

## 7.4.1 TENDER FOR 2023-2024 DRAINAGE WORKS TO VARIOUS SITES PACKAGE NO.3 - CF2024069

<b>Responsible Manager:</b>	Andrew Andonopoulos, Manager Capital Works
<b>Responsible Director:</b>	Jarrod Doake, Director City Services

### RECOMMENDATION

That Council:

- Awards the tender from Parkinson Group (Vic) Pty Ltd for 2023 - 2024 Drainage Works to Various Sites Package No 3, Contract No. 2024069 for the following projects:**  
*Project A:* 12 Muir Street, Glen Waverley for a fixed Lump Sum of \$391,867.50 with an extra \$59,400 for Contingencies;  
*Project B:* Kalonga Court, Glen Waverley for a fixed Lump Sum of \$310,949.71 with an extra \$55,000 for Contingencies;  
*Project D:* Parkinson Street, Churcher Court and Romney Court, Mount Waverley for a fixed Lump Sum of \$186,999.85 with an extra \$30,800 for Contingencies.
- Awards the tender from Markon Infrastructure Pty Ltd for 2023 - 2024 Drainage Works to Various Sites Package No 3, Contract No. 2024069 for the following project:**  
*Project C:* 30 Cypress Avenue, Glen Waverley for a fixed Lump Sum of \$84,382.05 with an extra \$18,700 for Contingencies.
- Notes that the contract with Parkinson Group (Vic) Pty Ltd is anticipated to commence on 8 January 2024 and the expected completion date is 15 May 2024;**
- Notes that the contract with Markon Infrastructure Pty Ltd is anticipated to commence on 29 January 2024 and the expected completion date is 29 March 2024;**
- Notes that the anticipated project expenditure including the fixed Lump Sum, Project Management/Delivery Fees and Service Relocations for all projects is \$1,031,949.11 with an extra \$163,900 for Contingencies.**

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

### INTRODUCTION

Council has conducted a tender for **2024069; 2023 - 2024 Drainage Works to Various Sites Package No 3.**

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 site-

specific constrains and the complex nature of each individual project there was limited opportunity for regional or sector collaboration.

Council Officers recognised an opportunity in combining multiple projects requiring similar works in a single procurement package to attract a wider range of suppliers, incentivise potential efficiencies including pricing, programing, preliminaries/administration and material procurement whilst retaining the flexibility to award one or more projects to a single or multiple contractors.

## **BACKGROUND**

Council is seeking to appoint suppliers for four (4) packages of work to renew/upgrade existing or construct new drainage at four sites across the municipality ensuring that Council's stormwater system is managed to operate to meet community expectations in alignment with the Stormwater Asset Management Plan.

A summary of the scope of works for each project is as follows:

### **Project A: 12 Muir Street, Glen Waverley**

Installation of approximately 275m of 300mm diameter drainage pipes with new pits, concrete kerb and channel and associated reinstatement works.

### **Project B: Kalonga Court, Glen Waverley**

Installation of approximately 215m of 450mm & 25m of 300mm diameter drainage pipes with new pits and associated reinstatement works.

### **Project C: 30 Cypress Avenue, Glen Waverley**

Construction of 5 new drainage pits and associated reinstatement works.

### **Project D: Parkinson Street, Churcher Court and Romney Court, Mount Waverley**

Installation of 225mm, 300mm and 375mm diameter drainage pipes and reinstatement of footpaths, concrete kerb and channel, pram crossings and vehicle crossings.

The above projects have been identified from the following programs:

#### **Developer Contribution Program (DCP) – Projects A, B, D**

Private developments requiring planning approval are required to provide a stormwater retention system to ensure stormwater runoff is capped at 35% coverage or pay a contribution to Council in lieu of this requirement. Contributions are used to upgrade drainage within these individual catchment areas. An additional similar sum of Council funds to the DCP are allocated annually to be used to upgrade drainage at identified priority sites across the municipality.

#### **Local Drainage Program – Project C**

This program funds delivery of smaller drainage projects that have been identified to address localised drainage issues related to system capacity, asset condition & poor operational performance (ie surcharge and scouring of open space/land, increased frequency of maintenance etc). Projects in this category are prioritised based on resident enquiries,



condition assessment and increased maintenance or operational issues identified through Council's maintenance teams.

## NOTIFICATION

A public notice was placed in The Age newspaper on 23 September 2023 and the tender closed on 18 October 2023.

## TENDERS RECEIVED

Eight tender submissions were received by the appointed closing time. The tenders received are listed below:

TENDERERS SUBMITTED	
1	Earthpro Earthmoving Pty Ltd
2	Parkinson Group (Vic) Pty Ltd
3	Markon Infrastructure Pty Ltd
4	Blue Peak Constructions Pty Ltd
5	CDN Constructors Pty Ltd
6	Contek Constructions
7	Comar Constructions Pty Ltd
8	Accomplished Plumbing Services 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.

## TENDER EVALUATION

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

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

Pass/Fail Assessment Criteria	Score
Quality Systems (if applicable)	Pass/Fail
OHS	Pass/Fail

Mandatory Insurances (if applicable)	Pass/Fail
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KEY SELECTION CRITERIA		CRITERIA WEIGHTINGS	SUB WEIGHTINGS	SUB CRITERIA/RETURNABLE SCHEDULES LINK
<b>40% NON-PRICE CRITERIA</b>	<b>Capacity and Capability</b>	<b>20%</b>	<b>7%</b>	Experience
			<b>4%</b>	Resources
			<b>7%</b>	Risk Management
			<b>2%</b>	Legal Compliance, Performance and Innovation
	<b>Project Timelines</b>	<b>10%</b>	<b>3%</b>	Start and Completion timeframe
			<b>7%</b>	Proposed Program
	<b>Sustainability (Mandatory)</b>	<b>10%</b>	<b>8%</b>	Environmental Sustainability
			<b>1%</b>	Local Sustainability
			<b>1%</b>	Social Sustainability
	<b>PRICE (60%)</b>	<b>Price*</b>	<b>60%</b>	<b>60%</b>

## DISCUSSION

All tender submissions were assessed against the tender evaluation criteria (including the price and non-price evaluation criteria).

The Tender Evaluation Panel (TEP) compared the relevant experience of the tenderers and all demonstrated a capability to deliver the drainage projects included in this tender. The TEP concluded that the highest ranked tenderers be interviewed. The evaluation panel conducted interviews with the shortlisted tenderers to further confirm:

- Experience.
- Resourcing, capability, and capacity to deliver one or more projects.
- Understanding of the scope of works and any complexities including construction methodology.
- Risk management and site-specific risks.
- Supplier obligation and responsibilities; and
- Innovation.

### **Parkinson Group (Vic) Pty Ltd (Projects A, B and D)**

Parkinson Group Pty Ltd (Parkinson) have previously successfully completed drainage projects for the City of Monash, as well as a number of drainage projects for other councils including Kingston & Stonnington City Councils.

Parkinson demonstrated a good understanding of the scope of works supported by extensive experience delivering complex drainage works of a similar nature. During the interview Parkinson highlighted several key construction risks, as well as demonstrated their ability to work collaboratively with stakeholders.

Parkinson propose to commence construction in January 2024 and confirmed that they can complete the contract by 15 May 2024 should they be awarded multiple projects. Parkinson also provided a 0.65% discount off the tendered price if awarded three projects.

### **Markon Infrastructure Pty Ltd (Project C)**

Markon Infrastructure Pty Ltd (Markon) specialises in civil infrastructure works such as earthworks, concrete footpath, drainage and landscaping works.

Markon have previously delivered earthwork and landscaping works as a subcontractor within the residential subdivision & Local Government sector having undertaken earthworks and drainage works within a creek area for East Gippsland Shire.

Through the tender interview and within their submission, Markon highlighted a number of key construction risks and demonstrated a good understanding of the project works.

The TEP was satisfied with Markon's submission for Project C (Cypress Avenue) which aligns with their area of demonstrated expertise. Markon propose to commence construction in February 2024 and complete the contract in March 2024.

The TEP completed their evaluation based upon the submissions and further information determined through the tender interviews.

Reference checks have been conducted for both tenderers and positive responses have been received regarding their previous performance in terms of project management and construction management.

An independent financial assessment was undertaken by Corporate Scorecard on Parkinson as the combined value of the three projects proposed to be awarded to this contractor exceeds \$1M.

Based on the review of information supplied by Corporate Scorecard and recommendation received from Council's Chief Financial Officer, the following conditions and controls will be incorporated into the contract which have been accepted in writing by Parkinson:

- Ordering of pipes and materials and payment of deposits to suppliers will occur within the first two weeks of acceptance of tender. Council will seek evidence of payment and remittance advice from Parkinson's suppliers;
- Council will also include a Statutory Declaration confirming payment of all subcontractors at the time of any progress claims as evidence prior to Council progress payment being approved;
- Cross Guarantee will be entered into from the parent company of which Parkinson Group (Vic) is a part of.



Based on the final evaluation ranking (including the price and non-price evaluation criteria) the evaluation panel recommends the highest ranked tenderers for each of the projects listed below as representing the best value outcome for Council:

**1. Parkinson Group (Vic) Pty Ltd**

- Project A – 12 Muir Street, Glen Waverley
- Project B – Kalonga Court, Glen Waverley
- Project D – Parkinson Street, Churcher Court and Romney Court, Mount Waverley

**2. Markon Infrastructure Pty Ltd**

- Project C – 30 Cypress Avenue, Glen Waverley

## **FINANCIAL IMPLICATIONS**

An overview of the budget and estimated project expenditure for these tenders is outlined below:

PROJECT BUDGET ALLOCATION	GST Excl.	GST Incl.
Project A: C09470 - 12 Muir St, Mount Waverley	\$435,000.00	\$478,500.00
Project B: C09484 - Kalonga Ct, Glen Waverley	\$350,000.00	\$385,000.00
Project C: C09483 - 30 Cypress Ave, Glen Waverley	\$100,000.00	\$110,000.00
Project D: C09491 - Parkinson St, Churcher Ct & Romney Ct, Mount Waverley	\$226,000.00	\$248,600.00

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Estimated Project Expenditure Based Upon Parkinson Group (Vic) Pty Ltd Submission		
<b>Project A: 12 Muir Street Glen Waverley</b>		
Lump Sum Price *	\$356,243.18	\$391,867.50
Contingency	\$54,000.00	\$59,400.00
Service Relocations	\$4,000.00	\$4,400.00
Project Management/Delivery Fees	\$18,000.00	\$19,800.00
<b>Anticipated Project Expenditure – Project A</b>	<b>\$432,243.18</b>	<b>\$475,467.50</b>
<b>Budget Allocation for Project A</b>	<b>\$435,000.00</b>	<b>\$478,500.00</b>
<b>Project B: Kalonga Ct, Glen Waverley</b>		
Lump Sum Price *	\$282,681.55	\$310,949.71
Contingency	\$50,000.00	\$55,000.00
Project Management/Delivery Fees	\$15,000.00	\$16,500.00
<b>Anticipated Project Expenditure – Project B</b>	<b>\$347,681.55</b>	<b>\$382,449.71</b>
<b>Budget Allocation for Project B</b>	<b>\$350,000.00</b>	<b>\$385,000.00</b>
<b>Project D: Parkinson St, Churcher Ct &amp; Romney Ct, Mount Waverley</b>		
Lump Sum Price *	\$169,999.86	\$186,999.85
Contingency	\$28,000.00	\$30,800.00
Project Management/Delivery Fees	\$9,500.00	\$10,450.00
<b>Anticipated Project Expenditure – Project D</b>	<b>\$207,499.86</b>	<b>\$228,249.85</b>
<b>Budget Allocation for Project D</b>	<b>\$226,000.00</b>	<b>\$248,600.00</b>

Estimated Project Expenditure Based Upon Markon Infrastructure Pty Ltd Submission		
<b>Project C: 30 Cypress Ave, Glen Waverley</b>		
Lump Sum Price	\$76,710.95	\$84,382.05
Contingency	\$17,000.00	\$18,700.00
Project Management/Delivery Fees	\$6,000.00	\$6,600.00
<b>Anticipated Project Expenditure – Project C</b>	<b>\$99,710.95</b>	<b>\$109,682.05</b>
<b>Budget Allocation for Project C</b>	<b>\$100,000.00</b>	<b>\$110,000.00</b>

\* Includes 0.65% discount for awarding three projects.

#Adequate contingencies have been allowed for these projects based on previous experience and complexity.

The anticipated project expenditure for all four projects is below the allocated budget. Any surplus funds at the completion of construction will be returned to the 2023/2024 Capital Works budget.

## SUSTAINABILITY OUTCOMES

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



Where possible both Contractors will reuse site won material or will dispose of demolition material in an environmentally sensitive manner rather than sending to landfill.

Further, the materials specified for the construction have included use of recycled materials where feasible; this includes recycled crushed rock for trench backfill in lieu of quarry sourced rock and reuse of topsoil.

Construction of these projects will address flooding issues associated with larger storm events which will have a positive impact on reducing the likelihood & extent of overland flows & floodwaters eroding open spaces creating sediment runoff and destruction of vegetation in public & private properties.

Both Contractors have committed to purchase goods, services, and materials within the City of Monash where possible.

## **CONCLUSION**

That Council approves the recommendations contained within this report.

## **ATTACHMENT LIST**

Nil