



SUPPLEMENTARY AGENDA
BRIEFING PAPERS
FOR COUNCIL MEMBERS'
BRIEFING SESSION

Draft Only

to be held at
the Council Chambers (Level 1), Civic Centre,
23 Dundobar Road, Wanneroo
on 09 March, 2021 commencing at 6:00PM



City of Wanneroo

Briefing Papers for Tuesday 9 March, 2021

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L A T E I T E M S A G E N D A

Item 6 Late Reports

6.1 Tender 20226 Provision of Major Works for Construction of a Sports Amenities Building at Dalvik Park, Merriwa

File Ref: 32948 – 21/62125
Responsible Officer: Director Community and Place
Disclosure of Interest: Nil
Attachments: 1

Issue

To consider Tender No. 20226 for the Construction of Dalvik Park Sports Amenities Building.

Background

The project is listed in the 2020/21 Capital Works Program and involves the design and construction of a sport amenities building at Dalvik Park, an active public recreation reserve located at 20 Dalvik Avenue Merriwa 6030. The site is on Lot 1019 of Reserve Number 48091 with a total land area of approximately 5.75ha and is City of Wanneroo managed Crown land. There is currently no existing community or change room facilities on the site or within the vicinity Dalvik Park. The reserve is currently used by Alkimos Baptist College for school activities and has historically been used as a passive park/informal space.

Tender No 20226 includes site preparation works, construction of a new sports amenities building and fit-out. The facilities will include a central open space (or option for multi-purpose room); an external timer locked Universal Access Toilet (UAT), an internal UAT, male and female toilets, kiosk, central open space, two unisex change rooms, first aid room, umpire room, storage, cleaner's room, verandas, communications room, bin store and associated services.

Detail

Tender No. 20226, for the Construction of a Sports Amenities Building at Dalvik Park, Merriwa, advertised on Wednesday, 13 January 2021 and closed on Tuesday, 16 February 2021. A non-mandatory site briefing held on Friday, 22 January 2021 at Dalvik Park in Alkimos provided tenderers with the opportunity to inspect the existing site prior to the closing of the Tender, and four addenda issued.

The Tender included an optional item, (Option 1), for the inclusion of construction of a multi-purpose room in lieu of the central open space.

Essential details of the proposed contract are as follows:

Item	Detail
Contract Form	Major Works AS4000
Contract Type	Lump Sum
Contract Duration	42 weeks (from site possession date excluding defects liability period)
Commencement Date	21 April 2021
Expiry Date	11 February 2023
Extension Permitted	No

Item	Detail
Rise and Fall	Not applicable

Tender submissions received from the following 11 companies:

Company (full entity name)	Company (abbreviated name)	Business Address (Suburb)*
A.E. Hoskins Building Services Pty Ltd	Hoskins	Balcatta
BE Projects (WA) Pty Ltd	BE Projects	South Perth
Bistel Construction Pty Ltd	Bistel	Osborne Park
Devlyn Australia Pty Ltd	Devlyn	Canning Vale
Plus Building WA Pty Ltd	Plus	Cottesloe
Candor Contractors Pty Ltd	Candor	Parkwood
Renascent Western Australia Pty Ltd	Renascent	Perth
Shelford Construction Pty Ltd	Shelford	Rockingham
Interstruct Constructions Ltd	Interstruct	Hilton
LKS Constructions (WA) Pty Ltd	LKS	Malaga
Pindan Constructions Pty Ltd	Pindan	Busselton

All submissions met the requirement for a conforming tender.

The Tender Evaluation panel comprised:

- Senior Project Manager Major Buildings (Chair) - Infrastructure Capital Works
- Building Projects Officer – Infrastructure Capital Works
- Planning Officer – Community Facilities
- Architect – Lee Symington Architect Pty Ltd
- Occupational Safety & Health Officer – People and Culture.

The City's Contracts Officer provided oversight to the tender assessment process.

The Procurement and Evaluation Plan (**PEP**) included the following selection criteria:

	Criteria	Weight
1	Sustainable (Corporate Social Responsibility) Procurement: a) Environmental Considerations 5% b) Buy Local 15% c) Reconciliation Action Plan 2.5% d) Disability Access & Inclusion 2.5%	25%
2	*Demonstrated experience of tenderer and personnel performing the services	20%
3	*Methodology	15%
4	*Resources and Capacity	20%
5	*OSH demonstrated working documents	20%
	TOTAL	100%

Pricing is not included in the qualitative criteria but considered as part of the overall Value for Money (VFM) assessment.

*Tenderers must achieve a minimum acceptable qualitative score (as determined by the City) for each of the mandatory qualitative criteria detailed above to progress for further evaluation.

Evaluation Criteria 1 – Sustainable (Corporate Social Responsibility) (25%)

Evidence of Sustainable (Corporate Social Responsibility) Procurement assessment was based on the tenderers' responses provided within the Questionnaires set out in Schedules 3A, 3B, 3C, 3D that were included in the tender documentation.

Sub-criteria a) Environmental Considerations (5%)

The City is committed to procuring goods and services that have the most positive environmental, social and economic impacts over the entire life cycle of a product or service. The environmental assessment based on tenderers' response to their Environmental policy and practices.

Sub-criteria b) Buy Local (15%)

The City encourages the development of competitive local businesses within the geographical boundaries of the City first and secondly within the broader region. The assessment was determined, but not limited to the following commitment:

- Purchasing locally made and sourced goods/services;
- Inviting local businesses to participate in quotation, tender and expressions of interest opportunities;
- Providing an advantage to those businesses based within the City's boundaries;
- Providing an advantage to those businesses demonstrating economic benefit to the City's community such as employing local residents/sub-contractors and/or purchasing goods/services from local providers.

Sub-criteria c) Reconciliation Action Plan (2.5%)

The assessment based on the tenders' responses to:

- **Relationships** – building positive relationships between indigenous and non-indigenous people;
- **Respect** – recognising the contribution of Indigenous people to Australia and learning more about the history, culture and diversity in a two-way communication process;
- **Opportunities** – attracting, developing and retaining organisational talent to build opportunities for aboriginal employment, training, and development and mentoring.

Sub-criteria d) Disability Access & Inclusion (2.5%)

The assessment based on the tenders' responses to:

- People with disabilities have the same buildings and facilities access opportunities as other people;
- People with disabilities receive information in a format that will enable them to access information as readily as other people are able to access it;
- People with disabilities receive the same level and quality of service from staff as other people receive;
- People with disabilities have the same opportunities as other people to make complaints;

- People with disabilities have the same opportunities as other people to participate in any employment opportunities.

The combined assessment of responses for the above Sustainable Procurement criterion resulted in the following tenderer ranking:

Tenderer	Ranking
Bistel	1
Renascent	1
LKS	3
BE Projects	4
Hoskins	5
Pindan	6
Shelford	7
Devlyn	8
Candor	9
Plus Building	10
Interstruct	11

Evaluation Criteria 2 - Demonstrated Experience of Tenderer and Personnel performing the Services. (20%)

The assessment of tenderers' resources as presented evaluated their capacity to meet the requirements of the contract. Assessment of this criterion considered the tenderers' organisation experience and the experience of key personnel who will be involved in the project with consideration given to project experience, relevant industry qualifications and type, size and complexity of projects previously undertaken.

Based on the response provided by the tenderers, the assessment of this criterion has resulted in the following ranking:

Tenderer	Ranking
Bistel	1
BE Projects	2
Shelford	3
Devlyn	4
Pindan	4
Hoskins	6
LKS	6
Candor	8
Plus	8
Renascent	8
Interstruct*	11

*Interstruct failed to achieve the minimum acceptable score for the Demonstrated Experience criterion assessment.

Evaluation Criteria 3 - Methodology (15%)

The assessment of tenderers' methodology evaluated their understanding of the project, methodology and capability to meet the requirements of the contract. This is inclusive of a construction programme to show ability to meet the relevant timeframe of the contract. Based on the response provided by the tenderers, the assessment of this criterion has resulted in the following ranking:

Tenderer	Ranking
BE Projects	1
Bistel	1
Devlyn	3
Renascent	3
Pindan	5
Hoskins	6
Candor	6
Shelford	6
Plus	9
LKS	10
Interstruct*	11

*Interstruct failed to achieve the minimum acceptable score for the Methodology criterion assessment.

Evaluation Criteria 4 – Resources and Capacity (20%)

The assessment of tenderers' resources evaluated their capacity to meet the requirements of the contract. Assessment of this criterion considered the tenderers' available resources and their capacity to fulfil the contract. Based on the response provided by the tenderers, the assessment of this criterion has resulted in the following ranking:

Tenderer	Ranking
Bistel	1
BE Projects	2
Devlyn	2
Shelford	2
LKS	5
Pindan	5
Hoskins	7
Renascent	7
Candor	9
Plus	10
Interstruct*	11

*Interstruct failed to achieve the minimum acceptable score for the demonstrated Resources and Capacity criterion assessment.

Evaluation Criteria 5 – *OSH demonstrated working documents (20%)

The assessment of demonstrated evidence to occupational safety and health policies and practices based on information provided within the respective tender submissions.

All tenderers provided details of their safety management systems with the following tenderer ranking:

Tenderer	Ranking
Candor	1
Hoskins	2
Devlyn	2
LKS	2
Shelford	2
BE Projects	6
Bistel	6
Pindan	6
Renascent	9
Interstruct*	10
Plus Building*	10

*Plus Building and Interstruct failed to achieve the minimum acceptable score for the OSH demonstrated working documents criterion.

Overall Weighted Assessment and Ranking

The overall qualitative weighted assessment resulted in the following tenderer ranking:

Tenderer	Ranking
Bistel	1
BE Projects	2
Devlyn	3
Shelford	4
Pindan	5
LKS	6
Hoskins	6
Renascent	8
Candor	9
Plus Building*	10
Interstruct*	11

*Plus Building and Interstruct failed to achieve the minimum acceptable for at least one of the mandatory assessment criteria and therefore did not proceed to the value for money assessment.

Tendered Lump Sum Price Ranking

The assessment of Tenderers' lump sum pricing considered pricing for both the primary scope and for inclusion of the optional item; i.e. construction of the multi-purpose room in lieu of central open space. **Confidential Attachment 1** provides the detailed price information for those tenderers that progressed to the value for money assessment:

Tenderer	Primary Construction Works Price	Tenderer	Price Including Option for Multi-purpose Room
AE Hoskins	1	AE Hoskins	1
BE Projects	2	Be Projects	2
Bistel	3	Bistel	3
Plus Building*	4	Plus Building	4
Candor**	5	Renascent	5
Renascent	6	Devlyn	6
Devlyn	7	Shelford	7
Shelford	8	Interstruct*	8
Interstruct*	9	LKS	9
LKS	10	Pindan	10
Pindan	11	Candor**	Price Not Provided for Multi-Purpose Room

*Plus Building and Interstruct did not proceed to the Value for Money assessment.

**Candor did not provide a price for inclusion of the multi-purpose room.

A review of the tendered prices as compared to the Quantity Surveyor's estimate and in comparison to the cost of the overall building found that the inclusion of Option 1 (construction of the multipurpose room) provided competitive pricing and value for money.

Inclusion of this option during the current construction will provide a significant cost saving to the City as compared to later construction of a stand-alone multipurpose room. The value for money assessment therefore considered the inclusion of Option 1 (construction of multi-purpose room).

Value for Money Assessment

The value for money assessment determined the overall ranking based on the total works lump sum price inclusive of the option for construction of the multi-purpose room. This assessment resulted in the following tenderer ranking:

Tenderer	Ranking
BE Projects	1
AE Hoskins	2
Bistel	3
Devlyn	4
Renascent	5
Shelford	6

LKS	7
Pindan	8
Candor	Price not provided for multi-purpose room

Overall Comment

The tender submission from **BE Projects Pty Ltd** provided the best overall value-for-money outcome in accordance with the assessment criteria as detailed in the Procurement Evaluation Plan and therefore recommended as the successful tenderer.

- BE Projects offers a very competitive price for both the primary works and the Option 1 works;
- BE Projects has a strong history in the delivery of sports amenities buildings for local councils; and
- BE Projects was assessed with a 'sound' financial capacity to deliver the project.

Consultation

Throughout the design phase of the project, the City worked collaboratively with key stakeholders, sports clubs and user groups. The public comment process undertaken in June 2019 with nearby residents, various sporting clubs and user groups.

As reported in CP06-07/19 *Concept Design – Dalvik Park Sports Amenities Building*, the public comment period for the project was open for a period of four weeks from 4 June to 28 June 2019. An information letter, which included the concept and site plan, posted to 782 residents within a 400m radius of the park. Liaison with Alkimos Baptist College and 15 identified local sporting clubs regarding the approval of concept plans carried out as part of this process. Key internal stakeholders engaged during various stages of the design phase, and invited to provide comment at several stages.

Post tender award and during the construction phase, the City will provide regular progress updates on key project milestones or events; post information on City's webpage and media channels.

Statutory Compliance

In accordance with the requirements of Section 3.57 of the *Local Government Act 1995*, Tenders were invited. The tendering procedures and evaluation complied with the requirements of Part 4 of the *Local Government (Functions and General) Regulations 1996*.

Strategic Implications

The proposal aligns with the following objective within the Strategic Community Plan 2017 – 2027:

“3 *Environment (Built)*

3.4 *Activated Places*

3.4.2 *Provide safe spaces, centres and facilities through our infrastructure management and designs for community benefit and recreation”*

Enterprise Risk Management Considerations

Risk Title	Risk Rating
CO-O07 Purchasing	Moderate
Accountability	Action Planning Option
Director, Corporate Strategy & Performance	Manage

Risk Title	Risk Rating
CO-O08 Contract Management	Moderate
Accountability	Action Planning Option
Director, Corporate Strategy & Performance	Manage

Risk Title	Risk Rating
CO-O17 Financial Management	Moderate
Accountability	Action Planning Option
Director, Corporate Strategy & Performance	Manage

Financial and Performance Risk

Financial Risk

A financial risk assessment undertaken as part of the tender evaluation process determined that BE Projects (WA) Pty Ltd assessed with a 'sound' financial capacity to meet the requirements of the contract.

As per tender requirements, BE Projects (WA) Pty Ltd is required to provide two bank guarantees with a combined total of 5.0% of the contract value, 2.5% to be returned at practical completion and 2.5% to be returned at finalisation of defects liability, to be paid to the City within 14 days of acceptance of tender.

Performance Risk

BE Projects (WA) Pty Ltd provided a very competitive price comparatively and have undertaken a significant number of similar Sports Amenities pavilion projects around the same value for cities of Belmont, Cockburn, Mandurah, Kalamunda, Rockingham and Goomalling Shire.

There are no claims, disputes or notices of default registered against the company.

Policy Implications

Tenders invited were in accordance with the requirements of the City's Purchasing Policy.

Financial (Budget) Implications

Capital Works:

Based on the tenderer's lump sum price and the type of construction works to be carried out, a calculation was made to determine the respective annual estimated value of works for the contract period which is predicted to start early April 2021 finish February 2022.

PR-2792 Dalvik Park Sports Amenities Building

Description	Expenditure	Budget
Budget:		
Allocated Capital Works Budget for 2018/19 (PR-4172)		\$41,131
Allocated Capital Works Budget for 2019/20 (PR-4172)		\$42,395
Allocated Capital Works Budget for 2020/21 (PR-4172)		\$587,000
Allocated Capital Works Budget for 2021/22 (PR-4172)		\$974,000
Expenditure:		
Expenditure incurred in 2018/2019	41,134.41	
Expenditure incurred in 2019/2020)	49,677.40	
Expenditure incurred in 2020/2021)	21,474.93	
Commitment to date (2020/2021)	\$74,173.00	
New Year Budget Forecast		
Project Management & Professional Fees	40,000.00	
RFT 20226 For construction of Dalvik Park Sports Amenities Building including Option 1 – Multi-purpose Room (Total Lump Sum) Recommended Tenderer: BE Projects(WA) Pty Ltd	\$1,899,846.22	
Other works		
- reticulation and turfing	\$42,000.00	
- Contingency 5%	\$95,000.00	
-		
-		
Total Expenditure	\$2,263,305.96	
Total Funding		\$1,644,526.39
Funding Provision required in 2021/2022		\$618,779.96

Voting Requirements

Simple Majority

Recommendation

That Council:

- ACCEPTS** the tender submitted by BE Projects (WA) Pty Ltd for Tender No. 20226, for the provision of Major Works for Construction of Dalvik Park Sports Amenities Building, Carpark and inclusive of the option for a Multi-purpose Room, at a combined contract lump sum of \$1,899,846.22 in accordance with the terms and conditions specified in the tender document and subject to the City receiving all necessary permits and approvals; and
- NOTES** the addition of \$618,779.96 of Municipal Funding in the draft 2021/22 capital budget to cover the shortfall between the existing Municipal funds and the Community Sporting and Recreation Facilities Fund (CSRFF) grant for the construction of Dalvik Park Sports Amenities Building and Multi-purpose Room.

Attachments:

[1](#). RFT 20226 Dalvik Park Sports Amenities Building - Confidential Attachment 1 21/83944

Attachment 1 – RFT 20226 Dalvik Park Sports Amenities Building

This attachment is confidential and distributed under separate cover to all Council Members.

Administration Use Only

Attachment 1 – HPE #21/83944