

7.4.4 2024161 GATEWAY RETAIL STRIP STREETScape UPGRADE

2024161

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

RECOMMENDATION

That Council:

- 1. Awards the tender from CDN Constructors Pty Ltd for Gateway Retail Strip Streetscape Upgrade, Contract No. 2024161 for a fixed Lump Sum of \$1,386,216 with an extra \$137,500 for Contingencies**
- 2. Approves additional funding of \$55,732.17 required for this project**
- 3. Authorises the Chief Executive Officer to execute the contract agreement**
- 4. Notes that the contract is anticipated to commence on 1 July 2024 and the expected completion date is 30 October 2024 and**
- 5. Notes that the anticipated project expenditure including the Fixed Lump Sum, Service Authority Fees and Charges & Project Management/Delivery Fees is \$1,559,432.17 with a further \$137,500 for Contingencies.**

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

INTRODUCTION

Council has conducted a tender for 2024161 – Gateway Retail Strip Streetscape Upgrade.

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 project delivery timing requirements, site-specific design specification and significant coordination of approvals from Department of Transport and Planning there was limited opportunity for regional or sector collaboration.

BACKGROUND

The Gateway retail strip, situated at a prominent intersection of two major roads (the northwest corner of Springvale Road and Dandenong Road/Princess Highway), is a bustling activity hub. The existing public realm in the Gateway retail strip falls short of its significance as a city gateway: it is tired and in need of refurbishment, dominated by road pavements, and offers limited amenities for pedestrians and shoppers.

The design proposals aim to enhance pedestrian safety and accessibility, create better outdoor dining spaces for local businesses, and attract more visitors to the center. The project seeks to rejuvenate the shopping strip by introducing widened footpaths, enhancing pedestrian safety, installing new street trees and greening (including water-sensitive urban design infrastructure), and installing new street furniture. These improvements will increase outdoor dining and other trading opportunities, ultimately benefiting local businesses through increased foot traffic.

Stakeholder engagement was conducted from late 2022 till mid-2023 and included a five-week community consultation period in mid-2023. Consultation activities included:

- Letters to residents, traders and property owners.
- Poster display at the activity center to notify visitors of the Project.
- Shape Monash as the main platform for consultation.
- Direct conversations with local traders.
- Update at community advisory group meetings.

Council officers considered feedback from the community within the final detail design completed in early 2024.

NOTIFICATION

A public notice was placed in The Age newspaper on 30 March and 6 April 2024 and the tender closed on 3 May 2024.

TENDERS RECEIVED

Tender submissions were received from the following eight suppliers by the appointed closing time.

TENDERERS SUBMITTED	
1	Blue Peak Constructions Pty Ltd
2	CDN Constructors Pty Ltd
3	Delfino Paving Co Pty Ltd
4	Evergreen Civil Pty Ltd
5	Kaizen Civil Pty Ltd
6	Prestige Paving Pty Ltd
7	Reno Con Pty Ltd
8	United Civil Constructions 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.

PRE-TENDER PROCESS

Pre-Tender Supplier briefings were undertaken on site on two occasions: Friday 12 April 2024 and Tuesday 23 April 2024. This provided Tenderers with an opportunity to seek any clarifications, understand the center during its operation on a typical day and to consider this within their tender submission.

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:

ASSESSMENT CRITERIA	
Quality Systems	Pass/Fail
OHS Third Party Certification	Pass/Fail
Mandatory Insurances	Pass/Fail

KEY SELECTION CRITERIA	CRITERIA WEIGHTINGS	SUB CRITERIA WEIGHTINGS	SUB CRITERIA
Capacity and Capability	20%	6%	Experience
		4%	People & Equipment Resources
		10%	Methodology & Risk Management
Project Timelines	10%	8%	Start and Completion timeframe
		2%	Proposed Program
	10%	5%	Environmental Sustainability

Sustainability* (Mandatory)		4%	Local Sustainability
		1%	Social Sustainability
Price*	60%	60%	Price

**Sustainability has been incorporated into the specifications i.e. the use of “Stratavaults” in the Water sensitivity urban design elements, use of recycled materials throughout the construction specification and recycling of any surplus and waste materials. There is limited opportunity to incorporate additional or replace specified materials through this tender therefore sustainability weighting has been reduced to 10% and price increased to 60% for this tender.*

DISCUSSION

All tender submissions were assessed against the tender evaluation criteria (including the price and non- price evaluation criteria).

The Tender Evaluation Panel (TEP) compared the relevant experience of the tenderers and capability to deliver the streetscape project included in this tender. The TEP concluded that the three highest ranked tenderers be interviewed:

- CDN Constructors Pty Ltd
- Prestige Paving Pty Ltd
- Reno Con Pty Ltd

The evaluation panel conducted interviews with the shortlisted tenderers to further confirm their:

- Experience.
- Resourcing, capability, and capacity.
- Methodology and delivery program.
- Risk management and site-specific risks.
- Innovation; and
- Opportunities for Value Management items identified by Council, as all tender submissions received exceeded the adopted project budget.

Following interview the final evaluation ranking (including the price and non-price evaluation criteria) had CDN Constructors Pty Ltd ranked highest and as such, the evaluation panel recommends CDN Constructors Pty Ltd as representing the best value outcome for Council and that they be awarded this tender.

The following further discussion supports the TEP’s recommendation:

CDN specialises in streetscape and civil infrastructure works and have previously delivered similar streetscape projects for other councils including the following locations:

- Blackburn Station Village – Whitehorse City Council
- Mentone Parade Shop Precinct Streetscape – City of Kingston

- Daly St Streetscape – Stonnington City Council

During the interview, CDN demonstrated a good understanding of the scope of works and specific water sensitive urban design (WSUD) experience required to complete the works. In addition, CDN also demonstrated their extensive experience working collaboratively with local traders and shoppers and highlighted key challenges associated with undertaking these types of works and measures they would employ to deliver the works to minimise disruption & inconvenience to local businesses. These include:

- Expedited completion of kerb and footpath works in front of shops including working Saturdays to achieve this.
- Staging of works to minimize disruptions to local businesses.
- Modifying activities to cater for individual businesses trading requirements.
- Deploying additional resources if required to achieve completion date.

CDN propose to commence construction in July 2024 and confirmed that they can complete the works prior to November 2024.

Reference checks with other councils have been conducted for CDN with positive responses received for previous completed streetscape projects including on time delivery and proficient stakeholder management.

An independent financial assessment was undertaken by Corporate Scorecard on CDN Constructors Pty Ltd, and it was deemed satisfactory.

FINANCIAL IMPLICATIONS

This is a multi-year project commenced in 2023/24 with funding within the adopted 2024/25 Capital Works Budget as follows:

Capital Budget Allocation FY 2024/25	\$ GST Ex.	\$ GST Inc.
PROJECT C09606: THE GATEWAY NEIGHBORHOOD ACTIVITY CENTRE (RETAIL STRIP UPGRADE)	\$1,492,000.00	\$1,641,200.00
TOTAL PROJECT BUDGET	\$1,492,000.00	\$1,641,200.00

Total Anticipated Project Expenditure Based Upon the CDN Constructors Pty Ltd Submission		
Lump Sum Price	\$1,260,196.36	\$1,386,216.00
Service Authorities Fees and Charges	\$92,469.25	\$101,716.18

Contingency	\$125,000.00	\$137,500.00
Project Management/Delivery Fees	\$65,000.00	\$71,500.00
TOTAL ANTICIPATED PROJECT EXPENDITURE	\$1,542,665.61	\$1,696,932.17
BUDGET SHORTFALL	\$50,665.61	\$55,732.17

The anticipated project expenditure is above the available project budget. Council officers have identified and included a number of value management options within the final tender scope recommended for awarding and will continue to seek cost savings throughout the project which do not adversely impact functionality, amenity, or long-term maintenance costs.

Council approval is sought for additional funding of \$50,665.61 (ex GST) to support delivery of this project. The additional funding required for this project will be managed within delivery of the overall 2024/25 Capital Works program and reported as part of the Quarterly Financial Reporting to Council.

SUSTAINABILITY OUTCOMES

As part of Council’s commitment to sustainability this project includes a number of elements including:

Installation of “Stratavault” cells as part of the tree pit design. Stratavault is a structural soil cell system that increases soil volume, reduces soil compaction and increases water and oxygen exchange to the tree roots increasing tree canopy growth. Stratavault had been successfully installed in multiple municipalities in Victoria (including Monash) and is also made from locally sourced recycled materials in Australia.

Furthermore, the materials specified for the construction have included use of recycled crushed rock/concrete for backfill in lieu of quarry sourced rock and reuse of topsoil.

All demolition materials will also be recycled.

The signatures of the evaluation panel below indicate their agreement with, and acceptance of the details included in the tender evaluation report.

CONCLUSION

That Council approves the recommendations contained within this report.

ATTACHMENT LIST

Nil