

10.1 Confidential Contract Award: Onkaparinga Rugby Union Football Club Redevelopment - Design and Construct Contract Tender No 08057 OT

*This report is seeking Council approval to award the contract for the design and construction of the Onkaparinga Rugby Union Football Club Redevelopment.*

*This is information seeking council decision.*

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Attachments: 1. Council Tender Evaluation Summary (2 pages)

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## 1 Executive Summary

### 1.1 Topic

This report is seeking Council approval to award the contract for the design and construction of the Onkaparinga Rugby Union Football Club (ORUFC) redevelopment project.

Details of this project are included as Item 6.8 of this agenda.

### 1.2 Context

Tenders were received through an open tender process and assessed through Council's Tender Management System (TMS) Tender No 08057 OT.

The Contract value of the ORUFC redevelopment project falls outside the Chief Executive Officer's delegated authority (\$500,000), therefore requiring a decision of Council.

This item is presented as a confidential item as it presents commercial tenders for the carrying out of works for Councils consideration and award. Our procurement policy and process focuses on ensuring that the confidentiality of all information in the course of tendering is preserved.

It is suggested that Council consider this item in Confidence. Section 90(3)(k) of the Local Government Act 1999 is suggested as the most appropriate to use for this purpose.

### **1.3 Suggested Outcome**

The proposed outcome of this report is that Council approve the awarding of the contract as determined by the assessment team in conjunction with the Manager Strategic Projects to Genworth Construction.

## **2 Recommendation(s)**

### **1. That**

- a. under the provisions of Section 90(2) of the Local Government Act 1999 an order be made that the public be excluded from attendance at the meeting in order to consider in confidence this item.**
  - b. the Council is satisfied that it is necessary that the public be excluded to enable the Council to consider this report at the meeting on the following grounds:**
    - Section 90(3)(k) tenders for the supply of goods, the provision of services or the carrying out of works.**
  - c. that accordingly, on this basis the principle that meetings of the Council should be conducted in a place open to the public has been outweighed by the need to keep the information or discussion confidential.**
- 2. That Council approve the awarding of contract number 08057 for the contract value of \$638,000 (GST Inclusive) to Genworth Construction and delegate authority to the Chief Executive Officer to award the contract.**
  - 3. That the Chief Executive Office or nominee be authorised to approve any further expenditure of Council's budgeted funds resulting from contract variations within delegated authority.**
  - 4. That an order be made under the provisions of Section 91(7) and (9) of the Local Government Act 1999 that the abovementioned document (or part of such document) including the minutes and the report of the Council relating to discussion of the subject matter of that document, having been dealt with on a confidential basis under Section 90 of the Act, should be kept confidential on the grounds of information contained in 90(3)(k) until the purchase order has been placed and confirmed.**

## Key Factors

### 3 Discussion

#### 3.1 Details of Tender

In accordance with Council's Contracts, Tenders and Purchasing Policy and Procedures, an open tender invitation was issued through SA Tenders and Contracts for the design and construct contract associated with the ORUFC redevelopment project located at the eastern extremities of Wilfred Taylor Reserve, States Road Morphett Vale.

#### 3.2 Number of Tenders Received

Four (4) tenders were received as a result of the open tender process.

Tenderer	Fee Proposal
SJS (A Division of the Scott Salisbury Group)	\$601,876.00 (inclusive of GST)
Genworth Construction	\$638,000.00 (inclusive of GST)
Southern Construction Services Pty Ltd	\$813,328.25 (inclusive of GST)
TCM (Total Commercial Maintenance)	\$818,983.00 (inclusive of GST)

Council's Open Tender Assessment process has been followed. The Council Tender Evaluation Summary is detailed in Attachment 1.

#### 3.3 Tender Management System (TMS)

Council staff use the TMS database program to enter all tender prices. The database calculates (using the Australian Consulting Engineers Association calculation) the price score based on the median price.

All evaluation scores (other than price) are determined by the evaluation panel based on the weighted criteria nominated for this tender as shown in the Council Tender Evaluation Summary (Attachment 1). The selection criteria are made available in the tender document.

### 3.4 Funding

We have been successful in securing grants and negotiated funding from the Onkaparinga Rugby Football Club as follows:

Council allocation 08/09	\$215,000
Federal Government	\$100,000
Office for Recreation and Sport	\$100,000
Onkaparinga Rugby Football Club	\$50,000
<b>Total project funding available</b>	<b>\$465,000</b>

The total project cost excluding GST is \$580,000. Item 6.8 of this agenda sought Council endorsement to fund the additional \$115,000 required through scheduling a project bid in the Buildings Category for 2009/10. Contract works are scheduled to be completed in July 2009 enabling the expenditure to be undertaken over the two financial years.

