

ELECTRIC LINE CLEARANCE CONTRACT

Report Author: Manager Recreation Parks & Facilities
Responsible Officer: Director Built Environment & Infrastructure
Ward(s) affected: Ryrie, Chirnside, Melba, Billanook, Walling, Streeton and Lyster

The author(s) of this report and the Responsible Officer consider that the report complies with the overarching governance principles and supporting principles set out in the Local Government Act 2020.

CONFIDENTIALITY

Attachment One is confidential under the terms section 3(1) of the *Local Government Act 2020* as it contains information relating to: (g)(ii) Private commercial information, being information provided by a business, commercial or financial undertaking that if released, would unreasonably expose the business, commercial or financial undertaking to disadvantage.

SUMMARY

This report summarises the evaluation process taken and seeks Council approval for the award of contract CT7790 Provision of Electric Line Clearance and Street Tree Management.

Tenders closed Wednesday 12 March 2025, and seven (7) tenders were received. This item has been included in the public agenda to facilitate openness and transparency in Council's decision-making. A confidential attachment has been included with the report which contains commercially sensitive information that is not to be disclosed while the meeting is open to the public.

This tender is to complete electric line clearance in Council's declared areas, and tree management. The recommendation in this report has been formally endorsed by the tender evaluation panel.

RECOMMENDATION

That Council

- 1. Awarding the tender from Lucas & Co Pty Ltd for a total lump sum of \$1,226,800.00 inclusive of provisional items and exclusive of GST for contract CT7790 Electric Line Clearance and Street Tree Management.***
- 2. The Director Built Environment and Infrastructure be delegated authority to sign the contract documents.***
- 3. The confidential attachment to this report remains confidential indefinitely as it relates to matters specified under section 3(1)(g)(i)(g)(ii) of the Local Government Act 2020.***

RELATED COUNCIL DECISIONS

There are no related Council decisions relevant to this item

DISCUSSION

Purpose and Background

The purpose of this report is to seek Council approval to award CT7790 Electric Line Clearance and Street Tree Management.

Council has responsibility to ensure that electric lines are clear of vegetation in “declared areas” (sections 84 and 84A to 84D of the *Electricity Safety Act 1998* specify who is responsible for keeping trees clear of electric lines). The “non declared areas” are managed by the distribution company (AusNet Services).

The declared areas are in parts of the following suburbs and townships:

- Healesville
- Lilydale
- Chirnside Park
- Mooroolbark
- Kilsyth
- Upwey
- Tecoma
- Belgrave
- Belgrave Heights
- Belgrave South

The Electricity Safety (Electric Line Clearance) Regulations 2020 include the Code of Practice for Electric Line Clearance (the Code) and prescribe standards and practices to be adopted and observed in tree cutting, pruning or removal in the vicinity of electric lines and the keeping of the whole or any part of a tree clear of electric lines. The regulations also prescribe management procedures to minimise danger of electric lines causing fire (and bushfire) or electrocution.

CT7790 ensures that Council’s electric line clearance obligations are met.

The contract also deals with providing clearance for vehicles and pedestrians.

Options considered

The procurement method for this tender was a single stage competitive open tender. Tenders closed on Wednesday, 12 March 2025, and seven (7) tenders were received.

The tender process has been carried out in accordance with the requirements of Council's Procurement Policy and the endorsed evaluation plan. Tenders were assessed for conformity with the tender documents. A summary of these tender submissions is contained within the confidential attachment to this report. The evaluation panel scored the tenders against the pre-established evaluation criteria, as published in the tender document.

A summary of the evaluation criteria follows:

- Tendered Price - 40%
- Capability & Capacity to undertake work - 40%
- Commitment to Quality, Sustainability & Community Benefits - 20%.

Recommended option and justification

Following an extensive evaluation process as detailed in the Confidential attachment, the tender evaluation panel are unanimous in their decision to recommend the tender submission from Lucas & Co Pty Ltd.

FINANCIAL ANALYSIS

The tender value is for a total lump sum price of \$1,226,800.00 inclusive of provisional items and exclusive of GST.

The contract term is three years with two further extension options of two years each (3 + 2 + 2), subject to satisfactory performance. The annual lump sum price will be paid in instalments on completion of blocks and will be ongoing for the life of the contract.

The contract is budgeted for in the tree team's operational budget.

APPLICABLE PLANS AND POLICIES

This report contributes to the following strategic objective(s) in the Council Plan:

- Connected and Healthy Communities: Communities are safe, resilient, healthy, inclusive and socially well connected. Quality services are accessible to everyone.

Electric line clearance keeps our community safe from potential fire starts and assists with continuity and reliability of electricity supply.

RELEVANT LAW

This report seeks Council approval to award a contract that complies with Section 108 and 109 of the Local Government Act 2020.

SUSTAINABILITY IMPLICATIONS

Local and social sustainability was considered as part of the evaluation process.

COMMUNITY ENGAGEMENT

Not applicable.

COLLABORATION, INNOVATION AND CONTINUOUS IMPROVEMENT

No collaboration with other Councils, Governments or statutory bodies was sought.

RISK ASSESSMENT

It is essential that Council's electric line clearance responsibilities are met. If they are not there is a potential risk to the safety of our residents and visitors, especially from fire.

The regulator Energy Safe Victoria (ESV) audits line clearance and if not completed to the requirements of the regulations they can fine Council.

The panel identified two major potential risks to meeting these responsibilities. They are:

- Not having the resources to fulfill the contract requirements.
- Managing exceptional regrowth caused by favourable climatic conditions.

The panel discussed this with Lucas & Co Pty Ltd at an interview, and they provided convincing evidence that they would be able to mitigate these risks. The evidence included their history of managing similar contracts with other councils and supplying in depth detail of their preplanning.

CONFLICTS OF INTEREST

No officers and/or delegates acting on behalf of the Council through the Instrument of Delegation and involved in the preparation and/or authorisation of this report have any general or material conflict of interest as defined within the *Local Government Act 2020*.

ATTACHMENTS TO THE REPORT

1. CT7790 Council Evaluation Report (Confidential)