



9.1 SOUTH MELBOURNE LIFE SAVING CLUB TENDER AWARD

EXECUTIVE MEMBER: FIONA BLAIR, GENERAL MANAGER INFRASTRUCTURE & AMENITY
PREPARED BY: LISA DAVIS, PORTFOLIO DIRECTOR INFRASTRUCTURE & AMENITY
JACOB BREITBARDT, PROJECT MANAGER

1. PURPOSE

1.1 To advise Council of the result of Public Tender No. 2089 for construction of South Melbourne Life Saving Club & Public Amenities Redevelopment.

2. EXECUTIVE SUMMARY

2.1 The Chief Executive Officer under delegation has accepted a tender and entered into a contract with Connell Design & Construction Pty. Ltd. for the South Melbourne Life Saving Club & Public Amenities Redevelopment, for a contract lump sum price of \$5,635,873.97 excluding GST.

2.2 Through this project Council will:

- (a) support the life-saving services delivered by the club by providing high quality facilities that are fit for purpose, and
- (b) enhance the beach and foreshore users' experience by providing contemporary, accessible toilet and change facilities, a new kiosk, a safer footpath/cycle path and landscaping enhancements.

2.3 Extensive community and club consultation has been undertaken to inform the design and ensure the building is fit for purpose and sustainable.

2.4 The project is to be funded by Council (\$5.11M) and Life Saving Victoria through a State Government Grant (\$2M).

2.5 Construction is due to commence in early April 2018.

2.6 It is expected that the building will be ready to be occupied in October 2019.



3. RECOMMENDATION

That Council:

- 3.1 Notes that the Chief Executive Officer, under a temporary increase to his financial delegation approved by Council, has accepted a tender and entered into Contract 2089 with Connell Design & Construction Pty. Ltd. for the South Melbourne Life Saving Club & Public Amenities Redevelopment, for a contract lump sum price of \$5,635,873.97 excluding GST.
- 3.2 Notes that the total project cost is \$7.11M, to be funded by Council (\$5.11M) and Life Saving Victoria (\$2M).
- 3.3 Notes that construction will commence in early April 2018 and that it is estimated the building will be ready to occupy in October 2019.

4. KEY POINTS/ISSUES

- 4.1 The South Melbourne Life Saving Club (SMLSC) building is 60 years old and is located on a section of the foreshore that is heavily utilised by residents, beach goers, pedestrians, cyclists and event organisers.
- 4.2 The building is no longer fit for purpose of providing for volunteer lifesaving services and water safety programs such as Nippers. It does not meet current building standards or Life Saving Victoria's (LSV) Club House of the Future Guidelines (CHOTF). The public toilets are due for replacement and there are safety risks associated with pedestrian and cyclist conflicts on Beaconsfield Parade, and the adjacent foreshore footpath and cycle path.
- 4.3 Through this project Council will support the life-saving services delivered by the club by providing high quality facilities that are fit for purpose, and enhance the beach and foreshore users' experience by providing contemporary, accessible toilet and change facilities, a new kiosk, a safer footpath/cycle path and landscaping enhancements.
- 4.4 The redevelopment is in direct support of Council's endorsed Foreshore Management Plan 2012 the Public Toilet Plan 2013 - 2023; and the Sport and Recreation Strategy 2015 and the Council Plan objective of providing services and facilities that contribute to a safe, active and creative community.
- 4.5 Officers have worked with the Club and LSV since 2012 to plan and design the current version of the redevelopment. After consultation with the Club, LSV, Department of Justice, and two phases of community consultation, the Concept Design was endorsed by Council on 24 May 2016 and approval granted to proceed to detailed design. Since that time, 15 meetings have been held with the Club's project representative/s to fine tune the detailed design. Construction documentation is complete and an in principle Building Permit application was submitted on 13 October 2017 and is expected to be issued in February 2018.
- 4.6 In October 2016 the Department of Environment Land Water and Planning (DELWP), on behalf of the Minister, issued Coastal Consent for the project under the Crown



Lands Act. Coastal Consent has also recently been issued to Council for any temporary facilities that are to be placed on the foreshore to enable life-saving services to occur during the construction period.

4.7 New tenancy/licensing arrangements for the redeveloped building, and the new kiosk, will be established between now and when construction is completed.

4.8 A two-stage procurement process to select a contractor for the construction works was completed in late December 2017.

Procurement

4.9 On 13 December 2017 Council considered a Confidential Report in relation to the project that included details of the Tender Evaluation Panel's Report and matters relating to the contract and funding arrangements.

4.10 As these matters were unresolved at the time, the Council resolved to delegate financial authority to the Chief Executive Officer to accept the tender and enter into the contract.

Project Budget and Funding

4.11 The total project cost is \$7.11M.

4.12 The project is to be funded by Council (\$5.11M) and LSV (\$2M).

5. CONSULTATION AND STAKEHOLDERS

5.1 Council developed a thorough stakeholder and community engagement approach to inform the building design. The approach was informed by the former Council's strategic objective to "Provide clear and open communication and engagement that is valued by the community" (City of Port Phillip Council Plan 2013-17) as well as the *International Association for Public Participation (IAP2) Public Participation Spectrum*.

5.2 The key goal of Council's community engagement approach was to consult the community and key stakeholders to obtain their input to the project parameters (phase one engagement) and then seek feedback on the concept design (phase two engagement). Undertaking a two-phase engagement process allowed Council to firstly present the parameters of the project, which would be used to develop a draft concept design. Council then sought feedback on the draft concept design, before further work was undertaken to develop the design in detail. This approach provided the opportunity to respond to issues raised in community consultation and modify and improve the building design in line with community feedback.

Phase one engagement - November 2015

5.3 During the first phase of engagement, a draft set of key parameters for the project was presented for community feedback. These key parameters were developed to guide the development of the concept design. They included requirements such as the building would be designed to meet Life Saving Victoria's Clubhouse of the Future Development Guidelines, which is the specification for the development of life saving clubs across Victoria.



Phase two engagement - March/April 2016

5.4 During phase two engagement, the draft concept design was released for community feedback. The purpose of this engagement was to seek feedback on whether the concept design met the key parameters for the project, seek feedback on the building size and facilities and seek feedback on whether the exterior of the proposed new building was appropriate for the Albert Park foreshore.

6. LEGAL AND RISK IMPLICATIONS

6.1 The Contract is Council's standard form of contract for a project of this size and nature, based on AS 4000 (as amended).

6.2 The recommended tenderer holds:

- Public Liability insurance of \$20M.
- Professional Indemnity insurance of \$10M.
- WorkCover Insurance equal to that specified in the contract terms and conditions.

6.3 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.

6.4 There is a signed Funding Agreement in place between LSV and Council for the \$2M contribution by the State.

7. FINANCIAL IMPACT

7.1 The contract sum of \$5,635,873.97 has been budgeted in the Council Plan and Budget 2017-2021.

7.2 Maintenance costs of approximately \$30,000 per annum will reduce once a new facility is built. Future maintenance cost estimates will be identified upon completion of the new building's Asset Maintenance Plan, which is part of this project.

7.3 Future tenancy arrangements for the Club and other users of the new building and kiosk will be negotiated prior to October 2019, and will align with Council's Property Policy. These arrangements will consider an appropriate rental return for Council.

8. ENVIRONMENTAL IMPACT

8.1 The project develops a building which meets Council's sustainability policies and will be designed to meet the benchmark of a 5-star Green Star sustainability (from the Green Building Council of Australia) which will provide assurance that the performance and ESD initiatives of the building have been considered. This includes but is not limited to: R5 rated roof insulation, double-glazing, LED lighting, lift isolated when not in use, occupancy and daylight controls, 30Kw photovoltaic system, 50kl rain water tank storage, low VOC adhesives and sealants used throughout.



- 8.2 The new building will be fit for purpose, meet the minimum standards of LSV's CHOTF, and be in accordance with Council's maintenance / tenancy policies. The new building will provide benefits to the wider community through the provision of a multipurpose room for hire, a kiosk (to be leased) and public amenity facilities.

9. COMMUNITY IMPACT

- 9.1 Council will continue to provide access and services that support health and wellbeing of our community.
- 9.2 The building's design will improve accessibility and enhances the efficiency of moving equipment to and from the clubhouse to the beach by greatly improving the currently undesirable cyclist, driver and pedestrian bottleneck.
- 9.3 A larger public promenade and circulation area around the kiosk, together with the viewing deck are designed to improve the social use of this part of the foreshore.

10. ALIGNMENT TO COUNCIL PLAN AND COUNCIL POLICY

- 10.1 This project is identified in the Council Plan and aligns with the following Directions:

- Direction 1.1: A safe and active community with strong social connections
- Direction 2.3 Our streets and places are designed for people
- Direction 3.2 A City that is adapting to climate change.
- Direction 4.1 Liveability in a high density City
- Direction 6 Our Commitment to you.

- 10.2 The building's design improves operational and Occupational Health and Safety significantly in two ways:

- It improves accessibility and enhances the efficiency of moving equipment to and from the clubhouse to the beach.
- It greatly improves the current cyclist, vehicle and pedestrian bottleneck at the front of the existing building. This conflict area is a result of the current clubhouse's close proximity to Beaconsfield Parade. By moving the new lifesaving club closer to the water it allows for a greater, and safer separation of pedestrians and users of the bike path.

This separation acts not only to enhance the safety of the cyclists through the improvement of car drop off facilities (alleviating car door-cyclist collisions), but also creates a public promenade zone by increasing the space available for people using the facilities, kiosk & promenade

ORDINARY MEETING OF COUNCIL 7 FEBRUARY 2018



11. IMPLEMENTATION STRATEGY

11.1 TIMELINE

Construction on the project will commence in early April 2018. It is expected that the new building will be ready to occupy in October 2019.

11.2 COMMUNICATION

11.2.1 An update to local residents, local businesses, members of SMLSC, beach and foreshore users and the wider community was sent out at the end of January 2018 and the project's web page now holds all relevant information.

11.2.2 Further project-specific information will be distributed leading up to and during the construction period.

12. OFFICER DIRECT OR INDIRECT INTEREST

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

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ATTACHMENTS Nil