

10.3 RFT IE346/2024 SULLIVAN LOGISTICS STADIUM SPORTS FLOODLIGHTING UPGRADE
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Attachments: 1. Evaluation Worksheet RFT IE346-2024 - Confidential

RECOMMENDATION:

That Council:

1. **NOTES** the outcome of the evaluation process for Tender IE346/2024 Sullivan Logistics Stadium Sports Floodlighting Upgrade; and
2. **ACCEPTS** the alternate tender submission of Stiles Electrical & Communication Services Pty Ltd for Tender IE346/2024 Sullivan Logistics Stadium Sports Floodlighting Upgrade; and
3. **In accordance with section 6.8 of the *Local Government Act 1995* APPROVES (BY ABSOLUTE MAJORITY) the establishment of the following capital budget to undertake Stage 1 and 2 of the Sullivan Logistics Stadium Redevelopment works –**

Capital Expenditure – Sullivan Logistics Stadium Redevelopment (Stage 1 & 2)	\$5,125,887Dr
Capital Income – Sullivan Logistics Stadium Redevelopment (Grant & Contributions)	\$4,876,083Cr
Capital Income – Transfer from Reserve (Asset Sustainability) (Leederville Oval)	\$ 249,804Cr

PURPOSE OF REPORT:

For Council to consider and determine the outcome of Tender IE346/2024 Sullivan Logistics Stadium Sports Floodlighting Upgrade.

DELEGATION:

The decision to accept or reject tenders with a value exceeding \$250,000 requires a decision of Council in accordance with Council's adopted register of delegations, authorisations, and appointments.

BACKGROUND:

The sports lighting at Sullivans Logistics Stadium (SLS), otherwise known as Leederville Oval, has deteriorated since it's installation in 2004. The current lighting infrastructure is no longer compliant with standards for Western Australian Football League (WAFL) level night matches. In 2021, the City sought funding through the Department of Local Government, Sport and Cultural Industries' Club Night Light Program Grant. Although funding was approved, it only supported a 200 lux capacity, which fell short of the facility's long term needs.

To address this gap, the City continued to advocate for additional funding over several years, aiming to secure support for at least 500 lux lighting and other essential upgrades to the facility.

In 2024, an audit revealed the lighting at the facility failed to meet minimum lux capacity for match play in one corner of the oval, and presented concerns regarding training under lights. This audit, coupled with ongoing discussions about the potential use of the facility for Australian Football League Women's (AFLW) and AFL Gather Round events, spurred renewed advocacy efforts for funding to resolve the lighting issues. The State Government subsequently provided a \$3.8 million investment into the project, which will fund both the lighting upgrades and a turf redevelopment. These improvements will allow SLS to become the first AFL tier two boutique ground in Western Australia.

The SLS Redevelopment works will be split into two stages. Stage 1 works involve the redevelopment of the playing surface, and Stage 2 works involve the installation of new sports floodlights.

Stage Two works include the following upgrades in line with relevant AFL guidelines and Australian Standards:

- removal of:
 - 5 existing sports flood lighting poles; and
 - Metal halide lamps.
- supply and installation of new:
 - Sports flood light poles;
 - LED luminaries with televised broadcast capacity lux levels;
 - Lighting system distribution boards;
 - Show lighting control system; and
 - All associated electrical cabling and conduits.
- liaison with Western Power to remove and upgrade the site main switchboard.

The specifications for these works were developed in collaboration with an independent lighting design consultant who has extensive experience in sports flood lighting, including television broadcast standard lighting. During the planning process the AFL, WA Football Commission and broadcasters were consulted to ensure compliance with their requirements.

A procurement plan to develop and release a public request for tender was approved 10 July 2024. A public request for tender was released Saturday 13 July 2024 and closed Thursday 8 August 2024.

DETAILS:

Tender Submissions

Submissions were received from six (6) Respondents. Three (3) Respondents submitted conforming and alternate submissions making a total of nine (9) submissions.

Evaluation Panel

The Evaluation Panel comprised of five (5) members, being:

- three with the appropriate operational expertise and involvement in supervising the contract (voting);
- one external Consultant with expertise in the project specifications (non-voting); and
- one with tender preparation skills and probity advice provided by a Procurement and Contracts Officer (non-voting).

Compliance Assessment

Compliance assessment was carried out and all were assessed as fully compliant and progressed to the qualitative assessment stage.

Evaluation Method and Weighting

The qualitative weighting method of tender evaluation was selected to evaluate the offer.

The qualitative criteria and weighting used in evaluating the submission received were as follows:

Qualitative Criteria		Weighting
1	Demonstrated understanding of the required service	25%
2	Demonstrated understanding of the project	25%
3	Capacity and skills	15%
4	Experience and product compliance	15%
5	Warranty, support and proprietary material	15%
6	Environmental and social	5%

Qualitative Assessment

The qualitative assessment on all compliant submissions were as follows:

Respondent #	Weighted Percentage Score	Qualitative Ranking
Respondent 6 – alternate submission	83%	1
Respondent 6 – conforming submission	82%	2
Respondent 1	77%	3
Respondent 5 – conforming submission	66%	4

Refer to **Confidential Attachment 1** for further details.

Price Assessment

The panel carried out an assessment of the submitted pricing offered by the top four (4) ranked submissions.

Respondent #	Fixed Price (excl GST)	Rank
Respondent 6 – alternate submission	\$1,999,000 (plus \$82,556 for optional DMX lighting control)	1
Respondent 6 – conforming submission	\$2,159,000	2
Respondent 1	\$2,400,000	3
Respondent 5 – conforming submission	\$3,400,000	4

Refer to **Confidential Attachment 1** for further detail.

Evaluation Summary

The panel concluded that the alternate tender submission from Respondent 6 Stiles Electrical & Communication Services Pty Ltd provides the best value for money to the City and is recommended for the provision of IE346/2024 Sullivan Logistics Stadium Sports Floodlighting Upgrade for the following reasons:

- compliance with the submission requirements;
 - the submission proposes a slightly less stringent maintenance factor in the lighting design, which is in isolation non-conforming. However, this is backed by a warranty period that is twice as long as the conforming submissions and will be tested annually at no cost to the City. It was concluded by the panel that this was a suitable alternative proposal within the submission.
- ranked first in the qualitative assessment;
- ranked first in the pricing assessment;
- submitted pricing is within the approved budget; and
- pricing demonstrates value for money.

It is therefore recommended that Council accepts the tender submitted by Stiles Electrical & Communication Services Pty Ltd for Request for Tender IE346/2024 Sullivan Logistics Stadium Sports Floodlighting Upgrade, including optional DMX lighting, to provide additional functionality and control for sports and community events.

CONSULTATION/ADVERTISING:

Significant stakeholder engagement has been undertaken for scoping the upgrades for SLS. Monthly meetings have occurred with representatives of the AFL, Western Australian Football Commission, East Perth Football Club and Subiaco Football Club. The Department of Local Government Sport and Cultural Industries has also been regularly consulted.

This matter is subject to a statutory advertising requirement.

The Request for Tender IE346/2024 Sullivan Logistics Stadium Sports Floodlighting Upgrade was advertised in the West Australian on Saturday 13 July 2024 and on both the City's website and VendorPanel between 13 July 2024 and 8 August 2024.

LEGAL/POLICY:

The Request for Tender was prepared and advertised in accordance with:

- Section 3.57 of the Local Government Act 1995;
- Part 4 of the *Local Government (Functions and General) Regulations 1996*; and
- City of Vincent Purchasing Policy.

Section 6.8 of the Local Government Act 1995 provides that -

(1) A local government is not to incur expenditure from its municipal fund for an additional purpose except where the expenditure —

(a) is incurred in a financial year before the adoption of the annual budget by the local government; or

(b) is authorised in advance by resolution*; or

(c) is authorised in advance by the mayor or president in an emergency.

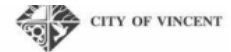
* Absolute majority required.

(1a) In subsection (1) —

additional purpose means a purpose for which no expenditure estimate is included in the local government’s annual budget.

RISK MANAGEMENT IMPLICATIONS

Low: It is low risk for Council to accept the preferred Respondent as they have appropriate level of experience and financial capacity.



RISK APPETITE & TOLERANCE STATEMENTS

Risk Category	Risk Appetite / Tolerance Statement	Descriptor /clarification
		festival. Other projects may include working with developers.
<i>3rd party Partner (Contractor) failure</i>	The City has a low risk appetite for third party partner (contractors) failure.	The City utilises many outside organisations in delivering on its mandate. This low appetite means that even minor or insignificant breaches in contracts or delays in delivery of products and services will be taken seriously. Accordingly, third party risk must be considered before entering into any contract, including reputation of third party, financial viability, audit clauses etc.
Procurement		
<i>Procurement failure</i>	The City has a low risk appetite for procurement failures that lead to poor value for money or financial loss, poor quality of service; incorrect or substandard products or delayed delivery; wastage of funds or services.	This ties into the above point; and thereby requires appropriate procedures in the procurement process to ensure the required outcomes for the City and appropriate enquiry and planning prior to purchases. Note, appropriate delegations must exist to support this.
	The City has zero tolerance for procurement decisions that endanger our staff and community.	Procurement decision making must consider the risk of injury or harm to the staff & community of Vincent. An example of this would be allowing the Beatty Park pool to use unregulated or unauthorised chemicals.

STRATEGIC IMPLICATIONS:

This is in keeping with the City's *Strategic Community Plan 2022-2032*:

Enhanced Environment

Our parks and reserves are maintained, enhanced and are accessible for all members of the community.

Connected and Healthy Community

Our community facilities and spaces are well known and well used.

Thriving Places

Efficiently managed and maintained City assets in the public realm.

Innovative and Accountable

Our decision-making process is consistent and transparent, and decisions are aligned to our strategic direction.

SUSTAINABILITY IMPLICATIONS:

The outcomes from this project will contribute to general sustainability outcomes of the City's Sustainable Environment Strategy 2019-2024, as the power draw from the upgraded lighting infrastructure will be less for most of its usage (training).

The sustainability and environmental management practices of Respondents was a weighted qualitative criterion of this request. The preferred Respondent provided evidence of environmentally sustainable practices.

PUBLIC HEALTH IMPLICATIONS:

This is in keeping with the following priority health outcomes of the City's *Public Health Plan 2020-2025*:

Increased physical activity

FINANCIAL/BUDGET IMPLICATIONS:

Funding for the SLS project (Stage 1 and Stage 2) is from the following sources:

- State Government Grant - \$3.8 million
- Western Australian Football Commission - \$400,000
- Australian Football League - \$100,000
- State Government Club Night Lights Program Grant (CNLP) - \$231,833
- WAFL Clubs (Subiaco FC \$172,125 and East Perth FC \$172,125) - \$344,250

Total funding available = \$4,876,083

Total project cost is expected to be \$5,125,887 including 10% contingency and an estimated \$300,000 for Western Power transformer upgrade.

To accommodate the increased power demands of a broadcast level lighting system, the site transformer must be upgraded. Industry experience from the lighting design consultancy suggests that the \$300,000 allocated is a generous sum to account for this upgrade. The exact cost of the transformer upgrade will only be known once Western Power has completed the design application, which carries a lead time of several months.

The City had previously committed between \$231,833 and \$344,250 (subject to lux outcome) as its one-third share of the Clubs Night Lights project. This was not carried into the 2024/2025 Capital Works Budget due to uncertainty over project delivery.

It is anticipated that both Stage 1 and 2 will be able to be delivered within the 2024/2025 financial year. To progress with the works the estimated shortfall of \$249,804 is proposed to be funded through Reserve Funds (Leederville Oval Reserve and/or Asset Sustainability Reserve). This will be refined as the projects progress and clarified through budget review.

Continued advocacy will be made to the State Government, WAFC and the AFL seeking additional funds to assist with the shortfall, and further upgrades to the facility.

COMMENTS:

The tender submission from Stiles Electrical & Communication Services complies with all tender requirements. The proposal to double the warranty period and provide annual lux testing of the system, with a slightly lower maintenance factor in the design was considered an acceptable alternative to achieve compliance with the tender requirements. The submission was well presented and included all relevant and specific information required and requested within the tender specifications.

The Evaluation Panel deemed the response to be of an excellent standard, convincing and credible, demonstrating the capability, capacity and experience for key evaluation criteria and therefore recommend award of tender IE346/2024 Sullivan Logistics Stadium Sports Floodlighting Upgrade to Stiles Electrical & Communication Services.