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7 CONFIDENTIAL ITEMS**7.1 STAGES 2 & 3 TENDER UPDATE PRESENTATION****RECOMMENDATION**

That:

1. Pursuant to Section 90(2) & (3) of the Local Government Act 1999 the Committee orders that the public be excluded from attendance at the meeting held on Tuesday 2 August 2022 for Agenda Item 7.1 Stages 2 & 3 Tender Update Presentation;
2. The Committee is satisfied that pursuant to section 90 (3) (k) of the Local Government Act 1999, the information to be received, discussed or considered in relation to the Agenda Item 7.1 Stages 2 & 3 Tender Update Presentation is:
tenders for the supply of goods, the provision of services or the carrying out of works.
3. The Committee is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed by the need to discuss this Agenda Item 7.1 in confidence.

COMMITTEE RESOLUTION

Moved: Cr Rebecca Boseley

Seconded: Guy Badman

That:

1. Pursuant to Section 90(2) & (3) of the Local Government Act 1999 the Committee orders that the public be excluded from attendance at the meeting held on Tuesday 2 August 2022 for Agenda Item 7.1 Stages 2 & 3 Tender Update Presentation;
2. The Committee is satisfied that pursuant to section 90 (3) (k) of the Local Government Act 1999, the information to be received, discussed or considered in relation to the Agenda Item 7.1 Stages 2 & 3 Tender Update Presentation is:
tenders for the supply of goods, the provision of services or the carrying out of works.
3. The Committee is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed by the need to discuss this Agenda Item 7.1 in confidence.

CARRIED

7.1 STAGES 2 & 3 TENDER UPDATE PRESENTATION

Responsible officer: Samuel Wellington, Manager Major Project Delivery

Attachments: Nil

Section under the Act	The grounds on which part of the Council or Committee may be closed to the public are listed in Section 90(2) & (3) of the <i>Local Government Act 1999</i> .
Sub-clause and Reason:	(k) - tenders for the supply of goods, the provision of services or the carrying out of works.

Executive summary

Sam Wellington, Manager Major Projects Delivery, led the Stages 2 & 3 Tender Update Presentation for the Pinnaroo Village Green Project. The committee noted and discussed the following:

- An overview of the scope and key deliverables for the project as included under the Drought Communities Programme Extension (DCPE) Funding Grant and the Building Better Regions Funding (BBRF) Grant was provided. It was acknowledged that some of the key Stage 2 & 3 deliverables for the BBRF funding were delivered alongside the Stage 1 works in Pinnaroo. This was done to seek efficiencies in the works being undertaken due to the nature and location of the works.
- The remaining key deliverables are the new playspace, detention basin and completion of the recreation path loops.
- The Pinnaroo Eastern Entrance Project is funded separately through the Local Roads and Community Infrastructure (LRCI) Program. These works include the extension of the footpath on the eastern end of the main street, installation of shelters, plantings and earth works.
- The tender included Stages 2 & 3 in both the Pinnaroo Village Green Project and the Lameroo Town Centre Project. The Pinnaroo Eastern Entrance Project works were also included in the tender but priced separately (as they are funded separately). The tender was open for 6 weeks and 1 tender response was received. After tender evaluation this contractor became the preferred tenderer.
- It was acknowledged that whilst receiving only 1 response was disappointing it is reflective of the current market, with high demand for landscaping works and therefore less interest from contractors to travel outside of metro areas.
- The tender received was from a contractor that has a reputation for high quality work but it was substantially higher than the remaining budget for the Stage 2 & 3 works which was disclosed at approximately \$500,000. The East End Entrance Project works came in relatively close to the \$290,000 budget.
- The high costs can be attributed to many factors including the impacts within the global economy of COVID-19, escalating inflation, time past since the grant agreement was

written and the increase in material prices, fuel and labour during that time along with the resulting challenges in manufacturing, freight and cartage.

- The project team have been working closely with the preferred tenderer, Wax Design and Birdseye Studios to prioritise the scope of works and undertake significant value management. These negotiations are ongoing but an overview of the recommended amendments were presented:

Stages 2 & 3 Design

- Prioritise the playspace and remove the adventure bike tracks and retention basin from the scope.
- The path at the north west of the playspace area will be removed along with the garden bed.
- The internal garden beds in the playspace will be reduced in size, returned to mulch or removed, the planting numbers will also be reduced.
- The stepping stones will come out of the design.
- The flying fox will be reduced from a double to a single. This will create an expected saving of approximately \$25,000-\$30,000 which is made up of the cost of the play equipment and the reduction of rubber soft fall, mulch soft fall, groundworks and labour required for install.
- Some levels within the playspace will also be changed to create savings.

Eastern Entrance

- The scope of these works remains largely unchanged, the minor changes being recommended include a reduction in planting density and a reduction in earth works associated with the small detention basin in the north eastern area.
 - A budget of \$10,000 will be saved for the entrance sign. The project team will organise a meeting with the Pinnaroo Project to progress.
- It was acknowledged that a large portion of the adventure bike tracks and retention basin works could be achieved at a reduced cost by Councils Infrastructure team or a local earthworks company.
 - Clarification was sought as to if the community could fundraise with the support of a local earthworks company volunteering to deliver the works but Council would need to further consider any request due to risk implications.
 - The designs for the adventure bike tracks are complete and Council will retain the documentation. This means the project will be shovel ready if a new funding source becomes available. Any decision about future funding would need to be assessed and made by the new Council. Being able to deliver the Pinnaroo East End Entrance a good example of where Council could achieve the desired outcome for the community as the design work was complete when the LRCI funding became available.
 - Whilst disappointment was expressed at the required changes to the scope it was acknowledged that we have to adapt to ensure a way forward can be achieved with the budget available. The aim of the projects was always to revitalise the commercial centre

and to try and get people stopping in the town, and retaining the playground is the best option.

- Communicating the reduction in scope to the community needs to be further considered.
- The timeframes for the project are under significant pressure and part of the negotiations with the preferred supplier is looking at ways to accelerate the program. Currently they have indicated they could start in September and the reduction in scope does allow the program to be delivered in a shorter time span than initially presented. A extension into 2023 may need to be sought from the funding body, but this will be determined once the negotiations conclude.
- The delivery timeframe on the play equipment pieces has been identified as a risk. The supplier has advised it will be 6 weeks but there are shipping delays being experienced worldwide. Ordering the play equipment will be a priority as soon as the contract with the preferred supplier is executed.
- Council has received 1000 native trees and shrubs as part of the 'Trees for Life' program. Potentially minimal works could be undertaken at the detention basin with some plantings added into the area.
- Councils Infrastructure team will likely be able to undertake building the path that runs next to the railway line and connects into the playspace on the north west. Matthew Sherman, Acting CEO, will meet with the Pinnaroo Works Coordinator to progress.
- It was raised that 2 single timber chairs are currently in the Lions Shed which were not installed in Stage 1. These can be moved to the depot until a decision is made as to where to use them, potentially there may be a space in the playspace that would be suitable.

RECOMMENDATION

That the Pinnaroo Village Green Masterplan Project Steering Committee acknowledges the value management being pursued by the Project Team in relation to the Pinnaroo Village Green Project Stages 2 & 3 works.

COMMITTEE RESOLUTION

Moved: Cr Rebecca Boseley

Seconded: Barry Sharrad

That the Pinnaroo Village Green Masterplan Project Steering Committee acknowledges the value management being pursued by the Project Team in relation to the Pinnaroo Village Green Project Stages 2 & 3 works.

CARRIED

7 CONFIDENTIAL ITEMS**7.1 STAGES 2 & 3 TENDER UPDATE PRESENTATION****RECOMMENDATION**

That having considered agenda item 7.1 in confidence under section 90 (2) and (3) (k) of the Local Government Act 1999, the Committee pursuant to section 91 (7) of the act orders that the documents considered by the Committee, including the officer's report and all minutes be retained in confidence. This order is to be reviewed at or before the ordinary Council meeting to be held in January 2023, as to if this order is to continue in operation.

COMMITTEE RESOLUTION

Moved: Cr Rebecca Boseley

Seconded: Guy Badman

That having considered agenda item 7.1 in confidence under section 90 (2) and (3) (k) of the Local Government Act 1999, the Committee pursuant to section 91 (7) of the act orders that the documents considered by the Committee, including the officer's report and all minutes be retained in confidence. This order is to be reviewed at or before the ordinary Council meeting to be held in January 2023, as to if this order is to continue in operation.

CARRIED