

4.3 TENDER FOR 2020/21 HVAC & MECHANICAL RENEWAL PROGRAM – GLEN WAVERLEY LIBRARY
(T2021006: RH)

Responsible Acting Director: Simon Hill

RECOMMENDATION*

That Council:

1. *Awards the tender from BH&C Air Conditioning for 2020/21 HVAC & Mechanical Renewal Program - Glen Waverley Library, Contract No. 2021006 for the fixed Lump Sum Price of \$379,696.46 with an extra \$17,183.54 for Contingencies;*
2. *Authorises the Chief Executive Officer to execute the contract agreement;*
3. *Notes that the contract will commence on 15 February 2021 and the expected completion date is 25 June 2021; and*
4. *Notes that the anticipated project expenditure including the fixed Lump Sum, Contingencies, Design Fees and Project Management & Delivery Fees is \$418,000.*

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

INTRODUCTION

Council tendered for 2020/21 HVAC & Mechanical Renewal Program - Glen Waverley Library.

BACKGROUND

Council is seeking to appoint a contractor to deliver the 2020/21 HVAC & Mechanical Renewal Program, Glen Waverley Library, Stage 1 and Stage 2 works. Stage 1 works include boiler, refrigeration, air handling unit & mechanical services switchboard replacement and building management system control upgrade (Innotech). Stage 2 works include toilets and car park ventilation systems upgrade. Both stages must be completed this financial year.

NOTIFICATION

A public notice was placed in The Age newspaper on 24 October 2020 and the tender closed on 13 November 2020.

TENDERS RECEIVED

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

TENDERERS SUBMITTED	
1	BH&C Air Conditioning
2	Entire Mechanical Services Pty Ltd
3	Renown Services

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.

One (1) submission was deemed non-conforming and this submission was not evaluated further.

TENDER EVALUATION

All members of the evaluation panel signed Conflict of Interest and Confidentiality forms and no conflicts were raised.

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

Pass/Fail Assessment Criteria	Score
Quality Systems (if applicable)	<i>Pass/Fail</i>
OHS	<i>Pass/Fail</i>
Mandatory Insurances (if applicable)	<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

A tender interview was conducted with the highest ranking tenderer BH&C Air Conditioning and a summary of key findings follows.

- The submitted tender price for both stages 1 and 2 was confirmed.
- Project methodology was confirmed.
- Project OHS compliance was confirmed.

The final evaluation ranking (including the price and non-price evaluation criteria) had BH&C Air Conditioning ranked highest and as such, the evaluation panel recommends BH&C Air Conditioning as representing the best value outcome for Council.

BH&C Air Conditioning has previously delivered HVAC works for Council at the Civic Centre & MGA as a subcontractor to a high standard of quality.

FINANCIAL IMPLICATIONS

PROJECT BUDGET ALLOCATION	GST exclusive	GST inclusive
HVAC & Mechanical Renewal Program - Glen Waverley Library	\$380,000.00	\$418,000.00
TOTAL INCOME	\$380,000.00	\$418,000.00
Estimated Project Expenditure Based Upon BH&C Air Conditioning Submission		
Lump Sum Price	\$345,178.60	\$379,696.46
Design Fees	\$7,800.00	\$8,580.00
Contingency	\$15,621.40	\$17,183.54
Project Management Fees	\$11,400.00	\$12,540.00
ESTIMATED PROJECT EXPENDITURE	\$380,000.00	\$418,000.00

SUSTAINABILITY OUTCOMES

The upgrade involves the replacement of the building cooling system that uses refrigerant type R22 which is being phased out across the air conditioning and refrigeration industry in accordance with Australia's obligation to the Montreal Protocol on Substances that Deplete the Ozone Layer. The new cooling system is refrigerated utilizing a variable speed compressor that uses ozone friendly R134A gas.

Replacement of the existing components with significantly more reliable and energy efficient ones, including the library air handling unit, DX cooling system, boiler & pump, toilet air handling unit, car park air handling unit, and switchboard.

The HVAC upgrade will ensure Council continues to meet its obligation to provide staff and visitors to the Library, a comfortable environment in all weather conditions. This work will complete the air conditioning upgrade for the building.

The recommended tenderer has advised that consumable materials are to be sourced locally and that approximately 90% of all waste materials are to be recycled.

CONCLUSION

That Council approves the recommendations contained within this report.