



10.1 LAGOON RESERVE RECONSTRUCTION AWARD

EXECUTIVE MEMBER: LACHLAN JOHNSON GENERAL MANAGER, OPERATIONS AND INFRASTRUCTURE

**PREPARED BY: KAREN MILLER, MANAGER PROJECT DELIVERY
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1. PURPOSE

- 1.1. To present the report of the Tender Evaluation Panel (“TEP”) for Tender RFT000261, Lagoon Reserve Sports Field and Lighting Upgrade and to seek Council’s approval to award the Contract to Evergreen Turf Pty Ltd.

2. EXECUTIVE SUMMARY

- 2.1. Lagoon Reserve is a parcel of land reclaimed from a former lagoon which was used to collect waste from the nearby Gas Works facility when it was in operation. The reserve is heavily used for a variety of activities including dog walking, competitive sport (soccer and cricket) training and competition, physical education classes and for passive recreation activities.
- 2.2. The upgrade has been split the project into two parts (this report relates to stage one only):
 - Stage one: Oval Reconstruction, Cricket Nets, Sports Lighting and walking path
 - Stage two: Pavilion Upgrade and other park improvements
- 2.3. The sports field and supporting infrastructure are in poor condition, do not comply with current standards and require replacement or upgrade to ensure visitor accessibility, safety and a range of public space benefits.
- 2.4. This proposed contract is to provide for the construction of a new playing surface. Construction includes laser-levelling of the new ground profile to create a domed and level playing surface, installation of a new sub-surface oval drainage system, installation and commissioning of a new irrigation system, new warm-season turf (Santa Ana Couch) and improved integration between the pavilion and oval. The upgrade will provide a safe, compliant and quality sports fields that meets current and projected future demand.
- 2.5. In addition to the oval upgrade the contract will include installation of four light towers and associated electrical infrastructure, reconstruction of the cricket nets and construction of a granitic sand path around the oval to enhance the reserves formal path network. The upgrades will enable multiple sports to train and play competition and optimise Council’s other investments in the reserve.
- 2.6. The total approved budget for the project is \$3.286m (excluding GST) with \$1m of this attributed to soil disposal/management.
- 2.7. A public tender has been undertaken to identify a suitable contractor for the construction works, in accordance with Council’s Procurement Policy and the agreed evaluation plan.
- 2.8. The price received is within the project budget and is considered to represent a true and appropriate cost to deliver the desired works. In order to award the contract for



construction with appropriate contingency to cover potential variations associated with latent conditions, etc. it is recommended that Council authorise the Chief Executive Officer (CEO) to exercise contract variations and execute those variations as required within the approved project budget.

- 2.9. The Tender Evaluation Panel (TEP) recommends Council enter Contract with Evergreen Turf Pty Ltd for construction of the Lagoon Reserve Upgrade for a total sum of \$2,973,814.80 inclusive of GST (\$2,703,468.00 excluding GST) which includes a provisional sum of \$1,100,000.00 inclusive of GST (\$1,000,000.00 excluding GST) for contaminated soil disposal/management.

3. RECOMMENDATION

That Council:

- 3.1 Enters into Contract with Evergreen Turf Pty Ltd for the construction of the Lagoon Reserve Redevelopment – Stage 1.
- 3.2 Notes that the contract value is \$2,973,814.80 inclusive of GST (\$2,703,468.00 excluding GST) which includes a provisional sum of \$1,100,000.00 inclusive of GST (\$1,000,000.00 excluding GST) for contaminated soil disposal/management.
- 3.3 Notes that construction is expected to begin in Dec 2023. The park will be closed from this time until the end of July, to accommodate the works and establishment period.
- 3.4 Authorises the CEO, or their delegate, to execute the contract and execute variations between the Council and Evergreen Turf Pty Ltd within the overall project budget.

4. KEY POINTS/ISSUES

- 4.1. The existing oval and cricket nets at Lagoon Reserve are at the end of their useful life and there is a lack of supporting infrastructure including sports field lighting and path connections.
- 4.2. Following the pandemic, the reserve has continued to grow as a popular place for passive recreation activities (including dog walking) and a sports venue for clubs.
- 4.3. With two codes of sport (Cricket and Soccer) at the venue and extensive dog walking and passive recreation, the oval has been extensively damaged due to wear-and-tear and compaction with large areas of mud, turf loss and poor umpire reports in relation to the condition of the playing surface.
- 4.4. Over-use of grounds will continue to occur with the predicted increase in population and, to cater for projected future participation levels arising from increased field time demand from juniors and rapidly growing women's sport. Sports grounds must be designed to accommodate existing and predicted high levels of sport participation plus the broader community use. This upgrade will help mitigate the issues of more use of the ground through an upgraded irrigation system, formal drainage network and appropriate surface level across the playing surface.
- 4.5. Failure to appropriately address the issues may result in an increase in the risk of injury and potential ground closures. This will place further pressure on facilities which are already close to capacity during peak usage times.
- 4.6 Through this project Council will support sport participation by providing a high-quality facility that is fit for purpose and meets the demands of increased sport participation.



- 4.7. The oval is to be constructed using a warm season grass (Santa Ana Couch). This grass provides sustainability benefits for Council including high drought tolerance (once established), low water use and a high wear tolerance with an excellent ability to recover from wear quickly.
- 4.8. The upgrade will enable greater participation by women and girls which is consistent with both the Council Plan (2021-31) and Council’s Sport and Recreation Strategy (2015-24).

5. PROCUREMENT

- 5.1. In accordance with the provisions of the Local Government Act 2020, a public procurement process has been conducted for the proposed services and works. The Tender was released to the market via Tenderlink on 25 August 2023 and advertised for a period of three weeks and closed on 15 September 2023.
- 5.2. The composition of the Tender Evaluation Panel (TEP) is set out in Table one:

Table 1: Tender Panel Members	
Position	
Project Manager, Project Services (TEP Chairperson)	
Manager – Portfolio Projects	
Senior Project Manager	
Open Space and Turf Management Officer	
Pitcher Partners Consulting (Probity Support – Non-Voting)	
Contracts and Procurement Business Partner (TEP advisor – Non-Voting)	

- 5.3. All TEP members signed a probity and confidentiality declaration, Some previous professional relationships were noted, however these were reviewed by the Probity Advisor and determined as low-risk perceived conflict of interest and closed from a probity perspective.
- 5.4. Table two below outlines the individual criteria and their weightings for each phase of the tender as per the approved Procurement Plan.

Table 2: Evaluation Weightings	
Filter Criteria	
Description:	Criteria
Insurance certificates in accordance with the requirements of schedule 1, item 1.3 of the RFT.	Pass/Fail
Third party accredited OH&S	Pass/Fail
Criteria Weightings	
Description:	Weighting
Price	40%
Capacity to meet the requirements of specification	30%
Relevant experience and track record	25%
Corporate Social Responsibility (CSR)	5%
Total	100%



- 5.5. Three submissions were received with two of three tenders being assessed as conforming. One tenderer (Tenderer 3) was not third-party OH&S accredited, this meant their submissions did not meet the filter criteria and were deemed non-conforming. The prices of each tenderer are set out below in Table three below:

Table 3: Pricing (Pre-Evaluation)	
Tenderer:	Price (Excluding GST)
Evergreen Turf Pty Ltd	\$1,702,468.00
Tenderer 2	\$1,976,070.00
Tenderer 3	\$1,848,156.08

- 5.6. After initial assessment by the TEP, scores for each tenderer were determined against each criteria. The TEP considered the lump sum totals of each tenderer and detailed price breakdown during its pricing analysis. The weighted scores are set out below in Table four below:

Table 4: Weighted Scores (Pre-Clarifications)		
No.	Tenderer:	Score (Out of 100%)
1	Evergreen Turf Pty Ltd	84.8%
2	Tenderer 2	76.5%
3	Tenderer 3	Non-Conforming

- 5.7. Tender clarifications were sought from the two conforming tenderers on 28 September 2023 and closed on 3 October 2023. Upon receipt of the tenderers' clarifications, the evaluation matrix was updated to reflect price changes as submitted by tenderers. The weighted scores are set out below in Table five below:

Table 5: Weighted Scores (Post-Clarifications)			
No.	Tenderer:	Score	Price (Excluding GST)
1	Evergreen Turf Pty Ltd	86.3%	\$1,703,468.00
2	Tenderer 2	75.3%	\$2,045,370.00

- 5.8. The TEP determined Evergreen Turf Pty Ltd as the preferred tenderer based on achieving the highest overall score.
- 5.9. A second clarification was sought from Evergreen Turf Pty Ltd to include a provisional sum of \$1,000,000.00 excluding GST for contaminated soil disposal/management on 16 October 2023 and an answer was received on the same day.
- 5.10. The TEP resolved to undertake referee checks for the preferred tenderer, Evergreen Turf Pty Ltd, to ensure their performance in similar arrangements with other organisations was exemplary.
- 5.11. Referee checks found that the references provided for Evergreen Turf Pty Ltd were consistent with the scoring and opinion of the TEP.



5.12. The TEP determined that the preferred tenderer was assessed to provide value for money based on their submission, Final scores post reference check and all clarifications is shown in table six below:

Table 6: Weighted Scores (Post Reference Checks & Clarification 2)		
Tenderer:	Score (out of 100%)	Price (Excluding GST)
Evergreen Turf Pty Ltd	86.3%	\$2,703,468.00

5.13. The recommended tenders rating is underpinned by the following factors:

5.13.1 Capacity to meet the requirements of the specification

- a) Provided details staff and sub-contractors to be engaged across construction phases, along with their experience on projects of a similar nature and history of collaboration.
- b) Provided a project programme which was within the desired project timeframes.
- c) Demonstrated a high level of understanding of the site complexities and are familiarity with the site.
- d) Demonstrated an understanding of limiting the impact on local residents as well as recognising that this is a significant community project which will require a high level of engagement and visibility.

5.13.2 Relevant experience and proven track record:

- a) Provided details of their previous 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.
- b) Demonstrated previous experience working in similar site contexts.

5.13.3 Corporate Social Responsibility:

- a) Third party accredited Environmental Management System employed and implemented, an example document was provided as part of their tender submission.
- b) Comprehensive policies that cover Equal Opportunity, Bullying and Sexual Harassment.

5.13.4 Occupational Health and Safety systems:

- a) Third Party accredited OH&S Management System certified to ISO 45001:2018 standard.
- b) They submitted an overview of their Work Health and Safety document as part of their tender submission.
- c) They recognised their responsibility for the health and safety of all employees in the workplace.

5.13.5 Financial evaluation: detailed financial and performance assessment check was prepared by Illion Direct and found that the preferred tenderer:



- a) Obtained a pass score on the check, assessed as having strong financial capacity to undertake the project.
- b) Has minimal risk of failure or late payment.
- c) Has a level of annual revenue that indicates that the proposed contract is within their capacity and risk-based thresholds.

6. CONSULTATION AND STAKEHOLDERS

- 6.1. Consultation and stakeholder engagement has been undertaken in relation to the project. Community engagement was undertaken in November & December 2022 through a range of methods including onsite pop ups and an online Have Your Say page.
- 6.2. Sport and Recreation team have consulted with affected clubs and state sporting associations (Cricket Victoria and Football Victoria) to review the proposed works.
- 6.3. The Project webpage and Have Your Say page will continue to be updated as the project progresses:

[Lagoon Reserve Upgrade | Have Your Say Port Phillip](#)

[Lagoon Reserve Pavilion and Sports Field Redevelopment - Project Page](#)

- 6.4. This report does not have any additional consultation or stakeholder engagement implications.

7. LEGAL AND RISK IMPLICATIONS

- 7.1. The recommended Tenderer holds the following:
 - 7.1.1 Public Liability of \$20M.
 - 7.1.2 Contract Works Insurance.
 - 7.1.3 Motor Vehicle Insurance.
 - 7.1.4 WorkCover Insurance.
- 7.2. Two bank guarantees of 2.5% each, as security for the City of Port Phillip for the total of 5% of the contract lump sum will be required

8. FINANCIAL IMPACT

- 8.1. A total budget of \$3,286,000.00 (excluding GST) was allocated to the project (see gate 4 business case).
- 8.2. \$33,285.00 (excluding GST) in expenses occurred previously for project feasibility, design and PM costs leaving a remaining budget of \$3,253,205.00 (excluding GST).
- 8.3. There is \$3,286,000.00 (excluding GST) allocated to the project of which \$3,044,468 (excluding GST) is allocated to contract and expected project costs. Subject to Council's decision to accept the preferred Tender, this is made up of the following costs (excluding GST):

<u>Spend To Date:</u>	\$ 33,285.00
Construction contract:	\$1,703,468.00
Soil Disposal (Provisional Sum):	\$1,000,000.00
Consultants (Construction Phase):	\$ 35,000.00

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Comms and Authority Fees:	\$ 15,000.00
PM Costs:	\$ 35,000.00
<u>Other project costs (if required):</u>	<u>\$ 256,000.00</u>
Total (Spend to date plus expected spend):	\$3,077,753.00
Total Approved Project Budget:	\$3,286,000.00

9. ENVIRONMENTAL IMPACT

- 9.1. The Contractor is required to manage all activities on site in accordance with the Environmental Protection Act and all other relevant legislation.
- 9.2. Soil excavated from the site that is assessed to be contaminated will be managed as part of the contract of works, in line with EPA regulations.

10. COMMUNITY IMPACT

- 10.1. During construction, the contractor's compound will be surrounded by fencing to limit access and ensure public safety, whilst allowing passive surveillance of the site. The Reserve will be closed from December 2023 through until the end of June 2024 (minimum).
- 10.2. There will be truck movements and noise emitting from the site during construction. The contractor will endeavour to minimise these impacts upon local residents.
- 10.3. Council officers will update the project website regularly and on-site signage will be displayed to inform local residents.

11. ALIGNMENT TO COUNCIL PLAN AND COUNCIL POLICY

- 11.1. The Lagoon Reserve Sports Field is considered a high priority project under the Council Plan 2021-2031.
- 11.2. Tender process has been conducted in accordance with Sections 108 and 109 of the Local Government Act 2020 and Council's Procurement Policy.
- 11.3. Opportunities of collaborative procurement for this Request for Tender were not considered practicable due to the specific nature of the services and works being procured.

12. IMPLEMENTATION STRATEGY

TIMELINE

- 12.1. Subject to Council's decision, the contract will be finalised and executed as soon as possible, with a start-up meeting expected to be scheduled for November 2023. Construction works are anticipated to commence in December 2023 and take until the end of March 2024 to complete. A 16-week establishment period will follow (where the park will remain closed) to allow the new turf to establish.

13. OFFICER DIRECT OR INDIRECT INTEREST

- 13.1. No officers involved in the preparation of this report have any material or general interest in the matter.

ATTACHMENTS

Nil