

## 7.4.6 2024125 MOUNT WAVERLEY RESERVE PAVILION REDEVELOPMENT CONSTRUCTION

2024125

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

### RECOMMENDATION

That Council:

- 1. Awards the tender from Constructive Group Pty Ltd for Mount Waverley Reserve Pavilion Redevelopment Construction, Contract No. 2024125 for a fixed Lump Sum of \$7,774,074.80 with an extra \$1,100,000 for Contingencies**
- 2. Authorises the Chief Executive Officer to execute the contract agreement;**
- 3. Notes that the contract will commence on 7 May 2024 and the expected completion date is 30 May 2025; and**
- 4. Notes that the total budget including the contract fixed Lump Sum, Project Management/ Delivery Fees is \$7,842,714.80 with a further allocation of \$1,100,000 for Contingencies.**

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

### INTRODUCTION

Council has tendered for 2024125 Mount Waverley Reserve Pavilion Redevelopment 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 possibly access established contracts via other compliant Procurement agreements. As this is a large unique building construction that is site specific which also requires coordination with a number of other projects already in progress at this site, no opportunities for collaboration were identified.

### BACKGROUND

Council has tendered for a fixed lump sum construction contract for the Mount Waverley Reserve Pavilion Redevelopment Construction. The existing pavilion will be demolished and a new two-level sporting pavilion will be built in its place north west of the oval at Mount Waverley Reserve.

The project supports the delivery of a high priority action item within the endorsed Mount Waverley Reserve Master Plan following on from the sportsground redevelopment, sports ground lighting and playground renewal projects currently under construction. The new, larger facility addresses key building constraints of the existing facility catering for the expanding user groups and will meet current building guidelines and building regulations.

Works involve:

- Demolition of the existing pavilion and construction of a new two-level sporting pavilion
- Demolition of the existing public toilet and construction of new public toilet amenities south of the pavilion
- Upgrading of power supply to the reserve
- Supporting civil infrastructure and landscaping works

## NOTIFICATION

A public notice was placed in The Age newspaper on 27 January 2024 and the tender closed on 28 February 2024. An additional requirement was included for all tenderers to be prequalified suppliers from the Department of Treasury and Finance Construction Supplier Register (CSR). Council's use of the CSR list is approved under Council's Procurement Policy

## TENDERS RECEIVED

Eleven tender submissions were received by the appointed closing time.

The tenders received are listed below:

1	Constructive Group Pty Ltd
2	Harris HMC Interiors (VIC) Pty Ltd
3	MISR Engineering & Construction Pty Ltd
4	Ausbuild Construction P/L
5	Building Engineering
6	Melbcon Pty Ltd
7	2Construct Pty Ltd
8	Searle Brothers
9	Devco Project and Construction Management Pty Ltd
10	Cobolt Constructions Pty Ltd
11	Circon Constructions 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.

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

<b>Pass/Fail Assessment Criteria</b>	<b>Score</b>
Quality Systems	<i>Pass/Fail</i>
OHS Third party Certification	<i>Pass/Fail</i>
Registered prequalified member of the Dept. Treasury & Finance - Construction Supplier Register	<i>Pass/Fail</i>
Mandatory Insurances	<i>Pass/Fail</i>

<b>Table 2</b>	<b>Key Selection Criteria</b>	<b>Criteria Weightings</b>
Qualitative Criteria	Capacity and Capability	20%
	Project Timelines	10%
	Sustainability (Mandatory)	10%
Quantitative Criteria	Price (Mandatory)	60%

## **DISCUSSION**

The following information supports the evaluation panel's recommendations.

### **Stage 1**

The Tender Evaluation Panel (TEP) assessed the submissions against the tender evaluation criteria (including price and non-price evaluation criteria) including relevant capacity and capabilities, project timeframes, sustainability and price. Whilst most submissions provided quality evidence of having completed similar sized construction projects for Local Government a number of tenders were of a lower standard failing to adequately address the qualitative assessment criteria including the ability to meet the required timeframe and program for this contract.

### **Stage 2**

At the conclusion of stage 1 tender scoring assessment, the TEP agreed to shortlist the three highest ranked tenderers through to the next stage of the evaluation. Clarifications were sought from Constructive Group Pty Ltd (Constructive), Harris HMC Interiors (VIC) Pty Ltd (Harris HMC) and Building Engineering 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 (assessed as affordable) within the Lump Sum Price and clarifications/confirmation that specific elements of the tender had been included within their submission to avoid any ambiguity.

### Stage 3

Following Stage 2 evaluation the TEP conducted interviews with the top two ranked tenderers; Constructive and Harris HMC. The TEP was able to seek further detail to understand the tenderer's proposed construction methodology, program time and site establishment and to reaffirm the TEP's understanding of each submission. The interviews provided the TEP confidence that both shortlisted companies are capable of delivering the project within the required timeframes and quality.

The TEP requested further minor clarifications and confirmations from the two shortlisted tenders to ensure all items and expectations were understood and included. Departures and exclusions were also assessed and negotiated during this stage and tender prices reaffirmed. The TEP finalised their evaluation of the submissions following this final round of clarifications.

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

Detailed referee checks were undertaken on Constructive which reaffirmed the TEP's assessment of their capability to deliver this contract. Constructive have recently delivered projects with a similar scope and budget successfully for other Councils including Garfield Netball Pavilion for Cardinia Shire, alterations to JP Fawkner Reserve for Merri-bek City Council and are in the process of completing Greenvale Cricket Centre and Craigieburn Community Centre for Hume City Council. The construction program submitted by Constructive indicates the works will commence in May 2024 and reach Practical Completion by May 2025.

### FINANCIAL IMPLICATIONS

This is a multi-year project with provision within Council's Capital Works Budget across this and next financial year as follows:

Capital Budget Allocation	\$ GST Ex.	\$ GST Inc.
<b>Project C09691 - Mt Waverley Reserve Pavilion Redevelopment Construction</b>	\$9,000,000	\$9,900,000

<b>Project C09705 - Mt Waverley Reserve Public Toilet Construction</b>	\$300,000	\$330,000
<b>TOTAL PROJECT BUDGET</b>	<b>\$9,300,000</b>	<b>\$10,230,000</b>

<b>Total Anticipated Project Expenditure Based Upon Constructive Group Pty Ltd Submission</b>		
Lump Sum Price	\$7,067,340.73	\$7,774,074.80
Contingency	\$1,000,000.00	\$1,100,000.00
Project Management/Delivery Fees	\$62,400.00	\$68,640.00
<b>TOTAL ANTICIPATED PROJECT EXPENDITURE</b>	<b>\$8,129,740.73</b>	<b>\$8,942,714.80</b>

This is a multi-year project (23/24 and 24/25) including external funding contributions towards the development of \$7M from the Federal Government in addition to \$2.3M of Council funds.

There is a higher contingency allowance for this project to respond to the site & access constraints with the current Melbourne Water pipeline projects in progress, temporary user group facilities as well as maintaining access for Waverley Community Learning Centre and the cost of a required power upgrade to the site. The power supply upgrade is required to support the new building and sportsground lighting towers. This is allowed for within the contingency allowance and an application is in progress to United Energy for a power supply upgrade to the site from Charles Street.

### **SUSTAINABILITY OUTCOMES**

The design of the Pavilion has specifically incorporated some key ESD elements into the design tender, these include:

- Disconnection of gas service to the site and installation of heat pumps for AC's and hot water system
- Installation of LED lights throughout the whole building
- Installation of a 20kw solar PV system on the roof
- Installation of 15,000L rainwater tank and pump sets for toilet flushing system
- Composite roofing panels
- Integrated insulated roofing panel for high insulation performance
- High performance glazing and double glazing on windows and doors
- Trees which will be required to be removed will be re-used as logs as part of the Mount Waverley playground renewal works
- Re-using the demolished bricks and re-using them for the Gabion retaining walls

In addition to the above, the following are some benefits that Constructive Group Pty Ltd have committed to:

- Bricks to be re-used in the project, concrete, timber products to be recycled, where practical.
- Leftover or surplus materials / hardware items (eg. Timber, plywood, fixings, etc.) are taken from site and stored out their facility for re-use in other projects or in the setting up of sites.
- Safety equipment such as signage, bollards, fencing, etc. at the end of the project will be removed from site and re-used on other projects redirecting these from disposal in landfill.

Constructive Group have also stated they have up to 3 staff members who reside within the City of Monash. They will also source many materials from within the City of Monash.

Constructive Group Pty Ltd seeks to engage with local subcontractors and suppliers on the project including timber supplies, concrete, plumbing supplies and equipment hire. Constructive Group Pty Ltd have a Social Procurement Commitment which they operate under.

The guiding principles of this commitment address:

- Opportunities for Victorian Aboriginal people
- Women's equality and safety
- Opportunities for disadvantaged Victorians
- Supporting a safe and fair workplace.
- Sustainable Victorian social enterprises and Aboriginal business sectors

## **CONCLUSION**

That Council approves the recommendations contained within this report.

## **ATTACHMENT LIST**

Nil