

4.1 TENDER FOR BRINE STREET, HUGHESDALE – CHILDREN’S CENTRE UPGRADE (CF2020075 – HM)

Responsible Director: Ossie Martinz

RECOMMENDATION*

That Council:

1. *Awards the tender from Formula Interiors Pty Ltd for Brine Street, Children’s Centre Upgrade, Contract No. CF2020075 for a fixed Lump Sum of \$373,639.20 with an extra \$37,363.92 for Contingencies;*
2. *Authorises the Chief Executive Officer to execute the contract agreement;*
3. *Notes that the contract will commence on 16 March 2020 and the expected completion date is 26 June 2020; and*
4. *Notes that the total anticipated project expenditure, including the fixed Lump Sum, Contingencies, Design/Project Management Fees, Car Park Construction and Provisional Items is \$541,711.*

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

INTRODUCTION

Council has tendered the construction component for the Brine Street, Hughesdale – Children’s Centre Upgrade project.

BACKGROUND

The Brine Street Early Childhood Education and Care Centre provides an education and care program for up to 67 children per day, of which 17 children participate in the funded four-year-old kindergarten program. Each day up to 19 team members are engaged in the delivery of the education and care program. Staff engagement at the centre is generally very high, but concerns about the facilities in the existing staff room are regularly raised with management. The area is small and poorly designed with basic facilities and very old furniture.

The project is to establish a new staff room that caters for the needs of staff during their breaks and provides a space for staff to work when they are undertaking program planning. The existing staff room will be refurbished to allow for the inclusion of a children’s library at the child care centre.

The on-site car parking is also being expanded to cater for a further eight (8) vehicles. The car park works do not form part of this contract but are being funded from the overall project budget allocation.

NOTIFICATION

Five (5) 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 18 November 2019 and the tender closed on 13 December 2019. Council use of the CSR list is approved by the Minister of Local Government under section 186(5) (c) of the Local Government Act 1989 and is therefore compliant with Councils' legislative requirements.

TENDERS RECEIVED

Three (3) tender submissions were received by the appointed closing time. The tenders received are listed below:

- *Domain National Pty Ltd*
- *Formula Interiors Pty Ltd*
- *Simbuilt Pty Ltd*

Tender Conformance:

All submissions were accessed 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:

Pass/Fail Assessment Criteria	Score
Quality Systems	<i>Pass/Fail</i>
OHS	<i>Pass/Fail</i>
Mandatory Insurances	<i>Pass/Fail</i>
Working with Children's License	<i>Pass/Fail</i>
Conforming Tender	<i>Pass/Fail</i>

KEY SELECTION CRITERIA		CRITERIA WEIGHTINGS	SUB WEIGHTINGS	SUB CRITERIA/RETURNABLE SCHEDULES LINK
40% NON-PRICE CRITERIA	Capacity and Capability	20%	5%	Experience
			5%	Resources
			5%	Risk Management
			3%	Legal Compliance
			2%	Performance and Innovation
	Project Timelines	10%	4%	Start and Completion timeframe
			6%	Proposed Program
	Sustainability (Mandatory)	10%	4%	Environmental Sustainability
			3%	Local Sustainability
			3%	Social Sustainability
PRICE (60%)	Price*	60%	60%	Comparison of Whole of Life Cost or Total Project Cost or Estimated Annual Cost

*Minimum 60% price weighting required unless Council approves otherwise.

DISCUSSION

The final evaluation ranking (including the price and non-price evaluation criteria) had Formula Interiors Pty Ltd ranked highest.

As such, the evaluation panel recommends Formula Interiors Pty Ltd as representing the best value outcome for Council.

FINANCIAL IMPLICATIONS

Capital Budget Allocation	\$ GST Inc.
Project No.: P1043 Brine Street Staffroom and Children's Library Build – Year 2	\$493,185

Contract Price – Building Construction	\$373,639.20
Contingency	\$37,363.92
CF2019114 - External Design Consultant	\$63,893.50
CF2020093 - Car Park Extension	\$50,000.00
Project Management Fees	\$12,000.00
Planning and Design Fees	\$4,814.70
ANTICIPATED PROJECT EXPENDITURE	\$541,711.00

The lowest submission was over the allocated Capital Works project budget. The project working group went through a value management process to identify and reduce project costs without compromising the outcome of the project.

There is a budget shortfall of \$48,526 (GST inclusive) for this project which is referred to Council to approve the additional funding.

CONCLUSION

That Council approves the recommendations contained within this report.