

Information Session FAQs

Main Roads in-house delivery of road maintenance and some minor capital works

Throughout July, information sessions were held across the Wheatbelt and Mid-West Gascoyne Regions*, as they prepare to transition to the new model in October and November 2022.

The following questions were raised at the various information sessions and are provided as additional information for interested contractors and local suppliers.

*Information sessions will be held in each of the remaining regions (Perth Metropolitan area, South West, Great Southern, Goldfields Esperance, Pilbara and Kimberley) as their transition date approaches.

Will Main Roads' regional boundaries remain the same and will Contractors have to work across boundaries?

Yes, all regional boundaries will remain the same and all regions will be moving to the new in-house delivery model, including the Perth Metropolitan area.

This means Main Roads will directly deliver maintenance and some minor work across Western Australia and interested contractors and local suppliers will be required to work with respective regional offices.

Will we need to do inductions prior to entering work sites?

It is likely that all new contractors will need to be inducted when they arrive on site however, these processes are still being finalised.

If we're not already contracted to Main Roads and are interested, where can we send a list of the services we offer, and rates?

If you are interested in contracting to Main Roads under this new model, please email your local regional office: Wheatbelt > <u>wheatbelt@mainroads.wa.gov.au</u> Mid-West Gascoyne ><u>mwgreg@mainroads.wa.gov.au</u>

Will preference be given to existing Network Contractors' suppliers and contractors?

Main Roads is establishing its own supply chain in each region across Western Australia to support the new operating model. While preference will be given to Aboriginal and local suppliers (in accordance with Government policy), all suppliers will have equal opportunity.

Will longer term work be tendered?

The deciding factor for work to be tendered is the size, value and complexity of the work. In most cases, the respective regional office will decide how work packages are to be broken down, and therefore, what procurement process will be required.

What about variations?

Variations to work being undertaken are a common part of the contract delivery process, and there are internal approvals that Main Roads needs to follow if there is a variation to a contract.

Is there a cut off where Main Roads will manage a project or go to the Statewide Panel Contract? Yes, \$5 million.

Can Main Roads specify a contractor for Third Party Inspections?

Main Roads can specify that the contractor needs to use a NATA accredited lab and, while nominating a subcontractor is possible, it is rarely used due to contract administration challenges.

What are the procurement rules for emergency works?

All emergency works can be undertaken outside of the public procurement process (ie standard procurement rules for emergency works do not apply).

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How much minor capital work will be tendered to the current network contractor?

In the Wheatbelt and Mid-West Gascoyne regions, some minor capital work for 2022-2023 will be given to the existing network contractors. From the 2023 financial year onwards, minor capital work will either be self-delivered or tendered through the Statewide Road Construction Panel.

How can we get involved in capital works that are over \$250,000?

Each of our regional offices can provide a list of suppliers and sub-contractors to large contractors tendering for major projects for their information. However, the choice of suppliers and sub-contractors remains with individual tenderers.

Can Local Governments use Main Roads' panel contracts?

No.

If there's a political change in future, will the rural contract arrangement be put in place again?

The analysis and research undertaken prior to this model being implemented indicates that it is far more cost effective for Main Roads to manage this type of work.

Will there be further information sessions?

Information sessions will be held in each of the remaining regions (Perth Metropolitan Area, South West, Great Southern, Goldfields Esperance, Pilbara and Kimberley) as their transition date approaches.

We are also investigating options for an online session, later this year.

What will payment terms for Contractor Services be?

Payment terms are no later than 20 days after receipt of invoice, but alternate timeframes are negotiable.

Will Main Roads accept progress payments on purchase orders for larger projects? Yes.

How will staff be paid?

Please refer to <u>this document</u> for information on pay for Main Roads employees.

Will people who live in the region be preferred suppliers?

The Buy Local Policy requires Regions to explore local capability first. There are also price preferences in the tender process that businesses within the region can claim. Similarly, preference will be given to local Aboriginal businesses (in accordance with Government policy).

Will Main Roads be seeking input regarding the use of local contractors for projects/jobs, from the local people, when this model goes live?

Yes, this model lets Main Roads take ownership of maintenance which will result in the use of local contractors.

Main Roads is committed to supporting business operators and rural towns/communities in each Region and watching them grow for the future.

If local content is based on using local and Aboriginal businesses, are there penalties for not using local contractors in a tender response?

There are no penalties for not nominating local contractors in a tender response. However, there are price preferences granted to tenderers who do nominate local businesses in their tender. Tenderers that do not nominate local businesses risk not being price competitive. There may be penalties if a tenderer nominates local or Aboriginal businesses but, does not use the nominated businesses during the contract.

In towns where the Aboriginal population is not very big, will Contractors be overlooked if they cannot meet the Aboriginal business requirements?

No. Main Roads is aware that each town and region varies in this regard. While each region will have their own separate target, no contractor will be excluded provided the procurement system demonstrates value for money.

Will Main Roads be leasing plant and, what plant and equipment will construction crews have?

Yes, Main Roads will be leasing plant in each Region. However, plant and equipment requirements are yet to be finalised.

Will Main Roads have side trippers, water carts etc?

No, these larger items will be procured under either a Statewide or Regional Panel Contract for the Provision of Plant & Equipment Hire Services.

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Will you be requiring Tier 4 Machine equipment (emission control)?

This has not yet been determined but is considered likely in the future.

Is Main Roads interested in services to plant seedlings?

Yes, all vegetation work currently being delivered under the existing maintenance contracts will be required.

Is Main Roads interested in knowing about raw material sources?

Yes, any information around raw material sources, including water and gravel, can be provided to your local regional office. It is noted however, that gravel is purchased on a prescribed rate.

What are the housing requirements in the Wheatbelt?

Housing requirements for each region are still being finalised, however Main Roads is currently procuring two homes in both Northam and Narrogin.

Does Main Roads supply accommodation to contractors if they're awarded a contract?

Main Roads cannot supply housing to Contractors under the *Government Employee Housing Act*. However, the Contractor's housing costs could be considered as a contract reimbursement or overhead.

Main Roads used to have a number of depots in the Gascoyne Region which were used as accommodation, with a donga set up. Has Main Roads given any consideration to establishing accommodation again in the depots?

There are a number of depots throughout Western Australia with temporary accommodation. The need for these is determined by each Region, depending on frequency of use and availability of accommodation nearby (ie if accommodation is readily available in the town, we generally wouldn't put accommodation in the depot).

If you tender for a \$20,000 contract but accommodation is going to put you out of pocket for the same amount \$20,000 what's the point?

Work valued at \$20,000 would be awarded under a single quote and issue of a purchase order. In some instances, it would be a credit card purchase. It is unlikely that Main Roads would have work of this value that would require accommodation.

Geraldton > You mentioned under the new model that you will have two, four-man construction worker crews. Will you be using your own equipment?

Main Roads will own a small amount of plant items as part of the in-house delivery arrangements. However, there will still be a need to hire (wet and dry) larger items of plant and some minor equipment/machinery.

Carnarvon > The presentation in Carnarvon noted that 30 people will be transitioned to Main Roads from the current network contract in the Mid-West Gascoyne Region, how many of that 30 is based in Carnarvon?

Initially there will be 10 transitioning in Carnarvon along with a new four-man civil construction crew.

Have any of the 10 contractors in Carnarvon not expressed their interest to transition across?

To date, only nine in Carnarvon have expressed their interest to transition to Main Roads.

Exmouth > Will Main Roads have a depot in Exmouth with personnel based here for better incident response during cyclone season?

There are no current plans to have a depot in Exmouth or personnel permanently based in Exmouth.

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