

Item 9: Finance

9.1 RFT 2020/78 Billy Dunn Amenities Building

REPORT BY THE PROCUREMENT OFFICER
TO 21 APRIL 2021 ORDINARY MEETING
GOV400088, COR400368

RECOMMENDATION

That Council:

1. **receive the report by the Procurement Officer on the RFT 2020/78 Billy Dunn Amenities Building;**
2. **amend the Operational Plan 2020/21 to increase the budget for the Billy Dunn Amenities Building by \$70,000 funded from Unrestricted Cash to ensure budget provides adequate funds to proceed with project;**
3. **accept Adaptive Pty Ltd ITF Adaptive Trust (t/a Dezign) for tender RFT 2020/78 Billy Dunn Amenities Building – structural design and construction in accordance with Clause 178 of the Local Government (General) Regulation 2005 – Part 7 Tendering for the price of \$XXX;**
4. **delegate authority to the Director Community to approve variations to an accumulative total of +/-10% of the finalised contract sum; and**
5. **authorise Council staff to notify all respondents of the outcome of their tender.**

Executive summary

The Billy Dunn sporting facility is located in Nandoura Street Gulgong adjacent to the Gulgong pool and is a MWRC managed facility catering for a variety of sports and events.

To accompany the Grandstand and Canteen facilities Council approved a grant fund to build an additional women's amenities change room building adjacent to the Grandstand.

Council sought tenders from organisations that can offer professional design, engineering and construction resources in the delivery of an amenities building. As a result a tendering process was initiated, a Procurement Plan and Tender Evaluation Plan were developed.

A Tender Evaluation Panel was formed, comprising of representatives from the most relevant departments within Council. Members of the Tender Evaluation Panel used the Evaluation Plan and methodology to determine which tenderers offered the best value for money in the design and construction of the Amenities building.

As such, the tender evaluation panel found that the tendered amounts were over our current budget.

The original budget adopted allowed for the major projects department to project manage this build however, due to staff movement and loss of the Major Projects Manager and the increase of expense seen across the building construction industry, has left the current budget inadequate and requiring more funding to complete the project

Without further financial commitment it is likely that this project, identified in Council's Operational Plan 2021 is unlikely to proceed.

Disclosure of Interest

All panel members signed a declaration prior to tender review indication no disclosure of interest.

Detailed report

Advertised

Open to the Market 10 February 2021

Closed: 3 March 2021

Extended to 10 March 2021

29 days in total

The above tender was advertised in the:

- Mudgee Guardian
- Council's e-Tendering portal – VendorPanel
- Sydney Morning Herald
- Information regarding this tender was also published on Council's website

Tenders Received

Five (5) companies submitted tenders;

1. **Cumnock Constructions Sustainability Pty Ltd**
2. **Adaptive Pty Ltd ITF Adaptive Trust (ta Dezign)**
3. **Fordy's Plastering Trading (ta FPS Constructions)**
4. **MAAS Constructions (Dubbo) Pty Ltd**
5. **Moodie Outdoor Products Pty Ltd**

Late Tenders

No late tenders were received;

Conforming Tenders

Four out of five tenderers failed to meet some measures of the mandatory requirements.

Adaptive Pty Ltd (ta Dezign) consistently meet the evaluation criteria

Where other failures were deemed minor, Council opted to work with the suppliers to ensure that an appropriate pool of competitive submissions were available for evaluation.

The following tenders were however, deemed non-conforming as they did not meet the project requirements.

- Fordy's Plastering Trading (ta FPS Constructions) was removed from evaluation based on a non-compliant tender
- Moodie Outdoor Products Pty Ltd was removed from evaluation based on a non-compliant tender

Evaluation Methodology

The objective of the evaluation was to select the tenderer offering the best outcome for Council, a rational and defensible way which is fair to all tenderers. The evaluation criteria was identified in the Request for Tender documentation.

Tenders were evaluated strictly in accordance with the Tender Evaluation Plan and in compliance with the provision of the Local Government Act 1993 and Local Government (General) Regulation 2005.

Assessment Panel

Alison Cameron	Procurement Officer
Scott Jackson	Project Building Officer (SME)
Karli Anshaw	Building Services Coordinator

Tenderers were assessed against a pre-determined evaluation criteria with the following weighting;

Evaluation criteria	weighting
Price	50%
Experience and Capacity	30%
Understanding of Project Requirements	10%
Ability to meet the Project Program	10%

Evaluation Findings

All tenderers were assessed and scored against the evaluation criteria listed in the tender document and weightings in the Evaluation Scoresheet (Confidential Attachment) to determine the Total Weighted Score. The application of the Local Preference Policy was not applicable in the evaluation.

Evaluation of tenderers against the specified evaluation criteria indicated the following tenderer has submitted the most superior tender, representing the best value to Council for the design and construction of the Gulgong - Billy Dunn Amenities Building

1. Adaptive Pty Ltd ITF Adaptive Trust (ta Dezign)

Community Plan implications

Theme	Good Governance
Goal	An effective and efficient organisation
Strategy	Prudently manage risks association with all Council activities

Strategic implications

Council Strategies

Not Applicable

Council Policies

Procurement Policy

Legislation

Local Government Act
Local Government (General) Regulations 2005

Financial implications

The design and construction of Gulgong - Billy Dunn Amenities Building has a budget allocation of \$262,200.00. The anticipated cost of works has been assessed and the recommended tenderer is currently not budget compliant.

Closing the tender and seeking further negotiations with any company would not yield a more favourable result for Council, it is expected that Council will need to amend the Operational Plan for 2020/21, commit further funding towards this project and notify the funding body for approval to extend which may not be approved.

Associated Risks

Council will be unable to deliver the approved construction at Billy Dunn as per the Operational Plan if further commitment is not provided, which may lead to the removed grant funding and the project will not proceed.

ALISON CAMERON
PROCUREMENT OFFICER

KRISTIE WARD
MANAGER PROCUREMENT AND FLEET

30 March 2021

Attachments: 1. Tender evaluation scoring. (Confidential - separately attached)

APPROVED FOR SUBMISSION:

SIMON JONES
DIRECTOR COMMUNITY