

A7.4.4 2024086 - JACK EDWARDS RESERVE PAVILION DEVELOPMENT - COUNCIL RECOMMENDATION REPORT

2024086

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

RECOMMENDATION

That Council:

- 1. Awards the tender from FIMMA Constructions Pty Ltd for Jack Edwards Reserve Pavilion Development, Contract No. 2024086 for a fixed Lump Sum of \$13,506,094.91 with an extra \$1,375,000 for Contingencies;**
- 2. Authorises the Chief Executive Officer to execute the contract agreement;**
- 3. Notes that the contract will commence in April 2024 and the expected completion date is July 2025; and**
- 4. Notes that the anticipated project expenditure including the fixed Lump Sum, Project Management/Delivery Fees, Preliminaries, Design, QS and Consultant Fees is \$14,679,074.41 with a further allocation of \$1,375,000 for Contingencies.**

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

INTRODUCTION

Council has conducted a tender for 2024086 – Jack Edwards Reserve Pavilion Development.

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. Tenders were invited from prequalified suppliers from the Department of Treasury & Finance - Construction Supplier Register. As this is a large unique building construction that is site specific, no opportunities for collaboration were identified.

BACKGROUND

Council has invited tenders for a fixed lump sum construction contract for the Jack Edwards Pavilion Development. The new pavilion will be built on the western boundary of the main football pitch at Jack Edwards Reserve. This will accommodate an increase in football participation, particularly female teams. The pavilion will meet National Premier League standards.

Works involve:

- A new two-level sporting and community pavilion with a 500-seat undercover grandstand
- A 200m2 multipurpose space and amenities for community use
- New sports field lighting -500 lux
- Supporting Infrastructure and Landscaping

There is a shared funding commitment for this project from the Federal & State Governments, the Oakleigh Cannons Football Club & Monash Council.

NOTIFICATION

A public notice was placed in The Age newspaper on 25 November 2023 and the tender closed on 25 January 2024.

TENDERS RECEIVED

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

TENDERERS SUBMITTED	
1	2Construct Pty Ltd
2	Alchemy Construct Pty Ltd
3	Bowden Corporation Pty Ltd
4	Commercial Industrial Construction Group (CICG)
5	FIMMA Constructions Pty Ltd
6	Melbcon 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.

FIMMA Constructions Pty Ltd submitted a non-conforming tender with an alternate sports light fitting to that specified as a value management item. The Tender Evaluation Panel (TEP) agreed to include FIMMA Constructions Pty Ltd in their tender evaluation and to request a price for the specified sports lighting in the post tender clarifications to allow a comparable evaluation of tenders.

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.

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

Pass/Fail Assessment Criteria	Score
Quality Systems	<i>Pass/Fail</i>
OHS Third Party Certification	<i>Pass/Fail</i>
Mandatory Insurances	<i>Pass/Fail</i>
Registered on the Dept. Treasury & Finance - Construction Supplier Register	<i>Pass/Fail</i>

Table 2	Key Selection Criteria	Criteria Weightings
Qualitative Criteria	Capacity and Capability	20%
	Project Timelines	10%
	Sustainability	10%
Quantitative Criteria	Price	60%

PRE-TENDER PROCESS

A Pre-Tender Supplier briefing was undertaken on Tuesday 5 December 2023 to provide tenderers with an opportunity to visit the site, Council Officers to elaborate on key considerations including the continuation of use of the sports ground through construction and to seek any clarifications.

DISCUSSION

Stage 1

The tender submissions were assessed against the tender evaluation criteria (including price and non-price evaluation criteria) including relevant capacity and capabilities, project timeframes, sustainability, and price.

Most submissions provided quality evidence of having completed similar sized construction projects for Local Government and all tenderers provided adequate programs to meet the required timeframes.

Stage 2

At the end of stage 1, tender assessment, the TEP agreed to shortlist the four highest-ranked tenders through to the next stage of the evaluation. Clarifications were sought from the remaining four tenderers to further inform the evaluation process. The post tender clarifications

included but was not limited to; requesting missing items in price schedules, inclusion of provisional items (now deemed affordable) within their lump sum price and clarifications/confirmation that specific elements of the tender had been included within their submission to avoid any ambiguity.

The TEP assessed the responses and agreed to shortlist the three highest ranked tenderers; FIMMA Constructions Pty Ltd (FIMMA), Alchemy Construct Pty Ltd (Alchemy) and Commercial Industrial Construction Group (CICG) as there was a notable score difference in the overall score between the top three and fourth ranked tenderer.

Stage 3

Tender interviews were undertaken with the three remaining tenderers. The TEP was able to seek further detail to understand the tenderer’s proposed construction methodology and site establishment, and to reaffirm the TEP’s understanding of each submission.

The interviews provided the TEP confidence that all shortlisted companies have suitable experience, adequate resources and are capable of delivering the project within the required timeframes and quality. FIMMA interviewed to a very high standard. FIMMA have undertaken preliminary site investigations including utilities and services assessments and met and discussed each phase with their specialist subcontractors to address risk management, construction methodology and protection of adjoining properties.

The TEP requested further minor clarifications and confirmations from the three shortlisted tenders to ensure all items and expectations were understood and included.

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

Detailed referee checks were also undertaken on FIMMA which reaffirmed the TEP’s assessment of their capability to deliver this contract. FIMMA have also recently delivered projects with a similar scope and budget successfully for other councils including Duncan MacKinnon Reserve Multipurpose Pavilion for Glen Eira Council, Brens Pavilion for Melbourne City Council and Bonbeach Life Saving Club Redevelopment for the City of Kingston.

The construction program submitted by FIMMA Constructions Pty Ltd indicates the works will commence in April 2024 and reach Practical Completion in June 2025.

The Probity Advisor also provided a report and confirmed that the evaluation process was in accordance with Council’s Procurement and Probity Plan.

FINANCIAL IMPLICATIONS

The Capital Works Budget makes provision for this project across the 2023/24/25 Financial Years as follows:

Capital Budget Allocation	\$ GST Ex.	\$ GST Inc.
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Project C01822 – Jack Edwards Reserve Pavilion Redevelopment	\$14,700,000	\$16,170,000
TOTAL PROJECT BUDGET	\$14,700,000	\$16,170,000

Total Anticipated Project Expenditure Based Upon FIMMA Constructions Pty Ltd Submission		
Lump Sum Price	\$12,278,268.10	\$13,506,094.91
Contingency	\$1,250,000.00	\$1,375,000.00
Preliminary Investigations, Detailed Design, Quantity Surveying & Other Consultant Fees (Separate Contracts)	\$968,345.00	\$1,065,179.50
Project Management/Delivery Fees	\$98,000.00	\$107,800.00
TOTAL ANTICIPATED EXPENDITURE	\$14,594,613.10	\$16,054,074.41

Funding contributions towards the development include \$2M from the Federal Government, \$4M from the State Government and a \$500,000 contribution from the Oakleigh Cannons Football Club in addition to \$8.2M Council funding.

SUSTAINABILITY OUTCOMES

As part of Council’s commitment to sustainability the following are some benefits provided through FIMMA Constructions Pty Ltd.

As part of this construction project, FIMMA Constructions Pty Ltd have committed to:

- Engage in waste recycling removal from site of all building materials and provide reports.
- Build and install heating, ventilation lighting and other electrical appliances in accordance with the specification to meet optimum performance levels. They will explore local networks for goods and resources to minimize travel distances.

FIMMA Constructions Pty Ltd are located within the City of Monash with many employees and sub- contractors residing within the municipality. They will also source many materials from within the City of Monash.

FIMMA Constructions Pty Ltd partner with many social enterprises including the promotion of employing indigenous and disadvantaged staff within their company and sub-contractors, providing staff training opportunities and promoting equality within the workplace.

CONCLUSION

That Council approves the recommendations contained within this report.



ATTACHMENT LIST

Nil