

## 1.2 OAKLEIGH RECREATION CENTRE – CONTRACT FOR SUPPLY OF GYMNASIUM EQUIPMENT

(ND: CF2008175)

Responsible Acting Director: Geoff Loftus

### **RECOMMENDATION**

*That Council:*

- 1. Award part one of Contract No. 2008175, the provision of cardio equipment on a 48-month operational lease to The Fitness Generation Pty Ltd for the amount of \$4288.23 per month (GST inc).*
- 2. Award part two of Contract No. 2008175, the provision of resistance equipment on an 18-month operational lease to The Fitness Generation for the amount of \$1,100 per month (GST inc).*

### **INTRODUCTION**

The purpose of this report is to advise Council on the results of the Tender Evaluation process for the supply of gymnasium equipment to the Oakleigh Recreation Centre under Contract No. 2008175. The full Tender Evaluation Report (Attachment 1) has been circulated separately to all Councillors.

### **BACKGROUND**

A tender process was initiated to attract commercial contractors capable of providing quality gymnasium equipment and appropriate levels of service and equipment maintenance to meet both members' and Council's expectations.

### **DISCUSSION**

The contract is in two parts: a 48-month operational lease for cardio equipment and an 18-month operational lease for pin-loaded resistance equipment. Tenderers were given the option to tender for the provision for either or both parts.

The operational lease prices received for the cardio equipment ranged from \$3,231 to \$6,544 per month inclusive of the Goods and Services Tax.

The tender prices received for the operational lease for pin-loaded equipment ranged from \$1,100 to \$4,346 inclusive of the Goods and Services Tax.

The criteria used to evaluate the tenders were:

- i. price;
- ii. Occupational Health and Safety Management (OH&S) Systems;
- iii. design features of the equipment;
- iv. service and maintenance; and
- v. warranties.

The evaluation process was conducted in accordance with Council's Tendering Policy with weightings allocated to price and non-price criteria on a 60:40 basis respectively.

With the closing of the tender period on 9 May 2008, tenders were received from:

1. The Fitness Generation Pty Ltd
2. Life Fitness Pty Ltd
3. True Fitness Pty Ltd
4. Avanti Pty Ltd
5. HF Industries Pty Ltd
6. PBM Fitness Pty Ltd
7. International Fitness Ltd
8. Workout Workshop Ltd

Each submission was evaluated against the selection criteria on either a pass/fail or raw score basis for both part one and two of the Contract. The subsequent evaluation deemed some submissions non-conforming. As a result a full evaluation was undertaken only on the following remaining conforming submissions:

Cardio Equipment:

- The Fitness Generation Pty Ltd
- Life Fitness Pty Ltd
- HF Industries Pty Ltd
- PBM Fitness Pty Ltd

Pin Loaded Resistance Equipment:

- The Fitness Generation Pty Ltd
- Life Fitness Pty Ltd
- HF Industries Pty Ltd
- Avanti Pty Ltd
- True Fitness Pty Ltd

The tender submitted by the Fitness Generation for both the cardio and pin-loaded equipment requirements was the most competitive in comparison to the other tendered prices, The superior quality of the proposed cardio equipment saw it receive the best evaluation for design, functionality and features. Similarly, the proposed pin-loaded resistance equipment to be supplied was also evaluated as superior in quality and function. In overall terms this ranked The Fitness Generation's submission first for both parts of the tender.

The Fitness Generation also demonstrated a thorough understanding of the requirements of the specification and has a depth of relevant experience, with well documented examples of its procedures, checklists, and staff training manuals and OH&S systems.

The Fitness Generation is also known to Council as a reliable equipment and service provider.

***POLICY IMPLICATIONS***

There are no policy implications associated with this current invitation to tender process.

***FINANCIAL***

The provision of gymnasium equipment under the terms of this contract is within the Oakleigh Recreation Centre's 2008-2009 budget allocation for these operational leases.

***CONCLUSION***

The Fitness Generation Pty Ltd is recommended as the preferred contractor for both the provision of cardio equipment and pin-loaded resistance equipment for Contract No. 2008175.