

Tender – Reject and Negotiate – Perry Park Recreation Centre Stage 2

File No: X024644.007

Tender No: 1961

Summary

This report provides details of the tenders received for the Perry Park Recreation Centre Stage 2 works.

The project works include the enclosure of two outdoor multi-purpose courts, associated facilities and amenities, demolition works, landscaping, services, external and site works. These works follow on from Stage 1 of the facility, which was completed in March 2019.

The works comprise Stage 2 of the Development Approval D/2014/1780 in accordance with the Resolution of Council dated 23 June 2014.

Tender submissions received for Perry Park Recreation Centre Stage 2 works were evaluated as being non-compliant.

This report recommends that no tender be accepted and the City enter into negotiations with suitably qualified companies for the construction of the Perry Park Recreation Centre Stage 2 works.

Recommendation

It is resolved that:

- (A) Council reject all the tenders received for Perry Park Recreation Centre Stage 2, for the reasons set out in the Tender Evaluation Summary at Confidential Attachment A to the subject report;
- (B) authority be delegated to the Chief Executive Officer to enter into negotiations with any person with a view to entering into a contract in relation to the subject matter of the tender;
- (C) authority be delegated to the Chief Executive Officer to execute and administer a contract in relation to the subject matter of the tender with a suitable vendor following completion of the negotiations;
- (D) Council not invite fresh tenders, as it is considered that inviting fresh tenders would not attract additional suitable tenders over and above that have responded to this tender; and
- (E) Council be informed of the successful vendor by CEO update.

Attachments

Attachment A. Tender Evaluation Summary (Confidential)

Background

1. Perry Park is located on the corner of Bourke Road and Maddox Street, Alexandria, and is surrounded by industrial and commercial land uses. The park is within 700 metres of Green Square station and within walking distance of the new Green Square residential area.
2. The existing Alexandria Basketball Stadium was built in 1968 and is located in the south west corner of the park on a separate parcel of land.
3. The City proposed to construct a new separate building to the north east of the existing stadium. Council, at the meeting of 23 June 2014, resolved that:
 - (a) Council endorse the development scope as described in the subject report for the purpose of proceeding with seeking any relevant planning approvals and documentation of the construction works for Stage 1 and 2; and
 - (b) Council endorse the development scope as described in the subject report for the purpose of proceeding to tender for the construction of Stage 1.
4. The works comprising Stage 1 of Development Approval D/2014/1780 dated 28 July 2015 included the construction of two indoor and two outdoor multi-purpose courts, associated facilities and amenities, landscaping, external and site works, substation installation and services. Stage 1 works were completed in March 2019.
5. The additional funds required to proceed with the Stage 2 works were in the adopted budget endorsed by Council at the meeting of 25 June 2018.
6. The works that are the subject of this tender report are the Stage 2 works, comprising the enclosure of the two external courts, completion of associated facilities and amenities, demolition works, landscaping, services, external and site works.

Invitation to Tender

7. The Request for Tender for Stage 2 works was advertised in The Sydney Morning Herald and The Daily Telegraph and on the City's e Tendering portal on Tuesday 27 August 2019.
8. The tender closed on Wednesday 9 October 2019 at 11.00am.

Tender Submissions

9. Two submissions were received from the following organisations:
 - Rork Project Pty Ltd; and
 - SDL Project Solutions Pty Ltd.
10. No late submissions were received.

Tender Evaluation

11. All members of the Tender Evaluation Panel have signed Pecuniary Interest Declarations. No pecuniary interests were noted.
12. The relative ranking of tenders as determined from the total weighted score is provided in the Confidential Tender Evaluation Summary – Attachment A.
13. All submissions were assessed in accordance with the approved evaluation criteria being:
 - (a) demonstrated experience in carrying out works of a similar size and nature;
 - (b) personnel allocation, qualifications, experience and capacity, including sub-contractors;
 - (c) proposed program;
 - (d) proposed methodology, including pedestrian and traffic management and environmental management;
 - (e) Work, Health and Safety;
 - (f) financial and commercial trading integrity, including insurances; and
 - (g) lump sum price.

Performance Measurement

14. Key Performance Indicators were identified in the Request for Tender document. Performance will be assessed at each project stage and at the completion of the contract, with each assessment forming the basis of the Performance Review Results.

Financial Implications

15. Based on current estimates, there are sufficient funds allocated for this project within the current year's capital works budget and future years' forward estimates.

Relevant Legislation

16. The tender has been conducted in accordance with the Local Government Act 1993, the Local Government (General) Regulation 2005 and the City's Contracts Policy.
17. Attachment A contains confidential commercial information of the tenderers and details of Council's tender evaluation and contingencies which, if disclosed, would:
 - (a) confer a commercial advantage on a person with whom Council is conducting (or proposes to conduct) business; and
 - (b) prejudice the commercial position of the person who supplied it.
18. Discussion of the matter in an open meeting would, on balance, be contrary to the public interest because it would compromise Council's ability to negotiate fairly and commercially to achieve the best outcome for its ratepayers.

Critical Dates / Time Frames

19. Project time frames are:
 - (a) Commence reject and negotiate process, December 2019
 - (b) Chief Executive Officer approval to execute contract, May 2020
 - (c) Contractor site establishment, July 2020
 - (d) Practical Completion, pending tender negotiations

Options

20. Council has the following options in regard to the tenders:
 - (a) reject the tender and re-advertise, which is not recommended as it is considered this will not attract additional submissions; or
 - (b) reject and negotiate with suitably qualified contractors with the capacity to carry out the works. This option is recommended.

Public Consultation

21. Extensive consultation was undertaken with the original Development Approval which included both Stage 1 and 2 works.
22. The community and various sporting groups were consulted during the development of the scope and detail of the development proposals.
23. The works were advertised in a Development Application submitted for the site dated 18 November 2014. Development consent was received on 28 July 2015.
24. During construction, site signage will be placed on site to advise residents and park users of the construction works to be undertaken.

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