

Management report to Council

Agenda item 6.3

Ryder Pavilion Redevelopment Contract Award Contract No. 8778A

Council

Presenter: Chris Parperis, Acting Director City Projects

12 December 2023

Purpose and background

1. The purpose of this report is to recommend that Council awards tender 8778A Ryder Pavilion Redevelopment Construction to Tenderer A for the contract sum amount listed in Confidential Attachment 2.
2. The Ryder Pavilion Redevelopment project will provide a fit for purpose, multi-use pavilion with flexible and adaptable spaces that will cater to the current and future sporting and community needs.
3. The Ryder Pavilion project includes the demolition of existing pavilions and infrastructure, and construction of six gender neutral change rooms, accessible bathrooms, umpires' change rooms and improved social and food preparation spaces.
4. This project is the third of three pavilions to be upgraded and delivered as part of Major Initiative 36, increase and upgrade accessible, inclusive spaces for women in City of Melbourne sports facilities. Following approval to award tender, works are expected to commence in March 2024, with completion anticipated in March 2025.
5. The scope of works consists of the following:
 - 5.1. Demolition of existing pavilion and infrastructure
 - 5.2. Construction of six gender neutral change rooms, accessible bathrooms, umpires' change rooms and improved social and kitchen spaces
 - 5.3. Landscaping including new trees, plants and garden beds
 - 5.4. Upgrade of existing sewer infrastructure
6. The Tender was advertised in 'The Age' newspaper on Saturday 30th September 2023 and closed on 31 October 2023. Six tender submissions were received.
7. The weightings of the evaluation criteria were declared in the invitation to tender documents and listed in Confidential Attachment 2.
8. The Tender Evaluation Report and accompanying attachments is contained in Confidential Attachment 2.

Key issues

9. The contract is for the Head Contractor to provide construction services to deliver the Ryder Pavilion Redevelopment project.
10. The Head Contractor will be responsible for all construction elements of the project.
11. The contract value includes the provisional sum amount of \$130,000 excluding GST. Any unexpended provisional sums will be returned to the project budget.
12. The tender evaluation panel interviewed three shortlisted tenderers.
13. All submissions after request for Best and Final Offers were within the range of 13 per cent, noting the competitive nature of the tender.
14. Reference checks and financial checks were completed and are noted in the tender evaluation report (Confidential attachment 2)

15. Tenderers were assessed against sustainability and social outcomes, including organisation sustainability commitments, procedures for supporting socially sustainable business practices and initiatives put in place to create and promote environmental and social benefit outcomes. The preferred tenderer, Tenderer A, performed satisfactorily against the sustainability criteria with certified Environmental Management systems and a commitment to increase opportunities for Aboriginal businesses and peoples.
16. The preferred tenderer, Tenderer A, demonstrated strong capability and ample comparable experience, having successfully completed numerous similar past projects for local government bodies.
17. The preferred tenderer, Tenderer A, is recommended by the tender evaluation panel as they achieved the highest score and represent best value for money for Council.

Recommendation from management

18. That Council:
 - 18.1. Awards the contract for the provision of Construction services for the delivery of the Ryder Pavilion Redevelopment project Contract No. 8778A to Tenderer A for the contract lump sum amount as listed in Attachment 2, and otherwise in accordance with the negotiated terms and conditions of contract.
 - 18.2. Authorises management to release the name of Tenderer A following the execution of the contract by the relevant parties.
 - 18.3. Allocates a contingency for this project as set out in Confidential Attachment 2 and authorise the Chief Executive Officer (or such person the Chief Executive Officer selects) to expend this contingency at their discretion;
 - 18.4. Resolves that the information contained in Attachment 2 of the report from management is to remain confidential pursuant to section 3(1) of the *Local Government Act 2020*, because it contains private commercial information, which if released, would unreasonably expose the business to disadvantage by disclosing financial information to competitors.

Attachments:

1. Supporting Attachment (Page 3 of 17)
2. Tender Evaluation Report 8778A (Confidential) (Page 5 of 17)

Supporting Attachment

Legal

1. Pursuant to section 109(1) of the *Local Government Act 2020*, a Council must comply with its Procurement Policy before entering into a contract for the purchase of goods or the carrying out of works.
2. The Chief Executive Officer must ensure that any report to Council that recommends entering into a procurement agreement includes information in relation to any opportunities for collaboration with other Councils or public bodies which may be available.

Finance

3. The cost to Council of appointing the recommended tenderer for the Construction services for the Ryder Pavilion Redevelopment project are outlined in the attachments.
4. Council's Total Budget for the Community Sports Pavilion Upgrade (Ryder Pavilion) project is \$6,195,824 which includes \$695,824 carry-forward from FY22-23 and \$2,750,000 for both FY23-24 & FY24-25 budgets.
5. Victorian Government Department of Jobs, Skills, Industry and Regions (DJSIR) is contributing \$800,000 as part of the Local Sports Infrastructure Fund - Female Friendly Facilities Stream. We received \$640,000 in FY21-22 and will receive remaining funding at completion of Project.

Procurement

6. This matter accords with the Centre Led Procurement Policy and all procurement processes were adhered to during the tender process.

Conflict of interest

7. No member of Council staff, or other person engaged under a contract, involved in advising on or preparing this report has declared a material or general conflict of interest in relation to the matter of the report.
8. As part of the Council's usual tender management process, all those involved in the evaluation process were required to complete a declaration of interests prior to commencing work on the tender, with the intent of identifying and managing possible conflicts before the evaluation process commences.

Health and Safety

9. As part of the tender evaluation process, the Tender Evaluation Panel has evaluated the tenderers' occupational health and safety systems, certifications and templates, which shall be applicable for this project.
10. The tenderers have outlined the key health and safety concerns with the site, such as the site being in a very public and open setting for pedestrians

Stakeholder consultation

11. Extensive community engagement was undertaken for the redevelopment of Ryder Pavilion:
 - 11.1. Four rounds of consultation with Ryder Pavilion user groups were undertaken in 2019 and 2020. The schematic designs were broadly supported by the user groups.

- 11.2. Three rounds of consultation with representatives of non-sporting groups including Royal Park Protect Group, Friends of Royal Park, Parkville Association and Parkville Residents Association.
- 11.3. Protectors of Public Land Incorporated have also been brief on this project.
- 11.4. The project received funding from Sport and Recreation Victoria (SRV) via the Local Sports Infrastructure Fund. A representative from SRV is a member of the Project Control Group.
- 11.5. Regular meetings and email notification to tenant clubs.
- 11.6. Website updates.

Relation to Council policy

12. This recommendation is consistent with the following Council policies and strategies: Community Engagement Policy 2021
 - 12.2. Health and Wellbeing Action Plan 2021–25
 - 12.3. Disability Access and Inclusion Plan 2020–24
 - 12.4. Major initiative 36: Increase and upgrade accessible, inclusive spaces for women in City of Melbourne sports facilities.
 - 12.5. Open Space Strategy
 - 12.6. Climate Change Mitigation Strategy to 2050
 - 12.7. Royal Park Master Plan 1997