

5.3. CONTRACT FOR DOMESTIC VIOLENCE / COMMUNITY HOUSING UNIT DEVELOPMENT MOSSMAN

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DEPARTMENT	Project Office

RECOMMENDATION

That Council:

1. Resolves to award Contract Number WO5436 – Community Housing Unit Development Mossman to MAC Constructions (ABN 86 628 996 850) for \$547,850.36 (GST exclusive).
2. Delegates authority under section 257 of the *Local Government Act 2009* to the Chief Executive Officer to negotiate, finalise and execute any and all matters in relation to this contract.

EXECUTIVE SUMMARY

Council requires a contractor to construct one 2 bedroom unit & one 3 bedroom unit for Safe Places Emergency Accommodation in Mossman. Council has received funding from the Australian Government Department of Social Services. The total project budget is \$860,400.00 (exclusive of GST) with a contribution of \$100,000 from Douglas Shire Council for the acquisition of a suitable property to build the development.

Council purchased a property in Mossman in November 2020. The Australian Government Department of Social Services has provided \$760,400.00 for the design and construction of the 2 unit development.

In early August, Council issued an open tender invitation through Vendor Panel for the WO5436 – Community Housing Unit Development Mossman. The Request for Tender (RFT) closed on 3 September 2021 with 5 submissions received. One submission failed to provide critical documentation that had been requested in the tender process and thus is considered non-conforming.

The aim of the contract is to provide a detailed design and subsequent construction of two units in Mossman. At the time of the tender close, five submissions were received through Vendor Panel. The submissions received are outlined below.

Table 1. Received Submissions Summary

Tenderer	Price	Status
1	\$578,000.00	Non-Conforming
2	\$733,847.46	Conforming
3	\$953,703.00	Conforming
4	\$547,850.36	Conforming
5	\$560,250.40	Conforming

All submissions were assessed by the evaluation committee. This evaluation process was weighted with 40% price criteria and 60% weighting for the non-price criteria, see table 3 below.

Based on the results of the evaluation, MAC Constructions is the recommended tenderer for the contract. MAC Constructions provided a complete submission in terms of identifying a comprehensive construction methodology backed by an overall focus/awareness on site control, construction auditing throughout the building program and a heightened safety reporting framework.

There are no departures from the Australian Standard Design & Construct AS4902-2000 which will formally guide this design and construction project. The submission also included an initial design iteration of the project scope for both units. This draft design will allow for a more streamlined design phase and compressed total design and construct program.

MAC Constructions is a newly established building construction business which is part of the larger Schilling Group. The group has an intimate knowledge of the region having a construction history dating back to 1995 in the Douglas and Far North Queensland region and have built numerous houses and complexes for both the Cairns and Mareeba Councils. MAC Construction intend to use local indigenous contractors/workforce at a value of 5% of the project spend. They have designated resourcing 55% of materials and workforce from within the Douglas Shire region.

The offer from MAC Construction was the lowest tender price from the submissions.

BACKGROUND

Douglas Shire Council has been actively working with local Mossman and Port Douglas Police personnel and Community Organisation's to advocate for the establishment of Domestic and Family Violence crisis accommodation, as no current shelter exists. The Council adopted a functional brief in 2017 and a Supported Accommodation Operational Model proposal in 2020 to advocate for this facility.

Douglas Shire Council has received funding by the Australian Government Department of Social Services. The project budget is \$860,400.00 (exclusive of GST) with a contribution of \$100,000 from Douglas Shire Council for the acquisition of a suitable property in Mossman and \$760,400.00 provided by the Australian Government department of Social Services for the design and buildings. These units will provide transitional housing for families escaping domestic and family violence.

Table 2. Received Submissions Summary

Tenderer	Located
ESW Constructions	Gordonvale QLD
HC Building & Construction	Edmonton QLD
MAC Constructions	Parramatta Park QLD
Collinsville Constructions	Collinsville QLD
SHAE Investments	Gordonvale QLD

COMMENT

A compliance check was conducted on received submissions to determine non-conforming and alternative offers from the requirements of the Request for Tender (RFT). This included compliance with the contractual requirements and provision of requested information.

Four of the five submissions received were accepted by the evaluation panel for assessment on the basis that all terms, conditions, and mandatory requirements of the RFT had been substantively met e.g., provide an indicative Program of Work (POW) to meet the Practical Completion date for the Funding Body, previous experience with similar type builds and the population of the Bill of Quantities (BOQ) provided in the Tender Documentation. One Tenderer failed to supply documentation in respect to a POW, previous experience or a BOQ breakdown.

During the evaluation process, submissions were assessed against the evaluation criteria detailed in the RFT documentation. Specific criteria were weighted according to their importance in delivering the project successfully and providing the best overall value for money solution in accordance with Council's procurement policies.

The larger weighting criterion was based on the Funding body's budget and Practical Completion date:

Table 3. Evaluation Criteria

Criteria	Weighting
Technical Capacity of Tenderer	5%
Business Profile (Local, Social and Sustainability)	20%
Program of Works	25%
Works Procedures and Methodology	10%
Price	40%

Table 4. Tenderer's Ranking and Scoring

Tenderer ID	Panel Average Weighted Score/10					Total Score /50	Rank
	Price	Technical Capacity	Business Profile	Methodology	Program		
1	7	7.3	7	6.3	7.5	35.1	3
2	5	7.8	7.6	7.1	7.8	35.5	2
3	10	7.6	6.6	8.3	7.6	40.3	1
4	9	4.6	5.3	3.3	3.3	25.6	4

The green shading in the above table indicates the highest score for the criteria and the red shading indicates the lowest score for the criteria.

PROPOSAL

It is proposed that Council adopts to accept the evaluation panels award recommendations.

That Council:

1. Resolves to award Contract Number WO5436 – Community Housing Unit Development Mossman to MAC Constructions (ABN 86 628 996 850) for \$547,850.36 (GST exclusive).
2. Delegates authority under section 257 of the *Local Government Act 2009* to the Chief Executive Officer to negotiate, finalise and execute any and all matters in relation to this contract.

FINANCIAL/RESOURCE IMPLICATIONS

Design & Construction funding is provided by Australian Government Department of Social Services

Table 5. Budget

Financial Year Budget 20/21	Amount (excl. GST)
Project Budget	\$760,400.00
Expended to Date (as at 10/09/2021)	\$19,402.16
Budget Available	\$740,997.84
Recommended Tender Price (RTP)	\$547,850.36
Project Management (DSC Project Manager 15hrs/wk)	\$54,793.45
DSC Internal Inspection	\$5,000.00
DSC Administration Costs QLeave	\$4,372.00
Furnishings/Landscaping by DSC	\$34,500.00
Contingency	\$85,000.00
Total Project Costs Estimated	\$731,515.81
Net Position (Surplus)	\$9,482.03

RISK MANAGEMENT IMPLICATIONS

- The tender was released to the open market.
- No conforming local tenders were received.
- MAC Constructions is a Cairns based contractor who will be utilising a large portion of the work and materials from Douglas Shire subcontractors.

SUSTAINABILITY IMPLICATIONS

Economic: Nil

Environmental: Nil

Social: Provide transitional housing for families escaping domestic and family violence

CORPORATE/OPERATIONAL PLAN, POLICY REFERENCE

This report has been prepared in accordance with the following:

Corporate Plan 2019-2024 Initiatives:

Theme 1 - Celebrating Our Communities

Douglas Shire Council embraces the diversity of our communities and values the contribution that all people make to the Shire. We recognise that it is a core strength of the region. We acknowledge our past so that it may guide us in the future. We recognise the wrongs done to our Indigenous community and we actively seek to reconcile so that we may all benefit from and enjoy our Shire. We acknowledge early European settlers who forged an agricultural base for our economy, and we welcome all new arrivals as part of our broader community.

Goal 3 - *We will develop programs that promote health, well-being and safety in the community.*

Operational Plan 2020-2021 Actions:

1.1.5 - Work with the Department of Housing, providers and stakeholders to identify gaps in social housing in the Shire and advocate for an improved business model that will increase housing stock and reduce wait times.

COUNCIL'S ROLE

Council can play a number of different roles in certain circumstances and it is important to be clear about which role is appropriate for a specific purpose or circumstance. The implementation of actions will be a collective effort and Council's involvement will vary from information only through to full responsibility for delivery.

The following areas outline where Council has a clear responsibility to act:

Builder/Owner Council makes a significant investment every year in the infrastructure that underpins the Shire through its capital works program. Council will manage its assets with appropriate frameworks and deliver its projects through robust project management.

CONSULTATION

Internal: Project Sponsor Lisa Golding and Community Liaison Officer.
DSC Team Leader Wastewater Operations

External: Department of Social Services, Community Grants, Centralised Capital Grants Team – Cairns (Team Leader, Tameka Priest)

COMMUNITY ENGAGEMENT

Undertaken by Gaye Scott, Community Liaison Officer, People and Community Services on 4 & 5 August 2021 with adjacent residents and Council media release 4 August 2021.

ATTACHMENTS

Nil