

Tender T-2021-612 - Pymont Community Centre Upgrade

File No: X038743

Tender No: T-2021-612

Summary

This report provides details of the tenders received for the Pymont Community Centre Upgrade works.

The Pymont Community Centre is located on the site of the former Pymont Public School on the corner of John and Mount Streets, Pymont. The former school building, grounds and fences are listed heritage items. The Centre opened in 1993 and currently includes a childcare centre operated through the City's Accommodation Grants Program, an Outside School Hours Care (OSHC) service operated by the City, a Library Link, a community library, a small community gym, a community hall on the ground floor and an additional community room on the first floor.

In June 2020, Council approved the scope for the upgrade of the Pymont Community Centre. A revised and expanded scope of work was developed following a review of the existing building condition and feedback from community groups and approved by Council in July 2021. The upgrade will provide an additional 60 square metre community room, an accessibility upgrade including the installation of a lift between the ground and first floors, a new entry foyer, new ground floor offices and public toilets, a new gym area, an upgrade of the first floor showers and the addition of new toilets on that floor, conversion of the existing gym cardio room into a dedicated community space, refurbishment of the existing main community hall, Library Link and first floor community room, and an upgrade of the Outside School Hours Care children's program and courtyard play equipment.

This report recommends that Council accept the tender offer of Tenderer B for the construction of the Pymont Community Centre Upgrade works and approve additional funding required to undertake the works.

Recommendation

It is resolved that:

- (A) Council accept the tender offer of Tenderer B for Pymont Community Centre Upgrade works for the price and contingency outlined in Confidential Attachment A to the subject report;
- (B) authority be delegated to the Chief Executive Officer to negotiate, execute and administer the contracts relating to the tender; and
- (C) Council approve the allocation of additional funds to the Pymont Community Centre Upgrade as outlined in Confidential Attachment A to the subject report.

Attachments

Attachment A. Tender Evaluation Summary (Confidential)

Background

1. The Pymont Community Centre is located on the site of the former Pymont Public School on the corner of John and Mount Streets, Pymont. The former school building, grounds and fences are listed heritage items.
2. The City purchased the site in the early 1990s and undertook refurbishment works that included the construction of a two-storey extension, and the conservation and adaptive re-use of the former school buildings and grounds for childcare and community use.
3. The Pymont Community Centre was opened in 1993.
4. The Centre includes a childcare centre operated through the City's Accommodation Grants Program, with service approval for 40 children per day, an Outside School Hours Care (OSHC) service operated by the City, a Library Link, a community library, a small community gym, a community hall on the ground floor and an additional community room on the first floor.
5. Friends of Pymont Community Centre and Pymont Action advised that they were running out of space at the centre and required more room to accommodate increasing community demand for services.
6. Council resolved in September 2019 that the Chief Executive Officer be requested to prepare a project scope, concept design and budget for a modest renovation, re-organisation, and small expansion of the current facility, in response to the community requests, and report this to Council for consideration.
7. The community requests included an additional room (an extension of the current 90's addition into the courtyard) to accommodate gym activity and equipment. This would free up the current gym room (50 sqm) for use as a music room and a smaller gym room (30 sqm) as a meeting room. An additional toilet upstairs was also requested, along with the installation of a cupboard system to store equipment that would allow the out of school hours care space to be used for other purposes.
8. A detailed review of planning controls and existing building conditions was undertaken, and a project scope was developed in response to the requests from the community and to the issues identified in preliminary investigation works.
9. In June 2020, Council endorsed the recommended scope for the upgrade of the Pymont Community Centre. This scope included an access upgrade to provide accessible entry and lift access to all levels; a gym upgrade; conversion of the existing gym cardio room to new community rooms; conversion of the Outside of School Hours Care Homework Space to 'shared' Community Room; and an upgrade to the existing level one public toilets.
10. In November 2020, Welsh and Major Architects were engaged to undertake the design and documentation for the Pymont Community Centre Upgrade. Additional opportunities were identified from a review of the existing building condition, and from feedback from community groups. Required compliance upgrades were also identified. The recommended scope was amended to include new 60 sqm dedicated community room; new ground floor office and public toilets; fire services upgrades; and refurbishment of all community rooms to provide a holistic upgrade of the community centre.

11. The revised concept was presented to the Design Advisory Panel on 22 April 2021. The following comments were noted in the minutes of the Design Advisory Panel meeting:

The Panel noted that the current project budget constraints limit the scope of works. The budget does not allow for work to reduce the dominance of the unsympathetic building addition added in the 90's. The current budget also doesn't allow additional excavation to better rationalise floor levels. Given the building's heritage significance, the Panel recommended that the budget be reviewed and expanded to allow for these additional works.

12. In response to the comments received from the Design Advisory Panel, a revised scope was proposed, which includes demolition of the unsympathetic 1990s building. Council endorsed this revised scope of work in July 2021.
13. The endorsed project scope includes an additional 60 square metre community room, an accessibility upgrade including the installation of a lift between the ground and first floors, a new entry foyer, new ground floor offices and public toilets, a new gym area, an upgrade of the first floor showers and the addition of new toilets on that floor, conversion of the existing gym cardio room into a dedicated community space, refurbishment of the existing main community hall, library link and first floor community room, and an upgrade of the Outside School Hours Care children's program and courtyard play equipment.
14. The centre will be closed during the upgrade with a draft plan for temporary services being provided a Maybanke Community Centre and Ultimo Community Centre.

Invitation to Tender

15. An open Expression of Interest E-2021-585 for suitable contractors was opened on 5 October 2021 and closed on 5 November 2021. The EOI process resulted in the selection of five contractors to be invited to tender.
16. The Request for Tender was released to the shortlisted contractors through TenderLink on 17 March 2022 for a period of six weeks. Submissions closed on 2 May 2022.

Tender Submissions

17. Four submissions were received from the following organisations:
 - Barpa Pty Ltd;
 - Belmadar Pty Ltd;
 - Grindley Constructions; and
 - Lloyd Group.
18. On 27 April 2022, the fifth shortlisted contractor, Patterson Building Group, notified the City that they would not be submitting a tender, due to lack of capacity.

19. No late submissions were received.

Tender Evaluation

20. All members of the Tender Evaluation Panel have signed Pecuniary Interest Declarations. No pecuniary interests were noted.
21. The relative ranking of tenders as determined from the total weighted score is provided in the Confidential Tender Evaluation Summary – Attachment A.
22. All submissions were assessed in accordance with the approved evaluation criteria being:
 - (a) Lump Sum Price.
 - (b) Personnel allocation, qualifications, experience, and capacity, including sub-contractors and Aboriginal & Torres Strait Islander Involvement. Details of roles, qualifications, percentage of time on project and relevant experience of nominated project team members including experience, role and relationship for any subcontractors.
 - (c) Proposed program and capacity to achieve the program/deliverables including the contract durations, sequencing of the separable portions and appropriate detailed breakdown of the work tasks.
 - (d) Proposed methodology of undertaking the works whilst reducing the adverse impact to the day-to-day operations of the childcare centre and the safety of public, including pedestrian and traffic management and environmental management.
 - (e) Work Health and Safety.
 - (f) Financial and commercial trading integrity, including insurances.

Performance Measurement

23. The City will ensure that performance standards are met during construction by:
 - (a) holding weekly site meetings with the contractor to cover Work Health and Safety, environment, progress of work against contract program, sub-contractor items, design issues and requests for information, hold and witness points, quality non-conformances, public enquires and planned liaison activities, extension of time claims and variations;
 - (b) undertaking regular site inspections and completing a monthly construction site verification checklist to identify any non-compliance with the approved project WHS&E Management Plan; and
 - (c) monitoring and assessing the contractor's performance in accordance with the Principal's Key Performance Indicators including Work Health and Safety compliance, quality of work, time, reporting and communication.

Financial Implications

24. Significant cost increases have recently been experienced in the building industry. Additional funds are required for this project due to the preferred tender exceeding pre-tender estimates. Acceptance of the recommended tender will therefore require Council to increase the project budget, as detailed in Confidential Attachment A.
25. The total contract sum and contingency for Pymont Community Centre Upgrade works is detailed in Confidential Attachment A.

Relevant Legislation

26. The tender has been conducted in accordance with the Local Government Act 1993, the Local Government (General) Regulation 2021 and the City's Procurement and Contract Management Policy.
27. Local Government Act 1993 - Section 10A provides that a council may close to the public so much of its meeting as comprises the discussion of information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business.
28. 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.
29. 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

30. The following key dates will apply to this project if approved:
 - (a) Contract Execution August 2022
 - (b) Site Possession September 2022
 - (c) Contract Completion February 2024

Options

31. Alternative options have been considered and include:
 - (a) Not proceed with the tender and defer the works. This option is not recommended because it would not provide the required services to the community.

- (b) Undertake further value engineering in addition to that undertaken prior to tender. Further value engineering would reduce the functional area of the Community Centre and therefore would impact on service delivery. This option would delay the project and incur additional consultant costs for redesign. Continuation of the current market volatility will likely mean that potential costs savings will be minimal despite reducing scope.
 - (c) Undertake the works in stages by constructing the new Community Centre space and refurbishing the existing Community Centre separately. This option is not recommended as it would result in increased disruption to centre operations and will likely be substantially more costly.
32. No other viable options have been identified during the tender evaluation process.

Public Consultation

33. Community briefings and letter updates were provided in April and September 2021.
34. Following earlier consultation as set out in previous reports to Council, detailed plans were included as part of the Development Application notification process and statutory consultation (D/2021/987). The Notice of Determination was received on 21 December 2021.

KIM WOODBURY

Chief Operating Officer

Chris Allen, Specialist Project Manager