7.11 Contract no 2021/058 - Architectural and Lead Consultancy Services Panel Contract

Abstract

This report seeks Council endorsement for the award of Contract No. 2021/058, Architectural and Lead Consultancy Services. This new contract will establish Council's panel of consultants to deliver architectural design and specialist subconsultancy services for an initial term of three years with a possible extension of a further two years for a maximum contract term of five years.

This new contract will support the efficient delivery of Council's capital works program by consolidating the number of architectural firms engaged, enabling better capture of project learnings and streamlining of administrative processes.

The estimated total cost of this Contract for a five-year maximum term is \$13,750,000 million (including GST), in line with Council's adopted budget and long-term financial strategy distributed across all consultants. The estimated cost to Council after the return of GST Input Credits is \$12,500,000 million. Expenditure in future years will be in accordance with approved budget allocations.

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 definitions of 'confidential information' in Section 3(1) of the *Local Government Act 1989*. The information relates to:

a. private commercial information, being information provided by a business, commercial or financial undertaking that:

i.relates to trade secrets; or

- ii.if released, would unreasonably expose the business, commercial or financial undertaking to disadvantage;
- b. confidential meeting information, being the records of meetings closed to the public under section 66(2)(a);
- c. information prescribed by the regulations to be confidential information for the purposes of this definition.

The 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. 2021/058, Architectural and Lead Consultancy Services, to the following:
 - Canvas Projects Pty Ltd (ACN 620 184 081)
 - Content Studio Pty Ltd (ACN 130 984 468)
 - Croxon Ramsey Pty Ltd (ACN 115 304 928)
 - DS Architects Pty Ltd (ACN 005 204 679)
 - Daryl Jackson Pty Ltd trading as Jackson Architecture (ACN 005 012 395)
 - Kennedy Nolan Architects Pty Ltd (ACN 138 171 285)
 - Millar Architect Pty Ltd (ACN 643 118 834)
 - Godfrey Spowers Victoria Pty Ltd, trading as Spowers (ACN 005 950 505).

at their tendered schedule of rates for an initial contract term of three (3) years with possible extension of two (2) years, to a maximum contract term of five (5) years. The estimated contract cost for the maximum term is \$13,750,000 (including GST). The estimated contract cost to Council after the return of the GST Tax Input Credits is \$12,500,000.

- 2. Authorise the Director Places and Spaces to execute the contract agreements with the above contractors.
- 3. Authorise the Director Places and Spaces to negotiate extension to the contract with the above contractors to the maximum five-year contract term.
- 4. Note that expenditure under this contract in 2021-22 is in accordance with Council's adopted budget and expenditure in future years will be in accordance with the approved budget allocations.

Responsible director: Daniel Freer, Director Places and Spaces

1. Purpose

The purpose of this report is for Council to give consideration to the awarding of Contract No. 2021/058, Architectural and Lead Consultancy Services.

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

The establishment of this contract arrangement will support the delivery of building projects identified within Council's capital works program through the annual adopted budget cycle.

This contract aligns with the following Themes and Strategies of the Boroondara Community Plan (2017-27) and Council Plan (2017-21):

Theme 1: Your Community Services and Facilities

Strategy 1.1: Plan, maitain and renew multipurpose facilities and sports precincts to meet broad, intergenerational needs of the community now and into the future

Strategy 1.3: Deliver, facilitate and advocate for services and programs that promote health, wellbeing, safety and a sense of community.

Strategy 1.6: Create and maintain public areas, facilities, amenities, footpaths and spaces that are inviting, clean and appropriately lit to increase social connection and improve perceptions of safety.

Theme 2: Your Parks and Green Spaces

Strategy 2.5: Increase and improve public amenities and facilities in open spaces to enhance functionality for a wider range of uses

Theme 3: The Environment

Strategy 3.5: Reduce the environmental impact of Council facilities and assets through continued greenhouse gas saving initiaitives and stormwater treatment and re-use

Theme 7: Civic Leadership & Governance

Strategy 7.5: Ensure sound financial management while allocating resources to deliver strategic infrastructure and services the meet community needs

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 currently enters around 20-30 individual contracts with architectural consultancies each year to support the delivery of building projects included within the adopted budget. In accordance with Council's Procurement Policy, fee proposals are usually sought from at least three architects for each project.

The current approach requires significant administrative resourcing and can present challenges in capturing project learnings. Given Council maintains a need for suitably qualified architectural consultancies to support the delivery of its capital works program it is proposed that the establishment of this panel is made.

The proposed Panel contract is a proven model providing the following benefits:

- pricing certainty for Council;
- reduced Council administrative resourcing through procurement and engagement processes once the Panel is established;
- flexibility for Council to efficiently appoint the best fit-for-purpose consultant to specific projects, taking into consideration the project scale, complexity, budget and resource availability;
- reduced timeframes to appoint the consultant to individual projects, enabling sooner commencement of services;
- improved Consultant familiarity with Council processes, personnel, requirements, timeframes and preferred specifications, resulting in higher overall performance outcomes; and
- mutual relationship-building between Council officers and consultants, resulting in stronger project engagement and ownership.

Invitation to tender

In accordance with Council's procurement procedures and Section 186 of the *Local Government Act 1989*, Council invited public tenders from suitably qualified organisations to provide architectural and lead consultancy services for Council's capital works program, focused on buildings project of up to \$5 million. An invitation to tender was advertised in the local government tenders section of "The Age" newspaper on Saturday 26 June 2021 and on Council's website. The closing date for submissions was 4pm, Tuesday 20 July 2021.

In response to the advertisement, Council received submissions from the following forty-three consultants:

- 1:1 Architects
- Architecture Matters
- Atelier Wagner Architects
- Avor Architecture
- Baenziger Coles
- Bourke and Bouteloup Architects
- Brazel Haley Maggs Architecture
- Canvas Projects
- Cassisi Architects
- CCG Architects
- Centrum Architects
- Cera Stribley
- Cohen Leigh Architects
- Content Studio
- Croxon Ramsey
- Detail 9 Architecture
- DS Architects
- Fooman Architects
- Greenway Hirst Page

- Group GSA Pty
- Guymer Bailey Architects
- H20 Architects
- Hames Sharley (Vic)
- Jackson Architecture
- Brand Architects
- K20 Architecture
- Katz Architecture
- Kennedy Nolan Architects
- Loft Architecture
- Lovell Chen
- Mantric Architecture
- MGS Architects
- Mihaly Slocombe
- Millar Associates
- Peter Wright & Associates
- Plus Architecture
- Project 12 Architecture
- Public Realm Lab
- Smith + Tracey Architects
- Spowers
- Studio B Architects
- Trethowan Architecture
- Tyquin Architects.

4. Outline of key issues/options

The intent of this panel contract is to establish ongoing relationships with high calibre architectural consultants which will enhance the efficiency of capital works delivery and realise diverse and high-quality design outcomes for Council buildings.

The recommended suite of architectural consultants has been determined by the evaluation panel taking into consideration the following desired outcomes:

- familiarity and capability in navigating local government project delivery processes and influences;
- quality design outcomes and ability to produce design solutions which meet budget and function;
- capacity to service the diverse requirements of Council's capital works program;
- experience in delivering building projects which realise strong ESD outcomes;
- diversity of design philosophy and approach; and
- other value-add and innovation credentials.

Through this contract, Council will have multiple options and flexibility to appoint the best-fit consultant across a wide range of building project types and scales. Eight consultants are recommended to be appointed to the panel of providers. This contract is structured to cover the engagement of architectural and lead consultancy services for Council's building projects of a total value of up to \$5 million. In a typical annual budget cycle, this will include around 20-25 new projects, many of which are to be delivered across more than one financial year.

The scope of services to be provided by the consultant will include feasibility investigations, architectural design services and administration of the head builder's contract, as well as engagement and coordination of all required sub-consultant services as required for any particular project.

5. Consultation/communication

The contract will be managed and administered by Council's Capital Projects team. Since Council's buildings projects usually involve stakeholders from across the organisation, input from other internal departments has been sought through the development of this contract.

Feedback on the performance of the consultants will continue to be sought from internal stakeholders to support ongoing improvement of project delivery services.

6. Financial and resource implications

Council's 2021-22 includes more than 20 new capital works buildings projects which will require architectural and lead consultancy services, plus several other projects with consultants already appointed. Each engagement of consultancy services will be spent or committed against the relevant project account within the budget amount, with the balance to be used for contract contingency.

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 Council adopted budgetary allocations each year.

Payment will be made in line with the respective Tenderer's Schedule of Rates, as set out in the attached confidential Appendix 1.

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 opportunity to market test and consolidate the suite of architectural consultants engaged by Council will support the ongoing agenda to improve social and environmental outcomes for the community as impacted or influenced by Council's capital works building program.

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. 2021/058, Architectural and Lead Consultancy Services to the following firms at their tendered schedule of rates:

- Canvas Projects Pty Ltd (ACN 620 184 081)
- Content Studio Pty Ltd (ACN 130 984 468)
- Croxon Ramsey Pty Ltd (ACN 115 304 928)
- DS Architects Pty Ltd (ACN 005 204 679)
- Daryl Jackson Pty Ltd trading as Jackson Architecture (ACN 005 012 395)
- Kennedy Nolan Architects Pty Ltd (ACN 138 171 285)
- Millar Architect Pty Ltd (ACN 643 118 834) Godfrey Spowers Victoria Pty Ltd, trading as Spowers (ACN 005 950 505).

The estimated cost for all contracts for a maximum term of five (5) years is \$13,750,000 (including GST). The cost to Council after the return of the GST Tax Input Credits is \$12,500,000.

Manager: Christine White, Manager Capital Projects

Report officer: Jarrod Filosa, Coordinator Building Projects