

## 6.3 Financial Reports

### 6.3.1 Contract 20-63: Construction of the New My Place Youth Centre Facility

**Responsible GM:** Debbie Tyson  
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#### Recommendation(s)

That Council award Allmore Constructions Pty Ltd Contract 20-63 – Construction of the New My Place Youth Centre Facility for a tender price including Provisional Sums of \$5,131,675.00 excluding GST

#### Attachments

1. CONFIDENTIAL - Confidential Memorandum - Circulated to Councillors only [6.3.1.1 - 4 pages]

#### Executive Summary

This report provides recommendation for the appointment of a Commercial Builder to undertake the works associated with New My Place Youth Centre Facility Contract 20-63.

The facility has been designed to meet the applicable standards and considers Cardinia Shire Council Enhanced Standards, along with Trauma informed design principles.

The Tender submitted by Allmore Constructions Pty Ltd complies with all the Conditions of Tender and their submitted Tender price is best value and the most competitive for this project.

Allmore Constructions Pty Ltd demonstrates extensive experience in delivering small to large scale projects within Local Government.

#### Background

The My Place Youth Facility was opened in 2012 and is located on Main Street, Pakenham. Since then, it has been demonstrated that through the co-location of multi-agency and disciplinary services that an integrated and holistic approach to meet the needs of young people provides best practice outcomes.

The New Youth Facility will increase service attraction locally for young people and families to meet both the current and the future needs of the community. The services and programs delivered through the New Youth Facility support young people from 12 to 24 years of age. The benefits of the services provided through this facility support young people to build resilience, prevent issues escalating, re-engage in education, training, and work, improve their relationships and access to specialist services in a timely manner.

To maintain the existing services as well as attract new services and programs locally for young people, a new facility will assist in fulfilling the expectations of the community, as well as the demand for the provision of community and youth services within Cardinia Shire.

The new facility will be located on a parcel of Council owned land at 43 James Street, Pakenham. This location has an area allocated for the project of 1018sqm, to accommodate an overall 1040sqm multi-storey building, with associated landscaping, and car parking.

The new contemporary building will provide a design to ensure maximum utilisation of all spaces, providing a modern and vibrant youth hub in the heart of Pakenham.

The new design includes spaces such as:

- Waiting area
- Reception and open office
- Consult rooms
- Amenities and laundry facility
- Consultant and classrooms
- Training and programs room
- General Practitioner room with associated intake room
- Computer Hub
- Recording booth
- Communal Kitchen
- Hangout space
- Active rooftop recreation space which included:  
BBQ and seating area as well as basketball hoop.

The new youth facility has been designed using Trauma Informed Principles. This method considers how the physical environment affects individuals, recognising that it can have a physiological and emotional impact and responds by creating supportive environments that resist re-traumatisation, this environment promotes physical, mental, and social health, this approach creates a welcoming space for young people, families, and professionals through the use of specific materials, colours and visibility throughout the building.

The design has implemented the below Trauma informed design principles within the building and its exterior:

- Materials and colours:
  - a. Orange colour chosen through various discussions with users.
  - b. Minimal patterning in colours and textures.
- Articulated corridors and curved walls.
- Open stair and break out areas allow for visibility throughout the building.
- Connection with external context and landscaping:
  - a. Consult rooms facing landscaped courtyard.
  - b. Open stair and void with views to sky and roof deck.
  - c. Central void allows for natural light throughout the building.
  - d. Greenery within the building.
- Waiting room strategically designed to provide privacy from the public, while providing visibility from the reception area.

The Tender was released 1 February 2021 and closed on 2 March 2021. Three Tender submissions were received.

The Evaluation Panel agreed on a preferred Tenderer, whom a few days before Tender award at the June 2021 Council meeting withdrew their Tender submission.

As the remaining Tender submissions for this Contract were above the allocated project budget a rigorous Value Management process has been completed by the project team.

As part of the Value Management exercise and in order to keep the quality and integrity of the New My Place Youth Centre Facility design, the exercise was undertaken with the Architect and Consultants Team to reduce construction costs, which included a minor redesign of the active roof top deck and consideration to alternative finishes. These changes have minimal impact to the function and intent of the facility.

Subsequently, the remaining tenderers were provided the opportunity to re-price their Tenders. The tender re-pricing received, present a reduction in the overall contract cost. However, due to COVID-19 impacts to the construction industry, the Tender submissions remain above the allocated project budget.

Tenders were evaluated against weighted criteria, including Capability and Capacity, Relevant Experience and Performance, Project Program, Quality System and COVID19 plan.

Tenders were also assessed against various non-weighted criteria to ensure the viability of the relevant submissions. The criteria included Financial Viability, Insurances, Conditions of Contract, Conflict of Interest, and OHS.

A rigorous evaluation of the submitted Tenders was undertaken by the Evaluation Panel with the Tender provided by Allmore Construction Pty Ltd considered to provide the best value for money outcome.

### **Policy Implications**

There are no policy implications associated with this report.

### **Relevance to Council Plan**

Not applicable.

### **Climate Emergency Consideration**

To attain an Environmentally Sustainable Design outcome, the building design has included internal Council requirements as well as a project-specific Environmental Management Plan. Consideration and implementation have been made to the following items:

- Ecology component: use of at least 70% (by area) of new indigenous and drought-resistant plants within landscaped areas.
- Energy & Carbon emissions components: locate hot water appliances close together and near the hot water system. A central recirculating system is specified, stairs are located central location to encourage their usage instead of the lift and no gas appliances are utilised in this project.
- HVAC components: VRV based system has been specified, to provide the ability to use more outside air.
- Indoor Environment components: windows fitted with blinds to minimise glare, good levels of natural light to most of the occupied area, Indoor Planting to be provided in Entry/Reception, Waiting Area and Office space.
- Other components: Lighting, materials selection, etc

### **Consultation/Communication**

Consultation and engagement with various stakeholders including user groups (young people), service providers, funding departments and Council Officers has occurred throughout all phases of the Design Development for this project.

The project has actively included participation of the community, specially of the young people in the process who have been consulted on; name of the facility, building services, programs and activities to take place at the facility. To meet the growing needs of the community, the design of the facility was informed through various workshops undertaken with service providers and young people.

During the time that the Value Management exercise was conducted, regular updates have been provided to stakeholders including:

- Representatives from the funding bodies, Department of Environment, Land, Water and Planning (Growing Suburbs Fund), and Department of Health (Community Health and Hospital Program) on the projects progress. Both funding bodies have approved the cost saving design amendments as the functionality of the new Facility's intent remains unchanged.
- key decision makers of organisations who will co-locate in the new facility. These organisations have provided input and agree to the cost saving design amendments and provided feedback that the reduction to the active roof top area provides easier surveillance of the space. These organisations remain committed to co-locating in the new Facility.

## Financial and Resource Implications

The total budget allocation to this project was initially \$6,000,000 excluding GST. This budget includes funds for the construction of the building with a total of \$5,500,000.00 and the public carpark component with a total of \$500,000.00 excluding GST.

This project is funded via the following agreements:

Funding for the Project	
Council funding contribution	\$1,500,000.00 (\$1M building and \$500K towards car parking)
State Government – Department of Environment, Land, Water and Planning	\$3,000,000.00
Federal Government – Community Health and Hospital Program -	\$1,500,000

The parcel of land selected for the New My Place Youth Centre Facility is currently a public carpark and through a formal carpark design, efficiencies have been created to ensure there is no impact to the provision of required parking bays at this site.

The construction of the new building and public carpark will be managed by a project team composed by a Civil Project Manager, Buildings Project Manager, and the Coordinator, Project Development as the Project Director.

Due to the required Value Management process, the project timeline has been impacted by five months, this delay places pressure on the funding agreement timelines and staff resourcing through the extensive process undertaken thus far.

Despite, that additional funding to support the project is not available from either funding body, confirmation has been received that project funding will not be revoked due to extended project timelines, as the challenges experienced are a direct result of COVID-19 impacts and restrictions.

As part of the Tendering process, all Tenderers were required to submit a Local Industry Development Plan (LIDP) for recognition and evaluation and to review the legitimacy of the document presented, a VIPP Plan was certified by the Industry Capability Network (ICN) before submission to CSC. ICN assist with the implementation of the local jobs first policy (LJFP). Evaluation Report was produced by ICN, based on the information provided Allmore Constructions Pty Ltd passed the evaluation with a score of 91.0188% Building minimum of Local Content Commitment to this contract.

Tender price submitted by Allmore Constructions Pty Ltd. following the Value Management exercise is \$5,131,675.00 excluding GST.

Following re-submission of Tender price, the project budget remains over-budget with an overall shortfall of \$823,680.88. This figure includes building construction works as well as IT and AV components, furniture, Art components, Authority and Project Management fees.

The organisation is progressing a review of the 2021/22 financial year Capital Works Program across the organisation with consideration to potential budget savings, with a focus to provide

adequate budget allocation to projects impacted by heighten cost of trade engagement and the shortage of building materials due to COVID-19.

**Conclusion**

With consideration to the entire process of evaluation, including budget constraints, Value Management and COVID-19 impacts the Evaluation Panel concluded that Allmore Constructions Pty Ltd Tender demonstrates their ability to undertake the construction of the new Youth Centre and their submission represents the best value outcome for this project.

It is recommended that the Tender submitted by Allmore Constructions Pty Ltd for a tender price of \$5,131,675.00 excluding GST, for the construction works associated with Contract 20-63 the New My Place Youth Centre Facility be approved.