



MINUTES

SPECIAL COUNCIL MEETING

Wednesday
14 March 2018

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SHIRE OF DALWALLINU

MINUTES for the Special Meeting of Council held at the Council Chambers, Shire Administration Centre, Dalwallinu on Wednesday, 14 March 2018.

1 OPENING & ANNOUNCEMENT OF VISITORS

The Chairperson (President) opened the meeting at 5:28pm.

2 ANNOUNCEMENTS OF PRESIDING MEMBER

3 ATTENDANCE RECORD

Present

Shire President	Cr SC Carter
Deputy President	Cr KL Carter
	Cr AR Dickins
	Cr GH Sanderson JP
	Cr KM McNeill JP
	Cr NW Mills
	Cr KJ Christian
	Cr BH Boys

Chief Executive Officer	Ms JM Sutherland
Deputy Chief Executive Officer	Mr KT Jones
Strategic Projects & Marketing Officer	Ms J Guest

Apologies

Cr JA Huggett

Leave of Absence Previously Granted

Nil

4 DECLARATIONS OF INTEREST

Nil

5 PUBLIC QUESTION TIME

Response to Previous Public Questions Taken on Notice
Nil

Public Question Time
Nil

6 MINUTES OF PREVIOUS MEETING/S
(To be confirmed in the Ordinary Council Meeting.)

**7 PETITIONS/PRESENTATIONS/DEPUTATIONS/DELEGATES
REPORTS/SUBMISSIONS**

7.1 Petitions
Nil

7.2 Presentations
Nil

7.3 Deputations
Nil

7.4 Delegates Reports/Submissions
Nil

8 METHOD OF DEALING WITH AGENDA BUSINESS (Show of hands)

9 REPORTS

1. MATTERS FOR CONSIDERATION – COMMUNITY SERVICES & ECONOMIC DEVELOPMENT

9.1.1 RFT 2018-04 Dalwallinu Recreation Centre Upgrade – Awarding of tender

Report Date:	14 March 2018
Applicant:	Shire of Dalwallinu
File Ref:	RO/15 - Tenders
Previous Meeting Reference:	CS&ED Committee 18 February 2014, 18 March 2014, 19 August 2014, 9 Dec 2014, 4 April 2015, 16 August 2016, 21 March 2017, 19 September 2017, 21 November 2017 Full Council Meeting 25 Feb 2014 (Motion 7939), 25 March 2014 (Motion 7968), 26 Aug 2014 (Motion 8110), 16 Dec 2014 (Motion 8210), 23 August 2016 (Motion 8676), 28 February 2017 (Motion 8764), 26 September 2017 (Motion 9002), 28 November 2017 (Motion 9045)
Author:	Jean Sutherland, Chief Executive Officer
Senior Officer:	Jean Sutherland, Chief Executive Officer
Voting Requirements:	Simple Majority
Disclosure of Interest:	Nil
Attachments:	Confidential Tender Documentation (BE Projects , Buildon , Devlyn , GBSC , Macfield , PS Chester)

Purpose of Report

Council is requested to consider awarding Tender RFT 2018-04 Dalwallinu Recreation Centre Upgrade.

Background

During the 2013-2014 budget round, Council identified that the Dalwallinu Recreation Centre was due for an upgrade and funds were set aside for the concept plan to be developed. Many community members contributed ideas, opinions and wishes for how the facility could be improved.

From May 2016 through to June 2017, numerous workshops were held with focus groups (comprising of user group representatives), staff and the architects.

On 18 July 2017, a workshop was held with Council, facilitated by Stephen Hart from Site Architecture and Tess JoynerSlot from JoynerSlot Consulting. Feedback was sought from Council on a revised draft concept design following the previous user group meetings.

Following this workshop Site Architecture worked on the final schematic design and preparation of tender documentation.

In December 2016, the Shire commenced preparation of an application for the Building Better Regions Funds (BBRF) which was submitted in February 2017. The cost of submitting this application was approximately \$112K excluding a considerable amount of Shire administration hours. On 4 August 2017, the Shire of Dalwallinu was notified that the application was unsuccessful. There were 545 applications for the funding round with only 110 projects receiving funding. Feedback on the grant application received indicated that the application met and exceeded the minimum requirements for all of the criteria. However it seems, was not competitive against other applications.

An item to proceed with the upgrade to the Dalwallinu Recreation Centre was presented at the Ordinary Meeting of Council held 26 September 2017 and the item was laid on the table until November 2017, to enable a workshop to be held to discuss the financial implications of borrowing the funds for the proposed upgrade.

The workshop was held on Tuesday 21 November 2017. The draft Long Term Financial Plan was reviewed which incorporated the borrowings for the upgrade.

At the Ordinary Council Meeting held 28 November 2017, Council resolved the following:

'MOTION 9045

Moved Cr AR Dickins
Seconded Cr NW Mills

That Council:

1. *proceed with the upgrade to the Dalwallinu Recreation Centre as per the final architectural design submitted by Site Architecture as attached;*
2. *fund the proposed upgrade by amending the 2017-2018 budget during the budget review as follows:*
 - a. *Increase borrowings from \$1,000,000 to \$3,000,000, with the loan being for a period of twenty (20) years with a balloon payment;*
 - b. *Increase the transfer from Land & Buildings Reserve from \$700,000 to \$800,000;*
 - c. *Include an additional transfer from the Recreation Centre Reserve of \$300,000.*

CARRIED BY ABSOLUTE MAJORITY 7/2'

At the Ordinary Council Meeting held 28 November 2017, Council resolved the following:

'MOTION 9058

Moved Cr KM McNeill
Seconded Cr AR Dickins

That Council endorse the following selection criteria to be included in the documentation for the tender of the redevelopment and upgrade of the Dalwallinu Recreation Centre;

- | | |
|---------------------------|-----|
| 1. Price | 50% |
| 2. Related experience | 30% |
| 3. Project considerations | 10% |
| 4. Project methodology | 10% |

CARRIED 9/0'

RFT 2018-04 was advertised in the West Australian on 27 January 2018 with the closing date for tenders being 27 February 2018.

At the close of the tender period, six (6) tenders were received.

Policy Requirements

3.5 - Purchasing

Legislative Requirements

Local Government (Functions and General) Regulations 1996

Local Government Act 1995

Strategic Implications

Shire of Dalwallinu – Strategic Community Plan – 2017-2027

Outcome 1.2 – Enhanced quality of public amenities and all Shire facilities

1.2.2 – Improve lighting and universal access requirements in public places

Outcome 1.7 – Improved and enhanced playground areas

1.7.1 – Improve public amenities in playgrounds

1.7.2 – Provide appropriate shade structures in playgrounds

Sustainability Implications

Environment

Nil

Economic

The proposed upgrade will enable the Shire to market the venue as a conference facility which may have a positive economic benefits to the community.

Social

There has been extensive community consultation throughout the entire process.

Financial Implications

An allowance of \$4,200,000 has been allocated in the 2017-2018 budget to undertake this project.

	Amount
Recreation Centre Upgrade (<i>Estimated Cost</i>)	4,200,000
Total:	4,200,000
New Loan Funds	3,000,000
Transfer from Land & Buildings Reserve	800,000
Transfer from Recreation Reserve	300,000
Muni Funds	85,000
Community Groups	15,000
Total:	4,200,000

This project will not be completed by 30 June 2018, therefore a budget allocation will be required in the 2018-2019 budget.

Due to the upgrade taking place on an existing structure, it would be prudent to add 10% contingency allowance to the project cost to ensure that any unforeseen circumstances can be accounted for financially.

Should Council support the Officer Recommendation that would equate to:

Tendered Price	\$3,549,523.64
Contingency – 10%	354,952.36
Estimated Project Cost	\$3,904,476.00

This estimated cost is less than the original budgeted cost of \$4.2M.

It is recommended that a Contract Works Insurance Policy be taken out for the upgrade of the Dalwallinu Recreation Centre as this is a significant contract and given the current climate of building companies coming under financial stress it would be prudent to reduce the risk for the Shire. A quote received from LGIS was \$3,278 plus GST.

Comment

RFT 2018-04 closed on 27 February 2018. Tenders were opened on 28 February 2018 with six (6) tenders being received.

Tenders were received from the following:

GBS

Buildon

Devlyn Construction

PS Chester

BE Projects

Macfield

The tenders were assessed against the qualitative criteria by the Chief Executive Officer, Deputy Chief Executive Officer and Strategic Projects & Marketing Officer with an additional assessment conducted by Site Architecture.

The tenders submitted were assessed against the selection criteria as described below:

- I. Price (50%)
- II. Previous experience/ability to deliver quality outcomes (30%)
- III. Project considerations (10%)
- IV. Project methodology (10%)

The tender matrix is as follows:

Business Name	QUALITATIVE CRITERIA								TOTAL
	Price		Previous experience/ability to deliver quality outcomes		Project considerations		Project methodology		
	50%		30%		10%		10%		
	Score 0- 5	Weighted Score	Score 0- 5	Weighted Score	Score 0- 5	Weighted Score	Score 0- 5	Weighted Score	
BE Projects	4.18	41.79	4.83	29.00	4.67	9.33	4.67	9.33	89.46
Devlyn	4.59	45.94	4.50	27.00	4.67	9.33	4.67	9.33	91.61
GBS	4.12	41.20	3.33	20.00	3.00	6.00	3.00	6.00	73.20
Macfield	4.37	43.70	2.83	17.00	2.83	5.67	2.83	5.67	72.03
PS Chester	4.33	43.30	2.67	16.00	0.33	0.67	2.00	4.00	63.97
Buildon	5.00	50.00	2.67	16.00	2.00	4.00	3.33	6.67	76.67

Devlyn Construction is the Evaluation Panel's recommended Tenderer for the following reasons;

- Scored the highest against the qualitative criteria – Total score 91.61
- Represent good value for money
- Provided an overall good submission indicating relevant experience on similar projects
- Put forward an experienced project team
- Was the highest scoring tender in the independent assessment conducted by Site Architecture

It is anticipated that the completion date for the project will be approximately 17 December 2018.

Officer Recommendation/Resolution

MOTION 9114

Moved Cr KL Carter
Seconded Cr AR Dickins

That Council:

1. Award Tender RFT 2018-04 Dalwallinu Recreation Centre Upgrade to Devlyn Construction for the sum of \$3,549,523.64 (ex GST);
2. Authorise the Shire President and Chief Executive Officer to sign and affix the common seal to the contract with Devlyn Construction for the upgrade to the Dalwallinu Recreation Centre as per the tender documentation;
3. Include a 10% Contingency allowance of \$354,952 for the Dalwallinu Recreation Centre Upgrade in the 2018-2019 budget;
4. Authorise the Chief Executive Officer to take out a Contracts Works Policy with Local Government Insurance Services.

CARRIED 8/0

10 APPLICATIONS FOR LEAVE OF ABSENCE

Nil

11 MOTIONS OF WHICH NOTICE HAS BEEN RECEIVED

Nil

12 QUESTIONS FROM MEMBERS WITHOUT NOTICE

Nil

13 NEW BUSINESS OF AN URGENT NATURE (introduced by decision of the meeting)

Nil

14 MEETING CLOSED TO THE PUBLIC – CONFIDENTIAL BUSINESS as per Local Government Act 1995, Section 5.23(2)

Nil

15 CLOSURE

There being no further business, the Chairperson closed the meeting at 5:48pm.

16 CERTIFICATION

I, **Steven Clifford CARTER**, certify that the Minutes of the meeting held on 14 March 2018, as shown on page numbers 1 to 9 were confirmed as a true record at the meeting held on 27 March 2018.

CHAIRPERSON

DATE