

7.2.2 CF2024206 ACTIVE MONASH HEALTH CLUB EQUIPMENT

Responsible Manager:	Tony Oulton, Manager Active Monash
Responsible Director:	Russell Hopkins, Director Community Services

RECOMMENDATION

That Council

1. **Awards the tender from Life Fitness Australia Pty Ltd for Active Monash Health Club Equipment, Contract No. 2024206 for a fixed Lump Sum of \$1,087,920 under an operating lease agreement.**
2. **Authorises the Chief Executive Officer to execute the contract agreement.**
3. **Notes that the contract will commence on 1 May 2025 for a period of four years, and the expected completion date is 30 April 2029.**
4. **Notes that the total budget including the contract fixed Lump Sum, Contingencies and Provisional Items is \$1,087,920.**

INTRODUCTION

Council has conducted a tender for the provision of 2024206 Active Monash Health Club Equipment.

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 the specificity of equipment required for Active Monash Centres, Council officers determined that it would be most appropriate to go to market itself.

BACKGROUND

Council is seeking to appoint a supplier for the lease, supply and maintenance of fitness and wellness equipment for Monash Aquatic & Recreation Centre, Oakleigh Recreation Centre, and Clayton Aquatic & Health Centre for four years commencing 1 May 2025.

Council currently engages the services of Matrix Fitness Equipment, operating under Johnson Health Tech. The current contract expired on 1 January 2025 and Council has continued to pay a lease on the existing equipment whilst going through this tender process. The old equipment, following this tender process, will either be returned to the finance company CHG-Meridian or disposed of in accordance with Council's Asset Disposal policy at the time the centres' transition to the new supplier.

The new equipment for the centres under this contract will consist of strength pin and plate-loaded, strength equipment, cardio equipment, pilates reformer beds and wellness products, all leased for a period of 48 months on an operating lease.

Council seeks to appoint Life Fitness as the preferred supplier of equipment. This tender has been awarded based on an evaluated submission, questioning and evaluation process that deemed Life Fitness to be the most conforming and which offers the best value and quality to Council. The equipment is top-of-the-range with proven performance and feedback. It meets the needs of Active Monash’s diverse demographic, enabling more members to ‘Participate Their Way’ by the accessibility of the products exceeding the minimum requirements for people with a disability.

Furthermore, Life Fitness’ industry experience exceeded other suppliers in the industry, are in the Monash municipality and can meet the short project timeline to align with the upcoming MARC and CAHC gym reflooring project, ensuring minimal closing time.

NOTIFICATION

A public notice seeking Expressions of Interest was placed in The Age newspaper on 30 November 2024 and the Expression of Interest closed on 20 December 2024. Shortlisted parties were subsequently invited to participate in a selective Tender on 14 February 2025 with submissions closing on 7 March 2025.

TENDERS RECEIVED

Three tender submissions were received by the appointed closing time.

The tenders received are listed below:

- *Johnson Health Tech Australia Pty Ltd – Matrix Fitness*
- *Life Fitness Australia Pty Ltd*
- *Technogym Australia 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 Specification.

All tender submissions were deemed conforming.

The tenderers 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
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Scope Requirements Schedule	<i>Pass/Fail</i>
Quality Systems	<i>Pass/Fail</i>
OHS third part certification	<i>Pass/Fail</i>
Mandatory Insurances	<i>Pass/Fail</i>
Responses to Cyber Questions	<i>Pass/Fail</i>

Table 2	Key Selection Criteria	Criteria Weightings
Qualitative Criteria	Capacity and Capability	25%
	Project Timelines	5%
	Sustainability (Mandatory)	20%
Quantitative Criteria	Price (Mandatory)	50%

Upon review, it was deemed that the spin bikes tendered by each supplier were not suitable for purpose and therefore, the spin bikes were removed from the tender and will be procured separately in accordance with Council's Procurement Policy.

DISCUSSION

The following information supports the evaluation panel's recommendations.

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

FINANCIAL IMPLICATIONS

A forecast budget of \$1,600,000 over four years has been allocated to the Health and Wellness Lease Payments Budget which covers this contract along with other related leases. The preferred supplier's total price schedule is aligned with the allocated budget within the Procurement Plan.

CONCLUSION

That Council approves the recommendations contained within this report.



ATTACHMENT LIST

Nil