

1.5 AWARD TENDER 2022059 - FOR SCHEMATIC DESIGN AND REPORT – GLEN WAVERLEY CIVIC PRECINCT PROJECT
(CF2022059:CJV)

Responsible Director: Peter Panagakos

RECOMMENDATION*

That Council:

- 1. Awards the tender from ARM Architecture (ACN 22 476 949 399) for Contract No. 2022059 –Schematic Design & Report – Glen Waverley Civic Precinct Project (Project) for the fixed lump sum amount of \$586,630 with an extra \$50,000 for contingencies.*
- 2. Authorises the Chief Executive Officer or their delegate to execute the Contract.*
- 3. Notes that the Contract is anticipated to commence on 1 June 2022 for a period of 12 months.*
- 4. Notes that there is budget allocated to this project in the 2022/23 budget which may also enable Council to commence the Detailed Design stage of the project depending on the time taken to complete this work. This would be a separate consideration and decision of Council.*

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

INTRODUCTION

Council has tendered for architectural consultancy services to prepare a Schematic Design and Report – Glen Waverley Civic Precinct Project (the Project).

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 possibly access established contracts via other compliant Procurement agreements.

The Project does not provide any opportunity for sector collaboration on procurement given that it is a stand-alone project to deliver the next stage design services of an existing project. This stage of the Project does not include any opportunity for a public private partnership. As such, it was considered that use of the Department of Treasury and Finance Construction Supplier Register (CSR) was appropriate and ten pre-qualified suppliers were chosen to invite to tender.

BACKGROUND

At its meeting on 27 April 2021, Council received a report on the outcome of the feasibility study for this Project and resolved to as follows:

That Council:

“1. Notes the completed Feasibility Study of the Glen Waverley Civic Precinct redevelopment project undertaken by ARM Architecture (ARM). Presented in Attachment 1.

2. Resolves that the Glen Waverley Civic Precinct project proceed to the concept and schematic design stage and notes that officers will undertake a tender process for the concept and schematic design based on the completed feasibility study by ARM.”

3. Resolves that the Glen Waverley Civic Centre Project (Concept and Schematic Design only) be listed in the Draft Budget 2021/22, and form part of the draft budget and consultation process.

Given that the feasibility study was a broad concept of what could be achieved at the site, the concept was reviewed in detailed. This included significant work to rationalise the project and investigate the detail primarily relating to the allocation of space for the various functions that the building would accommodate. The brief that was prepared includes significantly more detail with regard to the area allowances and ensures that the further plans associated with this project satisfy Council’s requirements. The premise of these were based on Council’s general support for the feasibility study that was undertaken. Also included was a cost benefit analysis having regard to the current lease agreement at 295 Springvale Road, as well as exploring any cost savings that could be achieved by sharing of building facilities (i.e. foyer and circulation space, kitchen provisions and toilet facilities) by building users.

Time was taken to multiple discussions, reviews and refinement to ensure that the brief met the requirements that Council was seeking to achieve with this redevelopment. Discussions were also had with the Glen Waverley Activity Centre Steering Committee through the initial development of the brief.

Once this information was developed and better understood, the scope of works and functional brief to be included in the tender package was presented to the Project Control Group and approval so that the tender process could be undertaken.

Whilst it may have been feasible to undertake the concept design and schematic design separately meaning that the concept design work could have been completed before now, it was determined that a better outcome was to incorporate these two stages. This meant that the development of the brief would take longer and was more complex but has ultimately resulted in a competitive pricing outcome compared to what was originally envisaged.

NOTIFICATION

Ten (10) pre-qualified suppliers from the Department of Treasury and Finance Construction Supplier Register (CSR) were invited to participate in a selective Tender for this project on 4 March 2022 and the tender closed on 5 April 2022. The use of the CSR is compliant with clause 2.3.2.5 of Council's Procurement Policy. Council's City Design team were asked to select architectural firms based on their particular design capabilities and experiences with similar projects. The selected architectural firms were:

Supplier Name
1. ARM Architecture
2. Lyons (Newpolis Pty Ltd)
3. FJMT Pty Ltd
4. Woods Bagot
5. Fender Katsalidis (Aust) Pty Ltd
6. John Wardle Pty Ltd
7. BVN Architecture Pty Ltd
8. Hassell Ltd
9. Design Inc Melbourne Pty Ltd
10. Bates Smart Architects Pty Ltd

TENDERS RECEIVED

Two (2) tenders were received by the appointed closing time.

The tenders received are listed below:

1. ARM Architecture
2. FJMT Pty Ltd

Some suppliers responded that they were unable to submit a tender due to resourcing and other current commitments.

Tender Conformance:

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

Both 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 assessment criteria is shown in the tables below:

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

	Key Selection Criteria	Criteria Weightings
Qualitative Criteria	Capacity and Capability	25%
	Project Timelines (if required)	5%
	Sustainability (Mandatory)	10%
Quantitative Criteria	Price (Mandatory)	60%

With regards to the weighing for 'Sustainability', sustainability requirements form part of the mandatory design of this Project and there is not expected to be a significant sustainability differential between the architects invited to tender. For this reason, the sustainability weighting was reduced to 10% in favour of a higher price weighting.

DISCUSSION

The following information supports the evaluation panel's recommendations.

The final evaluation ranking (including the price and non-price evaluation criteria) had ARM Architecture ranked highest and as such, the evaluation panel recommends ARM Architecture as representing the best value outcome for Council.

FINANCIAL IMPLICATIONS

Budget has been allocated for this project in the draft 2022/23 budget to allow the schematic design work to be undertaken.

Council may also be in a position to consider commencement of the Detailed Design stage of the project depending on the time taken to complete this work. This would be a separate consideration and decision of Council.

There will be additional costs associated with the design work such as the engagement of a quantity surveyor that is not included in the current contract.

SUSTAINABILITY OUTCOMES

To support Council's endeavour for sustainable outcomes, the tender noted Council's adopted target of 2025 to achieve carbon neutrality and the objective to obtain a Green Start 5 or 6 start design as built, certified by the GBCA. The key objectives for sustainable design outcomes include:

- Reduce greenhouse gas emissions by using 100% renewable electric energy (no fossil fuels) and procuring materials and construction methods that reduce embedded carbon emissions

- Improve indoor environments through optimal site orientation, maximizing natural light and incorporating double glazed windows as standard
- Design for adaption and resilience by designing for at least a 100-year asset life and improved resilience to extreme weather events
- Minimize waste through the whole of the project (design to construction) by specifying recycled materials, and diverting a minimum of 70% of demolition and construction waste
- Increase biodiversity by careful landscaping and vegetation selection
- Support all forms of active transport including provision of safe environments, suitable end of trip facilities and charging infrastructure
- Reduce runoff volumes with Water Sensitive Urban Design (WSUD) elements, water harvesting and infiltrating
- Responsible material selection for both building and infrastructure
- Minimum of 40% energy efficiency improvement over the NCC for both water and energy use
- Enable energy monitoring of the building via BMS that is capable of gathering and reporting energy usage data.

Both suppliers responded to Council's objectives. The preferred supplier, ARM Architecture, included the following in their response:

1. **Environmental Sustainability**

"Green thinking is inherent in everything we do. Everything we design is in response to environmental considerations, not an add-on or an optional extra or a status symbol... ARM engages an environmentally sustainable design consultant on its project to help ensure the design team strives to meet the right objectives: ones that are well researched, UpToDate and relevant to the project and the client.

ARM has an Environmental Sustainability Policy Statement and an Energy Management Policy. ARM became carbon neutral in their workplace operations in 2020 and an ARM Director is a Green Star Accredited Professional with the Green Building Council of Australia."

2. **Local Sustainability**

ARM responded that its "highest economic contribution is through its construction not through consultancy fees. Noting this, at the outset of projects, a Local Industry Participation strategy would be developed to set a level of participation and ways to source local expertise."

3. **Social Sustainability**

ARM has a Corporate Social Responsibility Policy and is also guided by the International Organization for Standardisation's Guidance Standard on Social Responsibility, the Victorian Government's Social Procurement Framework and other codes of corporate governance designed to create order around the pillars of democracy, respect for human rights and economic development.

CONSULTATION

A community consultation plan has been prepared for the Project. Consultation includes seeking feedback from the community on the concept design options through social media platforms and 1:1 meetings with key stakeholders as required. The schematic design will be presented to the community at public information sessions.

HUMAN RIGHTS CONSIDERATIONS

The Project does not impact any rights listed in the Charter of Human Rights and Responsibilities Act 2006.

GENDER EQUITY

The Project comprises of a program of works aimed at improving services to benefit our citizens. To ensure Council is considering the benefits to all of its citizens, a Gender Impact Assessment will be conducted during this next stage of design services and as part of the community consultation plan.

CONCLUSION

The evaluation of tender 2022060 has been completed. The evaluation committee considers ARM Architecture to provide the best value outcome for Council and as a result recommends that Council agree to award Contract 2022060 to them.