

CONFIDENTIAL MEMORANDUM

TO: Council

MEETING DATE: 28 October 2020

TITLE: Award of Tender - Bunnythorpe Community Facility

PRESENTED BY: Bryce Hosking, Manager - Property

APPROVED BY: Sheryl Bryant, Acting Chief Infrastructure Officer

It is recommended that this report be considered with the public excluded, as permitted by the Local Government Official Information and Meetings Act 1987 under clause:

s7(2)(i) Negotiations - The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)

RECOMMENDATION FOR PUBLIC RELEASE

Upon completion of negotiations and the selection of the contractor.

RECOMMENDATION(S) TO COUNCIL

1. That the Council accept the tender and award the construction contract to Maycroft Construction Limited for the sum of \$1,013,215 (one million, thirteen thousand, two hundred and fifteen dollars) plus GST for the construction of the Bunnythorpe Community Facility including the expansion bay as part of the initial build.
 2. To delegate authority to the Chief Executive to sign contract documents referred to in recommendation 1 of this supplementary memorandum on behalf of Council.
 3. That the report and decisions relating to the report entitled 'Award of Tender - Bunnythorpe Community Facility' presented to the Council on 28 October 2020, be released from Part II following completion of negotiations and the selection of the contractor.
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1. ISSUE

- 1.1 As part of the Bunnythorpe Community Facility project a construction contractor needs to be appointed to undertake the construction of the building.

- 1.2 Competitive tenders have been sought for the construction of the Bunnythorpe facility in accordance with Council's Procurement Policy.
- 1.3 As the tenders received are above the Chief Executive's delegated authority, this report provides background information and seeks approval to accept the preferred tender and enter into a contract to deliver the construction works.

2. BACKGROUND

- 2.1 A report was presented to Part 2 of the Finance and Audit Committee on 21 October 2020 titled '*Bunnythorpe Community Facility Expansion*' presented to the Finance and Audit Committee on 21 October 2020.
- 2.2 The project is being delivered through '*Programme 1413 – Bunnythorpe Community Facility*'. The Finance and Audit Committee approved the combining of the budget from '*Programme 234 – Sportsfields and Outdoor Courts – Changing Room Refurbishments*' with Programme 1413. This means Programme 1413 has an available budget of \$1,151,375 + GST in the 2020/21 financial year.
- 2.3 For clarity, a recommendation to underwrite the \$107,347 + GST cost of the expansion bay so it can be built as part of the initial build was also approved by the Finance and Audit Committee, however, this is over and above the available budget detailed above in Clause 2.2.
- 2.4 Given direction was given to deliver both the expansion bay as part of the initial build, the construction cost of this expansion bay is included in the contract sum in Recommendation 1 of this report. Please refer to Clause 3.4 for more detail on this.

2.5 PROCUREMENT OVERVIEW

- 2.6 A Registrations of Interest (ROI) process was completed for the selection of contractors to be invited to submit a Request for Tender (RFT).
- 2.7 As a result of the ROI process, four (4) contractors were subsequently issued the Request for Tender Package in June 2020, with deadline for submissions of 24 July 2020.
- 2.8 All four contractors submitted compliant tenders within the tender period.

3. TENDER EVALUATION

Evaluation Methodology

- 3.1 The tenders were evaluated using the weighted attributes method in a closed envelope, two-stage process.
- 3.2 The attributes and weightings used were:

| Attributes | Weighting (%) |
|-----------------------------|---------------|
| Non-Price Attributes | 60% |
| <i>Resources to Deliver</i> | <i>20%</i> |
| <i>Methodology</i> | <i>20%</i> |
| <i>Health and Safety</i> | <i>10%</i> |
| <i>Local Impact Plan</i> | <i>10%</i> |
| Price Evaluation | 40% |
| Total | 100% |

Evaluation Results

- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]

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| [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |

3.5 Please Note: There are additional building consent and project management costs of \$27,966 + GST associated with the expansion bay being constructed. These costs are over and above the construction contract but need to be included in the total project.

3.6 For clarity, the sum recommended in the 'Bunnythorpe Community Facility Expansion' report which was presented to the Finance and Audit Committee on 21 October 2020 to be underwritten for the expansion bay was \$107,347 + GST. This cost was determined by adding the expansion bay cost of the preferred tender (\$79,381) with the associated project costs highlighted in Clause 3.5 of this report i.e. \$79,381 + \$27,966 = \$107,347.

4. CONCLUSION

4.1 After completing the tender evaluation, Maycroft Construction Limited is identified as the preferred tenderer. Their tender price of \$933,834 + GST is within the available budget. The available budget was detailed in Clause 2.2 of this report.

4.2 A construction contract will need to be entered for \$1,013,215 + GST to reflect the additional construction cost of the expansion bay.

4.3 Council Officers are working in conjunction with the Bunnythorpe Community Centre Association to support them in obtaining external funding for the \$107,347 + GST of funds needed for the additional expansion bay of the Bunnythorpe Community Facility which is being underwritten by Council.

5. NEXT STEPS

5.1 Award the construction contract to Maycroft Construction Limited for the sum of \$1,013,215 plus GST for the construction of the Bunnythorpe Community Facility.

5.2 Notify the other tenderers of an alternative supplier being confirmed as the preferred tenderer subject to final contractual agreement.

5.3 Site establishment and construction works to begin when appropriate.

6. COMPLIANCE AND ADMINISTRATION

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| Does the Council have delegated authority to decide? | | Yes |
| Are the decisions significant? | | No |
| If they are significant do, they affect land or a body of water? | | No |
| Can this decision only be made through a 10 Year Plan? | | No |
| Does this decision require consultation through the Special Consultative procedure? | | No |
| Is there funding in the current Annual Plan for these actions? | | Yes |
| Are the recommendations inconsistent with any of Council’s policies or plans? | | No |
| The recommendations contribute to Goal 3: A Connected and Safe Community | | |
| The recommendations contribute to the outcomes of the Connected Community Strategy | | |
| The recommendations contribute to the achievement of action/actions in the Community Services and Facilities Plan | | |
| The action is: Develop the Bunnythorpe Community Hall | | |
| Contribution to strategic direction and to social, economic, environmental and cultural well-being | <p>Expand the scope of the initial construction of the new Bunnythorpe Community Facility to include the expansion bay will help ensure the facility meets both the expectations of the Bunnythorpe community, and the user requirements of the future users of the facility.</p> <p>This will ensure the facility is regularly used and that a variety of uses can occur within the space.</p> | |

ATTACHMENTS

Nil