

10.4 RFT IE345/2024 SULLIVAN LOGISTICS STADIUM PLAYING SURFACE REDEVELOPMENT

Attachments: 1. Evaluation Worksheet RFT IE345-2024 - Confidential

RECOMMENDATION:

That Council:

1. **NOTES** the outcome of the evaluation process for Tender IE345/2024 Sullivan Logistics Stadium Playing Surface Redevelopment; and
2. **ACCEPTS** the tender submission of Newground Water Services for Tender IE346/2024 Sullivan Logistics Stadium Playing Surface Redevelopment.

PURPOSE OF REPORT:

For Council to consider and determine the outcome of Tender IE345/2024 Sullivan Logistics Stadium Playing Surface Redevelopment.

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 playing surface at Sullivans Logistics Stadium (SLS), otherwise known as Leederville Oval, has deteriorated due to years of consistent heavy use. Significant investment to the playing surface is required to bring it up to Australian Football League (AFL) standards and enable 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 floodlights.

Stage one works include the following upgrades and renewals in line with relevant AFL guidelines:

- removal and replacement of the turf and top 300mm of substrate. New substrate will be comprised of a course free draining sand to increase the drainage capacity of the surface;
- design and construction of a new irrigation system;
- removal and replacement of existing goals, including additional goal sleeves to mitigate damage to high use areas;
- removal and replacement boundary fencing;
- removal and replacement of dugouts; and
- installation of synthetic turf surface outside the western boundary.

The specifications for the above works were developed in conjunction with an independent turf consultant with extensive experience in upgrading and maintaining playing surfaces to AFL standards.

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

DETAILS:**Tender Submissions**

Submissions were received from two (2) Respondents.

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, skills and experience	25%
4	Environmental and social	10%
5	Product alignment to the requirements	15%

Qualitative Assessment

The qualitative assessment on all compliant submissions were as follows:

Respondent #	Weighted Percentage Score	Qualitative Ranking
Respondent 2	81%	1
Respondent 1	31%	2

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

Price Assessment

The panel carried out an assessment of the submitted pricing offered by Respondent 2.

Respondent #	Respondent Name	Fixed Price (excl GST)	Rank
Respondent 2	Newground Water Services	\$2,278,340.91	1

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

Evaluation Summary

The panel concluded that the tender submission from Respondent 2 Newground Water Services provides the best value for money to the City and is recommended for the provision of IE345/2024 Sullivan Logistics Stadium Playing Surface Redevelopment for the following reasons:

- compliance with the submission requirements;
- 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 Newground Water Services for Request for Tender IE345/2024 Sullivan Logistics Stadium Playing Surface Redevelopment.

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 IE345/2024 Sullivan Logistics Stadium Playing Surface Redevelopment 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.

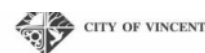
(1a) In subsection (1) —

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*:

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 upgrade of the reticulation system will comprise water efficient infrastructure and will therefore contribute to a more sustainable outcome for the City, through more effective and reduced water use..

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 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.

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.

Request for the budget to proceed with both Stage 1 and 2 of the SLS Redevelopment Works has been included in the report for Tender IE346/2024 Sullivan Logistics Stadium Sports Floodlighting Upgrade (Stage 2).

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 Newground Water Services complies with all 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 IE345/2024 Sullivan Logistics Stadium Playing Surface Redevelopment to Newground Water Services.