

#### 4.1 TENDER FOR MONASH OPERATIONS CENTRE FIRE SERVICE UPGRADE (CF2023100: TB)

Responsible Director: Jarrod Doake, Director City Services

##### **RECOMMENDATION\***

*That Council:*

- 1. Awards the tender from Kennedys Group Services Pty Ltd for the Monash Operations Centre Fire Service Upgrade, Contract No. 2023100 for a fixed Lump Sum of \$735,053 with an extra \$84,700 for Contingencies, PM fees of \$16,500 and \$27,500 for Design Fees;*
- 2. Authorises the Chief Executive Officer to execute the contract agreement;*
- 3. Notes that the contract is anticipated to commence on 1 May 2023 and the expected completion date is 20 September 2023;*
- 4. Approves the additional budget required in 2023/24 of \$363,000 to complete the project and that this is included in the adoption of the 2023/24 Budget; and*
- 5. Notes that the anticipated project expenditure including the fixed Lump Sum, Project Management/Delivery Fees and Provisional Items is \$785,954.40 with a further sum of \$84,700 for Contingencies.*

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

##### **INTRODUCTION**

Council has conducted a tender for 2023100 - Monash Operations Centre Fire Service Upgrade.

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. As this project is standalone within the Monash Operations Centre/Waste transfer Station site, there was no opportunity to participate in regional or sector collaboration with other Councils.

##### **BACKGROUND**

The Monash Operations Centre Fire Service (also servicing the Waste Transfer Station) is at its end of life requiring renewal. In planning for the renewal, Council Officers engaged Perry Consulting engineers to undertake an investigation and provides a risk assessment of the existing system and designs a new fire service system to conform with current regulations and protect the facility and its users.

**NOTIFICATION**

A public notice was placed in The Age newspaper on 4 March 2023 and the tender closed on 22 March 2023.

**TENDERS RECEIVED**

Tender submissions were received from the following two suppliers by the appointed closing time.

The tenders received are listed below:

<b>TENDERERS SUBMITTED</b>	
<b>1</b>	Kennedys Group Services Pty Ltd
<b>2</b>	Hirotec Maintenance Pty Ltd

**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.

The tenders were then further evaluated as per the agreed evaluation criteria.

**TENDER EVALUATION**

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

<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
40% NON-PRICE CRITERIA	Capacity and Capability	20%	5%	Experience
			5%	Resources
			5%	Risk Management
			3%	Legal Compliance
			2%	Performance and Innovation
	Project Timelines	10%	4%	Start and Completion timeframe
			6%	Proposed Program
	Sustainability (Mandatory)	10%	8%	Environmental Sustainability
			1%	Local Sustainability
			1%	Social Sustainability
PRICE (50%)	Price*	60%	60%	Comparison of Whole of Life Cost or Total Project Cost or Estimated Annual Cost

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

\*\* If it is agreed that the Sustainability weighting is less than 20%, the minimum Price weighting must then be 60%.

## DISCUSSION

The final evaluation ranking (including the price and non-price evaluation criteria) had Kennedys Group Services Pty Ltd ranked highest and as such, the evaluation panel recommends Kennedys Group Services Pty Ltd as representing the best value outcome for Council. Kennedys Group specialises in this type of contract, they have previously successfully delivered contracts for Council including the Monash Operations Centre workshop roof replacement and the South Oakleigh Bowling Club Asbestos removal and re-roofing project. Kennedys Group has also delivered similar fire service contracts as follows:

- Geelong Port, Installation of compliant fire service.
- Bendigo Kagan Institute, Fire service replacement including design, installation, and commissioning.
- Banyule City Council, Depot Fire service upgrade.

## FINANCIAL IMPLICATIONS

Provision has been made to deliver this project across two financial years as detailed below. Although the 2023/24 Budget will not be formally adopted by Council until its 27 June 2023 Council Meeting, these works are renewal/compliance works, are categorised as Non-Discretionary and provision has already been made within Council's Long Term Financial Plan to deliver prioritised renewal works of this type.

PROJECT BUDGET ALLOCATION	GST exclusive	GST inclusive
<b>Project C09338 - 2022-23 Waste Transfer Station Essential Works</b>	\$208,515	\$229,366.50
<b>Project C01728 – MOC Fire Service Upgrade Allocation</b>	\$250,000	\$275,000.00
<b>Budget Shortfall required in 2023/24</b>	\$330,000	\$363,000.00
<b>Total Project Budget Allocation</b>	<b>\$788,515</b>	<b>\$867,366.50</b>

<b>Total Anticipated Project Expenditure Based Upon Kennedys Group Services Pty Ltd's Submission</b>		
Lump Sum Price	\$668,230	\$735,053
Design engineer site inspection and certification fees.	\$25,000	\$27,500
Contingency	\$80,285	\$84,700
Project Management/Delivery Fees	\$15,000	\$16,500
<b>ANTICIPATED TOTAL EXPENDITURE</b>	<b>\$788,515</b>	<b>\$867,366.50</b>

Additional funding required to complete this project is not required until the 2023/24 Financial Year. As such, the additional budget required in 2023/24 (\$363,000 GST Incl) to complete the project will be included in the adoption of the 2023/24 Budget subject to Council adopting the recommendations contained within this report.

## SUSTAINABILITY OUTCOMES

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

1. Environmental Sustainability: Scrap metal is the most likely recyclable material. Kennedys Group will provide an onsite scrap metal bin which will be collected at the completion of their works by a scrap metal company for recycling. Packaging material will be taken back to their warehouse and recycled in a relevant skip.

2. **Local Sustainability:** In line with the Victorian Governments social procurement framework, Kennedys Group is committed to the procuring of goods and services that maximise the value of each Project, encompassing economic, sustainability and social pillars. By the implementation of this policy, Kennedys Group procurement activities will endeavour to provide opportunity to the community to deliver the required goods and services in an effective, sustainable and social way.
  
3. **Social Sustainability:** Kennedys Group is an equal opportunity employer, welcoming diversity, equality and social inclusion through all employment and training opportunities. Kennedys Group is also committed to the engagement of Indigenous Australians.

### **CONCLUSION**

That Council approves the recommendations contained within this report.