

CM13.3. Albury Entertainment Centre Theatre Roof Replacement Contract No 20/02630

DATE	12 November 2020	FIL REFERENCE	FIL20/02630-02
CONFIDENTIAL	No		
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Purpose of Report

To recommend a preferred contractor for the construction of 'Albury Entertainment Centre Theatre Roof Replacement', through a qualitative and quantitative assessment.

Background

The Albury Entertainment Centre Theatre is situated in Albury's cultural precinct, overlooking Queen Elizabeth II (QEII) Square. The Theatre is Albury's only purpose-built performing arts venue, which hosts many different and diverse performances, music acts and plays. The building is also frequented by many local school and community groups.

The Theatre was constructed in the early 1960s and opened in 1964. It is of a brick construction situated on a concrete foundation, with an existing terracotta clay tiled roof. Over the past 45 years the building has undergone significant refurbishment, with the most recent refurbishment undertaken in early 2009. These renovations have modernised the Theatre and ensured that it functions appropriately and meets current requirements. Notwithstanding the above, the original terracotta tiled roof and mechanical smoke vents frequently leak and have caused water damage to the venue on numerous occasions. The intent of this project is to replace the existing terracotta tiles, smoke vents, guttering and eaves with a new metal roofing system. These upgrades will further extend the life of the building, and secure Albury's ability to attract and host first class events.

It is acknowledged that the Albury Entertainment Centre Convention Wing is being redeveloped, and therefore colour selection and material schedules have been exchanged and accepted as appropriate by the appointed architect, thus ensuring alignment and cohesion between the two adjoining complexes.

The scope of works consists of the installation of a new metal roofing system to the Albury Entertainment Theatre. Specifically, the scope of the works included in this contract is summarised as follows:

- remove and dispose of the existing terracotta roof, including smoke vents, guttering and downpipes;
- supply and install a new colorbond roofing system inclusive of eaves, fascia, flashing and drainage;

- supply and install five automated roof mounted smoke vents including modifications to the existing roof structure, wiring to mains power and the fire indicator panel and commissioning works; and
- design, supply and install roof safety fall arrest equipment to enable safe access for future maintenance.

Tenders were invited for Contract No. FIL20/02630 – ‘Albury Entertainment Centre Theatre Roof Replacement’, and advertised in the Border Mail, Sydney Morning Herald and on Tenderlink. Tenders closed at 12 noon on Tuesday 29 September 2020.

The contract duration is estimated at 14 weeks, inclusive of procurement lead-times and will be completed in the 2020/21 financial year.

Council’s initial 2020/21 budget allocation for the project is \$667,907.90 including GST, which was based on a preliminary design cost estimate during the project development phase. During the undertaking of the detailed design and engagement of an architect, the acoustic properties of the Theatre roof and the replacement of the manual smoke vents to new automatic alternatives were addressed. As part of the September quarterly budget review, a request to Council to increase the budget has been made based on the revised estimate following detailed design. If approved, the revised budget allocation for the project will be \$887,689.00 including GST. This is a comprehensive budget inclusive of all delivery costs, provisional sums (fall arrest equipment), construction phase services and project management.

It is proposed that the additional budget allocation required to complete this project be offset by savings realised in the capital program of approximately \$1.4M at that September quarter budget review period.

A location plan is *attached* for information.

Tender Assessment

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

- AWS Services Pty Ltd (North Rocks, NSW);
- Connelly Construction Services Pty Ltd (West Wodonga, VIC);
- Joss Group Pty Ltd (Albury, NSW);
- Murphys Group Services Pty Ltd (Redfern, NSW);
- Royal Contractors Pty Ltd (Castle Hill, NSW);
- Southern Cross Developers Pty Ltd (Albury, NSW);
- Dezign Interiors Pty Ltd (Albury, NSW); and
- Ultra Project Services Pty Ltd (Wangaratta, VIC).

All tenders were evaluated in accordance with Council’s Procurement Policy and Guidelines. The assessment panel for the tender comprised Coordinator Procurement and Contract Management – Gerard Coyle, Senior Project Engineer – Isaac Greene, Team Leader Albury Entertainment Centre - Brendan Maher and Team Leader Property & Buildings – Richard Boucher.

Conformity Check

A conformity assessment was undertaken to ensure all submissions received were in accordance with the contract documentation and specification.

Company	Pricing Details	Supporting Information	WHS Documentation	Comment
AWS Services VIC Pty Ltd	✓	✓	✓	Conforming
Connelly Construction Services Pty Ltd	✓	✓	✓	Conforming
Joss Group Pty Ltd	✓	✓	✓	Conforming
Murphys Group Services Pty Ltd	✓	✓	✓	Conforming
Royal Contractors Pty Ltd	✓	✓	✓	Conforming
Southern Cross Developers Pty Ltd	✓	✓	✓	Conforming
Dezign Interiors Pty Ltd	✓	✓	✓	Conforming
Ultra Project Services Pty Ltd	✓	✓	✓	Conforming

As indicated above, all submissions were assessed as conforming tenders. All tenderers are currently WHS registered with Council, except for AWS Services VIC Pty Ltd, Joss Group Pty Ltd, Murphys Group Services Pty Ltd and Royal Contractors Pty Ltd. However, these tenderers have provided the necessary documentation to demonstrate the ability to meet Council's WHS requirements.

Quantitative Assessment (100%)

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

Company	Lump Sum Price (including GST)	Rating (100)
Connelly Construction Services Pty Ltd	\$715,284.11	100
Joss Group Pty Ltd	\$786,346.00	91
Southern Cross Developers Pty Ltd	\$803,348.28	89
Dezign Interiors Pty Ltd	\$820,160.00	87
Ultra Project Services Pty Ltd	\$828,199.90	86
Royal Contractors Pty Ltd	\$971,850.00	74
AWS Services VIC Pty Ltd	\$1,038,554.32	69
Murphys Group Services Pty Ltd	\$1,222,038.63	59

Five submissions were within the proposed budget of \$887,689 including GST.

As detailed above, the submission from Connelly Construction Services Pty Ltd was the most favourable from a cost perspective, being \$71,061.89 (10%) more favourable than Joss Group Pty Ltd,

\$88,064.17 (12%) more favourable than Southern Cross Developers Pty Ltd, and between \$104,875.89 (15%) and \$506,754.52 (71%) more favourable than the other submissions.

The submissions from Royal Contractors Pty Ltd, AWS Services VIC Pty Ltd and Murphys Group Services Pty Ltd were all outside the allocated project budget and therefore are not considered further in this assessment.

Qualitative Assessment (100%)

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 (35%)	Methodology & Program (25%)	Capacity (20%)	Capability (10%)	Local Benefit (10%)	Total (100%)
Connelly Construction Services Pty Ltd	27	26	16	8	8	85
Southern Cross Developers Pty Ltd	26	23	15	9	7	80
Joss Group Pty Ltd	24	20	17	9	8	78
Ultra Project Services Pty Ltd	24	24	14	8	7	77
Dezign Interiors Pty Ltd	20	17	15	7	7	66

Connelly Construction Services Pty Ltd is a local company based in Wodonga and has recently undertaken several projects for AlburyCity including the Albury Waste Management Centre Education Centre, JC King Park Sports Pavilion and the AlburyCity Kiewa Street Office Refurbishment. All of these projects were completed to a very high standard. Other projects recently completed by Connelly Construction Services Pty Ltd include St Francis School in Baranduda, Butko Shed Project in Wodonga and Green Street Medical Centre in Wangaratta.

At the time of Tender, Connelly Construction Services Pty Ltd had three projects in hand, with two projects scheduled to be complete by October 2020 and one to be complete by December 2020.

Based on these current commitments, prior experience working with public clients, key company personnel and nominated relevant and experienced subcontractors, Connelly Construction Services

Pty Ltd were assessed to have adequate capacity and capability to undertake this project to a high standard.

Referee checks rated Connelly Construction Services Pty Ltd as a good to superior contractor with positive feedback received relating to a high quality of work and project management ability.

Connelly Construction Services Pty Ltd provided a works methodology outlining the key project components. They also provided a detailed construction program with a total duration of 14.5 weeks. Although this was not the shortest schedule, it was considered realistic, and had provision to allow the venue to be utilised during the undertaking of the works.

Connelly Construction Services has provided a range of sponsorship to numerous local clubs and organisations; they are currently providing sponsorship to four local clubs/organisations as well as several national organisations. Connelly Construction Services intend to employ 100% local labour and subcontractors as well as source 90% of materials, plant and equipment locally.

Southern Cross Developers Pty Ltd is a local company based in Albury and has undertaken several projects within the Albury/Wodonga area including projects for AlburyCity such as the Albury Airport Upgrade and the AWMC Push Pit, which were completed to a high standard. Other recent projects completed by Southern Cross Developers Pty Ltd comprise of Yanco Agricultural Institute Chemistry Lab HVAC Upgrade, La Trobe University Freshwater Infrastructure Relocation Project and Alpine MDF Warehouse.

Their current work commitments include four projects with two scheduled to be complete by early next year and a further two by the end of 2021.

The tender assessment panel assessed their previous experience in similar projects, including projects for public clients, their current commitments and their proposed resources and subcontractors and concluded that Southern Cross Developers Pty Ltd have the required capacity and capability to undertake this project to a high standard.

Referee checks rated Southern Cross Developers Pty Ltd as a very good to superior contractor with positive comments regarding the contractor's co-operation and attention to detail received.

Southern Cross Developers Pty Ltd have provided a project specific, detailed and well thought out methodology. The provided works program is of a high standard and included task dependencies and consideration of all key activities. A 15 week project duration has been provided and although not the shortest, it was considered reasonable. Southern Cross Developers Pty Ltd have also allowed for the building to remain accessible for events throughout the duration of works.

Southern Cross Developers Pty Ltd provides a variety of sponsorship for local events, activities and groups. They also intend to employ 100% local labour and subcontractors, as well as source 100% materials, plant and equipment locally.

Joss Group Pty Ltd is a local company based in Albury and has vast experience in undertaking projects for Local Government entities and the Department of Education NSW. Projects recently

completed by Joss Group Pty Ltd include Mildura Community Care Units, NSW Education Backlog State Wide Roofing Program and Crookell, Goulburn, Yass Structural & miscellaneous improvements.

At the time of Tender, Joss Group Pty Ltd had three projects in hand, all of which are set to be completed by December 2020. Joss Group is an ISO accredited company, with very experienced key personnel and company systems.

External references rated Joss Group Pty Ltd as a very good to superior contractor with positive feedback received relating to a high quality of work and project management ability. One referee specifically praised Joss's high level of cooperation and their first-class approaches to managing worksite safety.

Joss Group Pty Ltd's construction methodology was brief and not project specific. Joss Group Pty Ltd, however provided a clear construction program with a total duration of nine weeks and consideration of all key activities.

Joss Group Pty Ltd is a major sponsor of many sporting clubs and various organisations in the Albury Wodonga and surrounding area. Joss Group Pty Ltd intend to employ 100% local labour and subcontractors as well as source 100% of materials, plant and equipment locally.

Ultra Project Services Pty Ltd is based in Rutherglen. Ultra Project Services Pty Ltd has recently completed construction of the AWMC Washbay for AlburyCity, a project completed to a high standard. In the past two years, Ultra Project Services Pty Ltd has completed several projects, including the Construction of a Transportable Bridge for Lock 19 at Mildura, Civil and Fencing Works at Simpson Barracks and Hospital Refurbishment at RAAF Base Wagga Wagga.

Ultra Project Services Pty Ltd is currently committed to four projects, all of which are scheduled to be complete by the end of 2020.

Based on these current commitments, their relevant experience, key company personnel and management systems, Ultra Project Services Pty Ltd were assessed to have adequate capacity and capability to undertake this project to a high standard.

Referee checks rated Ultra Project Services Pty Ltd as a very good to superior contractor. Positive feedback outlined that they have excellent systems and utilise quality subcontractors.

Ultra Project Services Pty Ltd provided a very thorough works methodology addressing all aspects of the works. This also included how quality and WHS would be controlled during the works. Also provided was a detailed construction methodology and a 14 week construction program, including all critical activities and dependencies. Ultra Project Services Pty Ltd specifically noted that they would occupy the building for a period of six weeks, enabling the Theatre to facilitate events around this period with minimal impact.

Ultra Project Services Pty Ltd provides corporate sponsorship to a squash and racquet ball club and regularly donates funds to the Lions Club, RSL and Careflight Bears yearly. Ultra Project Services Pty

Ltd intends to employ 100% of local labour and subcontractors as well as source 100% of the required materials, plant and equipment locally.

Dezign Interiors Pty Ltd is a local company based in Albury and has undertaken several building projects including Manly Community Preschool Refurbishment, Rooty Hill Works Depot Refurbishment, St Augustine's Primary School Extension and Walla Walla Child Care.

At the time of Tender, Dezign Interiors Pty Ltd had four projects in hand, two of which are expected to be complete by the end of 2020, one at the start of 2021 and one at the end of 2021 (for AlburyCity).

Based on these current commitments and their submission, the Tender assessment panel believe Dezign Interiors Pty Ltd have the key personnel, nominated subcontractors and available resources to undertake this project to a good standard.

Referee information indicated that Dezign Interiors Pty Ltd do deliver a quality project, however mentioned lapses in time and resource management at times.

Dezign Interiors Pty Ltd's submission methodology was brief and did not provide project specific responses. Their program is ten weeks in duration, which appears achievable, and they have considered all key activities.

Dezign Interiors Pty Ltd sponsors a local cricket club, school and the Rapid Relief Team. Dezign Interiors Pty Ltd intend to employ local labour and, where possible, source materials, plant and equipment locally.

From the information provided, all companies demonstrate the required management systems, experience, construction plant, resources and availability to provide AlburyCity with a quality product.

Risk

- **Business Risk** – Financial risks are possible, and are associated with scope creep, delays to the construction schedule or with latent conditions associated with the uncovering of hazardous materials other than those anticipated. However, these risks have been minimised through a well-defined scope of works and inclusion of Council's Hazardous Materials database, which incorporates the findings of several consultant reports. The Coronavirus (COVID-19) pandemic, and its impact on the construction and building industry, although controlled at the time of assessment may present a financial risk to Council if the situation escalates and state health orders are reimposed.
- **Corporate Risk** – The Albury Entertainment Centre is a highly visible site located in Queen Elizabeth II Square, a significant cultural area frequented by the residents of Albury. If delay to the construction schedule or significant cost variations are experienced, Council's public image and perceived ability to deliver projects satisfactorily may be compromised. Additionally, if delays in the construction schedule are experienced this may affect existing or potential bookings for the Theatre. This will be mitigated through sound project management practices and ongoing communication with the contractor and facility manager.

- **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 by AlburyCity and will be required to implement relevant Safe Work Method Statements and safety inspections.
- **Environmental Risk** – There are no foreseeable environmental risks associated with the undertaking of this project.
- **Delivery Program Risk** – Standard delivery program risks are possible, such as delays due to inclement weather, delays due to latent conditions and contractor-caused delays. With the cancellation of many scheduled events due to COVID-19, risk associated with delivery program are considered low, presenting an ideal time to undertake the works.

Community Engagement

To keep the community informed of the construction process, the project will be included in the Major Projects section of the AlburyCity website, and updates will be provided through News from AlburyCity and via social media.

The project is also included in the four-year delivery program, which was placed on public exhibition prior to its adoption by Council.

Summary

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

Company	Quantitative	Qualitative
Connelly Construction Services Pty Ltd	100	85
Joss Group Pty Ltd	91	78
Southern Cross Developers Pty Ltd	89	80
Ultra Project Services Pty Ltd	86	77
Dezign Interiors Pty Ltd	87	66

From the qualitative assessment, all companies have the required management systems, experience, resources and availability to successfully undertake the project.

From a quantitative perspective the submission from Connelly Construction Services Pty Ltd was assessed as being the most advantageous. The submission was between \$71,061.89 (10%) and \$112,915.79 (16%) more favourable than the other submissions.

Therefore, based on the qualitative and quantitative assessments, it is deemed that the submission from Connelly Construction Services Pty Ltd provides the best value for Council to deliver this project.

Conclusion

Council invited tenders for *'Albury Entertainment Centre Theatre Roof Replacement'* and received eight submissions, with all submissions being deemed conforming, with only five submissions being within the allocated budget.

The purpose of this project is to replace the original and leaking terracotta tiled roof, smoke vents, guttering and eaves with a new metal roofing system. These upgrades will further extend the life of the building, and secure Albury's ability to attract and host first class events.

The scope of works consists of the installation of a new metal roofing system to the Albury Entertainment Theatre. Specifically, prospective tenderers are to remove and dispose of the existing terracotta roof, supply and install a new colorbond roofing system inclusive of eaves, fascia, flashing, drainage and fall arrest system, and supply and install five automated roof mounted smoke vents.

A quantitative and qualitative assessment indicated that Connelly Construction Services Pty Ltd was the most favourable submission. Their tendered price of \$715,284.11 including GST is within the budget allocation of \$887,689.00 including GST.

Recommendation

That Council accepts the tender from Connelly Construction Services Pty Ltd for Contract No. FIL20/02630 – *'Albury Entertainment Centre Theatre Roof Replacement'* for the lump sum amount of \$715,284.11 including GST.

Attachments

1. *Appendix E – ACC Site Locality Plan (DOC20/142962).*