



MELTON CITY COUNCIL

**Minutes of the Special Meeting of the
Melton City Council**

10 September 2018

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MELTON CITY COUNCIL

MINUTES OF THE SPECIAL MEETING OF THE MELTON CITY COUNCIL HELD IN THE COUNCIL CHAMBER, CIVIC CENTRE, 232 HIGH STREET, MELTON ON 10 SEPTEMBER 2018 AT 6:35PM

Present: Cr B Turner (Mayor)
Cr K Hardy (Deputy Mayor)
Cr S Abboushi
Cr L Carli
Cr M De Santis
Cr G Kesic
Cr M Mendes
Cr S Ramsey

Mr K Tori, Chief Executive Officer
Mr P Bean, General Manager Corporate Services
Ms C Crameri, Acting General Manager Community Services
Mr L Shannon, General Manager Planning and Development
Ms C Denyer, Manager Legal and Governance
Ms E Haley, Communications Coordinator

1. **APOLOGIES AND LEAVE OF ABSENCE**

Cr. K Majdlik.

2. **DECLARATION OF ANY PECUNIARY INTEREST, OTHER INTEREST OR CONFLICT OF INTEREST OF ANY COUNCILLOR**

Cr Hardy declared an indirect conflict of interest in Item 3.2, 'Contract No. 19/008 - Construction of the Bill Cahill Reserve, Melton South Redevelopment' due to a close association under Section 78 of the Local Government Act 1989.

3. PRESENTATION OF STAFF REPORTS

3.1 CONTRACT No. 19/007 - CONSTRUCTION OF THE ARNOLDS CREEK PLAYSPACE

Author: Daniel Speirs - Capital Projects Officer

Presenter: Luke Shannon - General Manager Planning & Development

PURPOSE OF REPORT

To seek Council's approval for the award of Contract No. 19/007 for the construction of Arnolds Creek Playspace commencing 11 September 2018.

RECOMMENDATION:

That Council:

1. Awards Contract No. 19/007 for construction of the Arnolds Creek Playspace submitted by ULS Group for the sum of \$513,029.47 (excl. GST) commencing 11 September 2018.
2. Approve a contract contingency sum of \$27,270.53 (excl. GST)
3. Delegate to the Chief Executive Officer the execution of all contract documents.

Motion

Crs Ramsey/De Santis.

That the recommendation be adopted.

CARRIED

REPORT

1. Executive Summary

This report seeks Council resolution for the award of Contract No. 19/007 for construction of the Arnolds Creek Playspace.

Council has committed to building a playspace in Harkness. The project will deliver the following elements: granitic gravel, concrete footpath, BBQ, shelter, nature play, playground equipment, Landscaping (tree planting and garden beds), park furniture (picnic tables / bench seats and drinking fountain).

Council was successful in gaining \$300,000 in State Government funding from the Department of Environment, Land, Water, and Planning through the Growing Suburbs Fund (GSF) to contribute towards the Arnolds Creek Playspace. In preparation, Council officers are, in accordance with Council procurement policies, seeking to engage a suitably qualified and experienced head contractor to undertake the construction works.

Council has an Agreement with State Government under the GSF to deliver the completed project by 17 May 2019. A key Milestone of the project is that a building contractor be appointed by 10 September 2018. The tender evaluation summary is provided in the **Confidential Appendix** to this report.

2. Background/Issues

To cater to the growing population in the Harkness area, Council made an application in October 2017 to the Victorian State Government for funding through the Growing Suburbs Fund (GSF) for financial assistance in the development of this playspace. The GSF provides a contribution towards meeting critical local infrastructure needs for communities in Melbourne's diverse and fast-growing outer suburbs. It is positioned to quickly respond to the pressures being experienced by interface communities by bringing forward local infrastructure projects that will make a big difference in the day-to-day lives of outer suburban families.

Council was advised in November 2017 that it was successful in obtaining \$300,000 in funding, and a subsequent Agreement for the funding was signed.

A total project budget of \$600,000 including the \$300,000 GSF, has been allocated by Council for the playspace.

Council has agreed under the GSF to deliver the completed project by 17 May 2019. A key Milestone of the project is the appointment of a building contractor by 10 September 2018. On 6 March 2018, Council engaged the design services of Playce Pty Ltd to undertake the design of the playspace.

An Expression of Interest (EOI 18/043) was advertised on 24 March 2018. The EOI closed on 13 April 2018 with twelve contractors submitting an EOI. Following the evaluation process, five contractors were identified as having the capability and resources to undertake the project and were subsequently invited to the Request for Tender phase.

This contract will provide a playspace which will include:

- Site establishment, fencing, traffic and pedestrian management
- Installation of playground equipment and nature play;
- Natural and artificial shade;
- BBQ and picnic facilities;
- Park furniture (picnic tables / bench seats and drinking fountain)
- Landscaping;
- Concrete and gravel footpaths;
- Establishment and maintenance of soft landscaping

Detailed design and tender documentation for the above contract was released to the five shortlisted construction contractors on 23 July 2018 and closed on 24 August 2018.

A total of three tender submission were received and assessed on the basis of the evaluation criteria described in the tender documents. Each tender submission quoted a fixed lump sum in excess of the approved construction project budget. This was expected as the pre-tender estimate of the project assessed the playspace at \$600,000. Significant value management was undertaken throughout design however the inclusions in the park that were ultimately put out to tender are considered to be required to meet community expectation and Council standards.

All three tenders were considered non-conforming due to the incomplete sub-contractor statutory declaration but all were still considered and evaluated.

No member of the Tender Evaluation Panel declared any conflict of interest in relation to this tender evaluation.

3. Council Plan Reference and Policy Reference

The Melton City Council 2017-2021 Council and Wellbeing Plan references:

3. A well planned and built City: A City with a clear vision to manage growth in a sustainable and accessible way

3.2 Community facilities, infrastructure and services that are equitably planned for, provided and maintained

4. Financial Considerations

The Arnolds Creek Playspace project requires an overall budget of \$600,000.00 (excluding GST).

The budget components for the project are as follows:

Funding Sources	Amount \$
City of Melton	\$300,000
Victorian Government – Growing Suburbs Fund	\$300,000
TOTAL	\$600,000

The budget components for the project are as follows:

Budget	Amount \$
Construction – Building Works (this Contract)	\$513,029.47
Contingency	\$27,270.53
Consultant Fees	\$59,700
TOTAL	\$600,000

The budget and estimated spend profile across the expenditure years is as follows:

Expenditure Year	Budget	Expenditure	Cumulative Expenditure
2017-18	\$300,000	\$30,000	\$30,000
2018-19	\$300,000	\$540,000	\$570,000
2019-20*	\$0*	\$15,000	\$585,000
2020-21*	\$0*	\$15,000	\$600,000
TOTAL	\$600,000	\$600,000	\$600,000

*This is only a projection as the 2019-20 & 2020-21 budgets have not been set.

A financial assessment was undertaken by Corporate Scorecard and returned a satisfactory result.

5. Consultation/Public Submissions

A community information session was held at Arnolds Creek Reserve on Saturday March 24 2018 and was attended by local residents. The proposed plans were made available to the

local residents as part of Council's planning process. Council received positive feedback from eight local residents.

Council personnel have been in regular contact with State Government to communicate project progress and to report on achievements of agreed Milestones. At this point in time a Sod Turning event to mark the commencement of construction and involving the Minister for Local Government is planned for Thursday 27 September 2018.

6. Risk Analysis

The following measures have been put in place to reduce or eliminate the risk to Council for this project.

1. Engagement of a suitably qualified construction company:
 - Advertised an open expression of interest to construction companies via The Age and on the Tendersearch website.
 - Select tender to construction companies shortlisted through the open expression of interest process.
 - Required companies tendering for the construction phase to comply with Council's occupational health and safety requirements.
 - To assist in the selection of a construction company with suitable occupational health and safety work practices, Council requires construction companies invited to tender to provide third party accreditation of their Occupational Health and Safety Management System. Council also required the tenderers to provide evidence of public liability insurance and work cover.
 - Conducted referee checks for the appointment of the construction company.
2. Engagement of a financially capable construction company:
 - The engagement of an independent and expert consultant to conduct a financial review of the short-listed companies.
3. Development of risk management plans for the project.
4. Supervision of construction works to be undertaken by Melton City Council.

7. Options

Council has the options to:

1. Adopt the Officers' recommendations as presented in this report.
2. Redesign and re-advertise the tender seeking further submissions and renegotiate the funding agreement with the Department of Environment, Land, Water and Planning.

LIST OF APPENDICES

1. Tender Evaluation Report Contract No. 19/007 Arnolds Creek Playspace -undated - **CONFIDENTIAL**

Designated as confidential by the Chief Executive Officer pursuant to Section 77(2)(c) and Section 89(2)(d) of the *Local Government Act 1989*.

Cr. Hardy declared an Indirect Conflict of Interest (section 78) in relation to Item 3.2 – Contract No. 19/008 - Construction of the Bill Cahill Reserve, Melton South Redevelopment 2018.

Cr Hardy left the Chamber at 6.41pm.

3.2 CONTRACT No. 19/008 - CONSTRUCTION OF THE BILL CAHILL RESERVE, MELTON SOUTH REDEVELOPMENT

Author: Pauline Pietersen - Capital Projects Officer
Presenter: Luke Shannon - General Manager Planning & Development

PURPOSE OF REPORT

To seek Council's approval for the award of Contract No. 19/008 for the construction of Bill Cahill Reserve Redevelopment commencing 14 September 2018

RECOMMENDATION:

That Council:

1. Awards Contract No. 19/008 for the construction of Bill Cahill Reserve Redevelopment submitted by Ace Landscape Services Pty Ltd for the sum of \$588,923.68 (excl. GST) commencing 14 September 2018.
2. Approve a Construction Contingency of \$11,076.32 (excl. GST)
3. Delegate to the Chief Executive Officer the execution of all contract documents.

Motion

Crs De Santis/Ramsey.

That the recommendation be adopted.

CARRIED

REPORT

1. Executive Summary

This report seeks Council resolution for the award of Contract No. 19/008 for the construction of the Bill Cahill Reserve Redevelopment project.

Council has committed to the construction of park infrastructure and landscaping in accordance with the design drawings. The project will deliver new play equipment, picnic facilities, landscaping and path networks including the establishment and maintenance of soft landscaping

Council was successful in gaining \$300,000 in State Government funding from the Department of Environment, Land, Water, and Planning through the Growing Suburbs Fund (GSF) to contribute towards the Bill Cahill Reserve redevelopment. In preparation, Council officers are, in accordance with Council procurement policies, seeking to engage a suitably qualified and experienced head contractor to undertake the construction works.

Council has an Agreement with State Government under the GSF to deliver the completed project by April 2019. A key Milestone of the project is that a construction contractor be appointed by 10 September 2018. The tender evaluation summary is provided in the **Confidential Appendix** separately circulated to this report.

2. Background/Issues

The Growing Suburbs Fund (GSF) provides a contribution towards meeting critical local infrastructure needs for communities in Melbourne's diverse and fast-growing outer suburbs. It is positioned to respond to the pressures being experienced by interface communities by bringing forward local infrastructure projects that will make a big difference in the day-to-day lives of outer suburban families.

Council made an application to the Victorian State Government for funding through the GSF to redevelop of an underutilized reserve in the Melton South area to cater to the growing population. Council was advised that it was successful in obtaining \$300,000 in funding and a subsequent Agreement was signed.

A total project budget of \$600,000 including the \$300,000 GSF, was allocated by Council for the Reserve. Council agreed, under the GSF, to deliver the completed project by April 2019.

Council engaged the design services of the Landscape Architect employed by City Design at Melton City Council. Due to the restrictive budget, significant value management was undertaken throughout design however the inclusions in the park are considered to be required to meet community expectation and Council standards. These works will provide for:

- Playground equipment and nature play;
- Natural and artificial shade;
- BBQ and picnic facilities;
- Park furniture (picnic tables / bench seats and drinking fountain)
- Landscaping;
- Concrete and gravel footpaths;

In March 2018, Council advertised a public Expression of Interest (EOI 18/043). Following the evaluation process, five contractors were identified as having the capability and resources to undertake the project and were subsequently invited to the Request for Tender phase.

Detailed design and tender documentation for the above contract was released to the five shortlisted construction contractors on 23 July 2018 and closed on 22 August 2018.

Four tenders were received, were conforming and assessed on the basis of the evaluation criteria described in the tender documents. Intensive post-tender interviews were held with further clarification received by Council.

No member of the Tender Evaluation Panel declared any conflict of interest in relation to this tender evaluation.

3. Council Plan Reference and Policy Reference

The Melton City Council 2017-2021 Council and Wellbeing Plan references:

3. A well planned and built City: A City with a clear vision to manage growth in a sustainable and accessible way

3.2 *Community facilities, infrastructure and services that are equitably planned for, provided and maintained*

4. Financial Considerations

The Bill Cahill Reserve Redevelopment project requires an overall budget of \$600,000 (excluding GST)

Funding Sources	Amount \$
City of Melton	\$300,000
Victorian Government – Growing Suburbs Fund	\$300,000
TOTAL	\$600,000

The budget comprises:

Budget	Amount \$
Construction – Building Works (this Contract)	\$588,923.68
Construction Contingency	\$11,076.32
Consultant Fees – note design undertaken ‘in-house’	0
TOTAL	\$600,000

The project will be funded from the 2017-18, 2018-19 Capital Works Program and the Victorian Government’s Growing Suburbs Fund.

The spend profile estimate across the budgetary years is as follows:

Expenditure Year	Amount \$
2017-18	\$2,500
2018-19	\$597,500
TOTAL	\$600,000

A financial assessment was undertaken by Equifax Australasia Credit Ratings Pty Ltd and returned a satisfactory result.

5. Consultation/Public Submissions

Key stakeholders were consulted in order to determine the user requirements. Information collected through this consultation was used to develop the tender specifications. Consultation with the community was held at the Bill Cahill Reserve on Saturday, 24 March 2018 and was attended by local residents. The proposed plans were made available to the local residents as part of Council’s planning process. Council received feedback from several local residents resulting in minor amendments to the preliminary plans.

Council personnel have been in regular contact with State Government to communicate project progress and to report on achievements of agreed Milestones. At this point in time a Sod Turning event to mark the commencement of construction and involving the Minister for Local Government is planned for Thursday 27 September 2018.

Further consultation with the local residents to notify them of disruptions throughout the construction works will form part of the project planning and delivery after the award of this Contract.

6. Risk Analysis

Council has taken measures to reduce the risk to Council as it seek to appoint a reputable provider of construction services for the redevelopment of the Bill Cahill Reserve. These include:

1. Engagement of a suitably qualified construction company:
 - Invited public expressions of interest for the construction phase and conducted a capacity assessment;
 - Advertised Direct Tenders to a select number of construction companies deemed capable of completing the work;
 - To assist in the selection of a construction company with suitable occupational health and safety work practices, Council requires construction companies invited to tender to provide third party accreditation of their Occupational Health and Safety Management System.
 - Conducted referee checks on the companies invited to the direct tender phase;
 - Held comprehensive post-tender interviews with the short-listed contractors to review submissions and clarify issues identified in assessment;
 - Council required the tenderers to provide evidence of public liability insurance and work cover
2. Engagement of a financially capable construction company:
 - The engagement of an independent and expert consultant to conduct a financial review of the short-listed companies.

7. Options

Council has the options to:

1. Adopt the Officers' recommendations as presented in this report.
2. Redesign, re-advertise the tender seeking further submissions, and risk the delay to the project milestones.

LIST OF APPENDICES

1. Tender Evaluation Report Contract No. 19/008 for the construction of the Bill Cahill Reserve Redevelopment project - undated - **CONFIDENTIAL**

Designated as confidential by the Chief Executive Officer pursuant to Section 77(2)(c) and Section 89(2)(d) of the *Local Government Act 1989*.

Cr Hardy returned to the Chamber at 6.44pm.

3.3 CONTRACT NO. 19/013 - CONSTRUCTION OF THE HANNAH WATTS PARK UPGRADE

Author: John Rifat - Project Officer Capital Projects
Presenter: Luke Shannon - General Manager Planning & Development

PURPOSE OF REPORT

To seek Council's approval for the award of Contract No. 19/013 for the construction of the Hannah Watts Park Upgrade commencing 11 September 2018.

RECOMMENDATION:

That Council:

1. Awards Contract No. 19/013 for construction of the Hannah Watts Park Upgrade submitted by ULS Group for the sum of \$1,228,130.82 (excl. GST) commencing 11 September 2018.
2. Approve a contract contingency sum of \$75,000 (excl. GST).
3. Delegate to the Chief Executive Officer the execution of all contract documents.

Motion

Crs Ramsey/Hardy.

That Council:

1. Awards Contract No. 19/013 for construction of the Hannah Watts Park Upgrade submitted by ULS Group for the sum of \$1,228,130.82 (excl. GST) commencing 11 September 2018.
2. Approve a contract contingency sum of \$75,000 (excl. GST).
3. As well as awarding the tender as presented, include the extension of the toilet block from three to six unisex cubicles at an estimated additional cost of \$55,000.
4. Delegate to the Chief Executive Officer the execution of all contract documents.

CARRIED

Cr Carli called for a division thereby setting aside the vote.

For:

Crs De Santis, Hardy, Kesic, Mendes, Ramsey and Turner

Against:

Crs Abboushi and Carli

The Mayor declared the Motion CARRIED

REPORT

1. Executive Summary

This report seeks Council resolution for the award of Contract No. 19-013 for construction of the Hannah Watts Park Upgrade.

Council has committed to upgrading Hannah Watts Park in Melton. The project will deliver new play equipment, picnic facilities, landscaping, lighting, irrigation and a toilet block.

Council was successful in gaining \$600,000 in State Government funding from the Department of Environment, Land, Water, and Planning through the Growing Suburbs Fund (GSF) to contribute towards the Hannah Watts Park Upgrade. In preparation, Council officers are, in accordance with Council procurement policies, seeking to engage a suitably qualified and experienced head contractor to undertake the construction works.

Council has an Agreement with State Government under the GSF to deliver the completed project by 31 July 2019. A key Milestone of the project is that a building contractor be appointed by 10 September 2018. The tender evaluation summary is provided in **Confidential Appendix 1** to this report.

2. Background/Issues

Hannah Watts Park is a popular open space reserve in Melton, located between High Street and Toolern Creek. The park is currently well utilised despite its aging infrastructure, which includes picnic facilities, play equipment and a toilet block.

In seeking to upgrade the reserve to a level that is reflective of its prominence to Melton, Council made an application in October 2017 to the Victorian State Government for funding through the Growing Suburbs Fund (GSF) for financial assistance in the redevelopment of this playspace. The GSF provides a contribution towards meeting critical local infrastructure needs for communities in Melbourne's diverse and fast-growing outer suburbs. It is positioned to quickly respond to the pressures being experienced by interface communities by bringing forward local infrastructure projects that will make a big difference in the day-to-day lives of outer suburban families. Council was advised in November 2017 that it was successful in obtaining \$600,000 in funding, and a subsequent Agreement for the funding was signed.

The project has been allocated a total budget of \$1,200,000. This is made up of \$600,000 from the GSF and a matching contribution of \$600,000 from Council.

Council has agreed under the GSF to deliver the completed project before 31 July 2019. A key Milestone of the project is the appointment of a construction contractor by 10 September 2018.

On 6 March 2018, Council engaged the architectural services of Urban Initiatives Pty Ltd to undertake the design of redevelopment of Hannah Watts Park. Urban Initiatives Pty Ltd are concurrently undertaking the development of a master plan to the wider precinct inclusive of Melton Recreation Reserve, The Willows and Police Paddock, where the Hannah Watts Park Upgrade proposed in this Council report constitutes 'Stage 1' of the master plan.

An Expression of Interest (EOI 18/043) for construction was advertised on 24 March 2018. The EOI closed on 13 April 2018 with twelve contractors submitting an EOI. Following the evaluation process, five contractors were identified as having the capability and resources to undertake the project and were subsequently invited to the Request for Tender phase.

The contract works will include:

- Site establishment, fencing, traffic and pedestrian management

- Demolition of existing shelters, playground combination units, liberty swing and toilet block
- Access all abilities elements
- Concrete and gravel footpaths
- BBQs and shelters
- Installation of playground equipment and nature play, including relocation of existing spinners
- Landscaping, including tree planting and garden beds
- Installation and modifications to irrigation
- Park furniture (picnic tables / bench seats and drinking fountain)
- Lighting
- Toilet block
- Establishment & maintenance of soft landscaping

Refer **Appendix 2** for details of the park design and access all abilities infrastructure.

Detailed design and tender documentation for the above contract was released to the five shortlisted construction contractors on 30 July 2018 and closed on 24 August 2018.

A total of five tender submissions were received and assessed on the basis of the evaluation criteria described in the tender documentation. Each tender submission quoted a fixed lump sum in excess of the construction project budget of \$1,000,000 (inclusive of maintenance and construction contingency). This was expected as the pre-tender estimate of the project assessed the construction component at \$1,370,000.

Significant value management was undertaken throughout the design however the inclusions in the park that were ultimately put out to tender are considered to be required to meet community expectation and Council standards. The value management included reducing the amount of play equipment, reducing the area and density of planting around the park, removing a footpath connecting the carpark to the High Street underpass to the north-east of the park, removing proposed additional lighting to the carpark, reducing the amount of cubicles in the proposed toilet block, removing a third large shelter and removing the provision for 3-phase power for events.

This report recommends the inclusion of the third large shelter and provides the option to include an extension to the proposed toilet block and provision for 3-phase power for events. The additional shelter is considered an important inclusion as it will provide further opportunities for shelter during the days in which the park is heavily utilised. The extension to the toilet block and provision of 3-phase power are also considered to provide benefit to the park, by ensuring there are sufficient toilet cubicles during busy periods and relieving Council of the need to spend over \$7,000 per year in costs for generators during the Carols by Candlelight event respectively.

All five tenders were considered non-conforming due to the incomplete sub-contractor statutory declaration but all were still considered and evaluated.

No member of the Tender Evaluation Panel declared any conflict of interest in relation to this tender evaluation.

3. Council Plan Reference and Policy Reference

The Melton City Council 2017-2021 Council and Wellbeing Plan references:

3. A well planned and built City: A City with a clear vision to manage growth in a sustainable and accessible way

3.2 Community facilities, infrastructure and services that are equitably planned for, provided and maintained

4. Financial Considerations

The Hannah Watts Park project requires an overall budget of \$1,506,130 (excluding GST), inclusive of costs for the third shelter and excluding costs for the options of a toilet block extension and provision for 3-phase power.

The financial considerations detailed in this report do not include the master plan for the wider precinct, which is being provided funding through separate ledgers.

The budget components for the project are as follows:

Funding Sources	Amount \$
Victorian Government – Growing Suburbs Fund	\$600,000.00
City of Melton	\$906,130.82
TOTAL	\$1,506,130.82

Budget	Amount \$
Construction – Building Works (this Contract)	\$1,228,130.82
5% Contingency	\$75,000.00
Consultant Fees	\$173,000.00
CHMP	\$30,000.00
TOTAL	\$1,506,130.82

The spend profile estimate across the budgetary years is as follows:

Expenditure Year	Budget	Expenditure	Cumulative Expenditure
2017-18	\$600,000	\$80,000.00	\$80,000.00
2018-19	\$600,000	\$1,376,130.82	\$1,456,130.82
2019-20	\$0	\$30,000.00	\$1,486,130.82
2020-21	\$0	\$20,000.00	\$1,506,130.82
TOTAL	\$1,200,000	\$1,506,130.82	\$1,506,130.82

A financial assessment was undertaken by Corporate Scorecard and returned a satisfactory result.

5. Consultation/Public Submissions

The community were consulted in order to determine the user requirements through multiple on site drop in sessions with local residents and schools, an online survey, staff workshops, and a key stakeholder workshop. Over 300 people and user groups provided feedback through the consultation, which was used to develop the tender specifications.

Proposed plans have also been made available to local residents and the public as part of Council's planning process. Council is in the process of obtaining a planning permit, for which public advertising closes Monday 10 September. There have been no objections as of 6 September. The conditions of the planning permit are understood and will be implemented in the construction.

Council staff have been in regular contact with State Government to communicate project progress and to report on achievements of agreed Milestones. At this point in time a Sod Turning event to mark the commencement of construction and involving the Minister for Local Government is planned for Thursday 27 September 2018.

6. Risk Analysis

The following measures have been put in place to reduce or eliminate the risk to Council for this project.

1. Engagement of a suitably qualified construction company:
 - Advertised an open expression of interest to construction companies via The Age and on the Tendersearch website.
 - Select tender to construction companies shortlisted through the open expression of interest process.
 - Required companies tendering for the construction phase to comply with Council's occupational health and safety requirements.
 - To assist in the selection of a construction company with suitable occupational health and safety work practices, Council requires construction companies invited to tender to provide third party accreditation of their Occupational Health and Safety Management System. Council also required the tenderers to provide evidence of public liability insurance and work cover.
 - Conducted referee checks for the appointment of the construction company.
2. Engagement of a financially capable construction company:
 - The engagement of an independent and expert consultant to conduct a financial review of the short-listed companies.
3. Development of risk management plans for the project.
4. Supervision of construction works to be undertaken by the appointed consultant Urban Initiatives.

7. Options

Council has the options to:

1. Adopt the Officers' recommendations as presented in this report.
2. Award the tender minus the third large shelter (cost saving of \$38,671.17).
3. Award the tender as presented and also include the extension of the toilet block from three to six unisex cubicles (estimated additional cost of \$55,000), and provide provision for 3-phase power (estimated cost additional cost of \$45,000).

4. Re-advertise the tender seeking further submissions.

LIST OF APPENDICES

1. Tender Evaluation Report Contract No. 19/013 Construction of Hannah Watts Park Upgrade - undated - **CONFIDENTIAL**
Designated as confidential by the Chief Executive Officer pursuant to Section 77(2)(c) and Section 89(2)(d) of the *Local Government Act 1989*.
2. Contract No. 19/013 Construction of Hannah Watts Park Upgrade - Accessibility - undated

3.4 CONTRACT NO. 19/001 - MACPHERSON PARK REDEVELOPMENT STAGE 1

Author: Craig Halley - Capital Projects Officer
Presenter: Coral Cramer - Acting General Manager Community Services

PURPOSE OF REPORT

To seek Council's approval for the award of Contract No. 19/001 for MacPherson Park Redevelopment Stage 1 commencing January 2019.

RECOMMENDATION:

That Council:

1. Award Contract No. 19/001 for MacPherson Park Redevelopment Stage 1 to Lloyd Group Pty Ltd for the fixed lump sum amount of \$11,219,916 (excl. GST).
2. Allocate \$3,244,637 (excl. GST) in the 2019/20 budget for this project.
3. Approve a contract contingency sum of \$350,000 (excl. GST)
4. Delegate execution to the Chief Executive Officer in relation to all relevant contract documentation for the above contract.

Motion

Crs Mendes/Hardy.

That the recommendation be adopted.

CARRIED

REPORT

1. Executive Summary

This report seeks Council resolution for the award of Contract No. 19/001 for MacPherson Park Redevelopment Stage 1.

MacPherson Park is Council's primary regional sports and recreation reserve located 6km north of Melton Township in Harkness. A Future Directions Paper was received by Council in November 2017 and this project represents the Stage 1 implementation of the master plan. The project includes a new sports pavilion, multi-purpose synthetic field, netball court, car parking, entry road, landscaping improvements and services infrastructure.

Council was successful in gaining \$2M in State Government funding from the Department of Environment, Land, Water, and Planning through the Growing Suburbs Fund (GSF) to contribute towards the MacPherson Park Redevelopment Stage 1 project. AFL Victoria will also contribute \$100,000. In preparation, Council officers are, in accordance with Council procurement policies, seeking to engage a suitably qualified and experienced head contractor to undertake the construction works.

Council has an Agreement with State Government under the GSF to deliver the completed project by 28 May 2020. A key Milestone of the project is that a building contractor be appointed by 10 September 2018. The tender evaluation summary is provided in the **Confidential Appendix 1** to this report.

2. Background/Issues

MacPherson Park Recreation Reserve Future Directions study was completed in November 2017 and involved extensive stakeholder consultation. The study provided a long-term redevelopment vision estimated at \$35.472 million for MacPherson Park.

This Stage 1 project is the first component of the larger vision and delivers the following:

- New sports pavilion
- Multi-purpose synthetic field
- Netball court
- Car parking
- Entry road
- Landscaping
- Compliance/capacity upgrades to power supply, Coburns Road left-hand- slip lane widening, fire services and septic system (to current-day compliance).

Due to its regional significance, this project attracted partnership funding from multiple sources including: Growing Suburbs Fund \$2M and AFL Victoria \$100,000. This financial support demonstrates the strategic importance of this project.

Further funding applications have been submitted to Federal Government Community Sport Infrastructure Grant Program and Sport and Recreation Victoria Major Facilities program in an effort to reduce cost to Council.

An Expression of Interest (EOI) was advertised on 24 March 2018. The EOI closed on 13 April 2018 with sixteen commercial building contractors submitting an EOI. Following the evaluation process, five commercial building contractors were identified as having the capability and resources to undertake the project and were subsequently invited to the Request for Tender (RFT) phase.

The RFT for the above contract was released to the five shortlisted construction contractors on 30 July 2018 and closed on 23 August 2018.

A total of five tender submissions were received and assessed on the basis of the evaluation criteria described in the tender documents. Four of the five contractors were shortlisted for interview despite only one submission being below the pre-tender estimate. The total project cost was increased due to the requirement to upgrade the power supply, establish a left-hand slip lane on Coburns Road and upgrade the failed septic system.

Significant value management was undertaken throughout the design phase of this project and tender options were incorporated into the tender to help contain cost closer to budget. During the tender interview phase cost saving alternatives were explored.

All five tenders were considered non-conforming due to the incomplete sub-contractor statutory declaration but all were still considered and evaluated.

No member of the Tender Evaluation Panel declared any conflict of interest in relation to this tender evaluation.

3. Council Plan Reference and Policy Reference

The Melton City Council 2017-2021 Council and Wellbeing Plan references:

3. A well planned and built City: A City with a clear vision to manage growth in a sustainable and accessible way

3.2 *Community facilities, infrastructure and services that are equitably planned for, provided and maintained*

3.3 *Public spaces that are vibrant and engaging places for all.*

4. Financial Considerations

The MacPherson Park Redevelopment Stage 1 project requires an overall budget of \$12,321,287 (excl. GST).

The project will be funded from Council, the Victorian Government's Growing Suburbs Fund and AFL Victoria.

This project has also applied for additional funding through Federal Government Community Sport Infrastructure Grant Program and Sport and Recreation Victoria Major Facilities program in an effort to reduce cost to Council.

Funding Sources	Amount \$
Melton City Council 2017/18 (incurred)	\$489,650
Melton City Council 2018/19	\$6,487,000
Melton City Council 2019/20 (budget allocation required)	\$3,244,637
Victorian Government – Growing Suburbs Fund 2017-19 (Round 3)	\$2,000,000
AFL Victoria	\$100,000
Pending: Growing Suburbs Fund 2017-19 (Round 4) Amount: \$1M	
Pending: SRV Major Facilities Fund Amount: \$800,000	
Pending: Sport Australia Amount: \$500,000	
TOTAL	\$12,321,287

The budget components for the project are as follows:

Budget	Amount \$
Construction – Building Works (this Contract)	\$11,219,916
Construction Contingency	\$350,000
Consultant Fees (including Contract Administration)	\$678,678
Permits	\$72,693
TOTAL	\$12,321,287

The budget and estimated spend profile across the expenditure years is as follows:

Expenditure Year	Budget	Expenditure	Cumulative Expenditure
2017-18	\$489,650	\$489,650	\$489,650
2018-19	\$8,587,000	\$5,000,000	\$5,489,650
2019-20	\$3,244,637*	\$6,831,637	\$12,321,287
TOTAL	\$12,321,287	\$12,321,287	\$12,321,287

* 2019-20 budget allocation required.

5. Consultation/Public Submissions

Key stakeholders were consulted during the November 2017 MacPherson Park Recreation Reserve Future Directions Paper including sporting clubs and associations in order to determine user requirements. Information collected through this consultation informed the Stage 1 scope. Furthermore, during the planning phase, user-groups were kept informed of the project and asked to provide feedback on specific elements.

6. Risk Analysis

The following measures have been put in place to reduce or eliminate the risk to Council for this project.

1. Engagement of a suitably qualified construction contractors:
 - Advertised an open expression of interest to commercial construction contractors via The Age and on the Tendersearch website.
 - Select tender to commercial construction companies shortlisted through the open expression of interest process.
 - Construction companies shortlisted required to have a good understanding and demonstrated experience with similar projects.
 - Required companies tendering for the construction to have sound occupational health and safety systems to ensure the safety of contractors and the public.
 - Made reference calls to their previous clients to check on performance
2. Engagement of a financially capable construction company:
 - The engagement of an independent and expert consultant (Corporate Scorecard) to conduct a financial review of the company.
 - Council required the tenderers to provide evidence of public liability insurance and work cover.
3. Supervision of works to be undertaken by Brand Architects Pty Ltd, the consultant company awarded to design and act as superintendents representative for the project.
4. Development of risk management plans for the project.

7. Options

Council has the following options available:

1. Adopt the Officers' recommendations as presented in this report.
2. Re-scope, re-design and re-advertise the tender seeking further submissions and if necessary re-negotiate funding agreements.

LIST OF APPENDICES

1. Tender Evaluation Report Contract No. 19/001 MacPherson Park Redevelopment Stage 1 - undated - **CONFIDENTIAL**

Designated as confidential by the Chief Executive Officer pursuant to Section 77(2)(c) and Section 89(2)(d) of the *Local Government Act 1989*.

3.5 CONTRACT No. 19/004 - FRASER RISE (TAYLORS HILL WEST) CHILDREN'S AND COMMUNITY CENTRE CONSTRUCTION

Author: Michael Reidy - Capital Works Officer
Presenter: Coral Crameri – Acting General Manager Community Services

PURPOSE OF REPORT

To seek Council's approval for the award of Contract No. 19/004 for Fraser Rise Children's and Community Centre construction commencing 11 September, 2018.

RECOMMENDATION:

That Council:

1. Awards Contract No. 19/004 for the construction of Fraser Rise Children's & Community Centre to Melbcon Pty Ltd for an amount of **\$6,527,523** (excluding GST) commencing 11 September 2018.
2. Approve a contract contingency sum of \$413,748 (excl. GST).
3. Allocate \$4,600,000 (excluding GST) in the 2019/20 budget for this project.
4. Delegate to the Chief Executive Officer the execution of all contract documents.

Motion

Crs Kesic/Mendes.

That the recommendation be adopted.

CARRIED

REPORT

1. Executive Summary

This report seeks Council resolution for the award of Contract No. 19/004 for the Construction of Fraser Rise Children's and Community Centre.

Council has committed to building a children's and community hub in Fraser Rise. The project will deliver children's rooms, flexible space for community groups and training, neighbourhood house spaces, maternal child health offices, consulting suites and change rooms for netball and soccer.

Council was successful in gaining two \$1.6 million grants for this Project:

- \$1,600,000 from a State Government Grant from the Department of Environment, Land, Water and Planning.
- \$1,600,000 Growing Suburbs Fund Grant

Developer Contribution Funding will contribute a total of \$5,624,271 to the project, to provide a total project budget of \$8,824,271.

In preparation, Council officers are, in accordance with Council procurement policies, seeking to engage a suitably qualified and experienced head contractor to undertake the construction works.

Council has an Agreement with State Government under the GSF to deliver the completed project by 17 February 2020. A key Milestone of the project is that a building contractor be appointed by 10 September 2018. The tender evaluation summary is provided in the **Confidential Appendix** to this report.

2. Background/Issues

Melton City Council has committed to the provision of a children's and community hub in the rapidly growing suburb of Fraser Rise. In the Plumpton Precinct Structure Plan there is funding and land allotted to allow this provision.

To cater to the growing population in the Fraser Rise and Plumpton area, Council made an applications in 2017 to the Victorian State Government for funding from the Department of Land, Environment, Water and Planning through the Growing Suburbs Fund (GSF) for financial assistance in the development of this community hub. The GSF provides a contribution towards meeting critical local infrastructure needs for communities in Melbourne's diverse and fast-growing outer suburbs. It is positioned to quickly respond to the pressures being experienced by interface communities by bringing forward local infrastructure projects that will make a big difference in the day-to-day lives of outer suburban families. Council was advised in November and December 2017 that it was successful in obtaining \$3.2M in funding for Fraser Rise Children's and Community Centre from these Grant applications, and a subsequent Agreement for the funding was signed.

The project has been allocated a total budget of \$8,824,271. This is made up of \$5,624,271 from Developer Contribution and \$3.2M from the State Government Grants.

Council has agreed under the GSF to deliver the completed project by 22 February 2020. A key Milestone of the project is the appointment of a building contractor by 10 September 2018.

In 2016, Council engaged the architectural services of Brand Architects to undertake the design of the community hub and to coordinate this design work with their appointed civil, structural and services consultants.

An Expression of Interest (EOI 18/042) was advertised on 24 March 2018. The EOI closed on 13 April 2018 with eighteen commercial building contractors submitting an EOI. Following the evaluation process, five contractors were identified as having the capability and resources to undertake the project and were subsequently invited to the Request for Tender phase.

This contract will provide a building which will include:

- Two dedicated Kindergarten x rooms, each of 120m².
- Two other licenced spaces each of 120m², for future Kindergarten and Occasional Care services, but to be designed in a manner to have flexible uses in the short- and long-term.
- Two MCH consulting spaces, each of at least 20m².
- Two other consulting rooms, each of at least 20m².
- Staff work space separate from the licensed kindergarten rooms
- Staff kitchen
- A large Community Room with connecting kitchen facility
- Two Training rooms, and a smaller meeting room.

- Storage space, amenities
- External licensed playspaces
- Landscaping as specified, including all hard surfaces, tree planting, soft landscaping, furniture and lighting
- Two Change Rooms of 20m² each, plus amenities.

Detailed design and tender documentation for the above contract was released to the five shortlisted construction contractors on 5 July 2018 and closed on 10 August 2018.

A total of five tender submission were received and assessed on the basis of the evaluation criteria described in the tender documents. Four tender submissions quoted a fixed lump sum in excess of the approved construction project budget.

No member of the Tender Evaluation Panel declared any conflict of interest in relation to this tender evaluation.

3. Council Plan Reference and Policy Reference

The Melton City Council 2017-2021 Council and Wellbeing Plan references:

3. A well planned and built City: A City with a clear vision to manage growth in a sustainable and accessible way

3.2 Community facilities, infrastructure and services that are equitably planned for, provided and maintained

4. Financial Considerations

The Fraser Rise Community Hub project requires an overall budget of \$8,824,271 (excluding GST).

Funding Sources	Amount \$
Victorian Government – Children Facilities Capital Program	\$1,600,000
Victorian Government – DELWP Growing Suburbs Fund	\$1,600,000
Developer Contributions	\$5,624,271
TOTAL	\$8,824,271

The budget components for the project are as follows:

Budget	Amount \$
Construction – Building Works (this Contract)	\$6,527,523
Construction Contingency	\$413,748
Consultant Fees	\$472,000
Furniture, Fittings and Equipment	\$250,000
Car Park Provision – contracted under a separate contract	\$1,107,000
Authority Fees	\$54,000
TOTAL	\$8,824,271

The budget and estimated spend profile across the expenditure years is as follows:

Expenditure Year	Budget	Expenditure	Cumulative Expenditure
2017-18	\$2,500,000	\$838,074	\$838,074
2018-19	\$4,600,000	\$5,600,000	\$6,438,074
2019-20*	\$1,724,271	\$2,386,197	\$8,824,271
TOTAL	\$8,824,271	\$8,824,271	\$8,824,271

*This is only a projection as the 2019-20 budget has not been set.

A financial assessment of Melbcon Pty Ltd was undertaken by Corporate Scorecard and returned a strong result.

5. Consultation/Public Submissions

Proposed plans have been made available to local residents and the public as part of Council's planning process. This process closed in August 2018 with no objections received.

A communications plan outlining consultation with key stakeholders including Children Services (kindergarten), Council's Community Planning directorate, relevant user groups, adjacent land owners and local residents. Key stakeholders were consulted in order to determine the user requirements. Information collected through this consultation was used to develop the tender specifications.

A community information session was held at City Vista Park in Fraser Rise on Wednesday April 4 2018, to coincide with the launch of the City Vista Pavilion Project. Local residents were invited and it was well attended by local residents and land owners, Council officers and Councillors.

Council personnel have also been in regular contact with State Government to communicate project progress and to report on achievements of agreed Milestones. At this point in time a Sod Turning event to mark the commencement of construction and involving the Minister for Local Government is planned for Thursday 27 September 2018.

6. Risk Analysis

The following measures have been put in place to reduce or eliminate the risk to Council for this project.

1. Engagement of a suitably qualified construction company:
 - Advertised an open expression of interest to construction companies via The Age and on the Tendersearch website.
 - Select tender to construction companies shortlisted through the open expression of interest process.
 - Required companies tendering for the construction phase to comply with Council's occupational health and safety requirements.
 - To assist in the selection of a construction company with suitable occupational health and safety work practices, Council requires construction companies invited to tender to provide third party accreditation of their Occupational Health and Safety Management System. Council also required the tenderers to provide evidence of public liability insurance and work cover.
 - Conducted referee checks for the appointment of the construction company.

2. Engagement of a financially capable construction company:
 - Conducted Corporate Scorecard check for the appointment of the construction company.
3. Development of risk management plans for the project.
4. Supervision of construction works to be undertaken by the appointed architect Brand Architects.

7. Options

Council has the options to:

1. Adopt the Officers' recommendations as presented in this report.
2. Re-advertise the tender seeking further submissions.

LIST OF APPENDICES

1. Tender Evaluation Report Contract No. 19/004 Construction of Fraser Rise Children's and Community Centre - undated - **CONFIDENTIAL**
Designated as confidential by the Chief Executive Officer pursuant to Section 77(2)(c) and Section 89(2)(d) of the *Local Government Act 1989*.

3.6 CONTRACT No. 19/009 - CONSTRUCTION OF AINTREE (ROCKBANK NORTH) CHILDREN'S AND COMMUNITY HUB

Author: Jacqueline Stephenson - Capital Projects Officer
Presenter: Coral Crameri – Acting General Manager Community Services

PURPOSE OF REPORT

To seek Council's approval for the award of Contract No. 19/009 for the Construction of Aintree Children's and Community Hub commencing 11 September 2018.

RECOMMENDATION:

That Council:

1. Awards Contract No. 19/009 for the Construction of Aintree Children's and Community Hub submitted by H Troon for the sum of \$7,196,787 (excl. GST) commencing 11 September 2018.
2. Approve a contract contingency sum of \$359,839 (excl. GST).
3. Allocate \$4,639,326 (excl GST) from Developer Contributions in the 2019/20 budget for this project.
4. Delegate to the Chief Executive Officer the execution of all contract documents.

Motion

Crs Abboushi/Kesic.

That the recommendation be adopted.

CARRIED

REPORT

1. Executive Summary

This report seeks Council resolution for the award of Contract No. 19/009 for the Construction of Aintree Children's and Community Hub.

Council has committed to building a children's and community hub in Aintree. The project will deliver children's rooms, flexible space for community groups, nurses offices and consulting suites.

Council was successful in gaining \$1M in State Government funding from the Department of Environment, Land, Water, and Planning through the Growing Suburbs Fund (GSF) to contribute towards the Aintree Children's and Community Hub. Developer Contribution Funding will also contribute \$6.8M over the 2017/18, 2018/19 and 2019/20 financial years. In preparation, Council officers are, in accordance with Council procurement policies, seeking to engage a suitably qualified and experienced head contractor to undertake the construction works.

Council has an Agreement with State Government under the GSF to deliver the completed project by 22 February 2020. A key Milestone of the project is that a building contractor be

appointed by 10 September 2018. The tender evaluation summary is provided in the **Confidential Appendix** to this report.

2. Background/Issues

Melton City Council has committed to the provision of a children's and community hub in the rapidly growing suburb of Aintree. In the Rockbank Precinct Structure Plan there is funding and land allotted to allow this provision.

To cater to the growing population in the Aintree and Rockbank area, Council made an application in October 2017 to the Victorian State Government for funding from the Department of Land, Environment, Water and Planning through the Growing Suburbs Fund (GSF) for financial assistance in the development of this community hub. The GSF provides a contribution towards meeting critical local infrastructure needs for communities in Melbourne's diverse and fast-growing outer suburbs. It is positioned to quickly respond to the pressures being experienced by interface communities by bringing forward local infrastructure projects that will make a big difference in the day-to-day lives of outer suburban families. Council was advised in November 2017 that it was successful in obtaining \$1M in funding, and a subsequent Agreement for the funding was signed.

The project has been allocated a total budget of \$7.8M. This is made up of \$6.8M from Developer Contribution and \$1M from the GSF.

Council has agreed under the GSF to deliver the completed project by 22 February 2020. A key Milestone of the project is the appointment of a building contractor by 10 September 2018.

On 6 February 2018, Council engaged the architectural services of Croxon Ramsay to undertake the design of the community hub and to coordinate this design work with their appointed civil, structural and services consultants.

An Expression of Interest (EOI 18-042) was advertised on 24 March 2018. The EOI closed on 13 April 2018 with eighteen commercial building contractors submitting an EOI. Following the evaluation process, five contractors were identified as having the capability and resources to undertake the project and were subsequently invited to the Request for Tender phase.

This contract will provide a building which will include:

- Four kindergarten or long day care rooms
- Two community rooms
- Two maternal child nurse consulting rooms
- Two consulting suites
- Library Kiosk
- Breakout space
- Deck and outdoor space

Detailed design and tender documentation for the above contract was released to the five shortlisted construction contractors on 30 July 2018 and closed on 27 August 2018.

A total of five tender submissions were received and assessed on the basis of the evaluation criteria described in the tender documents. Each tender submission quoted a fixed lump sum in excess of the approved construction project budget of \$6,770,000. This was expected as the pre-tender estimate of the project assessed the building component at \$7,225,000.

Significant value management was undertaken throughout design however the inclusions in the building that were ultimately put out to tender are all required as part of the Precinct Structure Plan and the Growing Suburbs Fund agreement.

All five tenders were considered non-conforming due to the incomplete sub-contractor statutory declaration but all were still considered and evaluated.

No member of the Tender Evaluation Panel declared any conflict of interest in relation to this tender evaluation.

3. Council Plan Reference and Policy Reference

The Melton City Council 2017-2021 Council and Wellbeing Plan references:

3. A well planned and built City: A City with a clear vision to manage growth in a sustainable and accessible way

3.2 *Community facilities, infrastructure and services that are equitably planned for, provided and maintained*

4. Financial Considerations

The Aintree Children's and Community Hub project requires an overall budget of \$8,219,326.00 (excluding GST).

The project will be funded from Developer Contributions and the Victorian Government's Growing Suburbs Fund. This project has also applied for an Integrated Children's Fund (ICF) grant. Council will find out the outcome of the grant in September 2018. If the grant application is successful, Council will not have to contribute to this project however if it is unsuccessful Council will be required to contribute \$419,326.

Funding Sources	Amount \$
Developer Contributions	\$6,800,000
Victorian Government – Growing Suburbs Fund	\$1,000,000
City of Melton (if ICF grant application is unsuccessful)	\$419,326
TOTAL	\$8,219,326

The budget components for the project are as follows:

Budget	Amount \$
Construction – Building Works (this Contract)	\$7,196,787
5% Construction Contingency	\$359,839
Consultant Fees	\$422,700
Furniture, Fittings and Equipment	\$240,000
TOTAL	\$8,219,326

The budget and estimated spend profile across the expenditure years is as follows:

Expenditure Year	Budget	Expenditure	Cumulative Expenditure
2017-18	\$1,000,000	\$275,039	\$275,039
2018-19	\$2,580,000	\$3,304,961	\$3,580,000
2019-20	\$4,220,000*	\$4,639,326	\$8,219,326
TOTAL	\$7,800,000	\$8,219,326	\$8,219,326

*This is only a projection as the 2019-20 budget has not been set.

A financial assessment was undertaken by Corporate Scorecard and returned a satisfactory result.

5. Consultation/Public Submissions

Proposed plans have been made available to local residents and the public as part of Council's planning process. This process closed on 29 May 2018 with no objections received and one supporter.

A communications plan outlining consultation with key stakeholders including Children Services (kindergarten), Council's Community Planning directorate, relevant user groups, adjacent land owners and developers (Woodlea) and local residents. Key stakeholders were consulted in order to determine the user requirements. Information collected through this consultation was used to develop the tender specifications.

A community information session was held at Frontier Park in Aintree on Saturday April 24 2018. Over 1200 residents were invited and the session was well attended by local residents and land owners, Council officers and Crs Turner, Majdlik and Abboushi. A project website containing information about the community hub, the design and the build was created, is regularly updated and will continue to be updated throughout the build.

Council personnel have also been in regular contact with State Government to communicate project progress and to report on achievements of agreed Milestones. At this point in time a Sod Turning event to mark the commencement of construction and involving the Minister for Local Government is planned for Thursday 27 September 2018.

6. Risk Analysis

The following measures have been put in place to reduce or eliminate the risk to Council for this project.

1. Engagement of a suitably qualified construction company:
 - Advertised an open expression of interest to construction companies via The Age and on the Tendersearch website.
 - Select tender to construction companies shortlisted through the open expression of interest process.
 - Required companies tendering for the construction phase to comply with Council's occupational health and safety requirements.
 - To assist in the selection of a construction company with suitable occupational health and safety work practices, Council requires construction companies invited to tender to provide third party accreditation of their Occupational Health and Safety Management System. Council also required the tenderers to provide evidence of public liability insurance and work cover.
 - Conducted referee checks for the appointment of the construction company.
2. Engagement of a financially capable construction company:
 - The engagement of an independent and expert consultant to conduct a financial review of the short-listed companies.
3. Development of risk management plans for the project.
4. Supervision of construction works to be undertaken by the appointed architect Croxon Ramsay

7. Options

Council has the options to:

1. Adopt the Officers' recommendations as presented in this report.
2. Re-advertise the tender seeking further submissions and renegotiate the funding agreement with the Department of Environment, Land, Water and Planning.

LIST OF APPENDICES

1. Tender Evaluation Report Contract No. 19/009 - Construction of Aintree Children's and Community Hub - undated - **CONFIDENTIAL**

Designated as confidential by the Chief Executive Officer pursuant to Section 77(2)(c) and Section 89(2)(d) of the *Local Government Act 1989*.

3.7 CONTRACT No. 19/011 - KURUNJANG COMMUNITY HUB

Author: Alexander Godfrey - Capital Projects Officer
Presenter: Coral Cramer - Acting General Manager Community Services

PURPOSE OF REPORT

To seek Council's approval for the award of Contract No. 19/011 for Kurunjang Community Hub commencing 11 September 2018.

RECOMMENDATION:

That Council:

1. Awards Contract No. 19/011 for the Construction of Kurunjang Community Hub submitted by H Troon for the sum of \$2,678,543 (excl. GST) commencing 11 September 2018.
2. Approve a contract contingency sum of \$133,927.15 (excl. GST).
3. Delegate to the Chief Executive Officer the execution of all contract documents.

Motion

Crs Ramsey/Hardy.

That the recommendation be adopted.

CARRIED

REPORT

1. Executive Summary

This report seeks Council resolution for the award of Contract No. 19/011 for the Construction of Kurunjang Community Hub.

Council has committed to building a shared community hub in Kurunjang in partnership with Kurunjang Primary School and the Victorian Department of Education and Training (DET) through the Victorian School Building Authority (VSBA). The project will deliver flexible space for community groups, a staff office and meeting room, teaching kitchen, classroom/dining room and teaching garden. Community use of the facility will be shared with students from Kurunjang Primary School under the terms of a Community Joint Use Agreement (CJUA) between Council and DET/VSBA.

Council was successful in gaining \$2.35M of DET/VSBA funding through the Shared Facilities Fund (SFF) to contribute towards Kurunjang Community Hub. In preparation, Council officers are, in accordance with Council procurement policies, seeking to engage a suitably qualified and experienced head contractor to undertake the construction works.

Council has an agreement with DET/VSBA under the SFF to commence the project by 11 September 2018 and deliver the completed project by 3 September 2019. A key milestone of the project is that a building contractor be appointed by 10 September 2018. The tender evaluation summary is provided in the **Confidential Appendix** to this report.

2. Background/Issues

Kurunjang is a culturally diverse community in the centre of Melton. Recent community consultation indicates that it suffers from poor service access and experiences significant levels of disadvantage across a range of socio-economic and health indicators. There is presently no community centre servicing Kurunjang.

Melton City Council has committed to the provision of a shared community hub in partnership with Kurunjang Primary School and DET/VSBA to address these issues.

Council made an application in November 2016 to DET/VSBA for funding through the SFF for financial assistance in the development of the community hub. The SFF provides funding to schools, councils and other institutions to implement community infrastructure projects in co-location with school sites. Kurunjang Community Hub is located on a vacant municipal reserve adjacent to Kurunjang Primary School. It represents an ideal opportunity for a shared community facility to build a sense of collective purpose between the Kurunjang community, Melton City Council and Kurunjang Primary School. Council was advised in June 2017 that it was successful in obtaining \$2.35M in funding through the SFF. Council and DET/VSBA signed the CJUA in January 2018.

A total project budget of \$2.65M, including \$2.35M from the SFF, has been allocated by Council for the development.

On 14 December 2017, Council engaged the architectural services of Brand Architects to undertake the design of the community hub and to coordinate this design work with their appointed civil, structural and services consultants.

In March 2018, Council advertised an Expression of Interest (EOI 18-042) for the head construction contract. The EOI closed on 13 April 2018 with thirteen commercial building contractors submitting an EOI. Following the evaluation process, five contractors were identified as having the capability and resources to undertake the project and were subsequently invited to the Request for Tender phase.

This contract will provide a building which will include:

- Teaching kitchen
- Classroom
- Community kitchen and café
- 2 multi-purpose community rooms
- Office space
- Meeting room
- Storage, amenities
- Landscaping, including edible garden and fruit trees, as specified including all hard surfaces, tree planting, soft landscaping, furniture and lighting.

Detailed design and tender documentation for the above contract was released to the five shortlisted construction contractors on 30 July 2018 and closed on 27 August 2018.

A total of four tender submissions were received and assessed on the basis of the evaluation criteria described in the tender documents. Each tender submission quoted a fixed lump sum in excess of the pre-tender estimate and approved construction project budget of \$2,378,000.

All four tenders were considered non-conforming due to the incomplete sub-contractor statutory declaration but all were still considered and evaluated.

No member of the Tender Evaluation Panel declared any conflict of interest in relation to this tender evaluation.

3. Council Plan Reference and Policy Reference

The Melton City Council 2017-2021 Council and Wellbeing Plan references:

3. A well planned and built City: A City with a clear vision to manage growth in a sustainable and accessible way

3.2 Community facilities, infrastructure and services that are equitably planned for, provided and maintained

4. Financial Considerations

The Kurunjang Community Hub project requires an overall budget of \$3,100,470.15 (excluding GST).

The project will be funded from the SFF and 2018-19 Capital Works Program.

Funding Sources	Amount \$
Victorian Government – Shared Facilities Fund	\$2,350,000.00
City of Melton	\$750,470.15
TOTAL	\$3,100,470.15

The budget components for the project are as follows:

Budget	Amount \$
Construction – Building Works (this Contract)	\$2,678,543.00
5% Construction Contingency	\$133,927.15
Consultant Fees	\$188,000.00
Authority & Headworks Charges	\$50,000.00
Furniture, Fittings and Equipment	\$50,000.00
TOTAL	\$3,100,470.15

The budget and estimated spend profile across the expenditure years is as follows:

Expenditure Year	Budget	Expenditure	Cumulative Expenditure
2017-18	\$231,000	\$125,290.00	\$125,290.00
2018-19	\$2,419,000	\$2,975,180.15	\$3,100,470.15
TOTAL	\$2,650,000	\$3,100,470.15	\$3,100,470.15

A financial assessment was undertaken by Corporate Scorecard and returned a satisfactory result.

5. Consultation/Public Submissions

A communications plan has been prepared outlining consultation with key stakeholders including Kurunjang Primary School, Council's Community Planning directorate, relevant user groups, adjacent land owners and local residents.

Kurunjang Primary School student consultation sessions were undertaken to inform the design of the project. Key user needs were identified and incorporated into the tender documentation. School principals from Kurunjang Primary School and Kurunjang Secondary College have played a key role in the governance of this project as active members of the

Project Control Group (PCG). School principals have kept their school communities informed of the project throughout the duration of the design process and will continue to do so for the remainder of the project.

Council personnel have also been in regular contact with DET/VSBA to communicate project progress and to report on achievements of agreed Milestones. At this point in time a Sod Turning event to mark the commencement of construction and involving the Minister for Education is tentatively planned for Thursday 27 September 2018.

6. Risk Analysis

The following measures have been put in place to reduce or eliminate the risk to Council for this project.

1. Engagement of a suitably qualified construction company:
 - Advertised an open expression of interest to construction companies via The Age and on the Tendersearch website.
 - Select tender to construction companies shortlisted through the open expression of interest process.
 - Required companies tendering for the construction phase to comply with Council's occupational health and safety requirements.
 - To assist in the selection of a construction company with suitable occupational health and safety work practices, Council requires construction companies invited to tender to provide third party accreditation of their Occupational Health and Safety Management System. Council also required the tenderers to provide evidence of public liability insurance and work cover.
 - Conducted referee checks for the appointment of the construction company.
2. Engagement of a financially capable construction company:
 - The engagement of an independent and expert consultant to conduct a financial review of the short-listed companies.
3. Development of risk management plans for the project.
4. Supervision of construction works to be undertaken by the appointed architect Brand Architects

7. Options

Council has the options to:

1. Adopt the Officers' recommendations as presented in this report.
2. Re-advertise the tender seeking further submissions and renegotiate the funding agreement with DET/VSBA.

LIST OF APPENDICES

1. Tender Evaluation Report Contract No. 19/011 Construction of Kurunjang Community Hub - undated - **CONFIDENTIAL**

Designated as confidential by the Chief Executive Officer pursuant to Section 77(2)(c) and Section 89(2)(d) of the *Local Government Act 1989*.

3.8 CONTRACT No. 19/015 - DESIGN SERVICES FOR EYNESBURY RECREATION RESERVE

Author: Daniel Speirs - Capital Projects Officer
Presenter: Coral Crameri - Acting General Manager Community Services

PURPOSE OF REPORT

To seek Council's approval for the award of Contract No. 19/015 for the Design Consultancy services of the Eynesbury Recreation Reserve – Stage 1 commencing 11 September 2018.

RECOMMENDATION:

That Council:

1. Awards Contract No. 19/015 for the design consultancy services of the Eynesbury Recreation Reserve – Stage 1 submitted by Brand Architects for the sum of \$631,500 (excl. GST)
2. Delegate to the Chief Executive Officer the execution of all contract documents.

Motion

Crs Carli/Ramsey.

That the recommendation be adopted.

CARRIED

REPORT

1. Executive Summary

This report seeks Council resolution for the award of Contract No. 19/015 for the design consultancy services of the Eynesbury Recreation Reserve – Stage 1.

Council has committed to designing the Eynesbury Recreation Reserve – Stage 1. The project will deliver the full design and documentation for stage 1 of the Eynesbury Recreation Reserve consisting of a senior cricket/AFL oval with sports lighting to 50 Lux, two basketball/netball courts with sports lighting to 100 Lux, four tennis courts fenced with sports lighting to 250 Lux, two caged cricket nets, two multi-purpose courts/one futsal court fenced but not lit, a pavilion servicing both cricket/AFL, including social room and kitchen, 4 changes rooms, umpires' room, first aid & storage, fenced adventure playspace, minimum of 100 sealed car parks, and pathways and landscaping to support these facilities.

Council was successful in gaining \$2,845,377 in Australian Government funding from the Department of Industry, Innovation and Science through the Building Better Regions Fund (BBRF) to contribute towards the Eynesbury Recreation Reserve. Developer Contribution Funding will contribute \$1.5M and AFL Victoria Funding will also contribute \$100K. In preparation, Council officers are, in accordance with Council procurement policies, seeking to engage a suitably qualified and experienced design consultant to undertake the design services.

Council has an Agreement with Australian Government under the BBRF to deliver the completed project by November 2020. A key Milestone of the project is that a tender must be

undertaken by November 20148. The tender evaluation summary is provided in the **Confidential Appendix** to this report.

2. Background/Issues

Melton City Council has committed to the provision of a sports precinct in the rapidly growing suburb of Eynesbury.

To cater to the growing population in the Eynesbury area, Council made an application in December 2017 to the Australian Government for funding from the Department of Industry, Innovation and Science through the Building Better Regions Fund (BBRF) for financial assistance in the development of this recreation reserve. The BBRF provides a contribution towards meeting critical local infrastructure needs for communities in Melbourne's diverse and fast-growing outer suburbs. It is positioned to quickly respond to the pressures being experienced by interface communities by bringing forward local infrastructure projects that will make a big difference in the day-to-day lives of outer suburban families. Council was advised in July 2018 that it was successful in obtaining \$2,845,377 in funding, and a subsequent Agreement for the funding was signed.

The project has been allocated a total estimated budget of \$8,576,000 as per the project business case dated 18 December 2017. This is made up of \$100k from AFL Victoria Funding, \$1.5M from Developer Contribution and \$2,845,377 from the BBRF.

Council has agreed under the BBRF to deliver the completed project by November 2020. A key Milestone of the project is that a tender must be undertaken by November 2018.

Due to time constraints related to this project, officers invited 5 companies to direct tender selected from the Department of Treasury and Finance pre-qualified supplier register. Five consultants were identified as having the capability and resources to undertake the project and were subsequently invited to the Request for Tender phase.

This contract will provide design documentation which will include:

- A senior cricket/AFL oval with sports lighting to 50 Lux;
- Two basketball/netball courts with sports lighting to 100 Lux;
- Four tennis courts fenced with sports lighting to 250 Lux;
- Two caged cricket nets;
- Two multi-purpose courts/one futsal court fenced but not lit;
- A pavilion servicing both cricket/AFL, including social room and kitchen, 4 changes rooms, umpires' room, first aid & storage;
- Fenced adventure playspace;
- 100 sealed car parks;
- Pathways and landscaping to support these facilities.

Detailed design brief for the above contract was released to the five shortlisted consultants on 10 August 2018 and closed on 27 August 2018.

A total of four tender submissions were received and assessed on the basis of the evaluation criteria described in the tender documents.

All four tenders were considered non-conforming due to the incomplete sub-contractor statutory declaration but all were still considered and evaluated.

No member of the Tender Evaluation Panel declared any conflict of interest in relation to this tender evaluation.

3. Council Plan Reference and Policy Reference

The Melton City Council 2017-2021 Council and Wellbeing Plan references:

1. A proud, inclusive and safe community: A City of people leading happy and healthy lives
 - 1.4 A resilient community promoting social cohesion

4. Financial Considerations

The Eynesbury Recreation Reserve project requires an estimated budget of \$8,576,000.00 (excluding GST). As per the Funding application Business Case dated 18 December 2017.

Funding Sources	Amount \$
Developer Contributions	\$1,500,000
City of Melton	\$4,130,623
Australian Government – Building Better Regions Fund	\$2,845,377
AFL Victoria Funding	\$100,000
TOTAL	\$8,576,000

The estimated budget components for the project are as follows:

Budget	Amount \$
Consultant Fees (this Contract)	\$631,500
10% Project Contingency	\$857,600
Construction – Building Works	\$7,086,900
TOTAL	\$8,576,000

5. Consultation/Public Submissions

Council personnel have been in regular contact with the Australian Government in regards to the proposed development being undertaken by Council.

Local residents and key stakeholders were consulted extensively in 2012 in order to determine high level user requirements. Information collected through this consultation was used to develop the approved sport precinct master plan.

6. Risk Analysis

The following measures have been put in place to reduce or eliminate the risk to Council for this project.

1. Engagement of a suitably qualified construction company:
 - Design Consultants were selected via the Department of Treasury and Finance pre-qualified supplier register.
 - Conducted referee checks for the appointment of the consultant company.
2. Development of risk management plans for the project.

7. Options

Council has the options to:

1. Adopt the Officers' recommendations as presented in this report.
2. Re-advertise the tender seeking further submissions and renegotiate the funding agreement with the Australian Government - Department of Industry, Innovation and Science.

LIST OF APPENDICES

1. Tender Evaluation Report Contract 19/015 Design Services of Eynesbury Recreation Reserve -undated - **CONFIDENTIAL**

Designated as confidential by the Chief Executive Officer pursuant to Section 77(2)(c) and Section 89(2)(d) of the *Local Government Act 1989*.

4. CONFIDENTIAL BUSINESS

Nil.

3. CLOSE OF BUSINESS

The meeting closed at 6.58pm.

Confirmed

Dated this

.....CHAIRPERSON