



8.6 **LINDEN GALLERY UPGRADE TENDER 2059**
WARD: **LAKE**
GENERAL MANAGER: **FIONA BLAIR, INFRASTRUCTURE & AMENITY**
PREPARED BY: **DANIEL SECIC, PROJECT MANAGER**
TRIM FILE NO: **14/01/2059**
ATTACHMENTS: **Nil**

PURPOSE

To seek Council's approval to award the contract for the Linden Gallery Upgrade Construction Services.

1. RECOMMENDATION

That Council:

- 1.1 Awards Contract 2059 to SIDA Constructions Pty Ltd for the Linden Gallery Upgrade Construction Services.
- 1.2 Notes that the contract value is based upon a lump sum price of \$1,516,756.00 excluding GST. The proposed contract commencement date is 29 September 2017.
- 1.3 Affixes the Common Seal of the Port Phillip City Council to Contract 2059 between Port Phillip City Council and SIDA Constructions Pty Ltd.

2. BACKGROUND

- 2.1 The art services at Linden have been devolved to an independent board of management since 1999. Linden New Art is a not-for-profit independent arts organisation supported by a funding deed (\$254k) from Council. Linden New Art aims to be a centre for excellence for contemporary art through exhibitions, supporting artists and connecting with the community through the exhibition and public programs.
- 2.2 In February 2014 a structural investigation identified significant structural and roof plumbing works required to make safe and restore the balcony, which is the fire egress path from the first level, at Linden Gallery.

These works include but are not limited to, removal and alteration of existing bearers to the balcony. As these works involve structural alterations, a building permit was required, in accordance with Schedule 8 of the Building Regulations section 3.

In addition to the structural works the Building Surveyor advised that in order for a building permit to be obtained, a number of other items needed to be addressed. The most significant of these is the installation of a compliant lift to provide access to the



first floor balcony. The existing lift at Linden is not compliant and does not provide access to the balcony floor level. The requirement to install a lift is based on complying with Regulation 116 of the Building Regulations 2006.

Utilisation of the balcony is in line with the desire of the gallery operators to access it for functions, and importantly will provide a safe and stable fire egress path from the first level.

- 2.2 In 2015, Council awarded the contract for concept and design development of the building upgrade to Michael Taylor Architects.
- 2.3 The building upgrade project work will include:
- 2.3.1 Demolition of the existing external metal stairs, side metal fence, brick Art wall and Art bench seat.
 - 2.3.2 Removal of Art gate for relocation to storage at Depot, removal of bluestone and cement fondue pieces by artist.
 - 2.3.3 Restoration of the existing roof with new slate roof tiles to match, replacement of roof plumbing, ridge capping, gutters, downpipes, valleys, fascia's eaves etc. and where necessary damaged or deteriorated structural members.
 - 2.3.4 Restoration of the existing veranda by replacing the corrugated iron roof, fascia's, gutters, downpipes and replace damaged or deteriorated structural members. The existing balustrade and handrail will be repaired, replaced and extended. The existing veranda floor and ceiling below will be repaired, damaged or deteriorated structural sections will be replaced and all new floor boards installed to match.
 - 2.3.5 Installation of new landscaping, restore existing plants, provide new circular bench seating and install new paving to entry.
 - 2.3.6 Installation of new gate/roller door to car park and fencing along right of way.
 - 2.3.7 Provision for DDA access to ground and first floor of the existing building. Access to the building will be through the new entry / reception area allowing circulation throughout ground floor gallery space. Access to first floor will be via a new passenger lift located at entry / reception area, this allows circulation to first floor office areas and will provide access to existing veranda.
 - 2.3.8 Protection and/or storage of existing garden artwork during construction.
 - 2.3.9 Construction of a new two storey visitor entry, inclusive of reception area, gallery space, passenger lift and internal stairs.
 - 2.3.10 Modification of existing storm water discharge and compliance with required specifications.
 - 2.3.11 Automation of the front door to enhance access and mobility.
- 2.4 The building will be closed during construction.
- Linden New Art has leveraged its partnerships with other institutions to develop exhibitions and programs elsewhere during the building works.



These include: Domain House (the old Australian Centre for Contemporary Art); the National Trust; the Koorie Heritage Trust; and the Shrine.

Exhibitions at these institutions will take place between now and mid-2018, with school holiday programs run at our Libraries and community centres. Linden New Art will have space for administration at the South Melbourne Town Hall during this period.

- 2.5 The tender was advertised in The Age on 24th June 2017 and closed on 14th July 2017. One (1) TENDER response was received.

3. KEY INFORMATION

- 3.1 The composition of the Tender Evaluation Panel (TEP) is set out in Table

Table 1: Composition of TEP	
Name	Title
Chris Parperis	Co-ordinator Capital Projects
Daniel Secic	Project Manager
Samantha Ross	Asset Management & Property
Scott Thompson	Contracts and Procurement
Susan Strano	Co-ordinator Arts
Anita Johnstone	Acting Manager Project Services

- 3.2 All TEP members signed the standard form indicating they had no conflict of interest to declare and that they would keep the tender information confidential.
- 3.3 Prior to the tender being advertised, the evaluation criteria and weightings were established.
- 3.4 A mandatory filter criteria required respondents to hold a commercial building registration of the class that qualifies them to undertake the works.

Table 2: Criteria Weightings	
Tender Evaluation	
Criteria	% Weighting
Price	40%
Capacity to meet the requirements	30%
Relevant experience	25%
OH&S System	5%

One (1) submission was received. This submission conformed and satisfied the mandatory filter criteria and the tender price was in line with Council’s project budget, addressed the project scope in full and reflects the Quantity Surveyors cost plan.

- 3.5 An initial assessment was undertaken by the TEP in accordance with the agreed predetermined selection criteria.



3.6 The TEP considered the lump sum total and detailed price breakdown as part of their pricing analysis.

3.7 The evaluated prices are set out in Table 7.

TABLE 7 –TENDER PRICING RECEIVED		
No.	Name	\$ Price (Excluding GST)
I	SIDA Constructions Pty Ltd	\$1,458,592.00

3.8 Following tender clarifications and a request for the Best and Final Offer, the evaluated prices are set out in Table 8.

TABLE 8 –TENDER PRICING RECEIVED		
No.	Name	\$ Price (Excluding GST)
I	SIDA Constructions Pty Ltd	\$1,516,756.00

3.9 The increased value of the best and final offer reflects the further clarification around the provisional sums allocated towards contaminated soil, electrical light fittings and in ground services investigation.

3.9.1 The final weighted scores are set out in Table 9

TABLE 9 – FINAL WEIGHTING SCORES		
No.	Name	Score (Out of 1,000)
I	SIDA Constructions Pty Ltd	835

3.11 Price

SIDA Constructions Pty Ltd has been assigned a score for price which has been derived from the ratio of lowest priced bid, the submission is a conforming tender and in accordance with Council’s selection criteria which represent best value.

The tender price received was in line with Council’s project budget, addressed the project scope in full and reflects the Quantity Surveyors cost plan.

The tender evaluation panel agreed the tender represented best value to Council.

3.12 Capacity / Methodology

SIDA Constructions Pty Ltd rating is underpinned by the following factors:

- They detailed their sound understanding of the project and their ability to address issues surrounding the project including minimising disruption to heritage assets and adjacent tenancies and park users.
- They provided details of subcontractors and head contract staff to be engaged in the



- works, along with their experience on projects of a similar nature.
- They provided detail of their proven ability to tailor the sequence of activities to ensure the desired project outcomes relating to quality, time and budget.
- They provided a detailed Gantt chart which was within the desired project timeframe and details of their history of timely delivery.
- They understood the sensitivities of the site and will adopt strategies to reduce impacts on the surroundings.

3.13 Relevant Experience

SIDA Constructions Pty Ltd rating derived from the following factors:

- They provided details of their experience and track record of construction projects of a similar scope and nature, including information regarding their ability to meet client expectations of quality workmanship, time and budget.
- They demonstrated extensive experience in performing sensitive alterations to existing heritage buildings.

3.14 Occupational Health and Safety Systems

SIDA Constructions Pty Ltd rating is underpinned by the following factors:

- They completed the OH&S Management system questionnaire in full and submitted all requested documentation.
- They recognise their responsibility for the health and safety of all employees in the workplace.
- Their OH&S system is independently certified.
- Their environmental management system is independently certified.

3.15 Financial Evaluation

The financial viability of SIDA CONSTRUCTIONS PTY LTD was checked by Council's Financial Compliance Accountant. The detailed financial and performance assessment report showed a **Satisfactory** rating and a **Pass** verdict.

They noted the capacity of the recommended tenderer to provide the service in accordance with Council's requirements.

Given the size and nature of the contract, the contract requirements for Bank Guarantees (2no. 5% bank guarantees totalling 10%) will be in place before any works are due to commence.

3.16 Reference Checks

Referee checks were conducted following evaluation of the tender response. The reference check affirmed the following information.

Quantum Architects provided the following feedback:

- SIDA were contracted to carry out major building works to several existing buildings, a historical church in Kew and three buildings in the botanical gardens, one being the William Tell house restoration, he also has SIDA on current tenders.
- SIDA is knowledgeable, competent and enthusiastic contractor, a well-managed organisation with a highly experienced team and sub-contractors.
- Project management and site Foreman were very good.



- Extension of Time (EOTs) were not required, the project was delivered on or ahead of schedule.
- Variations were reasonable, costed fairly, notice and explanation given in advance.
- They managed OH&S well.
- They conducted regular site meeting and kept the client advised of any issue.
- Quality and workmanship was very good.
- There were minimal defects and any defects were resolved in a timely manner with minimal disruption.
- Quantum Architects are happy to refer them for future work.

City of Boorondara provided the following feedback:

- SIDA were contracted to carry out similar building works to that of CoPP, being The Hawthorn Arts Centre restoration and Camberwell town Hall upgrade.
- Management process, subcontractors and tradespeople were good but needed close and regular communications.
- SIDA is a very knowledgeable, competent and enthusiastic contractor, a well-managed organisation with a highly experienced team and sub-contractors.
- EOT's were not required as Project was delivered on time and to schedule.
- Defects that were identified were resolved in a timely manner.
- OH&S was managed well.
- Variations needed to be monitored but were reasonable, discussed and agreed.
- City of Boorondara are happy to refer SIDA on other projects and would select them for future work but recommend regular site meetings.

The Australian Club provided the following feedback:

- SIDA were contracted to carry out major building refurbishment works to The Australian Club, an existing historical building on Collins St in the city. The building had complex construction details, restricted site access and traffic management issues.
- Project management process, subcontractors and tradespeople were good and well co-ordinated.
- EOT's were not required as Project was delivered on time and to schedule.
- Defects that were identified, were resolved in a timely manner.
- OH&S was managed well.
- Conducted regular site meeting and kept client advised of any issue.
- Quality and workmanship was very good.
- They recommend SIDA Constructions and would be happy to select them for future work.



FURTHER SUPPORTING INFORMATION

4. ALIGNMENT TO COUNCIL PLAN AND COUNCIL POLICY

The project contributes to the recommendations of the City of Port Phillip Council Plan 2017-18.

Strategic direction 1: We embrace difference and people belong.

- Access to services that support health and wellbeing of our growing community.

Strategic direction 4: We are growing and keeping our character.

- A City of diverse and distinctive neighbourhoods and places.

Strategic direction 5: We thrive by harnessing creativity.

- A City where arts, culture and creative expression is part of everyday life.

5. CONSULTATION AND STAKEHOLDERS

5.1 The Project Manager in consultation with all relevant internal stakeholders was involved in the preparation of the tender specification.

5.2 Consultation on the design and functionality was completed with Linden Gallery.

6. LEGAL AND RISK IMPLICATIONS

6.1 The recommended tenderer holds:

6.1.1 Public Liability insurance of \$20M.

6.1.2 Professional Indemnity insurance of \$10M.

6.1.3 WorkCover Insurance equal to that specified in the contract terms and conditions.

6.1.4 Two bank guarantees of 5% each, as security for the City of Port Phillip for the total of 10% of the contract lump sum will be required.

7. SUSTAINABILITY – Triple Bottom Line

7.1 ENVIRONMENTAL IMPLICATIONS

7.1.1 The project will be using environmentally sustainable building materials during construction and on completion of the roof upgrade, solar panels are proposed to be installed.

7.2 SOCIAL & CULTURAL IMPLICATIONS

7.2.1 Access to arts programming will be provided in alternate locations during construction. This project supports the Council's goal to provide access and services that support health and wellbeing of our community, by creating a City of diverse and distinctive neighbourhoods and places where arts, culture and creative expression is part of everyday life.

7.3 ECONOMIC IMPLICATIONS

7.3.1 The project will renew and upgrade the Linden Gallery, execute the repair of structural and drainage defects affecting the balcony and deliver the associated compliance upgrades required. This will increase the utilisation of its community spaces and bring the Linden Gallery to a standard that is suitable to service the community for the next 20 years.



7.4 FINANCIAL IMPLICATIONS

The estimated contract sum of \$1,516,756.00 excluding GST falls within the projected budget allocation for this service.

8. IMPLEMENTATION STRATEGY

8.1 TIMELINE

It is recommended that Council awards the proposed contract as soon as possible to the recommended tenderer.

8.1.1 Construction Commencement: 2nd October 2017.

8.1.2 Anticipated Project Completion: 30th June 2017.

8.2 COMMUNICATION

Contract documentation will be prepared and forwarded to SIDA Constructions Pty Ltd within five business days.

9. OFFICER DIRECT OR INDIRECT INTEREST

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