

10.3 RFT IE254/2023 INDOOR POOL CHANGE ROOM RENEWALS AT BEATTY PARK LEISURE CENTRE

- Attachments:**
1. **Evaluation Summary - Confidential**
 2. **Project on a Page - Beatty Park Changeroom Upgrade**

RECOMMENDATION:**That Council:**

1. **NOTES the outcome of the evaluation process for Tender IE254/2023 Indoor Pool Change Room Renewals at Beatty Park Leisure Centre; and**
2. **ACCEPTS the tender submission of LKS Constructions (WA) Pty Ltd for Tender IE254/2023 Indoor Pool Change Room Renewals at Beatty Park Leisure Centre.**
3. **INCREASES the capital project allocation for Beatty Park Changerooms in 2024/2025 by \$100,000 to \$650,000 to fund this project over two financial years.**

PURPOSE OF REPORT:

For Council to accept the tender submission of LKS Constructions (WA) Pty Ltd for Tender IE254/2023 Indoor Pool Change Room Renewals at Beatty Park Leisure Centre.

BACKGROUND:

The City of Vincent's capital works program includes upgrading the aging change room facilities at the Beatty Park Leisure Centre (BPLC) to accommodate families and people with disabilities.

The City sought tenders from experienced, qualified and reliable Respondents within the building industry for the demolition and reconstruction of the Northern end 1962 change rooms located at BPLC. The 1962 build was extended in 1994 to include an indoor pool facility.

An Expression of Interest process was conducted to identify contractors with suitably qualified key personnel, demonstrated capability and capacity to undertake the works, and address risk criteria on financial capacity, insurances and payment. A shortlist of three Respondents was identified by the panel and approved by the Executive Director for the Request for Tender process.

DETAILS:**Tender Submissions**

Submission were received from three (3) Respondents:

- Construct360 Pty Ltd
- ICS Australia Pty Ltd
- LKS Constructions (WA) Pty Ltd

Evaluation Panel

The Evaluation Panel comprised of four members, being:

- one with tender preparation skills
- two with the appropriate operational expertise and involvement in supervising the contract
- one with probity advice provided by a Procurement and Contracts Officer

Compliance Assessment

All offers received were assessed as fully compliant and progressed to the qualitative assessment.

Evaluation Method and Weighting

The qualitative weighting method of tender evaluation was selected to evaluate the offer.

The qualitative criteria and weighting used in evaluating the submission received were as follows:

| Qualitative Criteria | | Weighting |
|----------------------|---|-----------|
| 1 | Key Personnel skills and experience | 25% |
| 2 | Demonstrated Capacity to Undertake the Works | 25% |
| 3 | Demonstrated Capability to undertake the construction of the designated Works | 25% |
| 4 | Risk Assessment | 15% |
| 5 | Environmental and Social | 10% |

Qualitative Assessment

| Respondent | Weighted Percentage Score | Qualitative Ranking |
|--------------------------------|---------------------------|---------------------|
| Construct360 Pty Ltd | 65% | 3 |
| ICS Australia Pty Ltd | 71% | 2 |
| LKS Constructions (WA) Pty Ltd | 78% | 1 |

Refer to **Confidential Attachment 1** for further detail.

Price Assessment

The panel carried out an assessment of the submitted pricing offered.

| Contractor | Total Cost ex GST | Price Ranking |
|--------------------------------|-------------------|---------------|
| LKS Constructions (WA) Pty Ltd | \$ 1,196,680 | 2 |

Refer to **Confidential Attachment 1** for further detail.

Evaluation Summary

The panel concluded that the tender from LKS Constructions (WA) Pty Ltd provides value for money to the City and is therefore recommended for the provision of IE254/2023 Indoor Pool Change Room Renewals at Beatty Park Leisure Centre for the following reasons:

- Compliance with the submission requirements;
- Ranked first in the qualitative assessment;
- Ranked second in the pricing assessment;
- References conducted and verified claims; and
- Pricing demonstrates value for money.

It is therefore recommended that Council accepts the tender submitted by LKS Constructions (WA) Pty Ltd for Tender IE254/2023 Indoor Pool Change Room Renewals at Beatty Park Leisure Centre.

CONSULTATION/ADVERTISING:

The Expression of Interest IE254/2023 Indoor Pool Change Room Renewals at Beatty Park Leisure Centre was advertised in the West Australian on Saturday 22 April 2023 and on both the City's website and Vendor Panel between 22 April 2023 and 15 May 2023.

LEGAL/POLICY:

The Expression of Interest and Request for Tender were prepared and advertised in accordance with:

- Section 3.57 of the Local Government Act 1995;
- Part 4 of the Local Government (Functions and General) Regulations 1996; and
- City of Vincent Purchasing Policy.

RISK MANAGEMENT IMPLICATIONS

Low: It is low risk for Council to accept the preferred Respondent.

STRATEGIC IMPLICATIONS:

This is in keeping with the City's *Strategic Community Plan 2022-2032*:

Connected and Healthy Community

Our community facilities and spaces are well known and well used.

Thriving Places

Efficiently managed and maintained City assets in the public realm.

Sensitive Design

Our built form character and heritage is protected and enhanced.

SUSTAINABILITY IMPLICATIONS:

This does not contribute to any specific sustainability outcomes of the City's Sustainable Environment Strategy 2019-2024, although the sustainability and environmental management practices of Respondents was a weighted qualitative criteria of this request, and the preferred Respondent provided some evidence of sustainability practices.

PUBLIC HEALTH IMPLICATIONS:

This is in keeping with the following priority health outcomes of the City's *Public Health Plan 2020-2025*:

Increased physical activity

Increased mental health and wellbeing

FINANCIAL/BUDGET IMPLICATIONS:

The total cost of the submission from LKS Constructions (WA) Pty Ltd is \$1,196,680 ex GST. The works, should this contract be awarded at the November Council meeting, will be scheduled to commence in January 2024. Site mobilisation is expected in February 2024 with an estimated 35 week project timeline, therefore the project is expected to be completed over two financial years with completion estimated for August 2024. The preferred tenderer has confirmed that the fixed price sum tendered will be valid for the delivery timeframe.

The four-year capital works program has the project budgeted for delivery over two financial years with \$650,000 of reserve funds allocated in the 2023/2024 Annual Budget and a further \$550,000 of municipal funds allocated in 2024/2025, totalling \$1,200,000 of project funding.

| Project Name | Project Budget | FY24 Budget | FY25 4-Year Capital Works Plan | Project Cost |
|--|----------------|-------------|--------------------------------|--------------|
| BPLC Construct & fit out indoor pool changerooms | \$1,200,000 | \$650,000 | \$550,000 | \$1,196,680 |

It is recommended that Council award the project and commit a total of \$650,000 in 2023/24 and an additional \$650,000 to be sourced from the 2024/2025 Annual Budget to allow for project delivery over two financial years and includes approximately \$100,000 project contingency. This will increase the total project budget to \$1,300,000 over two financial years.

Below is the estimated project cash flow over the 2023/24 and 2024/25 financial years for the project delivery.

| MONTHS | | | | | | |
|------------|-------------|-----------|-----------|-----------|-----------|----------------------|
| Jan | Feb/Mar | April | May | June | Jul | August/Sep |
| 5% Deposit | 5% Site Mob | Works | Works | Works | Works | Practical completion |
| \$60,000 | \$60,000 | \$230,000 | \$150,000 | \$150,000 | \$350,000 | \$300,000 |

COMMENTS:

The tender submission from LKS Constructions (WA) Pty Ltd complies with all the tender requirements. The submission was well presented and included all relevant and specific information required and requested within the tender specification.

The Evaluation Panel deemed the response to be convincing and credible, demonstrating the capability, capacity and experience for key evaluation criteria.

Project on a Page

| | |
|-----------------------------|---|
| Project Name: | 22FY BP - Beatty Park 2062 - Construction & Fit Out of Indoor Pool Changerooms |
| Project Description: | <p>Revised 1.3 31/10/2023</p> <p>The City of Vincent in its continual commitment to offer the community a wide range of recreational options has identified the need to upgrade the aging change room facilities at the Beatty Park Leisure Centre (BPLC) to accommodate families and people with disabilities. The BPLC was built in 1962 to host the 1964 Empire / Commonwealth Games, making the BPLC a Western Australian icon and a heritage-listed site.</p> <p>The City is seeking tenders from experienced, qualified and reliable Respondents within the building industry for the demolition and reconstruction of the Northern end 1962 change rooms located at the Beatty Park Leisure Centre, 220 Vincent Street, North Perth. The 1962 build was extended in 1994 to include an indoor pool facility.</p> |

| | | | | | | | |
|--------------------------------|----------------|--------------------------------------|---------------------------|---------------------------------------|---|-----------------------------------|---------------------------------|
| Project Code (CBP): | 2024FY - 3 | Sensitivity Analysis: | Medium | Project Size | Large - High Risk, Profile, Budget and Impact | Start Date | 3/07/2023 |
| Estimated Timeframe: | 12 | Total FTE cost (estimated): | \$50,000.00 | Priority | High | Estimated Finish Date | 31/08/2024 |
| Project Estimated Cost: | \$1,200,000.00 | Number of FTE | 0.2 | Project Board: | Yes | Project Manager: | Brian Marr |
| Contingency: | \$100,000.00 | Total Project Cost (ex. GST): | \$1,200,000.00 | Accountable Executive Sponsor: | Peter Varris | Service Area: | BP - Beatty Park Leisure Centre |
| Total Expenditure: | \$1,300,000.00 | Account Number | 99.00003334.130 0.0000 | Expenditure Type: | Capex | Container & Record No: | SC 3475,3474,3473 |

| Objectives & Scope | Benefits |
|--|---|
| <p>To deliver a major capital works Project FY23. The proposed scope of works consists of the following deliverables.</p> <ul style="list-style-type: none"> Engineering for the demolition of the 1962 building Architectural design for a modern and multi-purpose changing facility to accommodate the needs of disability group, swim school attendees and the general community. Construction of a new UAT, General change rooms, unisex toilets, locker facilities, cleaners store and concourse changing boxes. New build to meet the City's energy efficiency policy's | <ul style="list-style-type: none"> Full asset renewal to an aging 1962 city building reducing reactive maintenance Provide a level of service in keeping with the communities expectations Maintain City's reputation of community connection and sustainability Provide an updated changing facility to cater for the following community groups <ol style="list-style-type: none"> People with disabilities Seniors Families Rehabilitation programmes |
| Key Stakeholders (internal and external) | Project Success is... |
| <ul style="list-style-type: none"> City of Vincent (Council) Rate payers Disability groups and associations Learn to swim | <ul style="list-style-type: none"> Success factor - Complete all deliverables within the allocated budget and timeframe. Minimise the negative impact on patrons using the facility Provide the rate payers, general community and sporting clubs a safe and fit for purpose amenity Increase in visitor numbers and facility revenue Reduction in the cost of reactive maintenance by renewal of the asset |

| Risks (what could happen): | Issues (what has been identified): | What happens if we don't do the project? |
|--|--|--|
| <ul style="list-style-type: none"> Risk to City's reputation OH&S issues for both employees and patrons of the Centre Ongoing reactive maintenance cost | <ul style="list-style-type: none"> Change rooms from the 1962 building are now not to code and are not fit for purpose Not accessible for patrons with disabilities Parts of building showing significant signs of imminent failure | <ul style="list-style-type: none"> Increased risk of building fabric failure resulting in the potential harm to property and patrons. Failure to provide a duty of care to patrons and staff. Failure to provide a level of service aligned with community expectation. |

Project on a Page

| | | |
|---|---|---|
| | <ul style="list-style-type: none"> No compliant | |
| People or Engagement Activities | Process/Policy changes or improvements required for this project to succeed | Technology tools or infrastructure changes or improvements required for this project |
| <ul style="list-style-type: none"> Project Manager / Procurement & Finance Building and Engineering Consultants | <ul style="list-style-type: none"> Project reporting process to be updated | <ul style="list-style-type: none"> Project planning and continual project monitoring |

| Project Deliverables / Milestones <i>(Optional Phasing and Gantt Charts available)</i> | MoSCoW Priority (M, S, C, W) | Budget (\$) | Year 1 | | | | | | | | | | | | Year 2 (\$) | Year 3 (\$) | Year 4 (\$) | Outer Years (\$) |
|---|---------------------------------|--------------------|--------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-------------|-------------|-------------|------------------|
| | | | JUL | AUG | SEP | OCT | NOV | DEC | JAN | FEB | MAR | APR | MAY | JUN | | | | |
| 1. Planning | M | | | | | | | | | | | | | | | | | |
| 2. Finance & Procurement | M | | | | | | | | | | | | | | | | | |
| 3. Council Approval | M | | | | | | | | | | | | | | | | | |
| 4. Project Initiation | M | | | | | | | | | | | | | | | | | |
| 5. Project delivery | M | \$1,196,680.00 | | | | | | | | | | | | | | | | |
| 6. Contingency | Contingency | \$100,000.00 | | | | | | | | | | | | | | | | |
| 7. Close-out | M | | | | | | | | | | | | | | | | | |
| Total | | \$1,296,680 | | | | | | | | | | | | | | | | |

| Internal Service Requirements: <i>Please discuss with the appropriate Service Area as soon as practicable and indicate here which areas will be included.</i> | | | | | | | | | | | | | | |
|---|-------------------------------------|-------------------------------------|--------------------------|-------------------------------------|------------------------|-------------------------------------|--------------------------|--------------------------|-------------------------------------|-----------------|--------------------------|-------------------------------------|--------------------------|--------------------------|
| | Consulted | Plan attached | Plan to be developed | Not applicable | | Consulted | Plan attached | Plan to be developed | Not applicable | | Consulted | Plan attached | Plan to be developed | Not applicable |
| Engagement / Media: | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Human Resources: | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Risks & Issues: | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Engineering / Parks: | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | ICT: | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Other (insert): | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Planning: Consulted: | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Finance / Procurement: | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Provide evidence of the consultation with Internal Staff (if applicable). Support can be saved in Project site.