

EOI7333 BUILDING CONTRACTORS PANEL

Report Author: Manager Design and Delivery
Responsible Officer: Director Built Environment & Infrastructure
Ward(s) affected: (All Wards);

The author(s) of this report and the Responsible Officer consider that the report complies with the overarching governance principles and supporting principles set out in the Local Government Act 2020.

CONFIDENTIALITY

This item is to be considered at a Council meeting that is open to the public.

Confidential information is contained in Attachment 1. This information relates to contractual matters and contains commercially sensitive information including, but not limited to, the name of tendering parties, the evaluation panel members, the tendered prices, and the evaluation of the tenders received against the published evaluation criteria.

Any disclosure of the information included within the confidential attachment to this report could be prejudicial to the interests of the Council or other parties. If discussion of this information is required, the Council is recommended to resolve that the item be deferred to the confidential section of the agenda when the meeting is closed to members of the public in accordance with Section 3(1)(g)(i)(g)(ii) of the Local Government Act 2020.

This report seeks Council approval to award a contract that complies with the Section 108 of the Local Government Act 2020.

SUMMARY

This report summarises the evaluation process and seeks Council approval for the establishment of a panel of pre-qualified Building Construction Contractors. The selected Panel consisting of eleven (11) contractors will be given the opportunity to bid for selected projects as Council considers appropriate over an initial contract period of 2 years with extension options for two additional periods of two years each.

This item has been included in the public agenda to facilitate openness and transparency in Council's decision making. Confidential attachments have been included with the report which contains commercially sensitive information that is not to be disclosed whilst the meeting is open to the public.

RECOMMENDATION

That

1. ***Council resolves to accept the following eleven Contractors onto a panel for EO17333 Building Contractors Panel for an initial period of two (2) years:***
 - (a) ***A & C Patterson Family Trust (Trading As A & C's Total Building Maintenance P/L) [Abn 71 713 914 051]***
 - (b) ***Building Impressions Pty Ltd [ABN 79 862 472 790]***
 - (c) ***Circon Constructions Pty Ltd [ABN 44 113 265 044]***
 - (d) ***Corstocon Pty Ltd as trustee for the Corstocon Business Trust (trading as Cornerstone Constructions) [ABN 13 544 040 153]***
 - (e) ***Cumayne Constructions Pty Ltd [ABN 99 083 589 477]***
 - (f) ***Ducon Maintenance Pty Ltd (trading as Ducon Building Solutions) [ABN 79 150 941 174]***
 - (g) ***Eastwood Property Pty Ltd (trading as Versatile Property Maintenance) [ABN 61 130 092 703]***
 - (h) ***Kaylan Constructions P/L [ABN 61 102 962 363]***
 - (i) ***More Building Group Pty Ltd [ABN 44 614 992 933]***
 - (j) ***Rodine Australia Pty Ltd [ABN 81 122 927 397]***
 - (k) ***Stosius and Staff Constructions Pty Ltd [ABN 58 106 222 146]***
2. ***The Director of Built Environment & Infrastructure be delegated the authority to sign contract documents.***
3. ***The Director of Built Environment & Infrastructure be delegated authority to extend the contract terms by two periods of two years each.***
4. ***The confidential attachment to this report remains confidential indefinitely as it relates to matters specified under Section 3(1) (g)(i), (g)(ii) of the Local Government Act 2020***

RELATED COUNCIL DECISIONS

There are no related Council decisions relevant to this item.

DISCUSSION

Purpose and Background

Yarra Ranges Council has many varied building projects on the annual capital works program. These projects frequently require the specialist expertise of Building Construction Contractors to assist with either the Design & Construction or Construction only of these projects.

The purpose of the Building Contractors Panel is to service the delivery of these works that includes for renewal, upgrade and new works to recreation, community use, and public open space sites throughout the Yarra Ranges Shire.

The key advantages in establishing this panel are to provide high quality results, have a strong focus on the local economy, gain efficiencies in the procurement and contractor engagement process, and allow for best value cost effective solutions in the design, delivery, and procurement process.

Council intends to appoint Contractors with appropriate capability, capacity, quality, and experience from a pre-approved contractor panel in a more efficient and effective way.

It is anticipated that the panel for Building Contractors may be given the opportunity to quote on any applicable building or associated projects between the value of \$50,000 and up to the value of \$2,000,000.

A summary of the evaluation process has been included in confidential attachments to this report.

Options considered

This EOI process has been carried out in accordance with the requirements of Council's procurement policy.

The procurement method for this tender was a single stage open Expression of Interest Process. An advertisement calling for Expressions of Interest was placed in The Age newspaper on Saturday 15 July 2023. Expressions closed on 09 August 2023 and 25 submissions were received.

EOI's were assessed for conformity with the request documents and four (4) submissions were eliminated from further evaluation due to non-conformances. The Evaluation Panel scored tenders against pre-established evaluation criteria. A summary of the mandatory requirements and evaluation criteria is as follows:

Mandatory Requirements:

- Is an acceptable legal entity.
- Has met the insurance requirements.
- Will be compliant with Rapid Global prior to Contract Award.
- Submission has been received in full prior to EOI closing time.
- Lodged in electronic form using Council's e-tendering portal.
- Commercial Builders License

The weighting criteria established prior to advertising and used for the assessment was as follows:

NON-PRICE	Weighting
Demonstrated Experience	30%
Resourcing & Capacity	30%
Environmental Impacts	10%
Quality	10%
Local Content & Social Sustainability	20%
TOTAL	100%

Recommended option and justification

Following the evaluation process, the evaluation panel are unanimous in their decision to recommend the following contractors to be accepted on the EO17333 Building Contractors Panel.

- A & C Patterson Family Trust (Trading As A & C's Total Building Maintenance P/L)
- Building Impressions Pty Ltd
- Circon Constructions Pty Ltd
- Corstocon Pty Ltd as trustee for the Corstocon Business Trust (trading as Cornerstone Constructions)
- Cumayne Constructions Pty Ltd
- Ducon Maintenance Pty Ltd (trading as Ducon Building Solutions)
- Eastwood Property Pty Ltd (trading as Vesatile Property Maintenance)
- Kaylan Constructions P/L
- More Building Group Pty Ltd
- Rodine Australia Pty Ltd
- Stosius and Staff Constructions Pty Ltd.

A detailed breakdown of the evaluation process is provided within the Confidential Attachment to this report.

FINANCIAL ANALYSIS

The number of projects and budget allocation for EO17333 Building Contractors Panel will vary between each financial year, as it will be dependent on the adopted works program and external funding for future projects.

Based on the current program it is estimated that the panel could potentially service approximately \$3-5m worth of projects split across fifteen (15) contracts each financial year.

Having a pre-approved panel established will provide best value to council, the panel is expected to gain efficiencies throughout the design, procurement, contract and delivery phases. The efficiencies are also expected to result in more cost-effective solutions, reducing preliminary costs, design costs, and reducing cost escalation that will translate into improved value for money outcomes.

APPLICABLE PLANS AND POLICIES

This report contributes to the following strategic objective(s) in the Council Plan:

- High Performing Organisation
 - An innovative, responsive organisation that listens and delivers quality, value for money services to our community.
- Quality Infrastructure and Liveable Places
 - Quality facilities and infrastructure meets current and future needs. Places are well planned and are hubs of activity that foster wellbeing, creativity and innovation.

RELEVANT LAW

This report seeks Council approval to award a contract that complies with Section 108 of the Local Government Act 2020.

ECONOMIC IMPACTS

The establishment of this panel is anticipated to deliver improved outcomes for the local economy through local material supply and labour use, as well as local employment being part of the evaluation criteria.

The recommended contractors for this panel are made up of a majority of local smaller contractors which will help provide economic support to local businesses throughout Yarra Ranges Council.

SUSTAINABILITY IMPLICATIONS

Sustainability has been considered as part of the project specification and evaluation process. The tenderers have responded to sustainability implications satisfactorily. Sustainability aspects will also be considered as part of each project within project specifications and environmental management plans.

COMMUNITY ENGAGEMENT

Not Applicable

COLLABORATION, INNOVATION AND CONTINUOUS IMPROVEMENT

The panel establishment is part of a continuous improvement exercise to streamline design and delivery processes. The process improvement will also make it easier for contractors to respond, thus resulting in a more engaged and competitive supplier market.

Benchmarking was undertaken with surrounding councils, however, there has been no collaboration with other Councils, Governments, or statutory bodies due to the strong focus on local contractors/suppliers.

RISK ASSESSMENT

A risk assessment was developed for the project and this has been considered as a part of the project design, contract terms and conditions and evaluation process.

The use of the panel will ensure that contractors are fully compliant with legislation and Council's contractual requirements and that their ongoing compliance will be monitored throughout the operation of the panel. In doing so, this will ensure that Council meets its legislative and legal obligations and mitigates its risks relating to procurement and OHS compliance.

CONFLICTS OF INTEREST

No officers and/or delegates acting on behalf of the Council through the Instrument of Delegation and involved in the preparation and/or authorisation of this report have any general or material conflict of interest as defined within the *Local Government Act 2020*.

ATTACHMENTS

1. EO17333 Building Contractors Panel