



8.5	CARPENTRY & HANDYMAN SERVICES
LOCATION/ADDRESS:	WHOLE OF MUNICIPALITY
GENERAL MANAGER:	FIONA BLAIR, INFRASTRUCTURE & AMENITY
PREPARED BY:	JIM MACLEAN, COORDINATOR BUILDING MAINTENANCE DINO DE MELIS, MANAGER MAINTENANCE AND RENEWAL
TRIM FILE NO:	14/01/2027
ATTACHMENTS:	Nil

PROPOSAL

To seek Council's approval to award the Carpentry & Handyman Services Panel contract to the following contractors

- Johnson Building & Maintenance Pty Ltd
- Omnigas Services Pty Ltd
- The trustee for Building Impressions Pty Ltd As trustee for the Building Impressions Unit Trust trading as Building Impressions.

1. RECOMMENDATION

That Council:

- 1.1 Awards Contract No. 2027 to provide Carpentry & Handyman Services to Port Phillip City Council for a three year period commencing on 1 April 2017 to 31 March 2020 to: Johnson Building & Maintenance Pty Ltd; Omnigas Services Pty Ltd; and Building Impressions.
- 1.2 Notes that the contract sum is based on a schedule of rates, with a projected expenditure for a three year period of \$1,194,905 inclusive of GST, labour rates, plant, equipment and materials.
- 1.3 Affixes the Common Seal of the Port Phillip City Council to Contract No. 2027 between Port Phillip City Council and Johnson Building & Maintenance Pty Ltd; Omnigas Services Pty Ltd; and Building Impressions.

2. BACKGROUND AND CONTEXT

2.1 Background

The current contract for the Carpentry & Handyman Services Panel contract expires on 31 March 2017. The tender was advertised in The Age on Saturday 3 December 2016 and closed on 23 December 2016. The proposed contract is from 1 April 2017 to 31

AGENDA - ORDINARY MEETING OF COUNCIL – 15 MARCH 2017



March 2020.

The composition of the TEP is set out in Table 1 below.

TABLE 1 – COMPOSITION OF TEP	
Name	Title
Jim Maclean, Coordinator Building Maintenance	Chairperson
Ryan Plunkett, Contract Manager Building Maintenance	Member
Daniel McCluskey, Building Maintenance Officer	Member
Graham Millar, Contracts & Procurement Advisor	Member
Kate Churchward, Building Maintenance BSO	Non Scoring Member

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.

The evaluation criteria and weightings are detailed in Table 2 below.

TABLE 2 – TENDER EVALUATION CRITERIA	
Criteria	Percentage Weighting
Price	40%
Capacity to meet the requirements of the specification.	20%
Relevant experience and track record.	20%
Capability	10%
Environmental	5%
OHS processes	5%



2.2 Tenders received and Evaluation

For comparative purposes with the assessment of price, the evaluation panel adopted the following methodology based on historical data of 776 reactive work orders:

Break down of work orders

Schedule A – 70% of works carried out here at 2hrs per job – Monday to Friday

Schedule B – 15% of works carried out here at 2hrs per job – Monday to Friday after hours

Schedule C – 10% of works carried out here at 2hrs per job - Weekends

Schedule D –5% of works carried out here at 2hrs per job – Public Holidays

Details of the tenders received are shown in Table 3 below.

TABLE 3 – TENDERS RECEIVED		
No.	Tenderer’s Name	\$ Price (exclusive GST)
1.	Building Impressions	\$270,752.40
2.	Tenderer B	\$357,075.00
3.	Tenderer C	\$337,968.00
4.	Tenderer D	\$307,676.88
5.	Tenderer E	\$313,346.88
6.	Tenderer F	\$374,270.76
7.	Johnson Building & Maintenance Pty Ltd	\$253,519.20
8.	Tenderer H	\$299,613.60
9.	Omnigas Services Pty Ltd	\$265,104.18
10.	Tenderer J	\$410,753.88
11.	Tenderer K	\$345,577.95
12.	Tenderer L	\$365,433.30

All tenders were prepared in conformance with the specifications and contract conditions and have been referred to the TEP for their review and evaluation. In this instance, the TEP decided to interview four tenderers.

Tenderers Johnson Building & Maintenance Services Pty Ltd, Omnigas Services Pty Ltd and Building Impressions provided the three lowest financial submissions

Interviews were held with, Johnson Building & Maintenance Services Pty Ltd, Omnigas Services Pty Ltd, Building Impressions and tenderer E. All interviewees provided verbal confirmation of all aspects of their written submissions and the TEP panel after further discussions finalised scoring and agreed on three preferred tenderers.



The following total scores were agreed against the evaluation criteria detailed in Table 4 below.

TABLE 4 -		
No.	Tenderer's Name	Score (Out of 1,000)
1.	Building Impressions	833
2.	Tenderer B	625
3.	Tenderer C	596
4.	Tenderer D	634
5.	Tenderer E	761
6.	Tenderer F	613
7.	Johnson Building & Maintenance Pty Ltd	807
8.	Tenderer H	693
9.	Omnigas Services Pty Ltd	861
10.	Tenderer J	599
11.	Tenderer K	650
12.	Tenderer L	719

The final weighted score which takes into account all of the evaluation criteria (including price) has been used to determine the recommended panel of contractors that Council should engage for the delivery of its Carpentry & Handyman Services over the next three years. The following factors have been taken into account in scoring the tenders against the agreed criteria.

2.3 Price

Johnson Building & Maintenance Pty Ltd has been assigned the maximum possible score as it submitted the lowest priced tender.

Tenderers have been assigned a score for price which has been derived from the ratio of lowest priced bid compared to each Tenderer.

Best And Final Offer was conducted on Wednesday 10 February 2017 and received by 13 February 2017. Shortlisted respondents, Johnson Building & Maintenance Pty Ltd, Omnigas Services Pty Ltd and Building Impressions were invited to submit their Best and Final Offer. There was no change to their original submitted tender prices from all three tenderers.



2.4 Capacity

Johnson Building & Maintenance Pty Ltd, Omnigas Services Pty Ltd and Building Impressions ratings are supported by their commitment to resource the contract with sufficient dedicated staff. This is consistent with current resourcing requirements for this service. Johnson Building & Maintenance Pty Ltd, Omnigas Services Pty Ltd and Building Impressions also highlighted their capacity to supplement their standard resources in peak periods.

This reinforces the TEP's assessment that the recommended panel of contractors listed have the capacity required for servicing this contract.

2.5 Relevant Experience

Johnson Building & Maintenance Pty Ltd, Omnigas Services Pty Ltd and Building Impressions rating is underpinned by the following factors:

- Proven reliability within the Victorian local government sector as demonstrated by their ongoing local government contracts
- Clear knowledge of the scope of services required in this contract.
- Specialist and fully qualified resources with long term staff members
- Minimal delivery and regulatory risk as demonstrated by the consistent achievement of deadlines

2.6 Financial Evaluation

A comprehensive financial evaluation was conducted of the shortlisted tenderers. A report prepared by Council's Financial Compliance Accountant highlighted the capacity of the shortlisted tenderers to provide the service in accordance with Councils requirements.

- Johnson Building & Maintenance Pty Ltd report highlighted a 2% chance of an adverse event in the next 12 months and a 0.46% chance of failure in the next 12 months.
- Omnigas Services Pty Ltd report highlighted a 3% chance of an adverse event in the next 12 months and a 0.72% chance of failure in the next 12 months.
- Building Impressions report highlighted a 1% chance of an adverse event in the next 12 months and a 0.35% chance of failure in the next 12 months.

All scores are acceptable; there are no adverse events or legal actions recorded.

2.7 Reference Checks

Reference checks were conducted for the shortlisted tenderers.



Johnson Building & Maintenance Pty Ltd

Referees contacted included representatives of the following companies, Monaco Developments and JMD Electrics (Current City of Port Phillip Electrical Contractor). Both referees confirmed they had long term history with the contractor and had found their service level and service response times to be very good. They both indicated that the relationship with this contractor will be of an ongoing nature.

Omnigas Services Pty Ltd

Referees contacted included representatives of the following organizations, Darebin City Council and Knox City Council. Both referees confirmed they had long term service contracts with the contractor and had found their service level and service response times to be very good. They both indicated that the relationship with this contractor will be of an ongoing nature.

Building Impressions

Referees contacted included representatives of the following organizations, Australia Post and Cushman & Wakefield Real Estate. Both referees confirmed they had long term involvement with the contractor and had found their service level and service response times to be of a very high standard. They both indicated that the relationship with this contractor will be of an ongoing nature.

2.8 CONSULTATION AND STAKEHOLDERS

Council officers have undertaken consultation with key stakeholders including building users, and internal service providers. The consultation process has assisted with the development of the specification and ensures the service will meet the community expectations.

3. DISCUSSION

3.1 OPTIONS

3.1.1 The recommended option is for Council to award the Carpentry & Handyman Services Panel contract to Johnson Building & Maintenance Pty Ltd, Omnigas Services Pty Ltd and Building Impressions for three years commencing on 1 April 2017 to 31 March 2020.

3.2 ALIGNMENT TO COUNCIL PLAN

3.2.1 The Carpentry & Handyman Services contract supports and enables Council to deliver the following strategies in the Council Plan 2013-2017:

- 3.2.1.1 Engaged, a well governed city – achieve a reputation for organisational and service excellence:
- 3.2.1.2 Healthy, a healthy creative inclusive city - Maintain Council and community assets to a standard that matches industry best practice;
- 3.2.1.3 Vibrant, a liveable and connected city –improve and manage local amenity and assets for now and the future.



3.3 POLICY IMPLICATIONS

- 3.3.1 The tender has been conducted in accordance with Section 186 of the Local Government Act 1989.

3.4 FINANCE / RESOURCE IMPLICATIONS

- 3.4.1 The contract is based on a schedule of rates, with an expected expenditure for a three year period of \$1,194,905 inclusive of GST, labour rates, plant, equipment and materials
- 3.4.2 This is in accordance with budgetary projections for this service
- 3.4.3 Having a panel of contractors, Johnson Building & Maintenance Pty Ltd, Omnigas Services Pty Ltd and Building Impressions will ensure competition of services by quotes based on their submitted schedule of rates in the contract

3.5 LEGAL & RISK IMPLICATIONS

- 3.5.1 An effective and accurate OHS management plan is required to enable Council to meet its statutory obligations. Contractors Johnson Building & Maintenance Pty Ltd, Omnigas Services Pty Ltd and Building Impressions, are well resourced with experienced personnel and this should ensure that Council avoids risk that may lead to financial loss or have a negative impact on the Council's reputation.
- 3.5.2 The recommendation to award the contract to Johnson Building & Maintenance Pty Ltd, Omnigas Services Pty Ltd and Building Impressions shall ensure a smooth transition with minimal risk to Council and mitigate the risks - Building Impressions are an existing contractor on this panel and this will assist with the transition.
- 3.5.3 In accordance with the contract terms and conditions the contractor must submit a site specific safety plan for provision of Carpentry & Handyman Services.
- 3.5.4 All tenderers complied with the insurance requirements of \$10,000,000 public liability and \$1,000,000 professional indemnity.

3.6 BEST VALUE

- 3.6.1 The tender has been assessed in accordance with the Best Value Principles;
- a) the need to review services against the best on offer in both the public and private sectors; and
 - b) an assessment of value for money in service delivery; and
 - c) community expectations and values; and
 - d) the balance of affordability and accessibility of services to the community; and
 - e) opportunities for local employment growth or retention.



4. IMPLEMENTATION STRATEGY

4.1 TIMELINE

4.1.1 The contract panel will commence 1 April 2017.

4.2 COMMUNICATION

4.2.1 Contract documentation shall be prepared and forwarded to the contractors for execution.

4.2.2 The Contracts and Procurement Unit shall notify all unsuccessful tenderers. The Contract Manager shall invite debriefs from all unsuccessful tenderers.

5. OFFICER DIRECT OR INDIRECT INTEREST

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