

11.6 Exemption from Tender - Red Hill Cottage

REPORT BY THE DIRECTOR COMMUNITY
TO 17 AUGUST 2022 ORDINARY MEETING
GOV400098, FIN300306

RECOMMENDATION

That Council:

1. **receive the report by the Director Community on the Exemption from Tender - Red Hill Cottage;**
2. **approve an exemption from tender, in accordance with section 55 (3) (i) of the Local Government Act 1993, for the restoration of the miners cottage at Red Hill, noting that due to the unavailability of competitive or reliable tenderers, a satisfactory result would not be achieved by inviting tenders;**
3. **note the reasons why a satisfactory outcome would not be achieved by inviting tenders are:**
 - a) **the market has already been tested appropriately, via public marketplace on VendorPanel – 91 suppliers selected with 0 responses received at time of the closing; and**
 - b) **the same organisations would be targeted if we had tendered (via VendorPanel) so there is no benefit in readvertising as a tender;**
4. **accept the quote from Phillip Fuller Builder for \$xxxxxx.xx for the renovation and restoration of the Red Hill Cottage; and**
5. **delegate authority to the Director Community to finalise the contract and approve variations to the finalised contract sum not exceeding the budget provided by Council.**

Executive summary

The Gulgong Gold Experience at Red Hill in Gulgong is operated by the Red Hill Committee and maintained by Mid-Western Regional Council.

The grant funded restoration of the miners cottage will become the official entry to the Gulgong Gold Experience and will include a visitor information centre and tea room as well as the provision of amenities for the visiting public.

A request for quote was sent out to 91 suppliers with 0 responses received.

This report seeks exemption from tender for the renovation and restoration of the Red Hill Cottage as the RFQ has identified all potential tenderers.

Disclosure of Interest

Nil

Detailed report

Council sought quotes on 24 May 2022 for the renovation and extension of the miner's cottage, ensuring that all works are consistent to the heritage time period. 91 suppliers were contacted through the VendorPanel procurement process.

Renovations are to include the internal demolition of walls, verandah, bathroom, kitchen and laundry, replacement of windows, internal lining boards, sub floor/piers and strip flooring, replacement of kitchen and verandah area, completion of a new toilet area and internal and external painting.

The request for quote closed on 22 June 2022 with no responses received. Subsequently, three quotes were received by approaching contractors directly. It is noted that due to the nature of the renovation and the heritage aspect of the building, the full extent of the work required is unknown until a contractor commences.

Section 55(3)(i) of the Local Government Act provides for Council to resolve in providing an exemption from tender for a contract where, because of extenuating circumstances, remoteness of locality or the unavailability of competitive or reliable tenderers, a council decides by resolution (which states the reasons for the decision) that a satisfactory result would not be achieved by inviting tenders.

This request for exemption is based on the fact that we have already gone to market to all potential applicants and going to tender will not provide any further information.

Quotes for an hourly rate have been directly requested from 3 suppliers with one supplier not being on VendorPanel.

Community Plan implications

Theme	Looking After Our Community
Goal	Vibrant towns and villages
Strategy	Respect and enhance the historic character of our Region and heritage value of our towns

Strategic implications

Council Strategies

Community Plan

Council Policies

Procurement Policy

Legislation

Local Government Act 1993

Financial implications

There are no financial implications at this time as this project is grant funded by the Australian Government Building Better Regions Fund for \$150,000 ex of GST with additional funds provided by Council.

Associated Risks

Council will not be able to deliver the restoration of the Red Hill Cottage due to the unavailability of contractors.

SIMON JONES
DIRECTOR COMMUNITY

15 July 2022

Attachments: 1. Red Hill Cottage Quote 1. (Confidential - separately attached)
2. Red Hill Cottage Quote 2. (Confidential - separately attached)
3. Red Hill Cottage Quote 3. (Confidential - separately attached)

APPROVED FOR SUBMISSION:

BRAD CAM
GENERAL MANAGER