

TENDER RECOMMENDATION REPORT

TO: CHIEF EXECUTIVE OFFICER

FROM: DIRECTOR COMMUNITY & PLACE

FILE REF: 40646: 23/134263

DATE: 17 APRIL 2023

TENDER 23038: Alkimos Aquatic & Recreation Centre – Construction Specialist Services

Issue

To consider Tender No: 23038 for the Alkimos Aquatic & Recreation Centre – Construction Specialist Services.

Background

Since 2018, the City has been planning for the provision of the Alkimos Aquatic and Recreation Centre. The project has been subject to thorough Needs and Feasibility studies, Business Planning, stakeholder engagement and endorsement of the Alkimos Aquatic and Recreation Centre Concept 5 (Attachment 1). At the OCM of 6 December 2022, Council considered report CP01-12/22 - Alkimos Aquatic & Recreation Centre - Progression to Detailed Design and resolved to:

ENDORSE the Alkimos Aquatic and Recreation Centre project progressing to the detailed design phase aligned to Concept Design 5.

Three tenders have been released for the detailed design stage of the project including:

- 23036 - Alkimos Aquatic & Recreation Centre - Cost Planner Services (approved by Council on 18 April 2023)
- 23037 - Alkimos Aquatic & Recreation Centre – Architectural Services (approved by Council on 18 April 2023)
- 23038 - Alkimos Aquatic & Recreation Centre – Construction Specialist Services

The provision of geothermal heating design and construction will be the subject of a future tender process to be considered by Council.

The key project timelines are listed in the table below:

Task	Start Date	End Date
Detailed Design Documentation & Tenders	October 2022	February 2023
Detailed Design Tenders Report to Council	March 2023	April 2023
Detailed Design	April 2023	June 2024
Construction Tender	June 2024	October 2024
Construction & Commissioning	October 2024	May 2026
<i>Defects Liability Period</i>	<i>May 2026</i>	<i>April 2027</i>

Detail

Tender No. 23038 for the Alkimos Aquatic & Recreation Centre – Construction Specialist Services was advertised on Saturday 11 February 2023 and closed on Wednesday 8 March 2023.

The City is seeking suitably a qualified and experienced Construction Specialist to provide value engineering and buildability review services for the detailed design of the Alkimos Aquatic and Recreation Centre project.

Essential details of the proposed contract are as follows:

Item	Detail
Contract Form	Consultancy (CoW bespoke contract)
Contract Type	Lump Sum or Schedule of Rates
Contract Duration	Approximately 15 months
Commencement Date	April 2023
Expiry Date	End of the detailed design stage (anticipated to be 31 July 2024)
Extension Permitted	No

Tender submissions were received from the following company:

- Chrysalis Quantity Surveying Pty Ltd (Chrysalis)

Probity Oversight

Oversight to the tender assessment process was undertaken by the City's Contracts Officer with external probity advisor William Buck Consulting (WA) Pty Ltd.

Tender submissions were evaluated in accordance with the Procurement and Evaluation Plan (PEP). The tender submission was deemed to be conforming. The PEP included the following selection criteria:

Item No	Description	Weighting
1	Sustainable (Corporate Social Responsibility) Procurement a. Environmental Considerations (5%) b. Buy Local (10%) c. Reconciliation Action Plan (2.5%) d. Disability Access & Inclusion (2.5%)	20%
2	*WHS demonstrated working documents and systems	10%
3	*Demonstrated experience of tenderer and key personnel performing the services. a. Demonstrated relevant experience of consultant – (20%) b. Resources and Capacity – (10%) c. Demonstrated relevant experience of Sub-consultants – (10%)	40%
4	*Project Methodology and Coordination	30%

All tenderers must meet the City's minimum requirements (as determined by the City) for each of the qualitative criteria detailed above (*) in order to be considered for further evaluation. Pricing is not included in the qualitative criteria however forms part of the overall Value for Money (VFM) assessment for the Tender.

Evaluation Criteria 1 - Sustainable (Corporate Social Responsibility) Procurement (20%)

Evidence of Sustainable (Corporate Social Responsibility) Procurement assessment was based on the tenderers' responses provided within the Questionnaires set out in the tender documentation, including environmental considerations, buy local, reconciliation action plan and disability access and inclusion.

Chrysalis provided details of their sustainable procurement considerations and provided very good responses to all sub criteria other than buy local, as the Tenderer is not a local business.

Evaluation Criteria 2 – Work Health & Safety demonstrated working documents and systems (10%)

Evidence of safety management policies and practices was assessed from the tender submission. The assessment for safety management was based on the tenderers' responses to an Occupational Health and Safety Management System Questionnaire included within the tender documentation.

Chrysalis was assessed to have exceeded the City's minimum requirements for this criterion.

Evaluation Criteria 3 - Demonstrated experience of tenderer and key personnel performing the services (40%)

The tenderer's relevant experience in demonstrating the achievement of meeting project expectations as presented in their tender submission were assessed to evaluate their capability to meet the requirements of the contract. Assessment of this criterion considered the tendering entity's credentials to fulfil the requirements of the contract.

The assessment of the experience of their proposed personnel considered recent similar project experience, qualifications and details within CVs provided with the tender submission. Experience of nominated sub-contractors and back-up personnel were also evaluated under this criterion. Chrysalis scored very well against this criterion.

Evaluation Criteria 4 - Project Methodology and Coordination (30%)

The tenderer's resources as provided in the tender submissions were assessed to evaluate their capacity to meet the requirements of the contract. Assessment of this criterion also considered the tenderer's project management procedures and project methodology as presented in their tender submissions which were assessed to evaluate the tenderers' understanding, methods and programme to meet the relevant timeframe of the contract.

Chrysalis was assessed to have exceeded the City's minimum requirements for this criterion.

Overall Qualitative Weighted Assessment and Ranking

Chrysalis' submission was reviewed in accordance with the PEP and was assessed as having the necessary resources, previous experience, capability and safety management systems to undertake the services.

Price Assessment

Chrysalis tendered lump sum price of \$128,576 is within budget expectations.

Overall Value for Money Assessment and Comment

Whilst being the only submission, Chrysalis achieved an acceptable qualitative assessment as detailed in the PEP and is therefore recommended as the successful tenderer.

Consultation

Consultation with the community and key stakeholders has been undertaken on a number of occasions throughout the project, culminating in the public endorsement of the Concept 5 as reported to Council in March 2022 (CP02-03/22).

Consultation and engagement will continue through the detailed design stage with external technical stakeholders, sporting and community groups, as well as the Council Member Project Working Group.

Statutory Compliance

Tenders were invited in accordance with the requirements of Section 3.57 of the *Local Government Act 1995*. 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 2021 – 2031:

- 1 ~ *An inclusive and accessible City with places and spaces that embrace all*
- 1.3 - *Facilities and activities for all*

Risk Appetite Statement

In pursuit of strategic objective goal 1, we will accept a Medium level of risk. The recent pandemic has challenged our previous event delivery, place activation and community connection processes, and the City accepts that meeting community expectations in a more restrictive environment needs flexibility and innovation if community connection is to develop and grow in contrast to social and individual isolation.

Enterprise Risk Management Considerations

Risk Title	Risk Rating
ST-G09 Long Term Financial Planning	Medium
Accountability	Action Planning Option
Director Corporate Strategy & Performance	Manage

Risk Title	Risk Rating
ST-S23 Stakeholder Relationships	Low
Accountability	Action Planning Option
Director Corporate Strategy & Performance	Manage

Risk Title	Risk Rating
ST-S26 Resilient & Productive Communities	Medium
Accountability	Action Planning Option
Director Community and Place	Manage

The above risks relating to the issue contained within this report have been identified and considered within the City's Strategic risk register. Action plans have been developed to manage these risks to support existing management systems.

Financial and Performance Risk

Financial Risk

The level of financial risk is considered low due to the overall value of the services and the staged payment of fees throughout the contract term.

Performance Risk

Operational risk and mitigation will be addressed through the risk assessment process of the project management framework. Chrysalis has previously undertaken work for City to a satisfactory level.

Policy Implications

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

Financial (Budget) Implications

The total estimated value of the services for the contract period is accommodated in the existing budget for PR-4277 Alkimos Aquatic & Recreation Centre.

PR-4277 Alkimos Aquatic & Recreation Centre		
Description	Expenditure	Budget
Budget:	\$	\$
Allocated Capital Works Budget for 2020/21 (PR-4277)	\$548	\$548
Allocated Capital Works Budget for 2021/22 (PR-4277)	\$85,461	\$85,461
Allocated Capital Works Budget for 2022/23 (PR-4277)	\$43,529	\$4,293,991
Allocated Capital Works Budget for 2023/24 (PR-4277)	-	\$1,000,000
Allocated Capital Works Budget for 2024/25 (PR-4277)	-	\$15,500,000
Allocated Capital Works Budget for 2025/26 (PR-4277)	-	\$21,236,624
Expenditure:		
Expenditure incurred to date (2022/23)	\$129,538	
Commitment to date	\$29,580	
Total Expenditure to date	\$159,118	
23037 – Architectural Services	\$2,751,453	
23036 – Cost Planner Services	\$214,475	
23038 – Construction Specialist	\$128,576	
Total Expenditure	\$3,253,092	
Total Funding		\$42,116,624*

* Note this does not include the latest \$25M funding commitment from the Federal Government.

Recommendation:

That the Chief Executive Officer, in accordance with Delegation 1.1.13 - Choice of Most Advantageous Tender of the Delegated Authority Register for the awarding of tenders ACCEPTS the tender submitted by Chrysalis Quantity Surveying Pty Ltd for Tender 23038, for the Alkimos Aquatic & Recreation Centre - Cost Planner Services, for the fixed lump sum of \$128,576.00.