

7.2 Contract No. 2019/159 - Camberwell Community Centre Redevelopment Works

Abstract

This report seeks Council endorsement for the award of Contract No. 2019/159, Camberwell Community Redevelopment Works. This Contract is for the redevelopment of the Camberwell Community Centre located at 33-35 Fairholm Grove, Camberwell.

The redevelopment works are expected to commence in mid-August 2019 and be completed by the end of September 2020.

The total cost of this Contract is \$6,158,720 (excluding GST), which is in accordance with Council's adopted budget for Financial Year 2019-20 and foreshadowed budget for Financial Year 2020-21.

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. 2019/159, Camberwell Community Redevelopment Works, to S.J. Higgins Pty Ltd (ACN 005 648 395), for a total cost of \$6,774,592 (including GST). The cost to Council after the return of the GST Tax Input Credits is \$6,158,720.
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 Financial Year 2019-20 is in accordance with Council's adopted 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. 2019/159, Camberwell Community Redevelopment Works.

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

The redevelopment of the Camberwell Community Centre will assist in meeting the evolving needs of the local community and is consistent with the following theme and strategies in the Boroondara Community Plan 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 1.3: Deliver, facilitate and advocate for services and programs that promote health, wellbeing, safety and a sense of community.

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

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.

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

The Camberwell Community Centre is a community centre offering seniors programs, health and fitness programs, film club, art, crafts and pottery, language classes and computer classes.

The Camberwell Community Centre site is a compact site located at 33-35 Fairholm Grove, Camberwell, and is in the Camberwell shopping centre vicinity.

The Camberwell Community Centre is currently used as the administration centre, with programs run from both the Camberwell Community Centre and out of Chambly on Riversdale Rd. The existing Camberwell Community Centre facilities are inadequate for the growing demand for the programs on offer and difficulties are faced with adequate administration of programs run over more than one site.

Planning for the project commenced in late 2014. Project objectives were developed to guide the upgrade. These have been informed by the needs of the Camberwell Community Centre for additional and more functional program spaces, the need for a single site to accommodate and manage the varied programs of the centre, a demographic analysis of the local area, findings of Council plans and strategies, the condition of the buildings and site features, and community consultation to gather the community's ideas and aspirations for the site.

A major challenge for the site upgrade was to improve access to the site and also the provision of on-site car parking for staff and centre users.

The Redevelopment of the Camberwell Community Centre is to include:

- Demolition of the existing Camberwell Community Centre building and disused adjacent two story building.
- Construction of a three level facility including basement, ground and first floor.
- Provision of 34 basement car spaces.
- Provision of a 100 seat hall, kitchen and store room, administration area and foyer, with amenities.
- Provision of outdoor courtyards and a standalone pottery room, linked via a covered way to the main facility.
- Ground floor car parking for 13 car spaces, including two accessible spaces.
- First floor facilities, including:
 - two art rooms;
 - two classrooms; and
 - a wellness room.
- A maternal & child facility, including:
 - consult rooms;
 - waiting/training area; and
 - three sleep test rooms

Key Project Outcomes:

- to deliver the Project to the defined time, cost and quality criteria;
- to deliver the construction phase in an efficient and effective period with minimum disruption to staff and the community; and
- to deliver the project construction phase with minimum interference to the surrounding commercial and residential amenity.

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 redevelopment works at the Camberwell Community Centre.

A detailed review of potential tenderers was undertaken and a total of six companies were selected to be invited to submit a tender for this project. A detailed report on the selection of tenderers for this Contract was prepared.

Selection was based upon the following criteria:

Construction Supplier Register Prequalification

Contact information, business profile, work history and OHS/IR are the subject of prequalification for registration under the terms of the State Government Construction Supplier Register.

Scale and Relevancy of Experience

Construction suppliers with recent experience on large public and/or commercial building projects in excess of \$6 million contract value, with a focus on community centres and recreational facilities.

Council's Knowledge and Experience

Council knowledge of the construction supplier's historic performance record - budget and program adherence, attention to quality management related issues, etc. was also relevant to the selection of a supplier.

The following companies were invited to submit tenders for this Project:

- 2Construct Pty Ltd;
- Harris HMC Construction Pty Ltd;
- J Hutchinson Pty Ltd;
- Lloyd Group Pty Ltd;
- S.J Higgins Pty Ltd; and
- Valeo Construction Pty Ltd as The Trustee for Valeo Construction Trust

An invitation to tender was issued to the six selected companies on 7 May 2019. The closing date for submissions was 4:00pm, 4 June 2019.

The following invited tenderers provided submissions:

- 2Construct Pty Ltd;
- Harris HMC Construction Pty Ltd;
- Lloyd Group Pty Ltd;
- S.J Higgins Pty Ltd; and
- Valeo Construction Pty Ltd as The Trustee for Valeo Construction Trust.

4. Outline of key issues/options

The redevelopment works necessitate the use of a site compound for Contractor access, on-site amenities, site sheds and materials storage. There is insufficient space to provide a suitable site compound within the title boundaries of 33-35 Fairholm Grove.

It is proposed that the adjacent land at 37 Fairholm Grove is used as the site compound for the duration of the redevelopment works, which is anticipated to take 14 months.

The land at 37 Fairholm Grove is currently a gravel uncontrolled car park area, utilised extensively by Camberwell Fresh Food Market (CFFM) traders and others for free all day parking. There are currently approximately 30 spaces available. The use of the site for a site compound would result in the loss of 20 spaces, with 10 spaces remaining.

There are no other free all day parking facilities available in the area. Traffic & Transport has provided advice on alternative paid parking options in the area where there is capacity to absorb the additional parking. This information will be provided to the market traders through the CFFM managing agent.

It is envisaged that there are no other issues.

5. Consultation/communication

The Camberwell Community Centre redevelopment project has been the subject of extensive internal and external stakeholder consultation and has been guided through the design and documentation phases by both an internal Project Working Group and a Project Control Group.

The Ward Councillor, Cr Jack Wegman, has been regularly updated on the progress of the project. The design for the redevelopment was provided by Jackson Architecture in consultation with Council.

6. Financial and resource implications

The Project Budget is as Follows:

2015-16 through to 2018-19 Total Budgets	\$ 891,974
2019-20 Adopted Budget	\$5,413,912
2020-21 Foreshadowed Budget	\$2,161,732

Total Project Budget **\$8,467,618**

Actual Project Expenditure to Date:

2015-16 through to 2018-19 Expenditure	\$ 892,496
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Total Available Project Budget **\$7,575,122**

Proposed Project Expenditure:

Base Building Cost	\$4,834,456
Trade Services	\$1,054,264
Provisional Sum - Non Statutory Signage	\$ 20,000
Provisional Sum - AV Equipment	\$ 50,000
Provisional Sum - Site Contamination Allowance	\$ 200,000

Contract Sum - Redevelopment Works **\$6,158,720**

Other Project Expenditure \$1,405,000

Total Project Expenditure Ex. GST **\$7,563,720**

Budget Surplus \$ 11,402

The budget surplus of \$11,402 will be addressed in the 2020-21 Financial Year budget.

The works under this Contract will commence in mid-August 2019 and be completed in the 2020-21 Financial Year.

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 redevelopment of the Camberwell Community Centre is expected to have a positive impact on community and user groups. Once completed, the facility will meet accessibility standards, and is designed to 5 star green star standards, to deliver a positive environmental outcome for the City of Boroondara.

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. 2019/159, Camberwell Community Redevelopment Works to S.J. Higgins Pty Ltd (ACN 005 648 395) for a total cost of \$6,774,592 (including GST). The cost to Council after the return of the GST Tax Input Credits is \$6,158,720.

Manager: Adam Hall, Acting Manager Projects & Strategy

Report officer: Peter Anderson, Senior Project Architect