

7.4.4 TENDER FOR GARDINERS RESERVE - PITCH 1 REDEVELOPMENT AND LIGHTING CONSTRUCTION - CT2023242

Responsible Manager:	Andrew Andonopoulos, Manager Capital Works
Responsible Director:	Jarrold Doake, Director City Services

RECOMMENDATION

That Council:

- 1. Awards the tender from Hendriksen Contractors Pty Ltd for Gardiners Reserve - Pitch 1 Redevelopment and Lighting Construction, Contract No. 2023242 for a fixed Lump Sum of \$2,052,153.84 with an extra \$203,500 for Contingencies, and \$112,200 for Project Management/ Delivery Fees;**
- 2. Authorises the Chief Executive Officer to execute the contract agreement;**
- 3. Notes that the contract is anticipated to commence on 13 September 2023 and the expected completion date is 17 May 2024;**
- 4. Approves the additional funding of \$167,853.84 required to deliver this project; and**
- 5. Notes that the anticipated project expenditure including the fixed Lump Sum and Project Management/Delivery Fees is \$2,164,353.84 with a further allocation of \$203,500 for Contingencies.**

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

INTRODUCTION

Council has conducted a tender for 2023242 – Gardiners Reserve - Pitch 1 Redevelopment and Lighting 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 access established contracts via other compliant procurement agreements.

Due to the nature of the construction works being limited to sports infrastructure on a local Monash Reserve, it was deemed that options for collaboration were limited and that an independent procurement process would be undertaken.

BACKGROUND

This project entails the sportsground redevelopment and lighting upgrade on Pitch 1 at Gardiners Reserve, Burwood.

The full project scope will deliver the following:

- Complete redevelopment of the natural turf soccer pitch inclusive of new drainage and irrigation;
- Installation of new 200 lux LED sports lighting system to support night competition matches;
- Upgraded black PVC coated chain mesh perimeter fence;
- New perimeter concrete walking path; and
- Hybrid turf surface (natural turf with synthetic in-fill) to all high traffic areas.

The sportsground was identified as a high priority for redevelopment in response to a sports field audit carried out by Sports Turf Consultants in June 2020. This audit revealed the existing playing surface is in poor condition with an inefficient drainage and irrigation system resulting in the pitch being water-logged in winter and the surface showing severe undulation. It was recommended that the pitch and supporting infrastructure is fully renewed and upgraded.

The facility currently supports high level soccer participation as a training and competition venue to the Eastern Lions Soccer Club playing in the Football Victoria National Premier League.

Council engaged STRI to undertake the site investigation and deliver the sportsground pitch and lighting design in 2022/23 in preparation for the construction stage to be delivered in 2023/24 FY.

Gardiners Reserve is a known contamination site and as such, detailed geotechnical testing and environmental assessments were carried out throughout the design phase. It was determined that the recommended construction method was not to excavate the existing site level but in fact to retain and raise the pitch surface level and surrounding perimeter infrastructure.

Gardiners Reserve is located adjacent to the Gardiners Creek and is situated within a Cultural Heritage Sensitive Overlay. Council Officers engaged specialist heritage advisors, Tardis Archaeology to determine whether a Cultural Heritage Management Plan was required.

Tardis Archaeology facilitated a significant historical investigation and commissioned a report of their findings. The findings of the report concluded that due to the site being a known community recreation space and utilised for community sport dating back to the 1980s, it was deemed that any cultural significance would have been disturbed and/or addressed when excavation was initially undertaken for the construction of the existing natural turf pitch and existing sporting pavilion and car park.

Based on this information Tardis Archaeology have advised that a Cultural Heritage Management Plan is not required for this project.

NOTIFICATION

A public notice was placed in The Age newspaper on 8 July 2023 and the tender closed on 2 August 2023.

TENDERS RECEIVED

Two tender submissions were received by the appointed closing time.

The tenders received are listed below:

TENDERERS SUBMITTED	
1	Hendriksen Contractors Pty Ltd
2	Quantum Civil 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 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 remaining tenders 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 third party certification	<i>Pass/Fail</i>
Mandatory Insurances	<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 50% price weighting is required unless Council approves otherwise.

** Where the Sustainability weighting is less than 20%, the minimum Price weighting must be 60% and the reasons detailed below:

This contract has a detailed specification which outlines sustainability elements which are incorporated & specified in the design & construction documents and hence the price weighting is 60%.

DISCUSSION

Two submissions were received in response to the advertised tender.

Both Lump Sum tender prices exceeded the available management budget. As such, the Project Team looked at a number of value management options to reduce cost.

The following value management items were proposed by the tenderer for consideration:

- Reduction of sub-base gravel depth from 150mm to 125mm; potential saving of \$23,000;
- Substitution of perimeter concrete path to a granitic sand path with a potential saving of \$35,000;
- Replacing the hybrid turf section with natural grass with a potential saving of \$225,000.

While these items were considered by the Tender Evaluation Panel (TEP) they were not deemed desirable amendments to the project scope. This was due to the items having a negative impact on the overall performance and longevity of the facility and would result in a corresponding increased ongoing infrastructure maintenance cost, more regular maintenance and shorter life expectancy.

The final evaluation ranking (including the Price and Non-Price Evaluation Criteria) had Hendriksen Contractors ranked highest and as such, the evaluation panel recommends Hendriksen Contractors as representing the best value outcome for Council for this tender.

Hendriksen Contractors provided a highly competitive submission and are known to Council having successfully delivered sports infrastructure or sportsground redevelopment projects for Monash and other metropolitan municipalities. More recently Hendriksen Contractors have delivered sportsground redevelopment projects at Tally Ho Reserve and Mulgrave Reserve and are currently working on cricket net redevelopment projects at both Mulgrave Reserve and Princes Highway Reserve.

A post tender interview was conducted with Hendriksen Contractors. They clearly demonstrated their understanding of the project, identified some potential risks and opportunities and outlined their capacity to deliver the project on time and in conjunction with their existing project commitments with Monash and other metropolitan councils.

As this is a substantial value contract, an independent financial assessment was conducted by Equifax on the preferred tenderer using the Corporate Scorecard. The report provided a marginal result with a score received of 4.22 out of 10.

Additional measures and controls are recommended and will be in place which will mitigate any risk to Council for this contract. These include:

- Bank Guarantee (5% of contract sum) will be obtained from the contractor (in advance of commencement of works);
- Council payment terms are 30 days in arrears upon value of works completed at that time;
- Evidence of payments to sub-contractor or suppliers for major material purchases will be required prior to payment being made by Council to contractor.

FINANCIAL IMPLICATIONS

The 2023/24 Capital Works budget makes provision for this project as follows:

PROJECT BUDGET ALLOCATION	GST exclusive	GST inclusive
Project C09638 – Gardiners Reserve - Pitch 1 redevelopment and Lighting Construction	\$2,000,000.00	\$2,200,000.00
TOTAL INCOME	\$2,000,000.00	\$2,200,000.00
Estimated Project Expenditure Based Upon Hendriksen Contractor Pty Ltd's Submission		
Lump Sum Price	\$1,865,594.40	\$2,052,153.84
Contingency	\$185,000.00	\$203,500.00
Project Delivery & Management Fees	\$102,000.00	\$112,200.00
ESTIMATED PROJECT EXPENDITURE	\$2,152,594.40	\$2,367,853.84
BUDGET SHORTFALL	\$152,594.40	\$167,853.84

There is a budget shortfall of \$167,853.84 (GST Incl.) for this project. The additional funding required for this project will be managed within delivery of the overall 2023/24 Capital Works program.

SUSTAINABILITY OUTCOMES

Hendriksen Contractors identified several sustainability opportunities within this project that supports Council's endeavour to deliver environmental, local and socially sustainable projects. They have committed to utilising recyclable crushed rock for all concrete works including the perimeter concrete path, spoon drainage system, footings and sub-base material.

Further sustainability practices will be in place to recycle existing redundant materials during the demolition phase, including:

- Metal from existing perimeter fence and posts, lighting towers and cabling
- Concrete footings
- Re-use existing grass and soil for landscaping surfaces where possible

CONCLUSION

That Council approves the recommendations contained within this report.

ATTACHMENT LIST

Nil