

### 4.3 TENDER FOR VISION STREET, CHADSTONE - ROAD RECONSTRUCTION (2023004: MF)

Responsible Director: Jarrod Doake

#### **RECOMMENDATION\***

*That Council:*

- 1. Awards the tender from Delfino Paving Pty Ltd for Vision Street, Chadstone – Road Reconstruction, Contract No. 2023004 for the fixed Lump Sum price of \$679,445.58 with an extra \$101,200 for Contingencies, and \$138,116 for Provisional Items;*
- 2. Authorises the Chief Executive Officer to execute the contract agreement;*
- 3. Notes that the contract is anticipated to commence on 31 October 2022 and the expected completion date is 30 May 2023; and*
- 4. Notes that the anticipated project expenditure including the fixed Lump Sum, Contingencies, Project Management & Delivery Fees and Provisional Items is \$951,761.58*

*(\*Please note that all dollar figures are GST Inclusive unless stated otherwise).*

#### **INTRODUCTION**

Council has conducted a tender for Vision Street, Road Reconstruction.

As part of its planning process for this tender, Council Officers considered its procurement options, including whether to go to market itself, participate in regional or sector collaboration or to access established contracts via other compliant Procurement agreements. Due to the site-specific complexities of this project which are unique to the city of Monash, it was decided to procure this project independently.

#### **BACKGROUND**

Council is seeking to appoint a contractor to undertake the reconstruction of Vision Street, Chadstone.

**NOTIFICATION**

A public notice was placed in The Age newspaper on 30 July 2022 and the tender closed on 26 August 2022.

**TENDERS RECEIVED**

Five (5) tender submissions were received by the appointed closing time. The tenders received are listed below:

<b>TENDERS SUBMITTED</b>	
<b>1</b>	Novacon Group Pty Ltd (Novacon)
<b>2</b>	Delfino Paving Pty Ltd (Delfino)
<b>3</b>	Parkinson Group (VIC) Pty Ltd (Parkinson)
<b>4</b>	CDN Contractors Pty Ltd (CDN)
<b>5</b>	Fulton Hogan Industries Pty Ltd (Fulton Hogan)

**TENDER CONFORMANCE:**

All submissions were assessed for their compliance with the tender conditions including the contractual terms and conditions and the requirements of the response schedules.

All tender submissions were deemed conforming.

**TENDER EVALUATION**

All members of the evaluation panel signed Conflict of Interest and Confidentiality forms and no conflicts were raised.

The tenderers were assessed in accordance with the evaluation criteria published in the tender documentation:

<b>Pass/Fail Assessment Criteria</b>	<b>Score</b>
Quality Systems (if applicable)	Pass/Fail
OHS	Pass/Fail
Mandatory Insurances (if applicable)	Pass/Fail

KEY SELECTION CRITERIA		CRITERIA WEIGHTINGS	SUB WEIGHTINGS	SUB CRITERIA/RETURNABLE SCHEDULES LINK
<b>50% NON-PRICE CRITERIA</b>	<b>Capacity and Capability</b>	<b>23%</b>	<b>5%</b>	Experience
			<b>5%</b>	Resources
			<b>8%</b>	Methodology & Risk Management
			<b>3%</b>	Legal Compliance
			<b>2%</b>	Performance and Innovation
	<b>Project Timelines</b>	<b>7%</b>	<b>4%</b>	Start and Completion timeframe
			<b>6%</b>	Proposed Program
	<b>Sustainability (Mandatory)</b>	<b>20%</b>	<b>8%</b>	Environmental Sustainability
			<b>6%</b>	Local Sustainability
			<b>6%</b>	Social Sustainability
<b>PRICE (50%)</b>	<b>Price*</b>	<b>50%</b>	<b>50%</b>	Comparison of Whole of Life Cost or Total Project Cost or Estimated Annual Cost

\*Minimum 50% price weighting required unless Council approves otherwise.

## DISCUSSION

The tender panel evaluated all tender submissions ranking Delfino Paving Pty Ltd highest based upon the weighted criteria (including the price and non-price evaluation criteria).

The tender evaluation panel interviewed Delfino to verify and satisfy itself of their capability to deliver this contract to meet the required outcomes of quality, timeframe & budget.

Delfino demonstrated a good understanding of the proposed works and good management of every aspect of the project. They highlighted a number of key risks associated with the construction, particularly the long lead time associated with concrete pipe supply.

Delfino has previously delivered projects of similar nature and size for neighbouring Councils which were completed satisfactorily and to a good quality of finish. Referee checks confirmed Delfino's expertise, resources and proven record to successfully deliver the proposed works verifying the evaluation panel's assessment.

As such, the evaluation panel recommends Delfino Paving Pty Ltd as representing the best value outcome for Council.

## FINANCIAL IMPLICATIONS

<b>BUDGET ALLOCATION</b>	<b>\$ EXC GST</b>	<b>\$ INC GST</b>
C01218 VISION STREET – ROAD RECONSTRUCTION	\$900,000.00	\$990,000.00
<b>TOTAL PROJECT BUDGET</b>	<b>\$900,000.00</b>	<b>\$990,000.00</b>
<b>Estimated Project Expenditure Based Upon Delfino's Submission</b>		
Lump Sum Price	\$617,677.80	\$679,445.58
Contingency	\$92,000.00	\$101,200.00
Project Management/Delivery Fees	\$30,000.00	\$33,000.00
Provisional Items	\$125,560.00	\$138,116.00
<b>ANTICIPATED PROJECT EXPENDITURE</b>	<b>\$865,237.80</b>	<b>\$951,761.58</b>

The anticipated project expenditure is below the allocated budget. Any surplus funds at the completion of construction will be returned to the 2022/2023 Capital Works budget.

## **SUSTAINABILITY OUTCOMES**

As part of Council's commitment to sustainability this project involves the use of:

1. Environmental Sustainability:

Where possible the Contractor will:

- b. Implement Construction practices to reduce emissions and waste;
- c. Plan logistic processes to optimise deliveries to reduce mileage, emissions and the carbon footprint;
- d. Operate Plant and Equipment in an energy efficient manner that is safe for the environment;
- e. Recycling of materials on site where possible and at the approval of the client;
- f. Use Non-Toxic or less Toxic substances where possible;
- g. Sourcing materials ethically and ensuring labour standards and fair humanitarian practices are in place throughout the Supply Chain.

2. Local Sustainability:

Delfino will seek to source materials and employ any additional labour required from within the local area.

## **CONCLUSION**

That Council approves the recommendations contained within this report.