



*City of*  
**Norwood  
Payneham  
& St Peters**

# **MINUTES**

OF THE

**SPECIAL MEETING OF COUNCIL**

HELD ON

**WEDNESDAY 24 FEBRUARY 2010**

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**VENUE** : Council Chambers, Norwood Town Hall

**HOUR** :

**PRESENT**

**Council Members:** Mayor Robert Bria  
Cr Isaac Pasalidis  
Cr John Frogley  
Cr Carlo Dottore  
Cr Kevin Duke  
Cr Lucy Marcuccitti  
Cr Connie Granozio  
Cr Lance Manser  
Cr Sue Whittington  
Cr Paul Wormald  
Cr John Minney  
Cr Scott Sims  
Cr Garry Knoblauch  
Cr Mike Stock

**Staff:** Mario Barone (Chief Executive Officer)  
Peter Perilli (General Manager, Urban Services)  
Gary Button (General Manager, Corporate Services)  
Lisa Mara (Manager, Governance & Civic Affairs)  
Sam Dilena (Senior Projects Engineer)

**APOLOGIES** : Cr Evonne Moore, Cr Barbara Erichsdotter

**ABSENT** : Nil

**1. CONFIRMATION OF THE MINUTES OF THE COUNCIL MEETING HELD ON 1 FEBRUARY 2010**

*Cr Pasalidis moved that the minutes of the Council meeting held on 1 February 2010 be taken as read and confirmed. Seconded by Cr Sims and carried.*

**2. STAFF REPORTS**

## 2.1 TENDERING AND PURCHASING – DUNSTONE GROVE/LINDE RESERVE MASTER PLAN

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**REPORT AUTHOR:** Chief Executive Officer  
**GENERAL MANAGER:** Not Applicable  
**CONTACT NUMBER:** 83664539  
**FILE REFERENCE:** S/1674  
**ATTACHMENTS:** A

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### PURPOSE OF REPORT

The purpose of this report is to seek the Council's approval of various arrangements for tendering and purchasing associated with the implementation of the Dunstone Grove/Linde Reserve Master Plan.

### BACKGROUND

As Elected Members are aware, the Council has endorsed the Dunstone Grove/Linde Reserve Master Plan and its implementation is in progress.

At the same time, the Council has received funding from the Federal Government as part of the Economic Stimulus Package . The funding arrangements set out timeframes within which the project must be implemented.

In order to meet these timeframes and at the same time comply with the various statutory and probity requirements, a review of any possible impediments has been undertaken, with a view to determining whether processes can be streamlined whilst still achieving statutory compliance.

### DISCUSSION

The major process issue involved with the Dunstone Grove/Linde Reserve component of the Project, is the tendering and purchasing arrangements.

The Council has adopted a Tenders and Contracts Policy which is followed when procuring goods and services. This Policy will be followed in respect to the Dunstone Grove/Linde Reserve Redevelopment, however, some amendments in respect to tendering and delegations are recommended.

In respect to procurement (ie. the engagement of consultants and contractors and the purchasing of goods), the Tenders & Contracts Policy provides the following process:

<b>Range</b>	<b>Purchasing Process</b>
(i) less than \$3,000	direct purchase from a particular supplier may be made for any item, project or service.
(ii) \$3,000 - \$10,000	at least three (3) verbal quotations to be negotiated and recorded in writing by the person procuring the product or service.
(iii) \$10,000 - \$50,000	at least 3 written quotations required (a written request for quotation is issued by purchaser).
(iv) greater than \$50,000	Tenders (or formal expressions of interest are to be called.

The process outlined above, dovetails with the Council's delegations to staff, which provides that in respect to procurement (ie. engagement of consultants or contractors and purchase of goods) below \$250,000, the Chief Executive Officer has been delegated the authority to approve purchases and/or award contracts. Purchases above this limit (ie. \$250,000) are referred to the Council for approval.

Given the timeframes within which this project must be completed, it is recommended that the delegations be amended so that the Chief Executive Officer has the authority to approve purchases above \$250,000 specifically for the Dunstone Grove/Linde Reserve project.

In respect to the tendering process itself, the Tenders & Contracts Policy provides that Open Tenders will be called for the procurement of goods and services above \$100,000 and Selective Tender for purchases above \$50,000 and below \$100,000.

The Open Tender process has the propensity to lengthen the procurement process and does not necessarily result in better outcomes in terms of price or quality.

In respect to the timeframes for the Dunstone Grove/Linde Reserve Redevelopment, discussions with the potential design consultants has determined that a Selective Tender process would be the most appropriate procurement method. To this end, tenders would be sought from nominated suitably qualified and experienced contractors, based upon the experience and quality of the organisations and tenders would be based upon a 70% design completion package.. This will allow contractors to commence earlier than normal through a tender process (either Open or Selective) and prior to final design and documentation being completed. The design consultant would then work with the approved contractor to finalise the remaining design details. At the same time, to ensure best value, tenders would be scrutinised to ensure that prices are within expected limits.

The design process which is intended to be put in place by the design consultants which have been interviewed, will include the packaging of components such as civil works (ie. creek works, construction of carparking, etc.) and landscaping etc. This process dovetailed with a selective Tender Process will ensure that the Council meets the timeframes and achieves fair price and quality in its procurement for goods and services.

#### **RELEVANT STRATEGIC DIRECTIONS & POLICIES**

A copy of the Tenders and Contracts Policy is contained in **Attachment A**.

#### **FINANCIAL AND BUDGET IMPLICATIONS**

Not applicable.

#### **EXTERNAL ECONOMIC IMPLICATIONS**

Not applicable.

#### **SOCIAL ISSUES**

Not applicable.

#### **CULTURAL ISSUES**

Not applicable.

#### **ENVIRONMENTAL ISSUES**

Not applicable.

#### **RESOURCE ISSUES**

Not applicable.

#### **RISK MANAGEMENT**

Compliance with the Council's Policy and statutory requirements is fundamental. Whilst this project can be accelerated to meet the relevant timeframes, specific delegations and authorities specific to this Project must be put in place to ensure statutory compliance.

## CONSULTATION

- **Elected Members**  
Not applicable.
- **Community**  
Not applicable.
- **Staff**  
Not applicable.
- **Other Agencies**  
Not applicable.

## OPTIONS

The Council can choose to adopt the recommended procedures and delegations, or it can choose to adopt another strategy. The recommended strategy will, however, achieve the Council's requirements in respect to the delivery of this Project.

## CONCLUSION

Nil

## COMMENTS

The real challenge of this Project, is weighing up the need to deliver a considerably complex project in a timely fashion to the community, without compromising the principles of probity, best value, etc and without weighing down the organisation with layers of unnecessary administrative arrangements. A careful balance of good management, appropriate policy and good procedure, should deliver the project in an appropriate and acceptable manner. In respect to this project, the current process would result in a substantial number of reports being prepared and this is not a good use of scarce resources. In order to provide a feedback loop, it is proposed that an update on the value and successful tenderers on this Project, where tenders have been called and a decision made under delegation, will be provided to the Council.

## RECOMMENDATION

1. That pursuant to Section 44 of the Local Government Act 1999, the Chief Executive Officer be delegated the power to assess tenders and award contracts of any value associated with the Dunstone Grove/Linde Reserve Master Plan Project.
2. That in respect to the Dunstone Grove/Linde Reserve Master Plan Project, the procurement of all goods and services above \$50,000 be undertaken on a Selective Tender basis as determined through consultation with the appointed design consultants.
3. That information on the tenders and contracts which have been awarded through the use of delegated authority, as set out in Part 1 above, in respect to the Dunstone Grove/Linde Reserve Master Plan Project, be provided to the Council on a quarterly basis.

Cr Sims moved:

1. *That pursuant to Section 44 of the Local Government Act 1999, the Chief Executive Officer be delegated the power to assess tenders and award contracts of any value associated with the Dunstone Grove/Linde Reserve Master Plan Project.*
2. *That in respect to the Dunstone Grove/Linde Reserve Master Plan Project, the procurement of all goods and services above \$50,000 be undertaken on a Selective Tender basis as determined through consultation with the appointed design consultants.*
3. *That information on the tenders and contracts which have been awarded through the use of delegated authority, as set out in Part 1 above, in respect to the Dunstone Grove/Linde Reserve Master Plan Project, be provided to the Council on a quarterly basis.*

Seconded by Cr Dottore.

#### Amendment

Cr Frogley moved:

1. *That pursuant to Section 44 of the Local Government Act 1999, the Chief Executive Officer be delegated the power to assess tenders and award contracts of any value associated with the Dunstone Grove/Linde Reserve Master Plan Project.*
2. *That in respect to the Dunstone Grove/Linde Reserve Master Plan Project, the procurement of all goods and services above \$50,000 be undertaken on a Selective Tender basis as determined through consultation with the appointed design consultants.*
3. *That information on the tenders and contracts which have been awarded through the use of delegated authority, as set out in Part 1 above, in respect to the Dunstone Grove/Linde Reserve Master Plan Project, be provided to the Council on a monthly basis.*

Seconded by Cr Duke.

*The amendment was put and carried and on becoming the motion was again put and carried.*

**3. CONFIDENTIAL REPORTS**

### 3.1 DUNSTONE GROVE / LINDE RESERVE REDEVELOPMENT CONSULTANCY SERVICES

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**REPORT AUTHOR:** Assets & Special Projects Manager  
**GENERAL MANAGER:** Urban Services  
**CONTACT NUMBER:** 8366 4586  
**FILE REFERENCE:** S/01674 TE.2010.001  
**ATTACHMENTS:** A

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#### RECOMMENDATION 1

That pursuant to Section 90(2) and (3) of the Local Government Act, 1999 the Council orders that the public, with the exception of the Council staff present, be excluded from the meeting on the basis that the Council will receive, discuss and consider:

(k) tenders for the supply of goods, the provision of services or the carrying out of works;

and the Council is satisfied that, the principle that the meeting should be conducted in a place open to the public, has been outweighed by the need to keep the receipt/discussion/consideration of the information confidential.

#### RECOMMENDATION 2

Under Section 91(7) and (9) of the Local Government Act 1999 the Council orders that the report and discussion be kept confidential for a period not exceeding 12 months, after which time the order will be reviewed.

Under Section 91(7) and (9) of the Local Government Act 1999 the Council orders that the minutes be kept confidential until the contract has been entered into by all parties to the contract.

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*Cr Manser moved:*

*That pursuant to Section 90(2) and (3) of the Local Government Act, 1999 the Council orders that the public, with the exception of the Council staff present [Chief Executive Officer, General Manager, Urban Services, General Manager, Corporate Services, Manager, Governance & Civic Affairs and Senior Projects Engineer], be excluded from the meeting on the basis that the Council will receive, discuss and consider:*

*(k) tenders for the supply of goods, the provision of services or the carrying out of works;*

*and the Council is satisfied that, the principle that the meeting should be conducted in a place open to the public, has been outweighed by the need to keep the receipt/discussion/consideration of the information confidential.*

*Seconded by Cr Pasalidis and carried.*

*Cr Dottore moved:*

*Under Section 91(7) and (9) of the Local Government Act 1999 the Council orders that the report and discussion be kept confidential for a period not exceeding 12 months, after which time the order will be reviewed.*

*Under Section 91(7) and (9) of the Local Government Act 1999 the Council orders that the minutes be kept confidential until the contract has been entered into by all parties to the contract.*

*Seconded by Cr Frogley and carried.*

**4. CLOSURE**

There being no further business, the Mayor declared the meeting closed at 8.54pm.

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**Mayor Robert Bria**

Minutes Confirmed on \_\_\_\_\_  
(date)