

## ***TENDER RECOMMENDATION REPORT***

**TO:** A/CHIEF EXECUTIVE OFFICER

**CC:** A/MANAGER INFRASTRUCTURE CAPITAL WORKS

**FROM:** A/DIRECTOR ASSETS

**FILE REF:** 22/267435

**DATE:** 25 JULY 2022

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**TENDER 22087: KINGSWAY INDOOR STADIUM, MADELEY, WA –  
CONSTRUCTION SERVICES FOR THE RENEWAL OF TOILETS AND CHANGE  
ROOMS AT GROUND FLOOR**

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### **Issue**

To consider Tender No: 22087 for Construction Services for the renewal of the toilets and change rooms at the ground floor, Kingsway Indoor Stadium.

### **Background**

The City is seeking to award a contract for the refurbishment of the existing toilets and change rooms at ground floor level at the Kingsway Indoor Stadium.

The Kingsway Indoor Stadium includes indoor playing courts covering an area of approximately 3,300m<sup>2</sup> as well as a group fitness room, function room, Café/Kiosk area, and the like. Sports undertaken at the facility include soccer, futsal, netball, basketball and badminton. The facility was constructed in 1998 and accordingly the toilets and change rooms are outdated and require renewal. The intention is to improve the level of service and amenity for patrons, user groups and staff.

Funding for this project is forthcoming from the Australian Government as part of the Local Roads and Community Infrastructure (LRCI) Program. The scope of work for this project (refurbishment of ground floor toilets & change rooms) is included in Phase 3 of the LRCI Program, which requires completion by June 2023.

Preceding associated work is the refurbishment to the first floor toilets at Kingsway Indoor Stadium, which reached completion in May 2022 (under LRCI Program, Phase 2).

### **Detail**

Tender 22087 for Construction services for the renewal of toilets and change rooms at ground floor, Kingsway Indoor Stadium was advertised on 4 June 2022 and closed on 21 June 2022. A non-mandatory site meeting was held with tenderers on 8 June 2022 to inspect the works.

During the course of the tender response period, a total of 3 tender addenda were issued. The addenda issued addressed sundry queries and clarifications and had no effect on the scope of works described in the original Request for Tender document.

Tender 22087 - Kingsway Indoor Stadium, Construction Services for Renewal of Toilets & Change Rooms at ground floor

Essential details of the proposed contract are as follows:

Item	Detail
Contract Form	Minor Works
Contract Type	Lump Sum
Contract Duration	18 months (including Defects Liability Period)
Commencement Date	July 2022
Expiry Date	12 months after Practical Completion
Extension Permitted	No
Rise and Fall	Not Applicable

Tender submissions were received from the following companies:

Legal Name	Trading Name	Abbreviation
Hoskins Investments Pty Ltd ATF MR Hoskins Family Trust	AE Hoskins Building Services	AE Hoskins
Construct360 Pty Ltd	Construct360	Construct360
CP Projects Pty Ltd	CP Projects	CP Projects
Schlager Group Pty Ltd	Schlager Group	Schlager Group
Solution 4 Building Pty Ltd	Solution 4 Building	Solution 4 Building

### Probity Oversight

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

Tender submissions were evaluated in accordance with the Procurement and Evaluation Plan (PEP) which included the following selection criteria:

Item No	Description	Weighting
1	Price (assessed under Value for Money)	Not Weighted
2	Sustainable Procurement a) Environmental Considerations, 5% b) Buy Local, 15% c) Reconciliation Action Plan, 2.5% d) Disability Access & Inclusion, 2.5%	25%
3	*Organisational & Key Personnel Experience	25%
4	*Methodology & Capacity to Meet Project Timeline	30%
5	*OHS	20%

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

All tenderers must achieve a minimum acceptable score (as determined by the City) for each of the qualitative criteria detailed above (\*) in order to be considered for further evaluation. All tender submissions were received as conforming (as per initial compliance check) and none of the tender submissions were excluded from further evaluation.

### Evaluation Criteria 1 - 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.

<b>Tenderer</b>	<b>Ranking</b>
CP Projects	1
Construct360	2
AE Hoskins	3
Solution 4 Building	4
Schlager	5

### Evaluation Criteria 2 – Sustainable Procurement (25%)

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

Assessment of this criterion considered the tenderers credentials of any environmental claims of the goods and/or services being submitted in this tender.

<b>Tenderer</b>	<b>Ranking</b>
AE Hoskins	1
Construct360	2
Schlager	2
Solutions 4 Building	2
CP Projects	5

#### Sub Criteria b) Buy Local (15%)

This criterion assesses the commitment and engagement of the Tenderers to providing economic stimulation to local businesses.

<b>Tenderer</b>	<b>Ranking</b>
Construct360	1
AE Hoskins	2
CP Projects	2
Solution 4 Building	4
Schlager	5

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

Evaluation of this criterion assessed the Tenderers organisational commitment to the City's Reconciliation Action Plan.

<b>Tenderer</b>	<b>Ranking</b>
CP Projects	1
AE Hoskins	2
Schlager	3
Solution 4 Building	4
Construct360	5

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

This criterion assesses the Tenderers commitment to engage people in the community with disabilities.

<b>Tenderer</b>	<b>Ranking</b>
AE Hoskins	1
Solution 4 Building	2
CP Projects	3
Construct360	4
Schlager	5

The assessment of this criterion has resulted in the following overall ranking for Sustainable Procurement:

<b>Tenderer</b>	<b>Ranking</b>
Construct360	1
AE Hoskins	2
CP Projects	3
Solution 4 Building	4
Schlager	5

### **Evaluation Criteria 3– Organisational and key personnel experience (25%)**

The tenderer's relevant experience in demonstrating the achievement of meeting client expectations as presented in their tender submission were assessed in order to evaluate their capability to meet the requirements of the contract. Assessment of this criterion considered the tendering entity's and key staff 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>
Construct360	1
AE Hoskins	2
Solution 4 Building	2
CP Projects	4
Schlager*	5

(\*Note that Schlager did not meet the City's requirements for this evaluation criterion).

### **Evaluation Criteria 4 - Tenderer's Methodology and capacity to meet the project timelines (30%)**

The tenderer's resources and proposed methodology as presented in their tender submission were assessed in order 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>
Solution 4 Building	1
AE Hoskins	2
Construct360	2
CP Projects	2
Schlager*	5

(\*Note that Schlager did not meet the City's requirements for this evaluation criterion).

### Evaluation Criteria 5 - Tenderer's Safety Management Systems (20%)

Evidence of safety management policies and practices was assessed from the tender submissions. 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.

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

<b>Tenderer</b>	<b>Ranking</b>
Construct360	1
AE Hoskins	1
CP Projects	1
Solution 4 Building	4
Schlager	5

### Overall Qualitative Weighted Assessment and Ranking

The overall qualitative weighted assessment resulted in the following tenderer ranking:

<b>Tenderer</b>	<b>Ranking</b>
Construct360	1
AE Hoskins	2
CP Projects	3
Solution 4 Building	4
Schlager*	5

\* As Schlager did not meet the requirements for two of the mandatory qualitative criterion, they did not progress to the Value for Money Assessment stage of the evaluation process.

### Value for Money Assessment

An initial ranking of Price vs Qualitative Scores resulted in the following tenderer ranking (highest to lowest):

<b>Tenderer</b>	<b>Ranking</b>
CP Projects	1
Construct360	2
AE Hoskins	3
Solutions 4 Building	4

### Overall Assessment and Comment

Following the City's further due diligence and risk assessment process, Construct360 is recommended as the successful tenderer. Due diligence and risk assessment to this tenderer is confirmed as detailed under the Financial and Performance Risk below.

### Consultation

Consultation with the City's internal stakeholders was undertaken during the design process for review and input on the intended scope of work and to ensure that requirements were met.

User groups will be advised of the intended commencement of the work by email. The sharing of concept plans is not relevant to this project as the work only involves the replacement of existing fixtures and fittings (on the like for like basis), and the layout and general arrangement of the rooms remains unaltered.

Relevant internal stakeholders will be advised of the timing and scope of the work via the customary, internal notification email. The Mayor and Ward Councillors will be advised of the extent and timing of the works via the Wanneroo Wrap publication.

### 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: An inclusive and accessible City with places & spaces that embrace all*  
*Priority 1.3 – Facilities and activities for all*

*Goal 5: A well-planned, safe and resilient City that is easy to travel around and provides a connection between people and places.*  
*Priority 5.4 – Manage and maintain assets*

### Enterprise Risk Management Considerations

Risk Title	Risk Rating
ST-S24 Strategic Asset Management	Moderate
Accountability	Action Plan Option
Director Assets	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 Construct360 Pty Ltd has been assessed with a 'sound' financial capacity to meet the requirements of the contract. The contractor in accordance with the requirements of the contract will provide security in the form of a bank guarantee.

#### Performance Risk

Construct360 have previously carried out work for the City of Wanneroo. Subsequently they have worked for other Local Government entities including the City of Kwinana and the City of Swan. A reference check carried out with another local government authority is positive with the referee rating Construct360 highly and recommending them for future similar projects.

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Award of the proposed Kingsway Indoor Stadium works to Construct360 is aligned with a low level of performance and financial risk.

### Policy Implications

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

### Financial (Budget) Implications

The table below summarises the currently available funding for the project, commitments to date, and the recommended tender price (Construct360) for the renewal of the ground floor toilets & change rooms at Kingsway Indoor Stadium.

#### 004317 / Tender 22087 – Kingsway Indoor Stadium, Construction Services for Renewal of Toilets & Change Rooms

Description	Expenditure	Budget (PR-4317)
<b>Budget:</b>		
• Australian Government Funding LRCIP Phase 3		\$ 285,300.00
• Municipal Funding		Nil
		\$ 285,300.00
<b>Expenditure:</b>		
Expenditure incurred to date	Nil	
Commitments to date	Nil	
Project Management	\$ 15,321.18	
Tender Advertisements (Tender and Public Notices)	\$ 651.65	
Tender Financial Checks	\$ 838.00	
Construction Activities (this Tender 22087)	\$ 252,489.17	
Hire Items (temporary facilities during event)	\$ 2,000.00	
Contingency Amount >>>	\$ 14,000.00	
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<b>Total Expenditure</b>	<b>\$ 285,300.00</b>	
<b>Total Funding 2022/23</b>		<b>\$ 285,300.00</b>

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**Recommendation:**

**That the Acting Chief Executive Officer, in accordance with Delegation 1.1.14 - Choice of Most Advantageous Tender of the Delegated Authority Register for the awarding of tenders ACCEPTS the tender submitted by Construct360 Pty Ltd for Tender 22087, for the Kingsway Indoor Stadium, Construction Services for Renewal of Toilets & Change Rooms at Ground Floor, for the lump sum price of \$252,489.17.**