

7 Presentation of officer reports

7.1 Contract No. 2019/157 - Library RFID Replacement - Associated Building Works

Abstract

This report seeks Council endorsement for the award of Contract No. 2019/157, Library RFID Replacement - Associated Building Works. This Contract is for the associated required building works at all Boroondara Library Service to implement the physical technology associated with the RFID replacement under Contract No. 2018/6, Boroondara Library Service RFID Upgrade.

The works are expected to commence in late July 2019 and be completed by the end of November 2019.

The total cost of this Contract is \$522,193 (excluding GST), which is in accordance with Council's proposed budget.

A selective tendering process was conducted from Suppliers on the State Government Supplier Register, which is 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. 2019/157, Library RFID Replacement - Associated Building Works, to Harris HMC Interiors (Vic) Pty Ltd (ACN 130 177 614) as The Trustee for Harris HMC Interiors (Vic) Trust (ABN 93 606 308 911), for a total cost of \$574,412 (including GST). The cost to Council after the return of the GST Tax Input Credits is \$522,193.
2. To authorise the Director Environment and Infrastructure to execute the contract agreements with the above Contractor.
3. To note that expenditure under this contract in 2019-20 is in accordance with Council's forecast budget.

Responsible director: Carolyn Terry
Acting Director Environment and Infrastructure

1. Purpose

The purpose of this report is for Council to give consideration to the awarding of Contract No. 2019/157, Library RFID Replacement - Associated Building Works.

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

The delivery of the Boroondara Library Service RFID Upgrade will assist the municipal libraries in meeting the evolving needs of the local community and is consistent with the following themes and strategies in the Boroondara Community Plan (2017 - 27) and Council Plan (2017 - 21):

Theme 1 - Your Community, Services and Facilities

Strategy 1.1: Plan, maintain and renew multi-purpose facilities to meet broad, intergenerational needs of the community now and into the future

Strategy 1.4: Provide, facilitate and advocate for life-long learning opportunities for people of all ages.

Theme 7 - Civic Leadership and Governance

Strategy 7.4: Provide enhanced online services to our community, placing the customer at the centre of everything we do, with a focus on making Council more efficient and effective

Strategy 7.8: Develop and implement a program of actions that will progressively move the organisation towards a customer-centric, high performing, engaged and collaborative culture that supports the successful delivery of customer experience and the Boroondara Community 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.

3. Background

Boroondara Library Services operate across the Municipal District with locations in Ashburton, Balwyn, Camberwell, Hawthorn, Kew and Greythorn.

The Boroondara Library Service undertook a review of customer facing technology and completed a Library Technology Strategy in April 2017. One of the key recommendations of the strategy was to move our current Radio Frequency Identification (RFID) capability to High Frequency (HF) enabled.

In alignment with this recommendation, Contract No. 2018/61 - Boroondara Library Service RFID Upgrade, was tendered in November 2017 and subsequently awarded by Council to Bibliotheca Australia Pty Ltd in August 2018.

This Contract is for the associated required building works at all Boroondara Library Service locations to implement the physical technology associated with the RFID replacement under Contract No. 2018/61.

Works are to be performed at the following library service locations and are listed in the order works will be staged:

- **Balwyn Library**
336 Whitehorse Road, Balwyn VIC 3103
- **Greythorn Library Lounge**
Greythorn Community Hub, 2 Centre Way, Balwyn North VIC 3104
- **Ashburton Library**
154 High Street, Ashburton VIC 3147
- **Hawthorn Library**
584 Glenferrie Road, Hawthorn VIC 3122
- **Camberwell Library**
340 Camberwell Road, Camberwell VIC 3124
- **Kew Library**
Corner Cotham Road and Civic Drive, Kew VIC 3101

The works necessitate library closures and, following Contract award, community notifications will be issued with at least four weeks' notice of the closures. Only one library will be closed at a time for a maximum of two weeks, to minimise disruption to library customers.

The works are expected to commence in late July 2019 and be completed by the end of November 2019.

Invitation to tender

In accordance with Council's procurement procedures and Section 186 of the Local Government Act 1989, Council invited selective tenders from Suppliers on the State Government Construction Supplier Register to undertake the building works at the library service locations referenced above. The invitation to tender was issued Tuesday 9 April 2019 to the following five companies:

- 4 Dimensions Building Contractors Pty Ltd;
- Spaces Australia Pty Ltd;
- Sherwood Construction Solutions Pty Ltd;
- Harris HMC Interiors (Vic) Pty Ltd; and
- T.S Industries Pty Ltd trading as Project Interiors 21.

The closing date for submissions was 4:00PM, 8 May 2019. The following invited tenderers provided submissions:

- 4 Dimensions Building Contractors Pty Ltd;
- Spaces Australia Pty Ltd;
- Sherwood Construction Solutions Pty Ltd; and
- Harris HMC Interiors (Vic) Pty Ltd.

4. Outline of key issues/options

It is envisaged that there are no issues.

5. Consultation/communication

Representation on the Tender Evaluation Panel included members of Library Services, Information Technology and Projects & Strategy. The development of the architectural designs for the proposed library works was conducted by a third party architectural consultancy. The draft designs were presented to Boroondara Library Services management and staff prior to the design finalisation. In addition, People, Culture and Development was consulted regarding the designs from an OH&S perspective, and Risk Management also conducted a review from a risk perspective. No issues were raised by either People, Culture and Development or Risk Management. The Library Services RFID Project Control Group also endorsed the design approach.

6. Financial and resource implications

The Project Budget is as Follows:

2018-19 Adopted Budget Carried Forward	\$ 50,000
2019-20 Proposed Budgets	\$535,000

Less Expenditure to Date	\$ 0
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Total Available Project Budget	\$585,000
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Proposed Project Expenditure:

Building Works	\$522,193
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Contract Sum - Building Works	\$522,193
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Other Project Expenditure	\$ 52,219
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<u>Total Project Expenditure Ex. GST</u>	<u>\$574,412</u>
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Budget Surplus	\$ 10,588
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The budget surplus of \$10,588 will be allocated to account no. 72751 for library shelving upgrades in Financial Year 2019-20.

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

The outcome of the refurbishment works is anticipated to have a positive impact on the community. Not only will the new equipment connect staff with the local community, it will engage users with an innovative system that evolves the traditional library experience.

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. 2019/157, Library RFID Replacement - Associated Building Works to Harris HMC Interiors (Vic) Pty Ltd (ACN 130 177 614) as The Trustee for Harris HMC Interiors (Vic) Trust (ABN 93 606 308 911) for a total cost of \$574,412 (including GST). The cost to Council after the return of the GST Tax Input Credits is \$522,193.

Manager: Charles Turner, Projects & Strategy

Report officer: Prudence Ho, Project Architect