

CABINET MINUTE

DECISION NO.

BRISBANE, 21 / 1 / 1986

47907

SUBJECT: Alcohol and Drug Dependency Detoxification/Rehabilitation

Unit - Royal Brisbane Hospital.

(Submission No. 43198)

Copies Received at 10 00

a.m.

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Mr. Clouston

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C A B I N E T M I N U T E Copy No. _____

Brisbane, 21st January, 1986

Decision No. 47907

Submission No. 43198

TITLE: Alcohol and Drug Dependency
Detoxification/Rehabilitation
Unit - Royal Brisbane Hospital.

CABINET decided:-

That the alternative tender of Concrete Constructions (Qld.) Pty. Ltd. for the amount of \$1,200,000 be accepted for the design and construction of the Alcohol and Drug Dependency Detoxification/Rehabilitation unit - Royal Brisbane Hospital.

CIRCULATION: Department of Health and copy to Minister.
Premier's Department and copy to
Premier and Treasurer.
Treasury Department and copy to Deputy Premier
and Minister Assisting the Treasurer.
Department of Works and copy to Minister.
All other Ministers for perusal and return.

Certified True Copy

A/Secretary to Cabinet.

Submission No. _____

Copy No. _____ 21

FOR CABINET

ALCOHOL AND DRUG DEPENDENCY DETOXIFICATION/REHABILITATION
UNIT - ROYAL BRISBANE HOSPITAL

1. Cabinet by Decision No. 47235 of 14th October, 1985, decided as follows:-

"1. That approval in principle be granted to the North Brisbane Hospitals Board for the construction at Royal Brisbane Hospital of a purpose built 30 bed ward with day and outpatient facilities for the prevention and treatment of alcohol and other drug problems, for a total budget of \$1.2 million.

2. That selected tenders be called for the construction of the ward."

2. Following discussions between officers of the Health, Works and Premier's Departments, it was approved that the construction project be carried out by way of the design/construct method with the following firms to be approached for the seeking of bids:-

Concrete Constructions (Qld.) Pty. Ltd.
John Holland (Constructions) Pty. Ltd.
Watpac
Thiess Watkins (Construction) Ltd.
F.C. Upton and Sons Pty. Ltd.

3. Tenders which were invited on the basis of Tender Documents which included a preferred planning concept, closed on 2nd December, 1985 and the following tenders were received:-

Concrete Constructions (Qld.) Pty. Ltd.	\$1,200,000
John Holland (Constructions) Pty. Ltd.	
(Tender A)	\$1,463,284
John Holland (Constructions) Pty. Ltd.	
(Tender B)	Project Management Services
Watkins Pacific (Qld.) Pty. Ltd.	\$1,199,275
Thiess Watkins (Construction) Ltd.	\$1,199,809

F.C. Upton and Sons Pty. Ltd. did not submit a tender.

4. Tender A from John Holland Constructions Pty. Ltd. was not conforming in that it exceeded the Guaranteed Contract Sum of \$1,200,000 and therefore could not be considered. Alternative Tender B from John Holland Constructions Pty. Ltd. did not comply with the Tender Documents and could not be considered.

The Watkins Pacific (Qld.) Pty. Ltd. tender proposal provided for reduced areas which would compromise the future operation of the Unit and the plan offered deviated from the preferred planning concept and was not considered acceptable. The tender offered a significantly higher cost per square metre.

4. (Continued)

The Department of Works therefore carried out a detailed evaluation of the tenders received from Concrete Constructions (Qld.) Pty. Ltd. and Thiess Watkins (Construction) Ltd.

It was concluded by the Department of Works that the tender from Concrete Constructions (Qld.) Pty. Ltd. offered the best value for money, with the lowest non-construction costs, the highest gross floor area, a higher standard of internal finish and the lowest cost per square metre.

5. No tender met the requirements of the brief in total as regards the provision of accommodation and, as it was considered better value for money might be obtained in a lump sum contract, alternative tenders were invited on this basis.
6. The following alternative tenders were subsequently received:-

Thiess Watkins (Construction) Ltd.	\$1,199,800
Concrete Constructions (Qld.) Pty. Ltd.	\$1,200,000
Watkins Pacific (Qld.) Pty. Ltd.	\$1,200,000
John Holland Constructions Pty. Ltd. did not submit a tender.	

7. The tender submitted by Thiess/Watkins contained unacceptable conditions of contract which effectively prevent the Principal from having adequate participation in the building process in relation to quality control. There would be no cost control auditing by the Principal's Quantity Surveyor. A further condition was payment for materials in advance and not delivered to the site.

The Watkins Pacific (Qld.) Pty. Ltd. proposal deviated from the Preferred Planning Concept and was not considered acceptable.

The tender of Concrete Constructions was considered acceptable in terms of adequacy of accommodation and floor area, standard of finish and services, value for money and conditions of contract.

8. An assessment of the tenders has been made by a Panel comprised of officers of the Health, Works and Premier's Departments and representatives of the North Brisbane Hospitals Board. The Panel recommended acceptance of the alternative tender of Concrete Constructions (Qld.) Pty. Ltd. and a copy of the Panel's report is attached.
9. The alternative tender of Concrete Constructions did not provide additional functional accommodation in excess of the original tender but it is estimated additional value for money of approximately \$40,000 has been obtained in services such as additional air conditioning ducting.
10. It is therefore recommended that the alternative tender of Concrete Constructions (Qld.) Pty. Ltd. for the amount of \$1,200,000 be accepted for the design and construction of the Alcohol and Drug Dependency Defoxification/Rehabilitation unit - Royal Brisbane Hospital.

BRIAN AUSTIN
MINISTER FOR HEALTH

BRISBANE,
16th January, 1986.

REPORT ON ALTERNATIVE TENDERS
ALCOHOL & DRUG DEPENDENCY REHABILITATION UNIT
FOR THE
NORTH BRISBANE HOSPITALS BOARD

1. ASSESSMENT PANEL

Department of Health Representative

Mr K. Galligan - Assistant Director, Public
Hospitals Branch

Department of Works Representatives

Mr J. Parnell - Supervising Architect

Mr P. Robertson - Architect Div. I

Mr C. Austin - Supervising Quantity Surveyor

Premier's Department Representative

Mr C. Cook - Executive Engineer

Hospitals Board Representative

Dr P. Scown - Registrar, Medical Administration
R.B.H.

Mr J. McCairney - Administration Officer R.B.H.

Mr G. Farrugia - Psychologist-in-Charge R.B.H.

2. BASIS OF TENDER SUBMISSIONS AND TENDER ASSESSMENT

Initial Tenders for the above project were called by the Department of Health and closed on 2nd December, 1985.

These tenders were invited on the basis of Tender Documents which included a preferred planning concept with architectural and engineering services requirements for the project. the Tender Document nominated a Maximum Guaranteed Contract Sum of \$1,200,000 and a maximum time to complete of 26 weeks.

Tenderers were requested to provide, within set priority guidelines as much of the prescribed accommodation as possible within the Maximum guaranteed Contract Sum.

After review by officers of the Department of Works and subsequent review and recommendation by an Assessment Panel, the Minister for Health directed that alternative offers should be sought from the tenderers on a "turnkey" basis with the object of achieving further economy.

Alternative offers were invited by letter of 19th December, 1985, on the basis of:

- . A maximum project budget of \$1,200,000.
- . A maximum time to complete of 22 weeks.
- . The Statement of Requirements contained in the original Tender document.
- . Conditions of Agreement, based on the "Conditions Applicable to Management Agreement" contained in the original Tender document, to be submitted by the Tenderer.

The alternative tender submissions were assessed in terms of:

- . Their compliance with the requirements of the invitation to tender,
- . Various functional and cost related criteria.
- . The acceptability of their submitted Conditions of Agreement.

3. TENDERS GENERALLY

On the 8th January, 1986 the following tenders were received:

Thiess Watkins	Tender A	- \$1,999,800	22 weeks
	Tender B	- \$1,999,800	34 weeks
Concrete Constructions		- \$1,200,000	22 weeks
Watkins Pacific	Tender A	- \$1,200,000	22 weeks
	Tender B	- \$1,200,000	22 weeks

John Holland - did not submit an alternative tender.

An initial review revealed that no tender provided all the prescribed accommodation within the Maximum Project Budget.

4. TENDERS SUBMITTED BY THIESS WATKINS

Tender B was not conforming in that it exceeded the maximum time for completion and could not be considered.

Tender A contained unacceptable conditions of agreement and was not considered further.

5. TENDERS SUBMITTED BY WATKINS PACIFIC

The two tenders submitted differ only in that they represent different options in the extent of work provided within the tendered sum.

A detailed review revealed the following shortcomings in comparison to the remaining tender.

- . The plan offered, deviated from the Preferred Planning Concept and was not considered acceptable.

. The proposal offered a significantly reduced gross floor area which resulted from a reduction of some room areas. These reduced areas would compromise the future operation of the Unit.

. The tender offered a significantly higher cost per square metre.

In view of the above these tenders did not provide value for money in comparison to the remaining tender.

6. TENDER SUBMITTED BY CONCRETE CONSTRUCTIONS

After close examination, the Panel agreed that this tender was acceptable for the following reasons:

- . Adequate accommodation and floor area provided.
- . Satisfactory standard of finish and services.
- . Reasonable cost per square metre.
- . Acceptable Conditions of Agreement submitted.

This offer represented the best value for money as a result of the above.

7. RECOMMENDATION

In view of the above, the Panel recommends acceptance of the alternative tender from Concrete Constructions (Qld) Pty Ltd, dated 8th January, 1986, in the sum of \$1,200,000.

X J Galligan

Department of Health

G. May.

Department of Works

Chris Cook.

Premier's Department

M. Parsons

North Brisbane Hospitals Board