



**10.4 GRAHAM ST OVERPASS SKATEPARK AND CARPARK
DESIGN AND CONSTRUCT - TENDER AWARD**

**EXECUTIVE MEMBER: LACHLAN JOHNSON, GENERAL MANAGER, OPERATIONS AND
INFRASTRUCTURE**

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1. PURPOSE

- 1.1 To seek Council's approval to enter into Contract for RFT000251 between City of Port Phillip and Grind Projects Pty Ltd for the design and construction of the Graham St Overpass Skatepark and Carpark.

2. EXECUTIVE SUMMARY

- 2.1 The existing Graham Street Overpass Skatepark is at the end of its useful life and there is a lack of supporting infrastructure inclusive seating and path connections
- 2.2 This proposed contract is to provide for the design and construction of a new skatepark and social space area, inclusive three-point basketball court. The redevelopment will provide a safe, complaint and quality skatepark and social recreation area that meets current and projected future demand
- 2.3 The total approved budget inclusive of Council contributions and grants is \$1.87M for current (Stage 1A and 1B) and future project stages, and is comprised of a \$250,000 grant from Sport & Recreation Victoria (SRV)
- 2.4 A public tender has been undertaken to identify a suitable contractor for the design and construction works of Stages 1A and 1B (skatepark and adjacent social space), in accordance with Council's Procurement Policy and the agreed evaluation plan
- 2.5 The price received is within the project budget and is considered to represent a true and appropriate cost to deliver the desired works. In order to award the contract for the design and construction with appropriate contingency to cover potential variations associated with latent conditions, etc. it is recommended that Council authorise the Chief Executive Officer to exercise contract variations and execute those variations as required within the approved project budget; and
- 2.6 The Tender Evaluation Panel (TEP) recommends Council enter Contract for RFT000251 with Grind Projects Pty Ltd for design and construction of the Graham St Overpass Skatepark and Carpark D&C, for the lump sum price of \$990,000.00 inclusive of GST.

3. RECOMMENDATION

That Council:

- 3.1 Enter into Contract for RFT000251 with Grind Projects Pty Ltd for the design and construction of the Graham St Overpass Skatepark Design and Construct
- 3.2 Note that the contract value is \$990,000.00 inclusive of GST (\$900,000.00 excluding GST)



- 3.3 Authorises the Chief Executive Officer (or their delegate) to exercise contract variations and execute those variations as required within the approved project budget
- 3.4 Notes that design documentation is expected to be completed in March 2024. Construction works are anticipated to commence in April 2024 and take 12 weeks to completion, depending on the final approved design. Practical Completion and handover to Council anticipated at the end of June 2024; and
- 3.5 Affixes the Common Seal of the Port Phillip City Council to Contract for RFT000251 between the Council and Grind Projects Pty Ltd.

4. KEY POINTS/ISSUES

- 4.1 The existing Graham Street Overpass Skatepark is at the end of its useful life and there is a lack of supporting infrastructure inclusive seating and path connections
- 4.2 The primary purpose of Graham St Overpass Skatepark and Carpark redevelopment is to support community participation in recreational pursuits. In addition to providing an improved skatepark facility, the development is anticipated to increase community participation, improve connections to the surrounding open space and reduce the incidence of anti-social behaviour through increased passive surveillance and community ownership
- 4.3 There are currently six (6) unregulated car parks that are anecdotally used for long term parking by users of the light rail. There is an opportunity to remove these car spaces and expand the footprint of the skatepark and associated social space
- 4.4 Through this project Council will support recreational participation by providing a facility that is fit for purpose and provides improved recreational opportunities; and
- 4.5 Redevelopment of the skate park contributes to Council Plan (2021-31) Strategic Direction – A City that is Inclusive – a place for all members of our community and is recognised in both the Draft Public Space Strategy and Informal Sport and Recreation Infrastructure Provision Audit, Assessment and Plan (October 2019).
- 4.6 In accordance with the provisions of the Local Government Act 2020, a public procurement process has been conducted for the proposed services and works. The Tender was released to the market via Tenderlink on 12 July 2023 and advertised for a period of seven (7) weeks and closed on 30 August 2023.
- 4.7 The composition of the Tender Evaluation Panel (TEP) is set out in Table 1.

Table 1: Composition of TEP	
Title	TEP Position
Head of Open Space Projects	TEP Chairperson - Voting
Head of Open Space Projects – Open Space and Foreshore	TEP Member – Voting
Project Manager	TEP Member - Voting
Senior Business Partner Construction and Capital Works	TEP Member – Non-voting
Coordinator Open Space and Recreation Portfolio	TEP Member – Non-voting



- 4.8 All TEP members signed the standard form indicating they had no conflict of interests to declare and that they would keep the tender information confidential
- 4.9 Evaluation criteria and weightings as per the approved Procurement Plan are detailed below in Table 2.

Table 2: Evaluation Criteria	
Mandatory Criteria	Assessment
Insurances	Pass/Fail
Occupational health and safety management – that meets the requirements of the Contract	Pass/Fail
Weighted Criteria	% Weighting
Price	30
Design Approach	20
Capacity to meet the requirements of the design and construct brief	20
Relevant experience and track record	20
Corporate Social Responsibility (CSR)	10
Total	100 (1000 points)

- 4.10 Two (2) submissions were received with one (1) of the two (2) tenders being assessed as conforming. One (1) tenderer provided a letter of offer offering to provide Council with Design and Construct services, accordingly their submissions did not meet the filter criteria and was deemed non-conforming. The prices of each tender are tabulated in Table 3.

Table 3: Pricing (Pre-Evaluation)	
Tenderer	Price (Ex GST)
Grind Projects Pty Ltd	\$900,000.00
Tenderer 2	NA

- 4.11 After initial assessment by the TEP, scores were determined against each criteria. The TEP reviewed the lump sum totals of the tenderer and price breakdown during its pricing analysis. The weighted scores are set out below in Table 4.

Table 4: Weighted Scores (Pre-Clarifications)		
No.	Tenderer	Score (Out of 100%)
1	Grind Projects Pty Ltd	85.0%
2	Tenderer 2	Non-conforming

- 4.12 Tender clarifications were received on 26 September 2023.



4.13 The TEP resolved to undertake referee checks for the preferred tenderer, Grind Projects Pty Ltd, to ensure their performance in similar arrangements with other organisations was exemplary. Referee check summary is tabulated below in Table 5.

Table 5: Referee Check	
Tenderer	Reference Provided by
Grind Projects Pty Ltd	<ul style="list-style-type: none"> • Landscape Architect – City of Yarra • Senior Project Engineer – Western Program Alliance

4.14 Referee checks found that the references provided for Grind Projects were consistent with the scoring and opinion of the TEP. The referee checks confirmed the preferred tenderer:

- 4.14.1 Has the required capacity and knowledge for delivery of services and works with no major concerns or incidents raised by referees
- 4.14.2 Is responsive to programming, coordinating and site-specific requirements
- 4.14.3 Manages OHS to a high standard; and
- 4.14.4 Are reliable and transparent.

4.15 The TEP resolved to interview the preferred tenderer, Grind Projects Pty Ltd. The interview was undertaken on 27 September 2023. Grind Projects Pty Ltd demonstrated a clear understanding of the project scope and were able to expand on their capacity to meet requirements of the contract, demonstrating a clear understanding of the site-specific constraints.

4.16 The TEP undertook an evaluation of the responses to clarifications, interview and referee check responses. The responses provided confirmed the initial scoring and did not result in a change to the TEP member initial scores as discussed on 27 September 2023. The evaluated scores are set in Table 6.

Table 6: Weighted Scores (Post Clarifications, Referee Check and Interview)		
No.	Tenderer	Score (Out of 100%)
1	Grind Projects Pty Ltd	85.0%

4.17 Comparative value for money could not be assessed as only a single tender was received. The TEP determined that engaging a Quantity Surveyor to assess value for money would be of little benefit due to the nature of the Tender and the contract value being in alignment with the project budget.

4.18 The TEP concluded that tenderer Grind Projects Pty Ltd represented a low-risk, high quality offer to Council

4.19 The recommended tenderer's rating is underpinned by the following factors:

- 4.19.1 Design approach
 - a) Provided a site concept plan that responded to the elements nominated in the project brief; and
 - b) Nominated an opportunity to refine the concept in response to Council feedback and requirements



- 4.19.2 Capacity to meet the requirements of the design and construct brief
- a) Provided details of sub-consultants, sub-contractors and head contract staff to be engaged across design and construction phases, along with their experience on projects of a similar nature and history of collaboration.
 - b) Provided a project programme which was within the desired project timeframes
 - c) Demonstrated a high level of understanding of the site complexities and are familiarity with the site; and
 - d) Demonstrated an understanding of limiting the impact on local residents as well as recognising that this is a significant community project which will require a high level of engagement and visibility.
- 4.19.3 Relevant experience and proven track record
- a) Provided details of their previous experience and track record of construction projects of a similar scope and nature, including design collaboration and information regarding their ability to meet client expectations of quality workmanship, time and budget.
 - b) Demonstrated previous experience working in similar site contexts i.e. underpasses.
- 4.19.4 Corporate Social Responsibility (CSR)
- a) Environmental Management System employed and implemented, an example document was provided as part of their tender submission
 - b) Management System that covers Equal Opportunity, Bullying, Sexual Harassment
 - c) Generate community ownership of facilities through community engagement through the design phase.
- 4.19.5 Occupational Health and Safety systems
- a) OH&S Management System developed in alignment with ISO 45001:2018
 - b) They submitted an overview of their Work Health and Safety document as part of their tender submission
 - c) They recognised their responsibility for the health and safety of all employees in the workplace.
- 4.19.6 Financial evaluation: detailed financial and performance assessment checks were undertaken by Corporate Scorecards and found that the preferred tenderer:
- a) Obtained a pass score on the check
 - b) Has minimal risk of failure or late payment; and
 - c) Has a level of annual revenue that indicates that the proposed contract is within their capacity and risk-based thresholds.



5. CONSULTATION AND STAKEHOLDERS

- 5.1 Sport and Recreation Victoria (SRV) has been involved throughout to ensure funding alignment to the funding agreement
- 5.2 Community engagement will be undertaken to provide the community opportunity to inform the design. Further communication will be provided to the local and skatepark communities upon award of the contract.

6. LEGAL AND RISK IMPLICATIONS

- 6.1 The recommended Tenderer holds the following:
 - 6.1.1 Public Liability of \$20M
 - 6.1.2 Professional Indemnity Insurance of \$10M; and
 - 6.1.3 WorkCover Insurance
- 6.2 Two (2) bank guarantees of 2.5% each, as security for the City of Port Philip for the total of 5% of the contract lump sum will be required
- 6.3 There is a formal funding agreement in place between Council and SRV for part funding of the project
- 6.4 The major risks associated with this proposed contract award relate to latent conditions around existing ground conditions including soil contamination and approval from authority asset owner. Asset owners include VicRoads, APA and VIVA Energy.

7. FINANCIAL IMPACT

- 7.1 A total budget of \$1,876,490.00 (excluding GST) was allocated to the project inclusive the renewal and expansion of the skatepark and adjacent social space (Stages 1A and 1B) and future project stages. Funding is made up of \$250,000.00 from a successful application to the Sport and Recreation Victoria (SRV) grant program and \$1,626,490.00 from project 001225 (Graham St Overpass Skatepark ad Carpark)
- 7.2 \$90,758.00 (excluding GST) in expenses occurred in prior years for project feasibility, and design leaving a remaining budget of \$1,785,732.00 (excluding GST)
- 7.3 There is \$1,876,490.00 (excluding GST) allocated to the project of which \$995,132.00 (excluding GST) is allocated to project Stages 1A and 1B. Subject to Council's decision to accept the preferred Tender, this is made up of the following costs (excluding GST):

<u>Spend To Date:</u>	\$ 90,758.00
Design and Construction (Stages 1A and 1B):	\$ 900,000.00
Associated Costs:	\$ 42,000.00
<u>Contingency:</u>	\$ 53,132.00
Total (Stages 1A and 1B):	\$ 995,132.00
Total Approved Project Budget:	\$1,876,490.00
Budget Remainder:	\$ 790,600.00



8. ENVIRONMENTAL IMPACT

- 8.1 The Contractor is required to manage all activities on site in accordance with the Environmental Protection Act and all other relevant legislation
- 8.2 Soil excavated from the site that is assessed to be contaminated will be managed as part of the contract of works, in line with EPA regulations.

9. COMMUNITY IMPACT

- 9.1 During construction, the contractor's compound will be surrounded by fencing to limit access and ensure public safety, whilst allowing passive surveillance of the site
- 9.2 At times, there will be truck and equipment movement, and noise emitting during construction. The amenity impacts upon local residents will be minimised, and they will be kept informed through the project website and on-site signage

10. ALIGNMENT TO COUNCIL PLAN AND COUNCIL POLICY

10.1 Direction – Liveable Port Phillip

- 10.1.1 **Measure:** We will provide access to upgraded, expanded and well-maintained public and outdoor spaces for people of all ages and abilities to visit
- 10.1.2 **Measure:** Proportion of residents who are proud of, connected to and enjoy living in their neighbourhood
- 10.1.3 This project supports the Council objective of being a great place to live, where our community has access to high quality public spaces by providing quality playing surface for community use

10.2 Direction – Inclusive Port Phillip

- 10.2.1 **Measure:** Proportion of residents satisfied with sport and recreation facilities
- 10.2.2 **Measure:** Proportion of adults who meet physical activity guidelines
- 10.2.3 This project supports the Council objective of Planning, delivering and activating sport, recreation and open space facilities and services to create community health and wellbeing by providing high-quality sport and recreation infrastructure designed for shared community use that enables people of all ages, backgrounds and abilities to participate

10.3 The proposed works are recognised in the Draft Public Space Strategy as a short/medium term action: 42. Upgrade the existing skate facility and surrounding open space by removing existing car parking. Install informal recreation infrastructure and improve connectivity to Hester Reserve, Turville Reserve and Cook Reserve

10.4 The proposed works are in alignment with the recommendations of the Informal Sport and Recreation Infrastructure Provision Audit, Assessment and Plan October 2019.

11. IMPLEMENTATION STRATEGY

11.1 TIMELINE

- 11.1.1 Subject to Council's decision, the contract will be finalised and executed as soon as possible, and a start-up meeting scheduled for October 2023. Design documentation is expected to be completed in March 2024. Construction works are anticipated to commence in April 2024 and take 12 weeks to completion, depending on the final approved design

MEETING OF THE PORT PHILLIP CITY COUNCIL 4 OCTOBER 2023



11.2 COMMUNICATION

11.2.1 Subject to Council's decision, the contract document will be prepared and forwarded to Grind Projects Pty Ltd within five (5) business days

11.2.2 The community will be informed of future engagement opportunities and project update via on-site signage with a link to the project webpage

12. OFFICER DIRECT OR INDIRECT INTEREST

12.1 No officers involved in the preparation of this report have any material or general interest in the matter.

ATTACHMENTS Nil