

ITEM NUMBER: 18.2

CONFIDENTIAL REPORT

SOMERTON PARK TENNIS CLUB LIGHTING AND COURT RENEWAL

Pursuant to Section 83(5) of the Local Government Act 1999 the Report attached to this agenda and the accompanying documentation is delivered to the Council Members upon the basis that the Council consider the Report and the documents in confidence under Part 3 of the Act, specifically on the basis that Council will receive, discuss or consider:

- k. **tenders for the supply of goods, the provision of services or the carrying out of works;**

Recommendation – Exclusion of the Public – Section 90(3)(k) Order

- 1. That pursuant to Section 90(2) of the *Local Government Act 1999* Council hereby orders that the public be excluded from attendance at this meeting with the exception of the Chief Executive Officer and Staff in attendance at the meeting in order to consider Report No: 408/23 Somerton Park Tennis Club Lighting and Court Renewal in confidence.**

 - 2. That in accordance with Section 90(3) of the *Local Government Act 1999* Council is satisfied that it is necessary that the public be excluded to consider the information contained in Report No: 408/23 Somerton Park Tennis Club Lighting and Court Renewal on the following grounds:**
 - k. pursuant to section 90(3)(k) of the Act, the information to be received, discussed or considered in relation to this Agenda Item are tenders for undertaking works for the supply and installation of sports lighting, fencing and court resurfacing.**

 - 3. The Council is satisfied, the principle that the meeting be conducted in a place open to the public, has been outweighed by the need to keep the information or discussion confidential.**
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Item No: 18.2

Subject: SOMERTON PARK TENNIS CLUB LIGHTING AND COURT RENEWAL

Summary

This report provides details relating to the Somerton Park Tennis Club Lighting and Court Redevelopment project. Further details include the project scope, budget and the procurement process undertaken to award the construction contract.

Since cost estimates were undertaken in November 2022, increases in construction costs, combined with additional specialist advice for resurfacing courts has impacted on the project budget, with the tender submissions resulting in fee offers significantly higher than the project budget.

In order to undertake this project, Administration is seeking Council approval for a further \$300,000, to address the budget implications and undertake recommended base works to the courts to achieve best practice.

Recommendation

That Council:

1. notes the results of the tender assessment for the supply and installation of sports lighting, fencing and court resurfacing;
2. approves an additional budget allocation of \$300,000 to fund the overall project including the resurfacing of six tennis courts at the Somerton Park Tennis Club in 2023-24 financial year budget; and
3. approves Administration to proceed with Option 2 for court resurfacing, subject to the provision of additional budget allocation, and entering into a contract with Camco SA Pty Ltd up to the value of \$644,370.18 under CEO delegation for the supply and installation of sports lighting, fencing and court resurfacing.

RETAIN IN CONFIDENCE - Section 91(7) Order

4. That having considered Agenda Item 18.2 408/23 Somerton Park Tennis Club Lighting and Court Renewal in confidence under section 90(2) and (3)(k) of the *Local Government Act 1999*, the Council, pursuant to section 91(7) of that Act orders that the report and minutes relevant to this item be retained in confidence for a period of 6 months and the Chief Executive Officer is authorised to release the documents after the contract has been signed and that this order be reviewed every 12 months.

This order is subject to section 91(8)(b) of the Act which provides that details of the identity of the successful tenderer must be released once Council has made a

selection. In addition, section 91(8)(ba) of the Act requires details of the amount(s) payable by the Council under a contract for the provision of cleaning services must be released once the contract has been entered into by all concerned parties.

Background

In 2016 a geotechnical investigation on the court surface at Somerton Park Tennis Club was undertaken, investigating the base, asphalt and acrylic layers. At this time, it was identified that prior to laying the acrylic surface, works to the asphalt layer would be required due to inconsistent surface levels that were creating drainage issues and surface water pooling. Due to budget constraints, it was decided that the project scope would include only minor asphalt repairs and an acrylic renewal. This work was undertaken on this basis.

The lifespan of the acrylic layer lasted six to seven years, a relatively short lifespan for acrylic topcoat. Whilst minor patch repairs to the asphalt were undertaken to remediate low spots of the court surface, water pooling occurred in several locations.

In February 2022, the Somerton Park Tennis Club was successful in obtaining a \$38,500 grant from the Office for Recreation, Sport and Racing for the supply and installation of new sports lighting. The Club had also saved \$38,500 of their own funds to contribute to this project. This project intended to replace existing lights that were at the end of life and to reduce light spill for neighbouring residents.

Simultaneously whilst obtaining landlord approval for the project, it was acknowledged that the court fencing and acrylic court surface was at the end of life and would need to be renewed, particularly due to the removal of the old lighting infrastructure situated within court runoff areas. Therefore, the lighting project was delayed allowing time for council to align the capital renewal program for the court surfacing and fencing to be undertaken concurrently for construction efficiencies.

Since this project was initiated, the Somerton Park Tennis Club has proactively implemented inclusion programs. At this time, it was identified that the site has limited DDA compliance, requiring the scope of this project to include an accessible entry point to the courts.

A cost estimate for the lighting, fencing, court resurfacing and access ramp was undertaken in late 2022, to inform the capital renewal program for the 2023-24 budget process. Once the 2023-24 budget was confirmed, a tender was released in late September 2023.

Report

The scope of this project is to provide a community tennis court facility that is fit for purpose, meets Tennis Australia specifications and provides DDA access to the courts. The scope includes:

- removal of existing lighting and fencing;
- resurfacing of six club level tennis courts that are fit for purpose;
- realignment of courts for optimum spacing with minimum clearances;
- installation of sports lighting that meets Australian Standards for club competition;
- and

- installation of new perimeter fencing with reinstatement of kerb and a DDA compliant access gate for a smooth transition into the court.

To prepare for council's 2023-24 budget process, a cost estimate process was undertaken. These estimates are provided in the table below.

Cost Estimate (System Solutions, Secura fencing, Prestige, Rawlinsons)	Estimate (Ex GST)
Construction preliminaries	\$8,000
Removal and disposal fence, lighting	\$12,000
Court surface, kerb and drainage	\$150,000
Sports lighting supply and install	\$140,000
Installation of fence	\$70,000
DDA Access path	\$15,000
Total	\$395,000

In September 2023, Administration went to open tender for the project '2023 C17 SPTC (Somerton Park Tennis Club) Court Resurfacing, Fencing and Lighting Upgrades'.

The tender submissions were assessed by a panel of four members from Administration, addressing set criteria with a percentage weighting:

- capability including relevant experience (30%)
- compliance with contract requirements (20%)
- capacity to complete works within Council timeframes (20%)
- social responsibility (10%)
- environmental responsibility (10%)
- local economic impact (buy local) (10%).

A total of five submissions were received, with fees ranging between \$425,000 and \$658,000. Since the cost estimate was undertaken in 2022, significant price increases were evident in the submissions, with the results outlined in the table below.

Tender Results in Order of Ranking				
Rank	Tender Submission	Price Ex. GST (Option 1)	Price Ex. GST (Option 2)	Tender evaluation Score %
1	Camco SA Pty Ltd	\$558,880.08	\$644,370.18	83
2	Axis Constructions (SA) Pty Ltd	\$495,397.55	\$575,277.55	73
3	RMS Groundworks Pty Ltd (VIC)	\$626,670.00	-	59
4	Limonta Sport Australia Pty Ltd (formerly Greenplay)	\$425,190.40	-	53
5	Rawsons Electrical Pty Ltd	\$658,130.00	-	52

Upon further breakdown of the prices submitted, it was identified that:

- preliminaries, demolition and disposal costs increased by an average of \$40,000;
- lighting supply and installation increased by minimum \$30,000;
- fencing costs increased on average by \$40,000; and
- court resurfacing costs increased, and in addition, to meet required specifications of court resurfacing and base works, an additional \$150,000 would be required.

Based on the scoring criteria and tender panel evaluation, Camco SA is recommended as the preferred contractor to be awarded the project. Key considerations that resulted in the above scores include:

- Camco SA has proven reliability, providing high confidence in quality work, extensive experience and high level of resourcing. In addition, Camco were able to identify risks including options to improve lifespan of the assets.
- Whilst Axis Constructions provided a cheaper submission, they were assessed as being high risk, scoring low on capability, experience and methodology based on previous projects undertaken with the City of Holdfast Bay.
- Axis has minimal experience with court resurfacing and the sub-contractor for resurfacing has produced poor quality in previous projects.
- RMS Groundworks, Limonta Sport Australia and Rawsons Electrical were eliminated from consideration early in process for issues such as insufficient information provided, inability to meet or address the project brief or lack of experience in court construction. No indication of court surface assessment had been undertaken.

Camco SA and Axis Constructions both identified that additional works would be required to the asphalt layer prior to applying the acrylic surface to achieve optimal results. In the specifications provided, it was recommended that a fall rating of 1:250 is achieved to address surface drainage issues, which would increase the lifespan of the acrylic surface. Whilst Camco's Option 2 submission complied with this specification, Axis Constructions' Option 2 proposed that they would only achieve a fall rating 1:120. The remaining tender submissions did not provide information relating to methodology or specification of the asphalt prior to laying the acrylic.

Based on the two fee options submitted by the preferred contractor, Camco SA, the following should be considered:

Option 1

Scope - Re-apply asphalt and install acrylic surface (\$558,880.08)

Risks/benefits:

- Camco SA will not provide warranty on court lifespan; acrylic surface may only last six to seven years.
- Surface run-off and drainage issues not adequately resolved, resulting in continued water pooling.
- Increased maintenance and potential safety issues in wet weather.
- Acrylic will be due for renewal again 2030 at which point renewing the basecourse and asphalt will need to be re-considered.
- Additional \$214,510 contribution required including contingencies.

Option 2:

Scope - Regrade basecourse to achieve adequate fall, apply 30mm asphalt and acrylic surface (\$644,370.18)

Risks/benefits:

- \$85,490 more expensive than Option 1, seeking an additional \$300,000 contribution including contingencies.
- Drainage issues will be remediated achieving adequate cross fall rating.
- Increased life of acrylic surface to approximately 10 years.
- Reduced maintenance for the Club.
- Increased safety for the use of the courts in wet weather.

On this basis, it is recommended to support Option 2, with the additional base works achieving sufficient fall rating across all courts, improving drainage and in turn maximising acrylic topcoat service life and performance.

This project has specific timeline constraints for delivery. The funding deed from the Office for Recreation, Sport and Racing requires project commencement by April 2024. To avoid impacts on peak tennis season and competitions, the project must be delivered between April and September 2024. In addition, the long lead times required for ordering lighting infrastructure is 12 to 16 weeks. Therefore, the lighting must be ordered by March 2024 to ensure the lights can be installed before the 2024-25 tennis season commences.

Budget

Due to the way the project was initiated, several pools of funding have been utilised to enable this project to proceed to deliver the best possible outcome. The funding sources are outlined in the table below, totalling \$395,000 excluding GST.

Funding Source	Amount (Ex. GST)
Office for Recreation & Sport	\$38,500
Somerton Park Tennis Club	\$38,500
Local Roads and Community Infrastructure Fund (Round 3)	\$140,000
Council's Capital Renewal Program 2023-24 (Court Acrylic Resurfacing)	\$108,000
Council's Capital Renewal Program 2023-24 (Fencing)	\$70,000
Total	\$395,000

Should Council approve Option 2, based on the information supplied by the preferred tender, an additional \$260,000 is required to remediate the asphalt layer beneath the acrylic surface, excluding contingencies. Therefore, it is recommended that additional budget of \$300,000 from Council is sought for a total project budget of \$695,000. This would also allow for \$50,629.82 contingency, which is 7.3 per cent of the total project. Standard contingency budgets range between five and 10 per cent.

Should Council support Option 1, an additional \$214,510 would be required to undertake the project.

Life Cycle Costs

Estimated lifespan of the acrylic court surface for Option 2 is approximately 10 years (Option 1 will likely deteriorate within six to seven years). In addition, if the project proceeds with Option 2 the asphalt is likely to last another 30 years, with two acrylic applications required in the meantime. The average lifespan of a PVC coated tennis court fence is approximately 30 years.

Strategic Plan

Our Holdfast 2050+ highlights under Wellbeing 'Good health and economic success and a community that supports wellbeing' with an aspiration that by 2040s 'We have the highest physical activity rates in Greater Adelaide (as reported in the National Health Survey) by facilitating active transport options such as walking and cycling and supporting sports and recreation infrastructure and programs.' In addition, the strategy includes 'Establish community hubs that integrate community support for recreational and commercial services in multi-purpose spaces that include frequently excluded demographics such as people with disabilities.

Further, Council's Disability Access and Inclusion Plan (DAIP) (2020-24) outlines several key priorities relating to improving accessibility to council buildings and services. The recommendation in the report for Council to consider funding this project that includes the DDA accessible ramp to the tennis courts will help deliver on priority 9.8 contained in the DAIP.

Council Policy

Procurement Policy

Statutory Provisions

Not applicable

Written By: Recreation and Sport Planning Lead

General Manager: Assets and Delivery, Ms P Jackson