

17 CONFIDENTIAL ITEMS**17.1 SOUTHERN MALLEE COMMUNITY INFRASTRUCTURE PROJECT - PROJECT UPDATE****RECOMMENDATION**

That:

1. Pursuant to Section 90(2) & (3) of the Local Government Act 1999 the Council orders that the public, with the exception of the Chief Executive Officer, Manager Corporate Services, Manager Infrastructure Services, Manager Property and Development Services, Coordinator Executive Services and the minute secretary, be excluded from attendance at the meeting held on Wednesday 20 November 2019 for Agenda Item 17.1 Southern Mallee Community Infrastructure Project - Project Update;
2. The Council is satisfied that pursuant to section 90 (3) (b)(i) of the Local Government Act 1999, the information to be received, discussed or considered in relation to the Agenda Item 17.1 Southern Mallee Community Infrastructure Project - Project Update is:

information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council.
3. The Council 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 17.1 in confidence.

MOVED COUNCILLOR TREVOR HANCOCK

SECONDED COUNCILLOR REBECCA BOSELEY

That:

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2. The Council is satisfied that pursuant to section 90 (3) (b)(i) of the Local Government Act 1999, the information to be received, discussed or considered in relation to the Agenda Item 17.1 Southern Mallee Community Infrastructure Project - Project Update is:

information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council.
3. The Council 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 17.1 in confidence.

CARRIED.

17.1 SOUTHERN MALLEE COMMUNITY INFRASTRUCTURE PROJECT - PROJECT UPDATE

Responsible officer: Jason Taylor, Chief Executive Officer

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:	(b)(i) - information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council.

Executive Summary

Council has been progressing the delivery of the Southern Mallee Community Infrastructure Project (SMCIP), funded under the Commonwealth Government's Drought Communities Program Extension since late 2018. Council has also committed its own funding to SMCIP.

Council received a project update report on the two childcare centre developments at the August meeting. Council also awarded the tender for the decking development at both childcare centres at that meeting. A further report to the August meeting enabled Council to award the contract for the change room renewals at both swimming pools.

The purpose of this report is to provide a further project delivery and project finance update to Council.

RECOMMENDATION

That Council notes the progress that has been made in delivering the Southern Mallee Community Infrastructure Project funded under the Commonwealth Government's Drought Communities Programme Extension.

**MOVED COUNCILLOR TREVOR HANCOCK
SECONDED COUNCILLOR MICK SPARNON**

That Council notes the progress that has been made in delivering the Southern Mallee Community Infrastructure Project funded under the Commonwealth Government's Drought Communities Programme Extension.

CARRIED.

Background

On 19 August 2018, the Australian Government announced \$75 million for the Drought Communities Program to support communities impacted by drought. On 26 October 2018, this support was extended to include a further 21 drought-affected regions. This extension included Southern Mallee District Council becoming eligible to receive funding for projects up to \$1 million.

Council applied on 23 November 2018 for \$1 million for the Southern Mallee Community Infrastructure Project (SMCIP) comprised of four parts:

1. Pinnaroo Community Childcare Development (\$290,000 (+ matched funding of \$290,000));
2. Lameroo Community Childcare Development (\$580,000);
3. Pinnaroo Community Swimming Pool Renewal (\$65,000); and,
4. Lameroo Community Swimming Pool Renewal (\$65,000).

Context

Council formally revised its project budgets for the component projects of SMCIP at its August Council meeting.

Council also noted the new project timelines for the SMCIP at its August meeting. The Commonwealth’s amended grant agreement now provides for a project completion date of 30 November 2019, with the final project completion report due on 30 January 2020.

Policy and statutory implications

The Local Government Act 1999 is relevant to this matter.

Council’s Funding Policy and its Procurement Policy are both relevant to this matter.

Issues

This section provides an overall SMCIP project delivery update, including an update on project finances.

SOUTHERN MALLEE COMMUNITY INFRASTRUCTURE PROGRAM – Project update table		
Project	Project budget	Scheduled completion
Pinnaroo Childcare Development	\$776,616.07 (GST exc)	30 November 2019
Lameroo Childcare Development	\$788,951.15 (GST exc)	30 November 2019
<p>Ausco completed construction of the two childcare facilities at its northern Adelaide factory in early August. Both childcare centres were then delivered to site. The Lameroo facility was transported to Lameroo on 20 August 2019 and all of the building modules were craned into final position on 21 August 2019. The Pinnaroo facility was transported to site on 16 September 2019 and all of the building modules were craned into final position on 17 September 2019. The installation stage has been taking place since then. Ausco has now completed all internal works and is scheduled to complete external works by mid November. This includes painting, plastering and connection to utility services. Scott Meneghetti Carpentry was commissioned to complete the large decking areas at both locations. Construction commenced in September and will be complete by mid November. The decks are complete with the hand railing to be installed in the week commencing Monday 18 November 2019. The certificates of occupancy was issued for both facilities on 8 November 2019.</p> <p>The remaining landscaping and fencing will be completed by the end of November. Council staff or Council engaged contractors will complete this work. The childcare developments have not had any significant budget variations since August and are nearing completion whilst remaining within the revised budget.</p> <p>Once Ausco and Scott Meneghetti Carpentry formally advise that they have completed their portions of the project the standard 12 months defects liability periods will commence.</p>		

The official launch of these two developments will take place on Saturday 11 January 2020.

Project	Project budget	Scheduled completion
Pinnaroo Community Swimming Pool Renewal (Painting and Change Room Renewal)	\$112,090.94 (GST exc)	31 October 2019
Lameroo Community Swimming Pool Renewal (Painting and Change Room Renewal)	\$89,321.90 (GST exc)	31 October 2019

Craig Appledore Painters completed all painting works at the two pools in July 2019. The change room refurbishments were designed by Arche Design Services and these plans were used to undertake the quotation process.

Scott Meneghetti Carpentry was awarded the contract to deliver both changeroom refurbishments at the August Council meeting. He commenced works on site in Pinnaroo on 23 August 2019.

Both change room refurbishments were completed by at the end of October. The two pools were officially opened by Tony Pasin MP on Saturday 2 November 2019.

Alternate options

This report is for information only.

Financial implications

Project budget details are included in the issues section of this report.

Council's total budget for SMCIP is now \$1,766,980.06 (GST exc). This amount comprises \$1,000,000.00 of Drought Communities funding, \$179,438.00 of Childcare savings and \$587,542.06 of Council funding.

The Council funding is a mix of 2019/20 capital funding (reallocated from other projects in August (pool upgrade works (\$50,000), pool solar (\$50,000), tipper truck replacement (\$250,000)) and expenditure of savings (as formally considered in Budget Review 1 at the October meeting).

Work Health and Safety and Risk implications

There are no new work, health and safety or risk implications associated with this matter.

Consultation

There was initially a project steering committee for the delivery of the two childcare centres comprised of one elected member, Lameroo Regional Community School and Pinnaroo Primary School representation and relevant project staff. This then transitioned to a regular on-site meeting with Ausco and any relevant tradespeople. The project steering committee members, Mayor, Infrastructure Services and Childcare Services staff have been invited to these meetings.

Council has provided regular project updates to the Border Times Newspaper and the ABC Riverland.

Council has been in regular contact with relevant Commonwealth and State Government departments about this project. This includes completing necessary forms and arrangements for official openings.

RECOMMENDATION

That having considered agenda Item 17.1 in confidence under section 90 (2) and (3) (b)(i) of the Local Government Act 1999, the Council pursuant to section 91 (7) of the Act orders that the documents considered by the Council, 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 2020, as to if this order is to continue in operation.

MOVED COUNCILLOR MICK SPARNON

SECONDED COUNCILLOR REBECCA BOSELEY

That having considered agenda Item 17.1 in confidence under section 90 (2) and (3) (b)(i) of the Local Government Act 1999, the Council pursuant to section 91 (7) of the Act orders that the documents considered by the Council, 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 2020, as to if this order is to continue in operation.

CARRIED.

