

Agenda



SPECIAL MEETING OF COUNCIL

AGENDA

1 AUGUST 2023

TABLE OF CONTENTS

Item	Subject	Page No.
1.	Meeting Opened	2
	1.1 Acknowledgement of Country	2
2.	Leave of Absence	2
3.	Declaration of any Prescribed conflict of interests/Declarable conflicts of interest by councillors	2
4.	Executive Office Reports	3
5.	People, Customer & Corporate Services Reports	3
6.	Community & Regional Prosperity Reports	3
7.	Infrastructure Reports	3
	7.1 Request for exception from obtaining competitive offers for the construction of a 'safer place' building at Lockyer Waters	3
8.	Items for information	8
9.	Confidential Items	8
	9.1 Strategic Land Acquisition - Laidley Flood Mitigation.....	8
10.	Meeting Closed	8

1. MEETING OPENED**1.1 Acknowledgement of Country**

The traditional owners of the land on which the meeting is held to be acknowledged.

2. LEAVE OF ABSENCE

No Leave Of Absence.

3. DECLARATION OF ANY PRESCRIBED CONFLICT OF INTERESTS/DECLARABLE CONFLICTS OF INTEREST BY COUNCILLORS**3.1 Declaration of Prescribed Conflict of Interest on any Item of Business**

Pursuant to Chapter 5B, Part 2 of the *Local Government Act 2009*, a councillor who has a prescribed conflict of interest in an issue to be considered at a meeting of a local government, or any of its committees must:

- (a) inform the meeting of the prescribed conflict of interest in the matter, including the following about the interest –
 - i. if it arises because of a gift, loan or contract, the value of the gift, loan or contract
 - ii. if it arises because of an application or submission, the subject of the application or submission
 - iii. the name of any entity other than the councillor that has an interest in the matter
 - iv. the nature of the councillor's relationship with the entity that has an interest in a matter
 - v. details of the councillor's and any other entity's interest in the matter; and
- (b) leave the meeting room, including any area set aside for the public, and stay out of the meeting room while the matter is being discussed and voted on unless the subject councillor has written notice from the Minister to participate in the matter.

3.2 Declaration of Declarable Conflict of Interest on any Item of Business

Pursuant to Chapter 5B, Part 3 of the *Local Government Act 2009*, a councillor who has a declarable conflict of interest in a matter to be considered at a meeting of the local government or any of its committees must inform the meeting about the personal interest in the matter, including the following particulars about the interests:

- (a) the nature of the interests
 - (b) if it arises because of the councillor's relationship with a related party:
 - i. the name of the related party to the councillor
 - ii. the nature of the relationship of the related party to the councillor
 - iii. the nature of the related party's interest in the matter
 - (c) if it arises because of a gift or loan from another person to the councillor or a related party:
 - i. the name of the other person
 - ii. the nature of the relationship of the other person to the councillor or related party
 - iii. the nature of the other person's interest in the matter
 - iv. the value of the gift or loan and the date the gift or loan was made.
 - (d) how the councillor intends to handle the matter i.e. leave the meeting or proposes to stay in a meeting.
-

4. EXECUTIVE OFFICE REPORTS

No Executive Office Reports.

5. PEOPLE, CUSTOMER & CORPORATE SERVICES REPORTS

No People & Business Performance Reports.

6. COMMUNITY & REGIONAL PROSPERITY REPORTS

No Community & Regional Prosperity Reports.

7. INFRASTRUCTURE REPORTS**7.1 Request for exception from obtaining competitive offers for the construction of a 'safer place' building at Lockyer Waters**

Author: Frances Hudson, Manager Community Recreation and Facilities

Responsible Officer: John Keen, Group Manager Infrastructure

Purpose:

The purpose of this report is to seek a Council resolution under Section 235(a) of the Local Government Regulation 2012 to enter a large-sized contractual arrangement without first obtaining written quotes or tenders, to allow Council to construct a new community hall at Lockyer Waters.

Officer's Recommendation:

THAT Council resolve to:

- (a) Apply the exception in Section 235(a) of the *Local Government Regulation 2012* to enable Council to enter into a large-sized contractual arrangement to construct a new hall at Lockyer Waters without obtaining written quotes or tenders as Council is satisfied that there is only one supplier who is reasonably available that can meet Council's requirements;**
- (b) Delegate to the Chief Executive Officer the authority to negotiate and enter a subsequent contract.**

Executive Summary

The Local Government Regulation 2012 (the Regulation) requires Council to invite written tenders before Council can enter into a large sized contractual arrangement, defined as contracts over \$200,000 in value. The regulation does provide exceptions in certain circumstances, and this report seeks a resolution from Council to apply an exception to enter into a contract with a suitable local supplier to construct a new 'safer place' community hall facility at Lockyer Waters.

Proposal

Council was successful in receiving \$1.5M from the Australian Government funded Black Summer Bushfire Recovery (BSBR) grant. The purpose of the BSBR grant is to work in conjunction with relevant community groups to conduct renewal works to community halls to make them more suitable as emergency hubs during disasters and to build social connection, capacity, and resilience between disaster events.

At the Ordinary Council meeting held on 21 September 2022 it was resolved to allocate \$702,300 of the funding to nine (9) community halls throughout the Lockyer Valley Region and the remaining funding of \$797,000 to upgrade Council owned facilities. The remaining funds are allocated to Council owned halls, project management, administration, inspections and contingency.

At the Ordinary Council meeting held on 18 January 2023, Council approved to reallocate \$605,000 from the BSBR Program assigned to other Council facilities, to fund the replacement of the community hall at Lockyer Waters to provide a higher level of reliable functionality for disaster response and recovery in the Lockyer Waters locality.

Projects funded under the BSBR must be fully completed by 31 March 2024, with completion report and acquittal finalised by 30 April 2024.

Concept planning, design development and community consultation have been completed. Based on this a bespoke slab on ground building was designed and a full tender procurement process was undertaken. Though extensive market sounding was undertaken prior to the tender and despite substantial verbal interest, none of these suppliers submitted a tender. At the conclusion of this tender process two non – conforming tenders were submitted. Only one tenderer submitted a tender to construct a building, with the submitted tender price approximately double the available budget.

Given the following, a full tender approach again will make the project non deliverable within the funding timeframe.

- failure of the initial market probing and tender
- largely unsuccessful outcome from most recent enquiries with suppliers in relation to the rescope requirements
- current market and industry volatility with extended lead times, material and labour shortages, increased costs
- need to deliver the total project within the available budget
- need to complete the delivery of the project by end March 2024

There is still a high level of public interest in ensuring the delivery of a ‘safer place’ building for Lockyer Waters.

Therefore, the project has been rescope to provide a more generic transportable building which can be delivered within the available budget and grant program timeframe. To meet the BSBR objectives of providing a ‘safer place’ community hall facility, design and procurement options were appraised and priority considerations were given to ensuring deliverability and functionality of the building.

The most feasible form of building type considering the above appears to be a modular, on stumps/frame, that could be manufactured off site and delivered in a near practical completion status. In addition, the ability and capacity to seamlessly deliver the building, including project management, functionality completeness (eg kitchenette, security screens, external generator point) and integration and coordination with Council and other external contractors that will be engaged, (e.g. sewer and water, electrical, civil etc), is a major factor. The approval and delivery of utility services will need to be coordinated in parallel with timeframe of the manufacture of the building off-site and subsequently a minimum of 4 – 6 weeks will be required once the building is on site to complete installation, construction, operationalising connections and finalising approvals and utility works.

Over several weeks during June and July 2023, Council officers made multiple enquires with various possible industry suppliers (shed, portable/modular) to establish the likelihood of meeting the identified constraints as

well as the project management capacity and capability. Overall, the ability to meet all these factors was not achievable or acceptable by the majority for one or more reasons such as:

- functionality exclusions
- unprovided design (e.g., slab on ground only, no fit out)
- construction approach (e.g, do not project manage entire build and services integration, multiple exclusions)
- timeframes
- base construction/ manufacture cost
- business model, capacity and capability and willingness to work with Council on an integrated and fast-track quality outcome that benefits the community beyond the 'project' (e.g, local economic benefit)

A local supplier who manufactures and install modular homes and offices, showed a high degree of interest and willingness to meet the above factors and considerations, particularly in relation to the timeline constraints, functionality and design form and working with Council. The engagement of this local supplier would align with Councils contracting principals of value for money and the development of competitive local business. The critical dates indicated require an order and the deposit by 21 August 2023 in order to achieve the deadlines.

Community engagement on the change of building form and the ability to successfully deliver the project in the timeframes will be managed through a community engagement plan. This will be developed once clarity of design layout and procurement approach is resolved by Council.

The following options have been considered.

Options

1. Apply an exemption in accordance with Section 235(a) of the Local Government Regulation 2012, for Council to enter a large-sized contractual arrangement with the local supplier to construct a new hall at Lockyer Waters without obtaining written quotes or tenders as Council is satisfied that there is only one supplier who is reasonably suitable and available; and to delegate to the Chief Executive Officer the authority to negotiate and enter a contract.
2. Return to the market and undertake a full open tender to project manage and deliver a functional designed and modular form building. This option would have a very high probability of decreasing the available time to deliver and subsequently become untenable (i.e., grant deadline missed and Council required to fund the full costs).
3. Do not proceed with the Lockyer Waters 'safer place' community hall and return the Black Summer Bushfire Recovery (BSBR) funds, being too late in the timeframes to reallocate/ and or seek variation approvals and complete works. This option is not preferred.

Previous Council Resolutions

20-24/0642 - 21 September 2022

THAT Council approve funding allocations to the following Community Hall Committees, for the purposes of upgrading the halls as places of refuge in accordance with the Black Summer Bushfire Recovery Grant:

- | | |
|------------------------------------------|-----------|
| • Stockyard Creek Hall | \$139,000 |
| • Postmans Ridge Pioneer's Memorial Hall | \$189,800 |
| • Junction View Hall | \$72,000 |
| • Mulgowie Hall | \$75,500 |
| • Glenore Grove Hall | \$22,500 |

-
- *Blenheim Hall* \$31,500
 - *Ingoldsby Recreation Centre* \$18,000
 - *Ropehill Community Sports Centre* \$90,000
 - *Forest Hill School of the Arts* \$64,000

Moved By: *Cr Hagan* Seconded By: *Cr Wilson*

20-24/0732 - 18 January 2023

THAT Council approve the reallocation of \$605,000 from the Black Summer Bushfire Recovery Grants Program, currently assigned to other Council facilities, to fund the replacement of the community hall at Lockyer Waters due to the need for a higher level of reliable functionality for disaster response and recovery in the Lockyer Waters locality.

And further;

THAT the governance arrangements for the use of the facility are determined in consultation with its key users.

Moved By: *Cr Holstein* Seconded By: *Cr Qualischefski*

Critical Dates

- Sole source approval – August 2023
- Approvals and pre-certifications – 4 weeks
- First deposit to commence manufacture – 21 August 2023
- Manufacture – 12 up to 18 weeks
- Install on site – up to 4 weeks
- External services work – 4-6 weeks to be finalised with contractor availability. Some aspects can be delivered concurrent to manufacture with majority will be after the installation of building on site
- Access and management arrangements finalised – before 14 February 2024
- Practical completion – before 28 February 2024
- Certification and operationalisation – by 17 March 2024
- BSBR project completion - 31 March 2024
- BSBR acquittal finalisation required - 30 April 2024

Strategic Implications

Corporate Plan

Lockyer Business, Farming and Livelihood – Encourage opportunities for the Lockyer Valley to drive economic and community outcomes.

Finance and Resource

Allocated funding of approximately \$605,000 minus already expended funds of approximately \$41,000.

Legislation and Policy

Under section 235 of the *Local Government Regulation 2012*, a local government may enter into a large-sized contractual arrangement (more than \$200,000 exclusive of GST) without first inviting written quotes or tenders if:

- (a) the local government resolves it is satisfied that there is only one (1) supplier who is reasonably available;

The application of this exception is a matter for subjective consideration and determination by Council.

Risk Management

The critical dates indicated require an order and the deposit by 21 August 2023 in order to achieve the deadlines.

Key Corporate Risk Category: FE2

Reference and Risk Descriptor: Finance and Economics – Decision making governance, due diligence, accountability and sustainability.

Consultation

Internal Consultation

The following business units have been consulted in the preparation of this report:

- Coordinator Governance and Property 26/7/2023
- Procurement – initial tender process and advice prior to approach April – June 2023
- Finance – Business partner and Grants Officer 26/7/23

Attachments

There are no attachments for this report.

8. ITEMS FOR INFORMATION

No Information Items.

9. CONFIDENTIAL ITEMS**9.1 Strategic Land Acquisition - Laidley Flood Mitigation**

Author: Amanda Pugh, Group Manager Community & Regional Prosperity

Responsible Officer: Amanda Pugh, Group Manager Community & Regional Prosperity

That the above item be considered in Closed Session to the exclusion of the press and public in accordance with Section 254J (3) (h) of the Local Government Regulation, 2012, as the matter involves negotiations relating to the taking of land by the local government under the Acquisition of Land Act 1967.

Purpose:

This report requests that Council consider the purchase of 12 parcels of privately owned land for the purposes of flood mitigation in Laidley.

10. MEETING CLOSED