**Issues with Densol Tender**

1. Missing scope

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | 5.6 | Cast In-Situ Concrete Traffic Barrier including Scabbling, Form and Finish Concrete | m3 | 97 |  | $0.00 |  |  |  |
|  | 7 | Install Bondek 1.0 BMTon Footway | m2 | 658 |  |  |  |  |  |
|  | 5.1.2 | Deck slab - Allow Bracket & Walkway along both sides of bridge | M | 660 | $ 500.00 | $330,000.00 |  |  |  |

1. Incorrect quantities

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| 2.4.1 | Pier Headstocks - P3 to P9 - Wet | m3 | 435 (123 incorrect) |  | $0.00 |
| 5.2.2 | Blow out before pouring concrete - Deck Slab | m2 | 1,200 (2,200 incorrect) |  | $0.00 |

1. High Rate

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| 3.1 | Abutment Headstocks | t | 21.8 | $ 1,557.38  (4356.76 high rate) | $0.00 |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| 5.5 | Stitch Pour for Concrete Barrier including Scabbling, Form & Finishing Concrete | m3 | 35 | $ 1,989.21  (454.78 – Low rate) | $0.00 |

1. Low Rate

**Subcontractor Recommendation**

There are several things we need to consider and be cautious of when reviewing tenders. These include:

* **Missing scope-** some subcontractor tenders will have missing scope of works in their tenders and can give an illusion of cheaper price.
* **High rate –** some subcontractors will provide a higher rate than others to earn more profit.Rates need to be compared with other subcontractors to consider the best average rate
* **Low rate –** if a rate provided by a subcontractor is incredibly low then there is an issue, we need to be aware of. When a subcontractor provides a low rate it generally is because they have priced an incorrect quantity. It can also be that they are supplying lower or out of specification materials.
* **Inclusions –** inclusions need to be carefully examined so we can compare the subcontractor rates accurately. Subcontractors may include different items in the scope of works to the original price.
* **Exclusions –** exclusions must be noted as these will need to be added in the subcontractor total sum.The total price of the subcontractor may seem cheaper than others initially which can mislead to inaccurate decision making.
* **Incorrect quantities-** if a subcontractor has priced an incorrect quantity of the scope of works then this may lead to either a higher or lower total price. Subcontractor tender quantities should reflect the original procurement quantities provided by the contractor.

After considering inclusions, exclusions, scope of works, quantities and other relevant factors, Robemen represents the best selection out of the other subcontractors.

Robeman are not charging for the following items in their tender

* Blow out before pouring concrete - Deck Slab
* Finish & Cure Deck Slab

They are excluding the following item

* Deck slab - Allow Bracket & Walkway along both sides of bridge

The total cost for Robemen’s tender comes down to **$3,473,950.29** and if we add the exclusion at an average price of **$398,654.98** the total will be **$3,872,605.27**. This comes down to be the cheapest price. Robemen have not missed out on any scope of works and they have priced the original procurement quantities with reasonable rates. Lamlian have overpriced a fair amount of the scope and so has Cordem, both of their totals can be seen in the subcontractor comparison spreadsheet. Densol have the above listed issues with their tender, therefore it does not represent best selection.

You can review the completed comparison sheet provided to further examine each subcontractor tender.