correction of the report's computational error, it is suggested that Delron has still submitted the most complete and competitive tender for Council consideration.

It is also noted, that as the Shire's existing contract cleaners Shire staff have been extremely pleased with the professionalism, courtesy and prompt response of Delron's locally-employed staff.

On this basis, it is recommended that Council accept Delron's offer for sections A – C

For section D, South Beach ablutions, the 'Little Starfish' submitted the most competitive tender. Christine and Paul Taylor have cleaned this facility for the last 5 years to the satisfaction of officers and the public. It is therefore recommended to offer this part of the contract to the proprietors of the 'Little Starfish'.

**Financial Implications:**

The successful tender will be included in the 2012/13 budget provisions.

**Statutory Environment:**

Local Government (Functions and General) Regulations 1996

**Policy Implications:**

Local Purchasing - Policy A5 – a copy has been provided on the following page.

It is suggested that Council does not need to utilise Policy A5 as all tenderers can be considered locally-based businesses as all can demonstrate significant local content through employment of local employees.

<b>LOCALISED PURCHASING</b>	<b>POLICY A5</b>
<b>Purpose</b>	To ensure that Local Suppliers have every opportunity to provide goods and services for purchase by Council.
<b>Policy</b>	<p>The Council, in determining tenders for goods and services, and the staff in undertaking all other Council purchases (those purchases not requiring a tender in accordance with the Local Government functions and General Regulations) shall apply a regional price preference based on:</p> <ol style="list-style-type: none"> <li>(1) The price preference offered to suppliers within the Shire and/or Mid West Region can be up to 5% of the value of goods and services. The maximum value of the price preference cannot exceed \$10,000.</li> <li>(2) The price preference is to be applied to businesses within the Shire and/or Mid West Region, who have operated continuously for not less than six months.</li> <li>(3) The price preference is applicable in the first instance to businesses who are based in and operate within the Shire of Irwin. If no suppliers are based within the Shire of Irwin then the price preference applies to those businesses who are based in and operate within the Mid West Region.</li> <li>(4) The price preference may be applied to businesses operating from outside the Shire, but only on goods and services sourced from within the Shire.</li> <li>(5) The onus will be on the supplier to quantify any local content component.</li> <li>(6) The price preference will only apply to goods over the value of \$1,000.</li> </ol> <p>Guidelines:</p> <ol style="list-style-type: none"> <li>(1) In the purchase of non-tendered goods and services the responsible officer shall make all effort within reason to ensure businesses operating within the Shire of Irwin are provided with the opportunity to quote.</li> </ol>
<p><b><i>Date of Adoption – 15 September 1992 : Amendment – 24 August 1999</i></b></p> <p><b><i>Amendment – 28 April 2009</i></b></p>	