

## **7.9 Contract no. 2020/335: Alamein Neighbourhood & Learning Centre - Renewal, Upgrade And Extension Works**

### **Abstract**

This report seeks Council endorsement for the award of Contract No. 2020/335, Alamein Neighbourhood and Learning Centre – Renewal, Upgrade and Extension.

The proposed works are expected to commence in March 2021 and be completed by September 2021.

The total cost of this Contract is \$1,411,090.85 (excluding GST), which is in accordance with Council's Adopted Budgets for Financial Year 2020-21 and Foreshadowed Budget for Financial Year 2021-22.

A selective tender process was conducted from suppliers on the State Government Construction 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 66(2)(a) and the definition of 'confidential information' in Section 3(1) of the Local Government Act 2020 as the information relates to private commercial information, being information provided by a business or commercial undertaking that if released, would unreasonably expose the business or commercial undertaking to disadvantage. 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 to:

1. Award Contract No. 2020/335, Alamein Neighbourhood & Learning Centre - Renewal, Upgrade and Extension to Alchemy Construct Pty Ltd (ACN 604 483 105/ABN 47 604 483 105) for a total cost of \$1,552,199.94 (including GST). The cost to Council after the return of the GST Tax Input Credits is \$1,411,090.85.
2. Authorise the Director of Places and Spaces to execute the contract agreements with the above contractor.
3. Note that expenditure under this contract in 2020-2021 is in accordance with Council's adopted budget and expenditure in future years will be in accordance with the approved budget allocations.

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**Responsible director: Daniel Freer, Director Places and Spaces**

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## 1. Purpose

The purpose of this report is for Council to give consideration to the awarding of Contract No. 2020/335, Alamein Neighbourhood & Learning Centre – Renewal, Upgrade and Extension.

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

The Boroondara Community Plan is structured around the following seven priority themes:

- Your Community Services and Facilities
- Your Parks and Green Spaces
- The Environment
- Neighbourhood Character and Heritage
- Getting Around Boroondara
- Your Local Shops and Businesses
- Civic Leadership and Governances

The proposed works for the existing buildings at the Alamein Neighbourhood & Learning Centre is aligned with Theme 1: Your Community Services and Facilities.

This contract aligns with the following themes and strategies in the Boroondara Community Plan (2017 -27) and Council Plan (2017- 21):

- Strategic Objective 1: Community services and facilities are high quality, inclusive and meet a variety of needs now and into the future.
- Strategy 1.4 - Provide, facilitate and advocate for life-long learning opportunities for people of all ages.
- Strategy 1.5: Provide, facilitate and advocated for opportunities to increase connections within the community, with a focus on local neighbourhoods.

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

Council requires a suitably qualified organisation to undertake the proposed renewal, upgrade and extension works at the Alamein Neighbourhood & Learning Centre (located in 49 Ashburn Grove, Ashburton), in accordance with the requirements of the specification.

### **Invitation to tender**

In accordance with Council's procurement procedures and Section 186 of the *Local Government Act 1989*, Council invited suitably qualified and experienced companies selected from the State Government Construction Supplier Register.

An Invitation to Tender was issued via e-Procure on Thursday, 10 December 2020. The closing date for submissions was 4pm, Thursday 21 January 2021.

The following shortlisted tenderers provided submissions:

- Alchemy Construct Pty Ltd
- Newpol Construction Pty Ltd
- Simbuilt Pty Ltd
- Stokes Rousseau Pty Ltd

#### 4. Outline of key issues/options

It is envisaged that there are no key issues.

#### 5. Consultation/communication

Council's Community Planning and Development have undertaken extensive consultation with the Alamein Neighbourhood & Learning Centre to ensure that the building accommodates the needs of the centre.

#### 6. Financial and resource implications

The funding outline below incorporates all post tender negotiations.

##### The Project Budget is as follows:

2020-21 Adopted Budget: Account No. 72708	\$ 850,000.00
2020-21 Adopted Budget: Account No. 72854	\$ 70,000.00
2020-21 Adopted Budget: Account No. 71824	\$ 55,000.00
2021-22 Foreshadowed Budget: Account No. 72708*	<u>\$ 650,000.00</u>
<b>Total Project Budget</b>	<b>\$1,625,000.00</b>
less Current expenditure for 72708	<u>\$ 96,843.00</u>
<b>Total Available Budget</b>	<b>\$1,528,157.00</b>

##### Proposed Project Expenditure:

Construction Cost (Contract No 2020/335)	\$1,411,090.85
plus Other Project Costs	<u>\$ 117,066.15</u>

**Total Project Cost** **\$1,528,157.00**

\*The Council 2020-21 Adopted Budget included a foreshadowed amount for this project within the Future Building Expenditure Program as a multi-year program. This program foreshadowed \$3,254,457 in 21-22.

#### 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 proposed works will address the aesthetic, functional and operational needs of the user groups. This includes considerations of the environmental and safety aspects of the site and its surrounds.

## 9. Evaluation and review

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

As a result of the tender evaluation, the evaluation panel recommends that Council award Contract No. 2020/335, Alamein Neighbourhood Learning Centre - Renewal, Upgrade and Extension to Alchemy Construct Pty Ltd (ACN 604 483 105/ABN 47 604 483 105) for the lump sum price of \$1,552,199.94 (including GST). The cost to Council after the return of the GST Tax Input Credits is \$1,411,090.85.

**Manager:** Chris White, Manager Capital Projects

**Report officer:** Cherry Marquez, Senior Project Manager, Capital Projects