



ORDINARY MEETING OF COUNCIL

20 MARCH 2019

10.1

AWARDING TENDER NO: 2184 (FORESHORE PUBLIC SPACE LIGHTING RENEWAL - STATION PIER TO KERFERD ROAD)

EXECUTIVE MEMBER: **FIONA BLAIR, GENERAL MANAGER, INFRASTRUCTURE AND AMENITY**

PREPARED BY: **STEVEN PERUMAL, COORDINATOR OPEN SPACE**
LACHLAN JOHNSON, MANAGER PROJECT SERVICES

1. PURPOSE

- 1.1 To seek Council approval to accept and award a tender for the renewal of public lighting on the foreshore between Station Pier and Kerferd Road.

2. EXECUTIVE SUMMARY

- 2.1 Works under this contract will see the replacement of 119 'Goose-neck' light poles with 109 energy-efficient, LED lights between Station Pier and Kerferd Road along the foreshore.
- 2.2 The installation of new foreshore lighting will decrease electricity consumption, reduce greenhouse gas emissions and maintenance and ensure compliance with the Australian Standard (AS: 1158.3.1) for public lighting and dark-sky compliance, emitting no upward waste light.
- 2.3 A tender process has been conducted in accordance with Section 186 of the Local Government Act 1989, Council's Procurement Policy and the approved Evaluation Plan.
- 2.4 The Tender Evaluation Panel recommends that Council award the contract for the installation of new foreshore public lighting between Station Pier and Kerferd Road.
- 2.5 The total cost of the contract is \$1,190,358.95 inclusive of GST.
- 2.6 Subject to Council's decision, work would commence on-site in early May 2019 and take approximately four months to complete subject to favourable construction conditions.

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3. RECOMMENDATION

That Council:

- 3.1 Accepts the tender and enters into Contract 2184 between Port Phillip City Council and High Access Group Pty. Ltd. for the installation of new foreshore lighting, between Station Pier and Kerferd Road, for a contract lump sum price of \$1,190,358.95 including GST (\$1,082,144.50 excluding GST).
- 3.2 Affixes the Common Seal of the Port Phillip City Council to Contract 2184 between Port Phillip Council and High Access Group Pty. Ltd.
- 3.3 Notes that construction work will be due to commence in May 2019 and that it is planned to complete replacement works by 30 August 2019 subject to favourable construction conditions.

4. KEY POINTS/ISSUES

- 4.1 A city with lower carbon emissions is a component of Direction 3 articulated in the Council Plan 2018-2028. The Foreshore Public Lighting Renewal Program seeks to improve accessibility and activation of the foreshore while lowering carbon emissions and reducing operational costs.
- 4.2 Following the replacement of foreshore lights at Moran Reserve, Elwood in 2017, the replacement of the existing 119 'Goose-neck' lights, on the foreshore between Station Pier and Kerferd Road, will continue to strive towards this outcome.
- 4.3 New LED lighting will reduce carbon emissions by up to 50%, (compared to the existing lighting scheme) and significantly reduce electricity consumption. LED lamp life has increased from two years to 12-years, reducing maintenance and providing a more consistent lighting outcome.
- 4.4 Accessibility for pedestrians and cyclists will be enhanced by implementing the new lighting design, which, for the first time, will deliver a uniform lighting experience, reduced glare and light spill, compliant with AS 1158.6:2010 lighting for public spaces.
- 4.5 From an environmental perspective, upward waste light will be eliminated by the design of the lanterns, meeting the obligation to preserve the night sky. The colour temperature of the new lights is specified at 4,000 Kelvin, a natural white colour, less disruptive to fauna including birds, and less attractive to insects.
- 4.6 New light poles and lanterns have been carefully designed to suit the foreshore environment. The visual impact of foreshore lighting will be reduced. New light poles will be silver, not green, thereby reducing the visual presence of poles during the day. The shape of the rectangular lanterns, fitted with directional lenses, and at an increased pole height (6.5 metres compared to 4.5 metres) will render the lights less obtrusive at night – see Attachment 1.

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Procurement process

- 4.7 The procurement process to engage a suitable contractor for the construction works was undertaken in accordance with Section 186 of the Local Government Act 1989, Council's Procurement Policy and the approved Foreshore Public Space Lighting Renewal Evaluation Plan.
- 4.8 A Tender Evaluation Panel (TEP) was convened. The composition of the TEP is shown in Table 1.

Table 1: Composition of TEP

| Name | Title |
|------------------------|-----------------------------------|
| Steven Perumal (Chair) | Coordinator Open Space |
| Luke Raines | Senior Project Manager |
| Christopher Zann | Project Manager |
| Scott Thompson | Contracts and Procurement Advisor |

- 4.9 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.
- 4.10 A public tender process was undertaken. The tender was advertised in The Age on 24 November 2018 and closed on 21 December 2018.

Tender submissions

- 4.11 Four tender submissions were received in response to the tender. Details are shown in Table 2.

Table 2: Tender submissions

| Number | Tenderer | Price (including GST) |
|--------|-----------------------------|-----------------------|
| 1 | Tenderer 1 | \$2,144,285.44 |
| 2 | Tenderer 2 | Non-conforming |
| 3 | High Access Group Pty. Ltd. | \$1,187,375.20 |
| 4 | Tenderer 4 | \$1,258,996.20 |

- 4.12 The TEP deemed that three of the four submissions were conforming. The submission received from Tenderer 2 only included a price to supply the light fittings and poles. The submission did not pass the filter criteria requirements and as such, their submission was deemed as non-conforming.



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- 4.13 Assessments were undertaken by the TEP in accordance with the predetermined selection criteria.
- 4.14 The TEP considered the lump sum totals of each tenderer and detailed price breakdown as part of their pricing analysis, including an option to stage construction. The TEP also considered the tenderers' responses to qualitative criteria including project methodology, an understanding of the specification, their ability to meet project timelines and their proposed resourcing allocated to the project.
- 4.15 Tender clarifications were sought on 11 January 2019 from conforming tenderers. All responses enabled the TEP to short-list for interview.
- 4.16 Tender interviews were undertaken with short-listed tenderers on 22 January 2019. Tender questions focussed primarily on:
 - 4.16.1 Construction methodology and program,
 - 4.16.2 Contaminated soil provisions,
 - 4.16.3 Experience and resourcing.
- 4.17 Based on the tender interviews, it was evident that Tenderer 4 neither had the resources nor the experience to undertake a project of this size. The price submitted by Tenderer 1, of nearly \$ 1 million greater than the other bids, limited the viability of their bid. As such, the TEP determined that it would only invite High Access Group Pty. Ltd. to submit their best and final offer.
- 4.18 A best and final offer of \$1,190,358.95 including GST was received from High Access Group on 29 January 2019. The best and final offer includes a contaminated soil provisional sum of \$38,447.75.
- 4.19 The best and final offer was an increase of \$2,983.75 including GST on the original tender submission. This increase in cost was attributable to the full removal of all existing pole foundations rather than the footings simply being cut off and buried.
- 4.20 Reference checks were conducted following the evaluation of best and final offer.
- 4.21 The TEP considered that based on submissions, interviews and reference checks the submission from High Access Group Pty Ltd represents that best value to Council.
- 4.22 The financial viability of High Access Group Pty. Ltd. was checked by Council's Financial Compliance Accountant. A standard VEDA report confirmed that the company has satisfactory financial rating.

5. CONSULTATION AND STAKEHOLDERS

- 5.1 The foreshore between Station Pier and Kerferd Road is heavily used and greatly valued by the local community. The existing 'Goose neck' lights have been in place for many years and the change to new lights is likely to be of interest to many regular users of the space and nearby residents and businesses.



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- 5.2 It is proposed that a communications approach like that used for the recently completed lighting works at Moran Reserve on the Elwood foreshore be implemented.
- 5.3 Residents, the wider community and key stakeholders will be informed about the project, before construction commences, through:
 - On-site signage,
 - Letter drops,
 - Social media,
 - An article in Diversity,
 - One-on-one briefings with retail outlets.
- 5.4 Community information and engagement activities will increase as the project progresses towards construction. Emphasis will be placed on ensuring that residents and business understand the extent of the works, including the use of temporary lighting during construction, continuity of pedestrian and cyclist movement and what we are doing to minimise noise, dust, and interruptions during the works.

6. LEGAL AND RISK IMPLICATIONS

- 6.1 The recommended tenderer holds:
 - Public liability insurance of \$20M
 - Professional indemnity insurance of \$10M
 - Work Cover insurance
- 6.2 City of Port Phillip will require a 10% security by way of two unconditional bank guarantees from the contractor prior to the commencement of construction.

7. FINANCIAL IMPACT

- 7.1 The total anticipated project cost including the recommended tender's price and all other associated costs is \$1,246,747.50.
- 7.2 The project is funded through \$600,000 allocated to the Public Space Lighting Renewal and Upgrade Program in Council's 2018/19 portfolio and \$646,747.50 in the 2019/20 portfolio.
- 7.3 It is anticipated that there will be a running cost savings of approximately \$3,592.00 per annum in electricity costs. The incorporation of dimmable technology, allowing lights to be dimmed in the early morning hours when fewer people use the foreshore, will increase this saving.
- 7.4 A longer lamp life of 10-12 years compared to existing 1-2-year lamp life will significantly reduce maintenance costs.

8. ENVIRONMENTAL IMPACT

- 8.1 By reducing electricity consumption, the replacement of 119 foreshore lights with 109 LED lights will reduce Council's carbon emissions by approximately 14,331 kilograms per annum.



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- 8.2 The replacement of the existing round globe lanterns with lens-focussed LED lanterns will reduce upward waste light to effectively zero per cent, compliant with new night-sky preservation standards and providing a more efficient lighting scheme.
- 8.3 The use of 4000-degree Kelvin temperature or natural white light, is thought to reduce the attraction of light for insects and is an easier colour light for pedestrians and colour-rendering.

9. COMMUNITY IMPACT

- 9.1 Pedestrian and cycle access along the foreshore will be maintained throughout construction.
- 9.2 The works will be implemented in such a manner to ensure that there are no impacts on access to key buildings and businesses along the foreshore, including The Port Melbourne Life Saving Club, the Plum Garland Memorial Playground and the Albert Park Yachting and Angling Club.
- 9.3 The construction and replacement of the lights will be undertaken in four geographical stages to minimise the total impact of the project on the foreshore.
- 9.4 Temporary lighting will be used to maintain safe levels of lighting for pedestrians and cyclists during construction.
- 9.5 New underground electrical conduits will be installed using a directional boring approach to minimise disruption and reinstatement costs and to reduce the amount of contaminated soil needing to be disposed of from the site.
- 9.6 Construction work will start in May and, subject to favourable weather and construction conditions, be completed by late August 2019. The works have been programmed for these cooler months when there is less activity on the foreshore.

10. ALIGNMENT TO COUNCIL PLAN AND COUNCIL POLICY

- 10.1 Strategic direction 3.2, of the Council Plan 2017-2027 (A City with lower carbon emissions) states that we will reduce Council's energy consumption and greenhouse gas emissions.
- 10.2 Strategic Direction 4 of the Council Plan 2017-2027 states that we will improve our network of accessible parks and open spaces including foreshore, playgrounds, gardens, reserves, sports fields and streetscapes by planning and delivering improvements, ongoing maintenance and management, and activation through permitted recreation, cultural and community activities and events.

11. IMPLEMENTATION STRATEGY

11.1 TIMELINE

- 11.1.1 Subject to Council's decision, the following will occur:



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- Contract finalisation and execution by 15 March 2019 following which preparatory works will commence including the ordering of long lead-time items such as poles and lanterns.
- Construction will commence in May 2019. Lights will be replaced in four stages starting in the north at Station Pier and then heading south to Kerferd Road.
- Construction of all works – including the commissioning of new lights, reinstatement and all electrical works - is expected to be completed by 30 August 2019 subject to favourable construction conditions.

11.2 COMMUNICATION

11.2.1 Subject to Council's decision, the following will occur:

- Contract documents will be prepared and forwarded to High Access Group Pty. Ltd. within five business days.
- Community information and engagement activities will increase, as outlined in section 5 of this report.

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 1. Foreshore Lighting Renewal Fact Sheet