CM13.2. New Public Toilets at Hovell Tree Park - Contract No. 22/00790

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CONFIDENTIAL	No		
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Purpose of Report

To recommend a preferred contractor for the construction of New Public Amenities at Hovell Tree Park through a qualitative and quantitative assessment.

Background

Albury City Council's Public Toilet Strategy 2020-2030 outlines the vision to ensure that we provide an accessible, sustainable, safe, and clean public toilet network that meets the current and future needs of our growing community.

The Strategy outlined and prioritised a standalone public toilet upgrade and replacement program for public toilets at prominent locations within the city. Hovell Tree Park was identified as a location for upgraded facilities with the inclusion of an Adult Changing Places facility.

The new amenities building is to be located near to the existing public toilet block that it replaces, and adjacent to the Wood Fired Pizza Oven and public car parking along Hume Street.

The Scope of Works consists of the construction of a new amenities building at Hovell Tree Park and demolition of the existing toilet facility, including capping of the existing services upon completion of the new building.

The intent of the contract is to appoint a suitably qualified contractor to construct new public amenities based upon designs provided by Council in the tender pack. These amenities will include:

- six non-gender specific cubicles with dedicated handbasins;
- one all abilities facility with adult toilet and handbasin, a baby change table, child toilet and handbasin; and
- one Adult Changing Places facility with toilet, handbasin, shower, adult change table and a hoist system.

Changing Places provide suitable facilities for people who cannot use standard accessible toilets. These public toilets include an adult sized change table, ceiling hoist, a peninsular toilet, privacy screen and additional circulation space to meet the needs of people with complex disabilities and their carers. All Changing Places facilities must be built in accordance with the technical design specifications and approved by a Changing Places Assessor at each stage of the construction

process. The specialist fit out costs of Changing Places facilities are high and estimated to be around $75K for a single unit.

Once constructed to the approved standard, the Changing Places facility will be added to the National Register and be available for use by those who are eligible to apply for the Master Locksmiths Access Key (MLAK). This key fits all Changing Places facilities throughout Australia providing 24-hour access. AlburyCity recently completed its first Changing Places facility at National Foresters Grove which is now identified on the Changing Places website and database.

Users of accredited Changing Places amenities can be confident that the design is fit for purpose and compliant with the recently introduced National Construction Code requirements for Accessible Adult Change Facilities.

This Request for Tender (RFT) was conducted in accordance with the requirements of Council's Procurement Policy.

The Contract is a Lump Sum Contract governed by the conditions of GC21 Edition 2 General Contract Conditions.

Tenders were invited for Contract No. 22/00790 – New Public Toilets at Hovell Tree Park and advertised in the Border Mail, Sydney Morning Herald and on Tenderlink. Tenders closed at 12 noon on Tuesday 21 March 2023.

The construction duration is estimated at six months with completion programmed for early 2024. A project budget of $880K including GST is allocated for this contract within the 2023/2024 budget year towards implementing Council's Public Toilet Strategy.

Tender Assessment

At the close of tenders, three submissions were received from the following companies:

- Adaptive Trading Pty Ltd (Wagga Wagga, New South Wales);
- MBS FM Pty Ltd (Fyshwick, ACT); and
- MTB Plumbing (Wodonga, Victoria).

The tender assessment panel for the tender comprised Project Engineer – Bernie Almazan, Building Projects Officer – Bhawana Pokhrel, Senior Design Lead – Douglas Howard and Team Leader Property and Building – Richard Boucher. All submissions were evaluated in accordance with Council's Procurement Policy and Guidelines.

Conformity Check

A conformity assessment was undertaken to ensure all submissions received were in accordance with the contract documentation and specification. A summary of assessment outcomes is found in the table below.

Company	Pricing Details	Supporting Information	WHS Documentation	Comment
Adaptive Trading Pty Ltd	√	√	√	Conforming
MBS FM Pty Ltd	√	√	√	Conforming
MTB Plumbing	x	x	x	Non-conforming

The submission from MTB Plumbing was for only the plumbing elements of the project and as the tender did not allow for separable quoted portions, the submission from MTB Plumbing was deemed ineligible for further evaluation.

Post tender clarifications were conducted regarded methodology, capability, and past work experience. Following the receipt of satisfactory responses, the panel deemed the remaining two submissions to both be adequate and compliant tenders.

Qualitative Assessment

A qualitative assessment considered a range of issues including:

- past performance – including referee checks, relevant experience, and expertise in performing same or similar projects;
- methodology and program – project methodology and proposed program;
- capacity – current and future commitments and workload;
- capability – including availability of resources, equipment, and contract management capabilities; and
- benefit to local region – social and community benefit to the Albury/Wodonga region.

Company	Past Performance (30%)	Methodology & Program (30%)	Capacity (15%)	Capability (15%)	Local Benefit (10%)	Total (100%)
Adaptive Trading Pty Ltd	20	18	11	10	4	63
MBS FM Pty Ltd	21	26	12	12	6	77

Adaptive Trading Pty Ltd is based in Wagga Wagga and is a medium sized family-owned construction company that has undertaken several similar projects throughout New South Wales. These include construction of a new Changing Places facility for Wagga Wagga City Council, a new community building and amenities buildings for Lachlan Shire Council, and an Adult Changing Places facility at National Foresters Grove, Lavington.

Reference checks on past performance were completed and established that the tenderer has satisfactorily executed works and contracts of a similar nature as stated in their tender submission. Referee information indicated Adaptive Trading Pty Ltd were well organised with their project management and offered solutions to every problem encountered during the project. Referee information also demonstrated that the company was cooperative and responsive to requests and

dealt with any defects in a timely and efficient manner. Council's experience at National Foresters Grove was reasonably positive. However, towards the end of the project, the vendor communication, together with their management of subcontractors, appeared to deteriorate and contributed towards program delays.

The company's work methodology and program are logical with consideration given to basic construction steps and a period of 29 weeks to complete. The program did not fully consider the sequence of demolition, nor did it incorporate lessons learnt from the contractor's recent experience in constructing a similar facility for Council at National Foresters Grove. Council's requests for clarification around subcontractor management were not comprehensively addressed. The company promotes its trading companies as being ISO certified for safety (ISO 45001), environment (ISO 14001) and quality assurance (ISO 9001).

Adaptive Trading Pty Ltd has recently completed the construction of New Public Amenities at National Foresters Grove project for Albury City Council which recently attained certification from Changing Places Australia. Their current work commitments include:

- $1.4M contract to construct new housing for Aboriginal Housing Office at Wilcannia (anticipated completion June 2023);
- $0.76M Duke of Kent Community Building for Wagga Wagga City Council (anticipated completion June 2023); and
- $0.12M Narrandera fit out project for QPL Rural Real Estate (anticipated completion March 2023).

The list of works above indicates that all the projects are due for completion prior to the anticipated commencement of the Hovell Tree Park amenities. The assessment panel considered the commitments and deemed that Adaptive Trading Pty Ltd would have sufficient resources to undertake the project.

Council has experience dealing with Adaptive Trading Pty Ltd in a similar project and, while they have been easy to deal with throughout, the management of their subcontractors in certain areas left room for improvement. There were lessons learnt on minimising reworking and strategies for mitigating delays in project delivery. The proximity of the vendor's base and limited in-house trades means that it is reliant upon subcontractors and periodic site management.

The company has a head office in Wagga Wagga and undertakes commercial construction projects throughout the Riverina area. It is committed to 80% of its subcontractors being employed locally, and 70% of plants and materials sourced locally, although there is a lack of detail behind these figures. Their list of nominated subcontractors includes several local contractors familiar to Council, although its ability to further develop skills and sponsorship of local groups is limited.

MBS FM Pty Ltd is based in Fyshwick, ACT with a local office in Albury, and is a subsidiary of Monarch Building Solutions Group which is a privately owned business. It has a substantial portfolio of project management for local, ACT and federal government bodies.

All recent projects involve either commercial building construction, fit out, refurbishment or landscaping upgrades of up to $2.1M in value. Referee checks implied that MBS FM Pty Ltd were exceptional at liaising with the stakeholders and problem solving. Referee information also indicated that MBS FM Pty Ltd were reliable, achieved all project milestones, and offered excellent project management skills. This contractor is currently engaged by Albury City Council to deliver the $3M Albury Pumphouse refurbishment project. Our experience to date has been a positive one, with effective communication, project management and delivery.

A detailed and comprehensive project program and methodology were provided with clear milestones and the linkages between the various components of the overall project. Their project program indicates a period of 19 weeks to complete the project. Detailed Project Management, Emergency Management and Traffic Management Plans with bar diagram was provided. Our request for clarification around subcontractor management was thoroughly and comprehensively addressed.

Notable similar projects completed by MBS FM Pty Ltd include $900K HMAS Harman Bathroom Refurbishment for Downer Defence, $500K Melba Copland Secondary School All Gender Bathroom and Bathroom Upgrades at Mount Stromlo High School. Their current work commitments include:

- Latchford Drying Barracks for Downer Defence (anticipated completion June 2023);
- Manuka Pool Fence Replacement for ACT Property Group (anticipated completion June 2023);
- Albury Pumphouse, Amenities and Boiler Room for Albury City Council; and
- Stromlo Leisure Centre Concrete Civil Works for ACT Property Group.

A review of MBS FM Pty Ltd financial statements indicates that they have the financial capacity to undertake this project. Considering their current commitments, MBS FM Pty Ltd will have sufficient resources to undertake the project. It also has available in-house trades and a local office from which it intends to supervise this contract.

MBS FM Pty Ltd has established a regional office at 549 Smollett Street, Albury, with their head office in the ACT. This expansion has been due to several staff being recruited in the Albury/Wodonga area to service their current work commitments and future projects. Indications are that should it be awarded this tender, the majority (80%) of materials, plant and labour will be sourced from the Albury local region. All nominated subcontractors are from the Albury Local Government Area, with specialist trades from Young, Fyshwick and Wangaratta.

From the information provided, both Adaptive Trading Pty Ltd and MBS FM Pty Ltd demonstrate that they have the required experience, construction plant, resources, and availability to provide AlburyCity with a quality product. MBS FM Pty Ltd has an Albury office from which they will manage the contract and will ensure that there will be good coverage and supervision of projects throughout each stage of construction.

Quantitative Assessment (100%)

The lump sum tender prices and ratings relative to the lowest price are tabulated below.

Company	Contract Value (including GST)	Rating (100)
Adaptive Trading Pty Ltd	$783,691	100
MBS FM Pty Ltd	$832,480	94

The budget allocation for Hovell Tree Park public toilet upgrades in 2023/24 is $880K including GST. Both tender submissions from Adaptive Trading Pty Ltd for $784K and MBS FM Pty Ltd for $832K fall within this budget allocation.

All tenderers provided sufficient documentation to demonstrate the implementation of suitable management systems, expertise, equipment, and resources to give AlburyCity a quality product and service. All submissions relied heavily on the use of local subcontractors to achieve completion of the work. All tenderers are WHS registered with Council or have supplied all required safety compliance documentation. The tender assessment panel also reviewed the building costs of similar projects recently undertaken by Council and considered the relatively high fit out costs for Changing Places facilities.

As detailed above, the submission from Adaptive Trading Pty Ltd was the most favourable from a cost perspective, being $48K (or 6%) more favourable than MBS FM Pty Ltd.

Risk

- **Business Risk** – financial risks during construction are possible due to extreme weather conditions, adverse ground conditions and availability of resources. However, these risks will be minimised through a defined scope of works, geotechnical investigations and contingencies included in the tender documentation.
- **Corporate Risk** – the amenities will be the second Changing Places facility constructed in response to public consultation and is identified in Council's adopted Public Toilet Strategy 2020-2030. It will incorporate a Changing Places facility specifically catering for the needs of those with severe disabilities in the Albury area. Should Council not deliver a Changing Places facility in such a high profile area as Hovell Tree Park, it could be viewed that Council is not delivering on the Public Toilet Strategy.
- **WHS and Public Risk** – WHS risks due to the construction works will be controlled in accordance with AlburyCity procedures. The contractor will be WHS registered with AlburyCity and will be required to implement relevant Safe Work Method Statements and safety inspections.
- **Environmental Risk** – a review of Environmental Factors commissioned for this project by Council identified the need to establish a tree protection zone prior to commencing works to minimise the impact on nearby vegetation. This detail has been included in the tender documents.

- **Delivery Program Risk** – Project construction commencement has been delayed from FY2022/23 to the following year as a result of the highly competitive local market conditions for construction projects and the availability of labour and materials.

Community Engagement

The project was identified as a priority within the adopted Public Toilet Strategy 2020-2030, and delivering it also serves at least three key community objectives in Towards Albury 2050. By improving the public amenities in this location Council will be facilitating improved experiences to residents and visitors, offering greater accessibility to a wide cross section of the community. The relevant themes from Towards Albury 2050 are referred to below.

A Growing Sustainable Economy.

1.2 Improve visitor and residents' experiences.
1.8 Albury's infrastructure and assets are well managed and maintained.

A Caring Community.

3.4 Albury offers a diverse and accessible range of facilities and activities for all ages.

Council's investment in public toilets has also been part of public consultation through recent budget reviews and processes.

Summary

The scoring for the qualitative and quantitative assessment is summarised in the following table:

Company	Quantitative (100%)	Qualitative (100%)
MBS FM Pty Ltd	94	77
Adaptive Trading Pty Ltd	100	63

From a qualitative perspective the submission from MBS FM Pty Ltd was deemed to be the most advantageous, largely as a result of a more comprehensive methodology and availability of a local office from which to supervise subcontractors. They also have the required management systems, experience, resources, and availability to successfully undertake this project.

Whilst MBS FM PTY Ltd's tender price was $48K higher than Adaptive Trading Pty Ltd, the panel's view was that the additional quality of the MBS FM Pty Ltd tender submission was significantly higher and justified the difference in price. In particular, MBS FM Pty Ltd articulated a higher appreciation of the project scope with detailed management plans, enhanced project supervision through a local office and a superior project delivery duration. The higher cost is in line with budget expectations and comparable to construction projects, similar in size, recently completed on behalf of Council.

Based upon the qualitative and quantitative assessments undertaken, the panel considered that the submission from MBS FM Pty Ltd provides the best value for Council to deliver this project.

Conclusion

The need for a new public toilet facility at Hovell Tree Park was identified in Council's Public Toilet Strategy 2020-2030. The scope of the facility includes six non-gender specific cubicles, one all abilities cubicle and a specialised Adult Changing Places facility.

Council invited tenders for the provision of New Public Toilets at Hovell Tree Park and received three submissions, two of which were conforming.

A quantitative and qualitative assessment indicated that the submission from MBS FM Pty Ltd met the requirements of the request for tender and provided best value to Council. Their tendered price of $832,480 including GST is within the budget allocation of $880,000 including GST.

Recommendation

That Council accepts the tender from MBS FM Pty Ltd for the lump sum Contract No. 22/00790 for the construction of Public Toilets at Hovell Tree Park for the contract value of $832,480 including GST.

Attachments:

1. Plans (DOC23/176772).
2. Review of Environmental Factors Report (DOC22/12044).