

## **TENDER RECOMMENDATION REPORT**

**TO:** ACTING CHIEF EXECUTIVE OFFICER  
**CC:** MANAGER INFRASTRUCTURE CAPITAL WORKS  
**FROM:** DIRECTOR ASSETS  
**FILE REF:** 40058 23/298326\*  
**DATE:** 16 September 2023

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**TENDER 23084: ANTHONY WARING SPORTS AMENITIES BUILDING AND  
YANCHEP SPORT AND SOCIAL CLUB UPGRADE**

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### **Issue**

To consider Tender No: 23084 for the Anthony Waring Sports Amenities Building and Yanchep Sport and Social Club Upgrade Works.

### **Background**

This project is to upgrade the built infrastructure to the existing Sports Amenities Building at Anthony Waring Park (the Reserve) as identified within the Active Reserve Masterplan and bring the Yanchep Sport and Social Club building into compliance in terms of accessibility.

1. Anthony Waring Park Sports Amenities Building

The existing Sports Amenities Building at Anthony Waring Park in Clarkson requires additions, refurbishment, and upgrades in terms of accessibility and building compliance.

- Construct additional 16m<sup>2</sup> Storage Rooms attached to the existing Sports Amenities Building
- New UAT construction including Universal access route from and modifications to the carpark.
- Upgrade Public Toilets for ambulant compliance, address accessibility compliance.
- Kitchen and Interiors Renewal, general renewal of built form.
- Minor works to the Changerooms

2. Yanchep Sport and Social Club

The Yanchep Sport and Social Club building is a leased facility that requires works to the amenities areas to bring the building into compliance with current Accessibility standards.

The upgrade will be funded through City municipal funding.

Construction is anticipated to be completed within the 2023/24 financial year.

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### Detail

Tender 23084 for the Anthony Waring Sports Amenities Building and Yanchep Sport and Social Club Upgrade Works was advertised on 08 July 2023 and closed on 04 August 2023. Three addenda were issued to provide answers to Tenderers queries and to extend the closing date.

Essential details of the proposed contract are as follows:

Item	Detail
Contract Form	Minor Works Contract
Contract Type	Lump Sum
Contract Duration	9 Months construction from possession of site plus 12 months Defects Liability Period
Commencement Date	2 weeks after receipt of Letter of Award
Expiry Date	12 months after Practical Completion
Extension Permitted	No

There following tenders were received:

Legal Name	Trading Name	Abbreviation
LKS Constructions (WA) Pty Ltd	LKS Constructions (WA)	LKS Constructions
Access Without Barriers Pty Ltd	AWB Building Co	AWB Building
Schlager Group Pty Ltd	Schlager Construction Group	Schlager Group
Orixon Pty Ltd*	Orixon Pty Ltd	Orixon

\*Orixon withdrew their tender on clarification of their submission. All other tenders were deemed conforming and proceeded to evaluation.

### Probity Oversight

Oversight to the tender assessment process was undertaken by the City's Contracts Officer.

The Tender submissions were evaluated in accordance with the Procurement and Evaluation Plan (PEP) which 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 and Inclusion 2.5%	20%
2	*Work Health & Safety (WHS)	20%
3	*Methodology, Resources and Capacity	30%
4	*Organisation Experience	30%

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All tenderers must meet the City's minimum requirements (as determined by the City) for each of the qualitative criteria detailed above (\*) to be considered for further evaluation.

Pricing is not included in the qualitative criteria and is considered as part of the overall value for money assessment.

### **Evaluation Criteria 1 – Sustainable Procurement (20%)**

Evidence of Sustainable (Corporate Social Responsibility) Procurement was assessed based on the Tenderer's responses provided to the Questionnaires within Schedules 3A, 3B, 3C and 3D which formed part of the tender documentation.

#### **Sub Criteria a) Environmental Considerations (5%)**

The City is committed to procuring goods and services that provide positive environmental, social, and economic impacts over the entire life cycle of a product or service. Respondents are encouraged to provide credentials of any environmental claims of the goods and/or services submitted in this tender.

Tenderers provided details of their environmental considerations within Schedule 3A, with the following ranking:

<b>Tenderer</b>	<b>Ranking</b>
AWB Building	1
LKS Constructions	2
Schlager Group	3

#### **Sub Criteria b) Buy Local (10%)**

An assessment was made based on the response provided, detailing the following information:

- Location of tenderer's offices and workshops;
- Residential addresses of staff and company addresses of subcontractors;
- Purchasing arrangements through local businesses;
- Requirement for new employees arising from award of the contract.

Tenderers provided details of their "Buy Local" considerations within Schedule 3B, with the following ranking:

<b>Tenderer</b>	<b>Ranking</b>
AWB Building	1
LKS Constructions	1
Schlager Group	2

#### **Sub Criteria c) Reconciliation Action Plan (RAP) (2.5%)**

An assessment was made to determine the ranking based on the responses provided that relate 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;

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- OPPORTUNITIES – attracting, developing, and retaining organisational talent to build opportunities for aboriginal employment, training, and development and mentoring.

Tenderers provided information specifying differing levels of actions in relation to indigenous reconciliation action with assessment resulting in the following ranking:

<b>Tenderer</b>	<b>Ranking</b>
AWB Building	1
Schlager Group	2
LKS Constructions	3

#### **Sub Criteria d) Access & Inclusion Plan (AIP) (2.5%)**

An assessment was made to determine the ranking based on the responses provided that relate to:

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

Tenderers provided information specifying considerations for access and inclusion provisions with assessment resulting in the following ranking:

<b>Tenderer</b>	<b>Ranking</b>
AWB Building	1
LKS Constructions	2
Schlager Group	3

#### **Overall Sustainable Procurement Ranking Summary**

The overall assessment of the Sustainable Procurement criteria has resulted in the following overall ranking:

<b>Tenderer</b>	<b>Ranking</b>
AWB Building	1
LKS Constructions	2
Schlager Group	3

#### **Evaluation Criteria 2 - Tenderer's Safety Management Systems (20%)**

Evidence of WHS management policies and practices was assessed from the tender submissions. The assessment for safety management was based on the tenderer's responses to a specific Questionnaire included within the tender documentation.

Tenderers provided details of their safety management systems with the following ranking:

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<b>Tenderer</b>	<b>Ranking</b>
AWB Building	1
LKS Constructions	1
Schlager Group	3

### **Evaluation Criteria 3 - Tenderer's Methodology, Resources and Capacity (30%)**

The tenderer's methodology, resources as presented in their tender submission were assessed to evaluate their capacity to meet the requirements of the contract. Assessment of this criterion considered the tenderer's staff resources, vehicles, plant/equipment, and workshop support to manage the contract. The assessment of this criterion has resulted in the following ranking:

<b>Tenderer</b>	<b>Ranking</b>
LKS Constructions	1
AWB Building	2
Schlager Group	3

### **Evaluation Criteria 4 - Tenderer's Organisational Experience (30%)**

The tenderer's relevant experience in demonstrating the achievement of meeting client 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 this criterion has resulted in the following ranking:

<b>Tenderer</b>	<b>Ranking</b>
LKS Constructions	1
AWB Building	2
Schlager Group	2

### **Overall Qualitative Weighted Assessment and Ranking**

Tenderer's submissions were reviewed in accordance with the Procurement and Evaluation Plan. The overall assessment of qualitative weighted criteria resulted in the following ranking:

<b>Tenderer</b>	<b>Ranking</b>
LKS Constructions	1
AWB Building	2
Schlager Group	3

### **Pricing for the Goods/Services/Works Offered**

An assessment was made to determine the ranking based on the lump sum pricing provided with the tender documentation.

Based on the information provided, tenderers are ranked as follows:

<b>Tenderer</b>	<b>Ranking</b>
LKS Constructions	1
Schlager Group	2
AWB Building	3

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### Value for Money Assessment

The combined assessment of Price vs Qualitative Scores resulted in the following tender ranking (highest to lowest):

Tenderer	Ranking
LKS Constructions	1
AWB Building	2
Schlager Group	3

### Overall Assessment and Comment

The tender submission from LKS Constructions Pty Ltd satisfied the overall value for money assessment in accordance with the assessment criteria and weightings as detailed in the Procurement and Evaluation Plan and is therefore recommended as the successful tenderer.

### Consultation

Consultation using the concept design has been undertaken with City's internal stakeholders and the respective tenants and user groups for both sites. Clarifications were issued and no objections were received.

Tenants and user groups for both sites will be notified of the respective programmes at least 4 weeks ahead of the construction period. The local community will be informed with construction start and end dates via a letter drop and onsite poster notices, prior to the commencement of works. The project Community Engagement Plan can be referenced at HPE19/487561.

### 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 with the Strategic Community Plan 2021-2031:

#### Goal # 1 Priority # 1.3

An inclusive and accessible city with places and spaces that embrace all: Facilities and activities for all.

#### Goal # 5 Priority # 5.3

A well-planned, safe and resilient city that is easy to travel around and provides a connection between people and places: Manage and maintain assets.

### 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

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community connection is to develop and grow in contrast to social and individual isolation.

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### Enterprise Risk Management Considerations

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

### Financial and Performance Risk

#### Financial Risk

A financial risk assessment was undertaken as part of the tender evaluation process and the outcome of this independent assessment advised that LKS Constructions Pty Ltd has been assessed with a 'very strong' financial capacity to meet the requirements of the contract.

#### Performance Risk

LKS Constructions Pty Ltd have been in operation for approximately 13 years with a wide range of projects of varying complexities. LKS have a well-established history with both Local and State government projects, including recent works for the City of Wanneroo. The performance risk to the project is regarded as acceptable to the project management team.

### Policy Implications

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

### Financial (Budget) Implications

#### Tender 23084 Anthony Waring Sports Amenities Building and Yanchep Sport and Social Club Upgrade Works.

Description	Expenditure	Budget
<b>Budget:</b>		
PR-4258 Municipal Funding [2023/24]		\$655,852.00
PR-4510 Municipal Funding [2023/24], portion of programme]		\$120,000.00
<b>Expenditure:</b>		
Expenditure incurred to date	\$4,357.17	
Commitment to date	\$309.00	

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Description	Expenditure	Budget
Construction Activities		
- Professional and Other Fees	\$45,000.00	
- Anthony Waring Sports Amenities Building Construction	\$487,960.00	
- Yanchep Sport and Social Club Construction	\$120,300.00	
- Construction Contingency	\$117,925.83	
<b>Total Expenditure</b>	<b>\$775,852.00</b>	
<b>Total Funding</b>		<b>\$775,852.00</b>



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**Recommendation:**

**That the Acting 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 LKS Constructions Pty Ltd for Tender 23084, for the Anthony Waring Sports Amenities Building and Yanchep Sport and Social Club Upgrade Works, as per the tendered fixed lump sum of \$608,260.00 ex GST.**

