

7.4.3 TENDER FOR ASHWOOD MEMORIAL KINDERGARTEN CONSTRUCTION - CF2024036

Responsible Manager:	Andrew Andonopoulos, Manager Capital Works
Responsible Director:	Jarrod Doake, Director City Services

RECOMMENDATION

That Council:

- 1. Awards the tender from Simbuilt Pty Ltd for Ashwood Memorial Kindergarten Construction, Contract No. 2024036 for a fixed Lump Sum of \$3,622,773 with an extra \$385,000 for Contingencies;**
- 2. Authorises the Chief Executive Officer to execute the contract agreement;**
- 3. Notes that the contract is anticipated to commence on 29 November 2023 and the expected completion date is 24 September 2024;**
- 4. Notes that the anticipated project expenditure including the fixed Lump Sum, Project Management/ Delivery Fees and Design Fees is \$3,894,561 with a further allocation of \$385,000 For Contingencies; and**
- 5. Approves additional funding of \$461,461 required for this project.**

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

INTRODUCTION

Council has conducted a tender for 2024036 Ashwood Memorial Kindergarten Construction.

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. This project is a standalone project with grant funding from the Victorian School Board Authority (VSBA). The project has been specifically designed to the requirements and restrictions of the site and user groups as well as the VSBA grant funding guidelines and therefore the opportunity to share designs or installation with other Councils is not possible.

BACKGROUND

Due to the State Government's Kindergarten Reform package, the Department of Education & Training (DET) through the City of Monash Kindergarten Infrastructure & Service Plan (KISP) identified vulnerable zones within the municipality, including the Ashwood/Chadstone area as needing increased kindergarten capacity. Without additional builds and renovations to existing kindergartens, the future needs (licensed kindergarten places) of the three and four year-old population would not be met.

Monash City Council and the Victorian School Building Authority (VSBA) have committed to working in partnership to provide additional kindergarten places in the municipality in response to the Victorian Government’s commitment to providing two years of free kindergarten to all children before they commence their formal schooling.

The State Government has committed financial support to Council by contributing up to \$13.3 million in grant funding for early childhood infrastructure over the course of the Three-Year-Old Kindergarten reform program through to 2029. This forward planning will help ensure that all children will have access to two years of funded Kindergarten from 2022 onwards.

The first part of this package will include works across six major kindergarten infrastructure projects, providing over 360 additional funded kindergarten places (based on 15 hours of kindergarten) delivered for the 2024 and 2025 kindergarten years. Ashwood Memorial Kindergarten is one of the six sites to be developed.

Ashwood Memorial Kindergarten currently comprises a single kindergarten room, children’s facilities, office, kitchen, and outdoor learning environment. The service is licensed for 30 places. The additional room will sit alongside the current kindergarten building and the delivery of a new additional kindergarten room will add an additional 33 places to those being delivered within the existing facility.

The Ashwood Memorial Kindergarten currently operates under Early Years Management (Ballarat Y).

NOTIFICATION

Seven (7) prequalified suppliers from the Department of Treasury and Finance Construction Supplier Register (CSR) were invited to participate in a selective Tender for this project on 23 September 2023. The tender closed on 18 October 2023. Council’s use of the CSR list is approved under Council’s Procurement Policy.

TENDERS RECEIVED

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

TENDERERS SUBMITTED	
1	Simbuilt Pty Ltd
2	2Construct 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

In accordance with the Procurement Policy, the evaluation panel and evaluation criteria weightings were nominated prior to opening the Tender.

Pass/Fail Assessment Criteria	Score
Quality Systems (if applicable)	Pass/Fail
OHS	Pass/Fail
Mandatory Insurances (if applicable)	Pass/Fail
Attendance at Pre-Tender Meeting	Pass/Fail

KEY SELECTION CRITERIA		CRITERIA WEIGHTINGS	SUB WEIGHTINGS	SUB CRITERIA/RETURNABLE SCHEDULES LINK
40% NON-PRICE CRITERIA	Capacity and Capability	15%	4%	Experience
			4%	Resources
			3%	Risk Management
			2%	Legal Compliance
			2%	Performance and Innovation
	Project Timelines	15%	7%	Start and Completion timeframe
			8%	Proposed Program
	Sustainability (Mandatory)	10%	6%	Environmental Sustainability
			2%	Local Sustainability
			2%	Social Sustainability
PRICE (50%)	Price*	60%	60%	Comparison of Whole of Life Cost or Total Project

				Cost or Estimated Annual Cost
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DISCUSSION

The two conforming submissions were assessed against the evaluation criteria (including the price and non-price evaluation criteria).

The Tender Evaluation Panel (TEP) compared the experience of the two submissions and both exhibited relevant experience in construction, noting Simbuilt's recent experience successfully completing several projects for Council. Simbuilt Pty Ltd successfully completed the Pinewood Early Years Hub project in February 2023 to a very high standard. The construction value of that project was \$4.3 million. The project was completed on time under very challenging weather and site conditions and within the adopted budget.

Simbuilt Pty Ltd have provided a detailed program schedule in support of their 's completion date for construction of the facility. Simbuilt's construction lead-times meet the construction timeframes required to meet the funding body's grant milestone.

Tender clarifications were sought from Simbuilt and a Tender interview conducted with the preferred tenderer with a satisfactory response including multiple value management cost savings achieved. The construction timeframe to deliver the contract will commence in January 2024 with construction expected to be completed in September 2024.

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

FINANCIAL IMPLICATIONS

This project is funded jointly by Council and the State Government through the Department of Education & Training, Building Blocks Grant Program. Funding is across the 2023/24/25 financial years.

PROJECT BUDGET ALLOCATION	GST excl.	GST incl.
C09682 Ashwood Memorial Kindergarten Build	\$1,880,091	\$2,068,100
DET Building Blocks Grant	\$1,590,909	\$1,749,999
TOTAL PROJECT BUDGET	\$3,471,000	\$3,818,100

Estimated Project Expenditure Based Upon Simbuilt Pty Ltd Submission		
Lump Sum Price	\$3,293,430	\$3,622,773
Contingency	\$350,000	\$385,000

Project Delivery & Management Fees	\$67,000	\$73,700
Project Design Fees	\$180,080	\$198,088
ESTIMATED PROJECT EXPENDITURE	\$3,890,510	\$4,279,561
Budget Shortfall	\$419,510	\$461,461

An increased contingency has been nominated for this project to allow for the potential of additional foundation works and blinding due to the presence of a high water table & in-ground water, latent conditions associated with the retention of and extension to an existing building and services upgrades & authority fees.

The additional funding required for this project will be managed in delivery of the overall 2023/24 Capital Works program.

SUSTAINABILITY OUTCOMES

Simbuilt's tender includes the following sustainability initiatives:

- Simbuilt will undertake all works in accordance with their ISO 14001 accredited Environmental Management System which includes their Environmental and Sustainability Policy, Sustainability Monitoring and Evaluation Plan and Project Waste Management Plan;
- Simbuilt is an Equal Opportunity Employer and has policies to facilitate this;
- Simbuilt are currently commencing a partnership with the Melbourne Indigenous Transition School (MITS), based close to their office in Richmond. MITS was developed to give indigenous scholarship holders to Melbourne Schools a comfortable transition year to adapt to Melbourne life within a comfortable community; and
- The project has been designed to be as energy efficient as sustainable as possible through the use of passive solar design principles where possible, sustainably sourced materials and finishes, energy and water efficient fixtures and fittings durable materials to reduce maintenance and low VOC paint.

CONCLUSION

That Council approves the recommendations contained within this report.

ATTACHMENT LIST

Nil