

Subject 4.3 Tender 2016/69 Beverley Whitfield Pool - Lifeguard Amenities (10821414)

To the General Manager

Directorate: Shellharbour Enterprises
Department: Parks, Aquatic, Landfill and Stadium

Manager: Daniel Brilsky – Manager Project
Author: James Brumpton – Project Delivery Officer

Reason for Confidentiality

This item is classified CONFIDENTIAL under the provisions of Section 10A(2)(c) and (d)(i) of the *Local Government Act 1993*, which permits the meeting to be closed to the public for business relating to the following:

- (c) information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business
- (d) commercial information of a confidential nature that would if disclosed:
 - (i) prejudice the commercial position of the person who supplied it

This report contains sensitive financial information received by Council and to disclose this in an open meeting would put Council and other organisations involved at a disadvantage should the tender be awarded.

Summary

The purpose of this report is to seek Council's resolution to award Contract 2016/69 for Beverley Whitfield Pools – Lifeguard Amenities (Construction) to Colin Jos & Co P/L as a suitably qualified and experienced contractor.

Tenders for the project were invited by Public Works Advisory (external project managers engaged on the project) from a list of suitable contractors pre-qualified by Department of Finance, Services and Innovation. Tenders opened on 24 November 2016 and closed on 15 December 2016.

As tenderers were invited from a prequalified list, all contractors were considered satisfactory in terms of non-price criteria.

One tender was received. The tendered price of \$185,521.36 excl GST was within the available funds for the project.

Background

Beverley Whitfield Pool (Pool) is a popular and valued community asset located at the Shellharbour Foreshore Reserve.

The existing Pool amenities are two symmetrical buildings and currently include separate male and female change rooms / toilets, a unisex disabled toilet and storage rooms. Each swimming season, Council hires temporary facilities to enable lifeguards to operate.

The proposed Lifeguard Amenities are additions to the eastern side of the two existing buildings which will add a Lifeguard Station (7.5 square metres), a First Aid room (7.5 square metres) and an all-weather awning on each building (totalling approximately 12 square metres).

The proposed additions will be sympathetic to the existing buildings and surrounds, maintaining the symmetry of the two buildings and matching the existing finishes.

The proposed additions:

- Will not affect the views of residents or local businesses as the additions are on the eastern side of the existing buildings with a reduced roof height;
- Will not reduce the number of carparks; and
- Will not reduce the amount of recreational space available during the swimming seasons as the additions will negate the need for temporary lifeguard facilities.

The design was prepared by architects Gran Associates with specialised sub-consultant engineers LHO Group. NSW Public Works Advisory have been appointed as project managers for this project.

Procurement Process

Public Works Advisory invited suitably experienced and qualified tenderers identified from a list of suitable contractors, pre-qualified by Department of Finance, Services and Innovation.

Invited tenderers included:

- [REDACTED]
- [REDACTED]
- [REDACTED]

Colin Jos & Co was the only tenderer.

The tender received was assessed in accordance with the *Local Government (General) Regulation 2005*, the *NSW Government Code of Practice for Procurement (2005)*, Shellharbour City Council's Procurement Policy and the documented Tender Assessment & Evaluation Criteria.

Non-Price Criteria

Given tenders were called from a prequalified list of contractors, all contractors were considered to satisfy non-price criteria. As only one tender was received, an assessment of non-price criteria was not carried out.

However to re-affirm the recommendation of Colin Jos & Co, in terms of non-price criteria, Colin Jos & Co:

- Is an award winning building construction business, operating since 1975.
- Have significant experience in completing similar projects.
- Have ISO certified Work Health & Safety, Quality & Environment Management Systems.
- Demonstrated a strong understanding of the projects requirements.
- Provided a suitable and detailed construction program.

Price Criteria

In terms of price criteria, the tendered price of \$185,521.36 ex GST was within the [REDACTED] allocated for construction from the project budget.

Additionally, an elemental comparison of tendered pricing and the pre-tender cost estimate was carried out. The comparison found that Colin Jos & Co's tendered price is within an acceptable range of cost estimates.

Under clause 178 of the *Local Government (General) Regulation 2005*, Council after considering the tenders submitted for a proposed contract must either:

- (a) accept the tender that, having regard to all circumstances, appears to be the most advantageous, or
- (b) decline to accept any of the tenders.

The tender offered by Colin Jos & Co satisfies the non-price assessment criteria and the assessors believe a re-tender process would not likely be advantageous to Council. As such, the assessors recommend Council accept Colin Jos & Co's tender submission.

Financial / Resources Implications

The tendered price is acceptable within the [REDACTED] of available funds for this project. Funding sources for this project include:

- [REDACTED] Crown Reserve.
- [REDACTED] Community Building Partnership Program still to be received CBP14-1904.
- [REDACTED] Community Building Partnership Program still to be received CBP15-2432.
- [REDACTED] AIP.

Council Decision Making During Merger Proposal Periods

The Office of Local Government's document *Council Decision Making During Merger Proposal Periods* states:

Councils the subject of merger proposals should not enter into a contract or undertaking involving the expenditure or receipt by the council of an amount equal to or greater than \$250,000 or 1% of the council's revenue from rates in the preceding financial year (whichever is the larger), unless:

- *the contract or undertaking is entered into as a result of a decision made or procurement process commence prior to the start of the merger proposal period; or*
- *entry into the contract or undertaking is reasonably necessary for the purposes of:*
 - *meeting the council's ongoing service delivery commitments to its community; or*
 - *to implement an action previously approved under a council's Delivery Program or the Operation Plan for the relevant year.*

In this case, the proposed works are listed on Council's 2015/16 Delivery Program. As such, Council is able to enter into the contract during the merger proposal period.

Legal and Policy implications

It is Council's responsibility to provide adequate facilities for their employees to perform their duties. The proposed assists in this matter.

Public / Social Impact

The proposed development provides suitable facilities to enable lifeguards to carry out their duties and to help ensure public safety.

Link to Community Strategic Plan

This report supports the following objectives and strategies of the Community Strategic Plan:

Objective: 3.1 Infrastructure is planned and managed in a way that meets the community's needs

Strategy: 3.1.2 Renew the City's ageing assets, infrastructure and facilities to meet the needs of the community now and into the future.

Consultations

Internal

Team Leader Asset Management
Lifeguard Supervisor
Aquatics Coordinator

External

NSW Public Works Advisory

Political Donations Disclosure

Not Applicable.

Recommendation

- 1. That Council confirm its consideration of the guidelines issued by the NSW government in accordance with Section 23A of the Local Government Act, 1993, in resolving on this matter.**
- 2. In accordance with Section 178 of the *Local Government (General) Regulation (2005)*, that Council enter into a contract (Contract 2016/69) with Colin Jos & Co P/L for \$185,521.36 ex GST in accordance with Tender Document 2016/69.**
- 3. That Council delegate to the Director Shellharbour Enterprises the authority to sign the Letter of Award to the Contractor on behalf of Shellharbour City Council.**

A handwritten signature in black ink, appearing to be 'A. J.', with a horizontal line extending to the right from the end of the signature.

Approved for Council's consideration:

Date of Meeting: 7 February 2016

Attachments

1. Nil.

