

4.5 TENDER FOR ESSENTIAL SERVICES MANAGEMENT & MAINTENANCE (CF2020162 - BM)

Responsible Director: Ossie Martinz

RECOMMENDATION*

That Council:

1. *Awards the tender from TCM Solutions Pty Ltd for the following categories for Provision of Essential Services Management & Maintenance, Contract No. 2020162:*
 - **Group 1: ESM Maintenance & Management**, for a fixed Lump Sum of \$212,358.30 for the first year of the contract and an Annual Lump Sum of \$149,933.30 in subsequent years (subject to annual CPI adjustment) with \$82,500 per annum for programmed inspections, contingencies and reactive works respectively; for a combined estimated total contract value of \$1,764,532.71 inclusive of all available extension options (assuming 1.5% CPI); and
 - **Group 2: Exit and Emergency Lighting**, for a fixed Annual Lump Sum of \$37,400 (subject to annual CPI adjustment) with an extra \$44,000 per annum for programmed inspections, contingencies and reactive works respectively, for a combined estimated total contract value of \$596,091.73 inclusive of all available extension options (assuming 1.5% CPI).
2. *Authorises the Chief Executive Officer to execute the contract agreement;*
3. *Notes that:*
 - a. *Services contained in Group 1 ESM Maintenance & Management contract will commence 1 February 2021 with an initial term of three (3) years and the contract has two separate extension options of two (2) years each, and authorises the Chief Executive Officer to approve extension options subject to satisfactory performance.*
 - b. *Group 2 Exit and Emergency Lighting contract will commence on 23 December 2022 with an initial term of one (1) year and forty (40) days and the contract has two separate extension options of two (2) years each, and authorises the Chief Executive Officer to approve extension options subject to satisfactory performance.*
4. *Notes that the total allocated budget for year one available for this contract including the fixed Lump Sum and contingencies is \$376,258.30*
*(*Please note that all dollar figures are GST Inclusive unless stated otherwise).*

INTRODUCTION

Council has conducted a tender for Provision of Building Essential Services Management & Maintenance.

BACKGROUND

Council officers are seeking to appoint a supplier to provide Essential Services Management & Maintenance to approximately 227 buildings/facilities and structures throughout Monash, to fulfil Council's legislative obligations in accordance with Victorian Building Act and Regulations. These buildings are occupied and used by Council staff, various community groups, committees of management, service operators, tenants and public, and are currently maintained by Council.

Monash is seeking to form a creative relationship with suitably qualified and experienced suppliers to manage and deliver Building Essential Services Management & Maintenance to all nominated facilities. The suppliers are required to manage and maintain the properties to meet Council's objectives in providing safe and accessible facilities for occupiers and users.

Council currently engages the services of Fire Protection Services Pty Ltd, TCM Solutions Pty Ltd and AEFS Group Pty Ltd.

NOTIFICATION

A public notice was placed in The Age newspaper on 5 September 2020 and the tender closed on 28 September 2020.

TENDERS RECEIVED

Ten [10] tender submissions were received by the appointed closing time. The tenders received are listed below:

1. Australian Essential Fire & Security Pty Ltd
2. Australian Essential Safety Inspections Pty Ltd
3. AESC
4. Fire Equipment Services (FES)
5. Fire Protection Services Pty Ltd
6. Hirotec Maintenance Pty Ltd
7. Twin Electrics & Plumbing
8. TCM Solutions Pty Ltd
9. Total Trade Property Services Pty Ltd
10. Twin Electrics & Plumbing

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.

Twin Electrics & Plumbing 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
OHS	Pass/Fail
Mandatory Participation at a Tenderer Briefing	Pass/Fail
Mandatory Insurances	Pass/Fail

KEY SELECTION CRITERIA		CRITERIA WEIGHTINGS	SUB WEIGHTINGS	SUB CRITERIA/RETURNABLE SCHEDULES LINK
40% NON-PRICE CRITERIA	Capacity and Capability	30%	9%	Experience
			9%	Resources
			8%	Risk Management
			4%	Performance and Innovation
	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 following information supports the evaluation panel's recommendations.

Interviews and reference checks were undertaken and TCM Solutions Pty Ltd were highly commended by organisations and other local government authorities when contacted.

TCM Solutions Pty Ltd is also one of Council's current contractors for this contract.

The final evaluation ranking (including the price and non-price evaluation criteria) had TCM Solutions Pty Ltd ranked highest and as such, the evaluation panel recommends TCM Solutions Pty Ltd as representing the best value outcome for Council.

FINANCIAL IMPLICATIONS

The recommended total estimated lump sum for the first year of the contract is \$376,258.30, inclusive of contingencies for unplanned works and minor changes to the services levels. The recommended estimated lump sum for consecutive years is \$318,540.80 (GST inclusive), subject to annual CPI adjustment. CPI over the contract period is estimated at 1.5% p.a. Therefore the total estimated cost over a maximum seven year period should all options be exercised is \$2,360,624.43 (GST inclusive).

The 2020/21 Operating Budget makes provision for an allocated budget toward this contract as follows:

Budget Account	Contract allocation (excluding GST)
Facilities Services (855)	\$190,000
Regulatory Services (854)	\$153,000

CONCLUSION

That Council approves the recommendations contained within this report.