

4.1 CONTRACT FOR OAKLEIGH RECREATION CENTRE REDEVELOPMENT – DESIGN SERVICES

(GS:File No.7251-00)

Responsible Director: Ossie Martinz/Julie Salomon

RECOMMENDATION

That:

1. Council accepts the lump sum tender price of \$513,630 (GST Exclusive) or \$564,993 (GST Inclusive) submitted by DWP Australia Pty Ltd, trading as DWP/Suters, to undertake the Architectural design and sub consultancy services for the redevelopment of the Oakleigh Recreation Centre, Park Road Oakleigh.

2. A Project Contingency of \$100,000 (GST Exclusive) to be managed by the Project Control Group for the purpose of undertaking Geotechnical testing of the site for current ground conditions and hazardous materials and the undertaking of a Feature survey of existing terrain and ground conditions at the site.

3. Council notes the Project Management fees of \$29,533(GST Exclusive)

4. The Chief Executive Officer be authorised to sign and seal the contract documentation.

5. The Chief Executive Officer be authorised to approve any contract variations that are contained within the anticipated project expenditure

INTRODUCTION

The purpose of this report is to appoint the Architectural and sub Consultant Design teams for the proposed redevelopment of the Oakleigh Recreation Centre.

BACKGROUND

The Oakleigh Recreation Centre Indoor Stadium and Waverley Gymnastics Facility Redevelopment Project (**the Project**) has the potential to deliver a truly integrated sporting precinct in Monash. As endorsed at the 29 November 2016 meeting, Council has committed up to \$13.9 million towards the Project with Waverley Gymnastics contributing \$1 million. Council welcomed the State Government commitment of \$3 million announced on 1 December 2016 and the Federal Government commitment of \$2.1 million announced on 15 December 2016.

The appointment of Architectural and sub Consultant Design teams is critical to progress the design elements of the project.

DISCUSSION

Tender documentation was issued to Four (4) Architectural firms who were listed on the Department of Treasury & Finance as pre approved Consultant list on the 6 December 2016 and closed on the 19 December 2016.

At the time of closing three (3) tenderers submissions were received with one (1) tender withdrawn due to workloads.

ANALYSIS

Four (4) pre-qualified Department of Treasury & Finance listed consulting contractors were invited to submit a lump sum tender for the detailed design services for the Oakleigh Recreation Centre Redevelopment. Three (3) tenders were submitted by the nominated closing time of 2:00pm Monday 19 December 2016.

The lump sum tender prices submitted ranged from \$513,630 to \$868,430 (GST Exclusive) and were received from the following:

DWP Australia Pty Ltd (trading as DWP/Suters)
Peddle Thorp Melbourne Pty Ltd
Williams Ross Architects Pty Ltd

The tender evaluation panel was chaired by the Manager, Strategic Procurement, with panel members consisting of Manager Capital Works, Manager Active Monash, Capital Works Coordinator – Buildings, Consultant Architect/PM and a Consultant Leisure Planner.

Tenders were evaluated against the Project Control Group's approved criteria and this was also endorsed by the Manager Strategic Procurement and Evaluation Panel members.

The following criteria will be considered:

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| 1. Price; | 60% |
| 2. Resource Capability | 40% |
| 3. Previous Experience; | |
| 4. Ability to meet the required timeframe; | |
| 5. Sustainability, Environmental Initiatives | |
| 6. Quality; | |

DWP Australia Pty Ltd submitted the lowest tender of \$513,630 (GST exclusive) and this is within the allocated project budget for design. The tender is conforming and their proposed time of 34 weeks to reach completion of Detailed Design is within the anticipated range of time the

Commonwealth time criteria. Tender for construction services will begin in late June 2017.

DWP Australia has extensive experience in design integrated leisure facilities, their recent work for the West Australian Institute of Sport, Melbourne Sports Hub, and preliminary work on the proposed Queensland State Netball facilities together with the development of sporting facilities across 25 years and in excess of 50 community based facilities places them in an enviable position of understanding what is required to design and develop a facility that will serve the community well.

SOCIAL IMPLICATIONS

The redevelopment of the Oakleigh Recreation Centre and co-relocation of the proposed Gymnastic redevelopment will combined provide substantial benefits flowing to the local community arising from the proposed combined project compared to the previously separately planned projects including:

- a. an increase of more than 50% of the available floor space for Waverley Gymnastics Club;
- b. an increase of 25% of the available basketball courts at Oakleigh Recreation Centre including capacity to host netball and other sports at the facility; and
- c. approximately \$2.5 million in savings for Council and the local community compared to pursuing the two projects separately.

CONSULTATION

Extensive consultation has occurred with Waverley Gymnastics Incorporated and other key sporting stakeholder and peak bodies.

FINANCIAL IMPLICATIONS

The adopted 2016/17 Capital Works program has not originally made provision for a budget for this project, but as a result of external funding opportunities from both Federal and State Governments being committed, Council approved, at its 13 December 2016 meeting to initiate a new project nomination to the value of \$18-20Million. This will be reported to the Mid Year Capital Works review and be referred to the 2107/18 budget process.

The total project funding contributions of \$20,000,000 (GST Exclusive) for Project are as follows:

Monash Council:	\$13,900,000
State Government:	\$ 3,000,000
Federal Government:	\$ 2,100,000
Waverley Gymnastics:	\$ 1,000,000

The lowest lump sum tender of \$513,630 (GST Exclusive) was submitted by DWP Australia Pty Ltd, which is within the identified budget of \$800,000.

This project is co-funded by Federal and State Governments and Council.

A financial background check for the preferred Contractor has been undertaken and the contractor DWP Australia Pty Ltd is not considered a financial risk to Council.

CONCLUSION

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2. *A Project Contingency of \$100,000 (GST Exclusive) to be managed by the Project Control Group for the purpose of undertaking Geotechnical testing of the site for current ground conditions and hazardous materials and the undertaking of a Feature survey of existing terrain and ground conditions at the site.*
3. *Council notes the Project Management fees of \$29,533 (GST Exclusive)*
4. *The Chief Executive Officer be authorised to sign and seal the contract documentation.*
5. *The Chief Executive Officer be authorised to approve any contract variations that are contained within the anticipated project expenditure*