

7.7 Contract 2019/19 Boroondara Sports Ground Bulk Earth Works and Drainage Panel

Abstract

This report seeks Council endorsement for the award of Contract No. 2019/19, Boroondara Sports Ground Bulk Earthworks and Drainage - Panel of Providers. This new contract will provide Council with a panel of contractors to provide quotations to undertake sports ground bulk earthworks and drainage system installation services for an initial term of three years with a possible extension of a two year period for a maximum contract term of five years.

The estimated cost of this contract in 2018-19 is \$256,441 (excluding GST) which is in accordance with Council's adopted budget. Expenditure in future years will be in accordance with approved budget allocations. Because of the value of the contract it was publicly advertised in accordance with the requirements of section 186 of the *Local Government Act 1989*.

Confidential information is contained in **Attachment 1**, as circulated in the confidential section of the agenda attachments, in accordance with Section 89(2) of the *Local Government Act 1989*, as the information relates to contractual matters and premature disclosure of the information could be prejudicial to the interests of Council or other persons. This item has been included in the public agenda to facilitate transparency and accountability in Council's decision making.

If discussion of the confidential information in the attachments to this report is required in order for Council to make a decision, this item will be deferred to the confidential section of the agenda.

Officers' recommendation

That Council resolve:

1. To award Contract No. 2019/19, Boroondara Sports Ground Bulk Earthworks and Drainage - Panel of Providers to:
 - Depan Group Pty Ltd (ACN 606 158 454);
 - Hendriksen Contractors Pty Ltd (ACN 093 866 758);
 - Lawn and Turf Maintenance Pty Ltd (ACN 119 474 483) for drainage systems installation services only;
 - SJM Turf and Civil Pty Ltd (ACN 624 750 018); and
 - Turf One Pty Ltd (ACN 141 656 251) as the Trustee for Turf One Unit Trust (ABN 93 797 495 355).

for an initial contract term of three years with a possible extension of a two year period to a maximum contract term of five years. The estimated contract cost for the maximum contract term is \$3,238,885 (including GST) and excluding any price adjustment due to rise and fall. The estimated cost to Council after return of GST Input Credits is \$2,944,441.

2. To authorise the Director Environment and Infrastructure to execute the contract agreements with the above contractors.
3. To authorise the Director Environment and Infrastructure to negotiate extensions to Contract No. 2019/19, Boroondara Sports Ground Bulk Earthworks and Drainage - Panel of Providers, with the above contractors to the maximum five year contract term.
4. To note that expenditure under this contract in 2018-19 is in accordance with Council's adopted budget and expenditure in future years will be in accordance with the approved budget allocations.

**Responsible director: Bruce Dobson
Environment & Infrastructure**

1. Purpose

The purpose of this report is for Council to give consideration to the awarding of Contract No. 2019/19, Boroondara Sports Ground Bulk Earthworks and Drainage - Panel of Providers.

2. Policy implications and relevance to community plan and council plan

This procurement process has been carried out in accordance with the requirements of Council's Contracts and Tendering Probity Policy and Council's Procurement Policy.

This contract is aligned with the following theme and strategy in the Boroondara Community Plan 2017-27 and Council Plan 2017-21:

Theme Two - "Your Parks and Green Spaces":

Strategy 2.1 - *Sustainably design, manage and utilise parks and green spaces to foster a connected and healthy community for all ages and abilities.*

3. Background

There are 56 Council managed sports grounds located within the municipality. To service the maintenance and renewal needs of these assets, Council is seeking to appoint qualified and experienced organisations for inclusion on a panel of contractors to provide quotations for the supply, delivery and installation of sports ground bulk earthworks and drainage systems.

Invitation to tender

In accordance with Council's tendering procedures and Section 186 of the *Local Government Act 1989*, Council invited tenders from suitably experienced and qualified organisations to form a panel arrangement to undertake bulk earthworks and drainage installation services on Council's sports fields.

An Invitation to Tender was advertised in the local government tenders section of "The Age" on Saturday, 6 October 2018 and on Council's website. The closing date for submissions was 4.00pm, Friday 2 November, 2018.

In response to the advertisement, Council received five submissions:

- Depan Group Pty Ltd;
- Hendriksen Contractors Pty Ltd;
- Lawn and Turf Maintenance Pty Ltd;
- SJM Turf and Civil Pty Ltd; and
- Turf One Pty Ltd as the Trustee for Turf One Unit Trust.

4. Outline of key issues/options

There are no issues regarding this procurement.

This proposed contract is important to the ongoing operations of Council.

5. Consultation/communication

The Parks and Infrastructure Department prepares the infrastructure renewal program, undertakes consultation, and programs and oversees all the associated reconstruction and drainage works associated with this contract.

6. Financial and resource implications

Council's 2018-19 adopted budget provides:

Account	2018-19 Budget allocation	Expenditure / commitments to date	Balance available
Sportsground Reconstruction Program	\$552,000	\$392,260	\$159,740
Sportsground Drainage Program	\$192,366	\$95,665	\$96,701
Total (2018-19)	\$744,366	\$487,925	\$256,441

Council does not guarantee the appointed contractors a minimum quantity of work in relation to any of the contract components. The amount of works performed will be in accordance with the need and budgetary allocations each year.

Under the panel arrangement, contractors will be invited to provide competitive lump sum quotations as project needs arise.

7. Governance issues

The implications of this report have been assessed in accordance with the requirements of the Victorian Charter of Human Rights and Responsibilities.

The officers responsible for this report have no direct or indirect interests requiring disclosure.

This tender process has been carried out in accordance with the requirements of Council's Contracts and Tendering Probity Policy and Council's Procurement Policy.

8. Social and environmental issues

Boroondara is committed to the renewal of sports ground drainage and surfaces to ensure high quality playing surfaces are available for community use. High quality surfaces also reduce the need to irrigate and use chemicals for weed management.

9. Evaluation and review

The tender evaluation report is provided as **Confidential Attachment 1**.

As a result of the tender evaluation, the tender evaluation panel recommends that Council award Contract No. 2019/19, Boroondara Sports Ground Bulk Earthworks and Drainage - Panel of Providers to:

- Depan Group Pty Ltd (ACN 606 158 454);
- Hendriksen Contractors Pty Ltd (ACN 093 866 758);
- Lawn and Turf Maintenance Pty Ltd (ACN 119 474 483) (drainage systems installation services only);
- SJM Turf and Civil Pty Ltd (ACN 624 750 018); and
- Turf One Pty Ltd (ACN 141 656 251) as the Trustee for Turf One Unit Trust (ABN 93 797 495 355).

The estimated contract cost for a five year maximum contract term is \$3,238,885 (including GST) and excluding any price adjustment due to rise and fall. The estimated cost to Council after return of GST Input Credits is \$2,944,441.

Manager: Andrew Mackinnon, Group Manager Parks and Infrastructure

Report officer: Rebecca Carland, Senior Coordinator Open Space