



10.2 **AWARD OF CARPENTRY & HANDYMAN SERVICES PANEL CONTRACT**

EXECUTIVE MEMBER: **CHRIS CARROLL, GENERAL MANAGER, CUSTOMER, OPERATIONS AND INFRASTRUCTURE**

PREPARED BY: **LACHLAN JOHNSON, EXECUTIVE MANAGER CONSTRUCTION, CONTRACTS AND OPERATIONS**

DONNA D'ALESSANDRO, MANAGER MAINTENANCE & OPERATIONS

JIM MACLEAN, COORDINATOR BUILDING MAINTENANCE

1. PURPOSE

- 1.1 To seek Council approval to enter into Contract 000062 – Carpentry and Handyman Services Panel with Johnson Building and Maintenance Proprietary Limited Company and ARA Property Services Pty Ltd.

2. EXECUTIVE SUMMARY

- 2.1 The current contract - Carpentry and Handyman Services Panel - expires 30 July 2021. The proposed new contract is proposed to run for a three-year term with a further two, one-year extensions at Council's discretion.
- 2.2 The proposed contract will provide scheduled and reactive carpentry and handyman services across Council's assets. Scheduled, also referred to as proactive, carpentry and handyman maintenance ensures service levels and standards for Council's assets are maintained, whilst providing a safe and welcoming environment for our community.
- 2.3 The estimated contract value is \$1,650,000 exclusive of GST for the full five-year term (initial three-year term plus the two, one year extensions). The estimated contract sum has been calculated on a schedule of labour rates and projected plant and material costs, which have been applied to Council's historical workloads.

3. RECOMMENDATION

That Council:

- 3.1 Enters into Contract 000062 Carpentry and Handyman Services Panel with Johnson Building and Maintenance Proprietary Limited Company and ARA Property Services Pty Ltd for an initial three-year period commencing 1 August 2021.
- 3.2 Affixes the Common Seal of the Port Phillip City Council to Contract 000062 between Johnson Building and Maintenance Proprietary Limited Company and ARA Property services Pty Ltd
- 3.3 Delegates to the Chief Executive Officer the authority to extend the contracts for two, one year terms.
- 3.4 Notes the estimated total spend across the five-year length of the contract to be \$1,650,000 exclusive of GST.



4. KEY POINTS/ISSUES

- 4.1 In accordance with the provisions of the Local Government Act 2020, a public procurement process has been conducted for the proposed service. The tender was advertised in The Age 24 April 2021 and closed on 14 May 2021.
- 4.2 The tender called for submissions for a proposed panel contract of an initial term of three years with a further two one-year extensions at Council's discretion commencing 1 August 2021.
- 4.3 The composition of the Tender Evaluation (TEP) is set out in Table 1.

TABLE 1: COMPOSITION OF TEP	
Name	Title
Jim Maclean (Chair)	Coordinator Building Maintenance
Mark Wityk	Facilities Assurance Manager
David Long	Building Maintenance Officer
Daniel McCluskey	Building Maintenance Officer
COMPOSITION OF PROBITY TEAM	
Name	Title
Kate Cornwall	Business Lead Procurement & Contracts

- 4.4 All TEP members signed the standard form indicating they had no conflict of interest to declare and would keep the tender information confidential.
- 4.5 The evaluation criteria and weightings are detailed in Table 2:

TABLE 2: TENDER EVALUATION CRITERIA	
Filter Criteria	Pass/fail
OHS Management system to AS/NZS ISO 45001 or equivalent	
Criteria	% Weighting
Price	40
Capacity to meet the requirements of the specification	20
Relevant experience and track record	20
Environmental Management	10
Corporate Social Responsibility <ul style="list-style-type: none"> • Environmental Sustainability • Social Responsibility 	10

- 4.6 Council received a total of 14 submissions in response to the tender. Financial details are shown in Table 3:
- 4.7 Thirteen (13) Tender submissions were accepted as conforming, one tender was deemed non-conforming and removed from further consideration.



- 4.8 Prices shown in Table 3, were calculated by using a matrix that multiplied the labour rates provided and the historical work order data for one year. The labour rates were for normal working hours, after hours, weekends and public holidays.

TABLE 3: (PRE-BAFO PRICES)		
NO.	Tenderer's Name	
1	ARA Property Services Pty Ltd	\$127,920.10
2	Tender B	\$170,500.00
3	Tender C	\$120,549.00
4	Tenderer D	\$124,824.00
5	Tenderer E	\$131,374.00
6	Tenderer F	\$105,600.00
7	Tenderer G	\$201,871.00
8	Tenderer H	\$185,765.00
9	Tenderer I	Non-conforming
10	Johnson Building and Maintenance P/L	\$127,220.00
11	Tenderer K	\$123,400.00
12	Tenderer L	\$169,444.00
13	Tenderer M	\$111,181.98
14	Tenderer N	\$169,245.00

- 4.9 The TEP assessed the tender submissions against the evaluation criteria. A summary of the results are presented in Table 4:

TABLE 4: WEIGHTED SCORE		
NO.	Tenderer's Name	
1	ARA Property Services Pty Ltd	730.02
2	Tenderer B	507.74
3	Tenderer C	680.40
4	Tenderer D	608.40
5	Tenderer E	641.52
6	Tenderer F	660.00
7	Tenderer G	659.24
8	Tenderer H	467.38
9	Tenderer I	Non-Conforming
10	Johnson Building and Maintenance Pty Ltd	792.02
11	Tenderer K	672.30
12	Tenderer L	639.29

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13	Tenderer M	559.92
14	Tenderer N	629.58

- 4.10 Following the initial evaluation, the TEP shortlisted the top three scoring tenderers to proceed to interview. Interviews were held with tenderers Johnson Building and Maintenance Proprietary Limited Company, ARA Property Services Pty Ltd and Tenderer C on 18 June 2021.
- 4.11 The interviews focused on validating the claims and assertions contained within the written submissions from the three shortlisted tenderers. Specifically, the tender interviews looked at the capacity of the tenderers to meet the requirements of the specification and their experience.
- 4.12 The interviews also provided an opportunity for shortlisted tenderers to provide additional information on their Corporate Social Responsibility (CSR) inclusions. ARA Property Services Pty Ltd provided documentation on their Indigenous services where they source materials that are all Supply Nation Certified. Johnson Building and Maintenance Pty Ltd included information on their partnerships with Inner Melbourne VET, The Youth Industry College, Westgate Biodiversity/Bill Nursery. Ongoing commitments on CSR from these tenderers will be monitored and reported during quarterly meetings with the Contract Manager.
- 4.13 The TEP agreed that the interviews confirmed the experience and capability of the tenderers to carry out the service requirements under the contract. No changes were made in the scoring criteria from the interviews. Given the clear scoring break between Tender C and the other two shortlisted tenderers, the decision was made to only seek Best and Final offers (BAFO) with the top two shortlisted tenders. Neither tenderer submitted an adjustment to their schedule of rates.
- 4.14 Adjusted final weighted scores after the Best and Final Offers (BAFO) are shown in Table 5:

TABLE 5 : FINAL WEIGHTED SCORE		
NO.	Tenderer's Name	
1	ARA Property Services Pty Ltd	730.02
2	Tenderer B	507.74
3	Tenderer C	680.40
4	Tenderer D	608.40
5	Tenderer E	641.52
6	Tenderer F	660.00
7	Tenderer G	659.24
8	Tenderer H	467.38
9	Tenderer I	Non-Conforming
10	Johnson Building and Maintenance Pty Ltd	792.02
11	Tenderer K	672.30



12	Tenderer L	639.29
13	Tenderer M	559.92
14	Tenderer N	629.58

- 4.15 A financial evaluation was conducted on the two recommended tenderers through the Iliion Tenderlink Commercial Portal. A standard Risk of Failure Report confirmed that both contractors had a low possibility of failure in the next 12-months.
- 4.16 Reference checks were conducted on 30 June 2021. Referees confirmed for Johnson Building and Maintenance P/L included local government and real estate company. ARA Property Services Pty Ltd who provided a referee from a local government service who confirmed their credentials and experience to carry out the works required for this service.

5. CONSULTATION AND STAKEHOLDERS

- 5.1 The provision of carpentry and handyman services is vital to ensure that Council's portfolio of buildings is maintained in a safe and fit state. These services help to ensure that Council's buildings meet safety and compliance requirements and that the buildings can support community activities.
- 5.2 In preparing the specification for the tender, consultation was undertaken across the organisation to ensure that the service helps prolong the useful life of the asset and meets community expectations.

6. LEGAL AND RISK IMPLICATIONS

- 6.1 The provision of Carpentry & Handyman Services is a key function of Council's commitment to maintain its assets for the use of the community.
- 6.2 The appointed contractors are required to hold insurance policies of \$20,000,000 public liability cover and \$5,000,000 professional indemnity insurance. The appointed contractors must also comply with the Child Safety Standards, including the provision of declarations of compliance, evidence of working with children checks, and evidence of relevant policies and processes.
- 6.3 The appointed contractors will be required to adhere with ISO Certification standards for Occupational Health and Safety, Risk and Quality Assurance.

7. FINANCIAL IMPACT

- 7.1 The total projected contract spend over the five year term of the contract is estimated at \$1.65M. Budget for the Carpentry and Handyman Services Panel Contract incorporates both allocated labour rates, projected plant and material costs based on historical data spend over the last four years.
- 7.2 The execution of this panel contract will capitalise on Council's recent investment in the Customer Experience program. This will enable scheduled and reactive maintenance works to be accurately tied to Council assets. This will help with appropriate investment spend across the vast asset portfolio.

8. ENVIRONMENTAL IMPACT

- 8.1 The service specifications for this contract have been structured to place requirements of the contractor to limit impacts of their operations on the environment.



- 8.2 The evaluation process included an assessment of the submitters' responses to the environmental questions asked in schedule seven of the tender. ARA Property Services Pty Ltd have third party environment accreditation while Johnson Building and Maintenance P/L provided a comprehensive environment plan in their management documents.

9. COMMUNITY IMPACT

- 9.1 Maintaining Council buildings and assets ensures our community have a positive experience in their use of our venues.
- 9.2 Scheduled and reactive maintenance services help to incrementally uplift Council's building portfolio to ensure they remain fit for purpose.

10. ALIGNMENT TO COUNCIL PLAN AND COUNCIL POLICY

- 10.1 Service specifications for the contract and the associated tender process have been developed to align within the following strategic direction as outlined in the Council Plan 2021-2031
- 10.2 Direction 2 - Liveable Port Phillip - A great place to live where our community has access to high quality public spaces, development and growth are well managed and it is safer and easy to connect and travel within.

11. IMPLEMENTATION STRATEGY

11.1 TIMELINE

- 11.1.1 It is recommended that Council awards the proposed Carpentry and Handyman Panel Contract to Johnson Building and Maintenance Proprietary Limited Company and ARA Property Services Pty Ltd.

11.2 COMMUNICATION

- 11.2.1 Contract documentation will be prepared and forwarded to Johnson Building and Maintenance Proprietary Limited Company and ARA Property Services Pty Ltd for execution within five working days.

12. OFFICER DIRECT OR INDIRECT INTEREST

- 12.1 No officers involved in the preparation of this report have any direct or indirect interest in the matter.

ATTACHMENTS

Nil