

6.11. MOSSMAN DEPOT OFFICE BUILDING IMPROVEMENT

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DEPARTMENT	Project Office

RECOMMENDATION

That Council:

- 1. Resolves to award Contract 2023-6192 – Mossman Depot Improvement to GJ Building Group Pty Ltd (ABN 45 663 121 426) for \$239,865.73 (GST exclusive).**
- 2. Delegates authority under s 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 an office building located within the Mossman Depot compound. The 11.6m by 10.6m office building will consist of five office rooms, one meeting room, and one utility room.

Council issued an open tender invitation through our procurement portal for contractors to undertake this necessary work. The request for tender (RFT) closed on 20 November 2023 with 3 submissions received, with two conforming submissions and one non-conforming submission for not being able to provide a submission before the tender closed. The submissions were evaluated against a variety of priced and non-priced criteria with a weighting scoring system applied.

GJ Building Group Pty Ltd were the best ranked submission and hence the recommended contractor to undertake the works, with a price that is comparative to the budget.

BACKGROUND

Council has identified several safety concerns at the Mossman Depot, an increase of rising damp, aging facilities, and overcrowding in some offices. The 2023/2024 Building Facilities capital budget has been approved to construct a new office building that will allow personnel to be removed from unsafe working environments. The new office building will be located at Mossman Depot site and the project completions is due by the end of August 2024.

COMMENTS

Council issued an open tender invitation through our procurement portal, Vendor Panel, for the 2023-6192 Mossman Depot Improvements. The Vendor Panel reference number is VP 387790. Three (3) responses were received. Evaluation of the received submissions was conducted by the evaluation panel.

Table 1. Evaluation Panel Members

Position	Department
Project Manager	Project Office
Project Manager	Open Spaces
Coordinator	Building facilities

One response was deemed non-conforming following review from the evaluation panel due to it not meeting the tender requirements. No information was provided from company # 3. The two conforming offers were considered in terms of price, technical capacity, business profile, program, work procedures and methodology.

A summary of the compliance check is shown in Table 2.

Table 2. Tender Submission Conformance

Tenderer	Price	Offer	Status
GJ Building Group Pty Ltd	\$ 239,856.73	Comparative	Conforming
Company # 2	\$ 482,440.00	Comparative	Conforming
Company # 3	N/A	N/A	Non-Conforming

The 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 solution, in accordance with Council's procurement policies.

The weighting attributed to each criterion was:

Table 3. Evaluation Criteria

Criteria	Weighting
Price	40%
Business Profile (Local, Social and Sustainability)	20%
Technical Capacity of Tenderer	15%
Works Procedures and Methodology	15%
Program of Works	10%

Each tenderers evaluation score and rankings are shown in Table 4.

Table 4. Tenderer's Ranking and Scoring

Weighted Score Table						
Tenderer	Price Score (40%)	Business Profile (20%)	Technical Capacity (15%)	Methodology (15%)	Program (10%)	Overall
GJ Building Group Pty Ltd	95.4	90	68.3	67.3	72.7	83.8
Company # 2	49.2	75	85	81.7	83.3	68

The weight Score is out of 100.

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.

Based on the results of the evaluation, GJ Building Group Pty Ltd is the recommended tenderer for the contract. GJ Building Group Pty Ltd provided the lowest price and has done similar building works in the Douglas Shire region. The offer meets all the required technical criteria.

PROPOSAL

That Council:

1. Resolves to award Contract 2023-6192 – Mossman Depot Improvement to GJ Building Group Pty Ltd (ABN 45 663 121 426) for \$239,865.73 (GST exclusive).
2. Delegates authority under s 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

The price provided from the recommended contractor is \$39,985.67 over the estimated budget allocated for the scope of works. This can be attributed to the long-running challenge of trade and material shortages and the increase of demand for new construction works in the Far North Queensland region. The budget will be in a deficit of \$38,154.39 and the shortfall will be covered by underrun on another project.

RISK MANAGEMENT IMPLICATIONS

The selection of GJ building Group Pty Ltd provides some reduced risk by:

- Engaging a Douglas Shire based contractor who will be utilising subcontractors from the Douglas Shire area.
- Contractor understands the scope of works and have undertaken similar work previously.
- The program consists of a 24-week construction timeline that is both reasonable and realistic.

SUSTAINABILITY IMPLICATIONS

Economic:	Local supplier, local sub-contractors
Environmental:	The project has been designed to achieve the acceptable energy rating for new buildings.
Social:	NIL

CORPORATE/OPERATIONAL PLAN, POLICY REFERENCE

This report has been prepared in accordance with the following:

Corporate Plan 2019-2024 Initiatives:

Theme 2 - Fostering Sustainable Economic Growth

A robust economy is at the heart of a thriving community and enables investment in environmental protection. While our remoteness is a key attribute, it also presents challenges for attracting new business and investment. We must also meet the challenges of fierce competition in the tourism sector.

Council will partner with industry to build, diversify and promote the Douglas economy. Council will design and deliver infrastructure, strategies and services that support the local economy and businesses.

Goal 1 - We will build appropriate infrastructure and deliver services that connect and support businesses.

Theme 5 - Robust Governance and Efficient Service Delivery

Strong governance and financial management are the foundations of the way in which Council will conduct its business and implement the initiatives of the Corporate Plan.

Goal 1 - We will conduct Council business in an open and transparent manner with strong oversight and open reporting.

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.
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CONSULTATION

Internal: Building Facilities Department
This matter was discussed at Councillor Workshop on 5 December 2023.

External: Tenders were received through public advertising of the project.

COMMUNITY ENGAGEMENT

Not Applicable – Asset Infrastructure upgrade.

ATTACHMENTS

Nil