4.2 TENDER FOR BUILDING AND SPORTS LIGHTING CONDITION ASSESSMENT
(CL CF2017068)

Ward: All

Responsible Director: Ossie Martinz

RECOMMENDATION

That Council:
1. Accepts the tender from GHD Pty Ltd for the provision of building and sportsground lighting condition assessment parts Part 1 for the lump sum of $450,000 including GST, and
2. Accepts the tender from Macutex Pty Ltd as Trustee for the Macutex Unit Trust trading as Macutex for the provision of building and sportsground lighting condition assessment Part 2 for the lump sum of $176,000 including GST, and
3. The anticipated total project expenditure of $614,714 (GST exclusive) for the services which includes Part 1 and Part 2 assessments and a contingency amount be noted.
4. Authorise the Chief Executive Officer to execute the contract agreements.

INTRODUCTION

The Monash Asset Management Policy provides a framework which connects asset strategies, asset management plans and service plans to Council’s long term financial plan. A critical part of each asset management plan is the four yearly cycle of assessing the condition of our assets.

The request for tender for Building & Sportsground Lighting Condition Assessment will gather information about these assets to enable officers to revise the current long term renewal and maintenance plans for Council’s facilities as detailed in the Facilities Asset Management Plan. This information will also be used by the service delivery areas of Council who operate out of these buildings to aid in the planning of service changes.

BACKGROUND

Council is seeking to appoint appropriately qualified and experienced contractors to undertake the Building & Sportsground Lighting Condition Assessment. Activities include: building component condition assessment, defect identification, disability access compliance audit, building construction code, asbestos condition assessment, building environmental performance assessment, sportsground lighting condition and aquatic facilities condition surveys. A number of these assessment components have been undertaken as separate projects previously but this tender provides for combining these for added efficiencies.
This project forms part of the Condition Assessment Program and development of the Facilities Asset Management Plan to provide necessary information to plan, implement and monitor the renewal and maintenance of the City of Monash building portfolio. A portfolio asset valued at $321 Million.

The expected benefits of this project for the building portfolio include:

- Measuring condition;
- Improved strategic long term planning for renewal and condition forecasting;
- Greater understanding of the building portfolio allowing informed decision making and benchmarking

The project deliverables to include:

PART 1 - (Work items A, B, C, D, F and G of the Tender Specification)

- an inventory of building components and surrounding assets;
- the physical condition of all building components;
- a digital imagery of major defects or hazards that pose a risk to occupants, the public or the facility with remedial recommendations and costs;
- a compliance audit for Council buildings with Building Code of Australia and disability accessibility standards with recommendations and costs to rectify;
- an environmental sustainability assessment of selected buildings to provide a gap analysis between current and desired environmental performance;
- an inventory and physical condition of sportsground light assets with remedial recommendations and costs; and
- an audit of the condition, safety and functionality of the aquatic pools and their immediate surrounds.

PART 2 - (Work item E of the Tender Specification)

- the asbestos register verified and updated to comply with Occupational Health and Safety Regulations. An asbestos audit is undertaken every 4 years in conjunction with the building condition assessments.

**CONTRACT PERIOD**

The tender specification specified the assessment to be completed within 13 weeks of contract commencement and by 30 June 2017.

**NOTIFICATION**

The tender was advertised in The Age newspaper on the 3rd December 2016. The closing date of the tender was 21st December 2016.

**TENDERS RECEIVED**

Five submissions were received by the appointed closing time. Tenders were received from:
- Calibre Consulting (Melb) Pty Ltd
- Macutex Pty Ltd
- CT Management Group Pty Ltd
- GHD Pty Ltd
- SMEC Australia Pty Ltd

**Basic Compliance Checklist:**

The submissions were subjected to a basic compliance test. This test ensured that the submitted tenders complied with the basic requirements of tendering. Two of the submissions were nonconforming, however the issues raised are minor and could be resolved if they were successful. All tenders were considered to meet basic compliance requirements.

**TENDER EVALUATION**

**Evaluation Panel:**

The evaluation panel consisted of:

- Chris Lo Piccolo  Manager Strategic Asset Management
- Peter Bain  Coordinator Strategic Asset Management
- Ian Marsh  Team Leader Asset Data Management
- Mick Ross  Manager, Strategic Procurement
- Derek Naylor  Independent

**Evaluation Criteria:**

Each tender was assessed according to the following criteria listed in the tender documentation:

- OH&S Compliance
- Conforming tender

The above being a simple pass or fail and a weighted score assessment on the following items:

<table>
<thead>
<tr>
<th>Evaluation Criteria</th>
<th>Weighting %</th>
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<tbody>
<tr>
<td>Tender Price</td>
<td>60%</td>
</tr>
<tr>
<td>Relevant experience</td>
<td>10%</td>
</tr>
<tr>
<td>Methodology meets specifications</td>
<td>10%</td>
</tr>
<tr>
<td>Data analysis and reporting capability</td>
<td>6%</td>
</tr>
<tr>
<td>Resources and management capability</td>
<td>6%</td>
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<tr>
<td>Ability to complete in the timeframe</td>
<td>8%</td>
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</tbody>
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*The detailed evaluation spreadsheets are provided in the confidential attachment*

All tenders submitted except one were determined to be conforming. All tenderers were able to show that they were able to meet the OH&S requirements for this project.
An initial review was made of the tenders received on price with a wide range of pricing tendered:

- For Part 1, the price on conforming tenders ranged between $450,000 and $1,992,000; and
- For Part 2, the price on conforming tenders ranged between $176,000 and 1,213,000

**Evaluation:**

The project has two logical parts or groupings of the work items presented in the specification based on efficiencies in conducting the activities concurrently. Part 1 consists of a physical check of the condition of each building and facility and compliance to current standards including disability access standards. Sports lighting poles and aquatic pools are included in this Part. Part 2 consists of the asbestos audit which is a specialist service to be conducted as a separate activity to meet compliance requirements.

Two tenderers provided prices for Part 1 within 10% of each other and were subsequently interviewed to better understand their submissions in detail including the technologies to be used and their proposed methodologies in conducting the audits. Minimising disruption to facility users during the audit was a major consideration and each tenderer was reviewed in this area.

GHD Pty Ltd obtained the highest score for Part 1 and are the preferred contractor. GHD Pty Ltd are highly regarded in the field of asset management and have extensive experience performing similar projects in a Council environment and across other levels of government and private industry. Their work methodology and supporting technology is well developed. GHD Pty Ltd have indicated that they can commence and complete the project in the required timeframe.

For Part 2, the tenderer with highest overall score and the lowest price for asbestos condition assessment auditing was Macutex Pty Ltd. Macutex has conducted asbestos audits for government and non-government organisations and have all the necessary qualifications to perform these audits.

Both GHD Pty Ltd and Macutex Pty Ltd are considered competent and capable of meeting the project objectives within the required time frames. Their experience will provide a valuable contribution to Council's asset management strategies and plans.

**SOCIAL IMPLICATIONS**

Efficient and effective asset management ensure that facilities are provided that meet the community expectations and comply with all the relevant standards. Asset management will also plan the required maintenance to ensure the optimum life and thus provide best value to Council and the community.

**HUMAN RIGHTS CONSIDERATIONS**

Contractors are required to observe Occupational Health and Safety requirements for their staff and contractors.
Contractors are also required to ensure their staff and subcontractors are remunerated in accordance with the appropriate award and their work conditions are in accordance with relevant laws and legislation.

**FINANCIAL IMPLICATIONS**

The original scope has been increased due to recent concerns about sports lighting and aging pool infrastructure.

Funds have been sourced from annual allowance for asset condition assessments in the strategic asset management budget, a one-off allocation for an asbestos audit in the building maintenance budget and savings in parts of the building maintenance budget from the 2016/17 financial year.

**CONCLUSION**

The evaluation panel recommends the appointment of GHD Pty Ltd for the provision of Part 1, which includes work items A, B, C, D, F and G of the building and sportsground lighting asset data collection and condition assessment tender specification, for $450,355 including GST.

The evaluation panel recommends the appointment of Macutex Pty Ltd for the provision of Part 2, which includes work item E of the building and sportsground lighting asset data collection and condition assessment tender specification (building asbestos audit), for $175,831 including GST.