

Minutes

Special Council Meeting 16 June 2022

Attention

These Minutes are subject to confirmation.

Prior to acting on any resolution of the Council contained in these minutes, a check should be made of the Ordinary Meeting of Council following this meeting to ensure that there has not been a correction made to any resolution.

Information

Special Council Meetings are run in accordance with the City of Nedlands Standing Orders Local Law. If you have any questions in relation to items on the agenda, procedural matters, public question time, addressing Council or attending meetings please contact the Executive Officer on 9273 3500 or council@nedlands.wa.gov.au

Public Question Time

Public question time at a Special Council Meeting is available for members of the public to ask a question about items on the agenda. Questions asked by members of the public are not to be accompanied by any statement reflecting adversely upon any Council Member or Employee.

Questions should be submitted as early as possible via the online form available on the City's website: [Public question time | City of Nedlands](#)

Questions may be taken on notice to allow adequate time to prepare a response and all answers will be published in the minutes of the meeting.

Addresses by Members of the Public

Members of the public wishing to address Council in relation to an item on the agenda must complete the online registration form available on the City's website: [Public Address Registration Form | City of Nedlands](#)

The Presiding Member will determine the order of speakers to address the Council and the number of speakers is to be limited to 2 in support and 2 against any particular item on a Special Council Meeting Agenda. The Public address session will be restricted to 15 minutes unless the Council, by resolution decides otherwise.

Disclaimer

Members of the public who attend Council meetings should not act immediately on anything they hear at the meetings, without first seeking clarification of Council's position. For example, by reference to the confirmed Minutes of Council meeting. Members of the public are also advised to wait for written advice from the Council prior to taking action on any matter that they may have before Council.

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1. Declaration of Opening

The Presiding Member declared the meeting open at 6.00 pm and drew attention to the disclaimer on page 2.

2. Present and Apologies and Leave of Absence (Previously Approved)

Councillors	Mayor F E M Argyle Councillor B Brackenridge Councillor R A Coghlan Councillor R Senathirajah Councillor L J McManus Councillor K A Smyth Councillor A W Mangano Councillor N R Youngman Councillor B G Hodsdon	(Presiding Member) Melvista Ward Melvista Ward Melvista Ward Coastal Districts Ward Coastal Districts Ward Dalkeith Ward Dalkeith Ward Hollywood Ward
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Staff	Mr W R Parker Mr A D Melville Mrs N M Ceric Mr D Kennedy-Stiff	Chief Executive Officer Acting Technical Services Executive Officer Manager City Projects & Programs
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Public Gallery There were 7 members of the public present and 2 online.

Press Nil.

Leave of Absence (Previously Approved)	Councillor O Combes Councillor J D Wetherall	Hollywood Ward Hollywood Ward
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Apologies	Councillor H Amiry Councillor F J O Bennett	Coastal Districts Ward Dalkeith Ward
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3. Public Question Time

Public questions submitted were read at this point.

Nil.

4. Addresses by Members of the Public

Addresses by members of the public who have completed Public Address Registration Forms were made at this point.

Mr Mark Grzanka, spoke in support of the recommendation for TS09.06.22 RFT 2021-22.05 Alterations and Additions to the Swanbourne Nedlands Surf Life Saving Club.

Mr Luke Bishop, spoke in support of the recommendation for TS09.06.22 RFT 2021-22.05 Alterations and Additions to the Swanbourne Nedlands Surf Life Saving Club.

5. Disclosures of Financial / Proximity Interest

The Presiding Member reminded Council Members and Staff of the requirements of Section 5.65 of the *Local Government Act* to disclose any interest during the meeting when the matter is discussed.

There were no disclosures of financial interest.

6. Disclosures of Interests Affecting Impartiality

The Presiding Member reminded Council Members and Staff of the requirements of Council's Code of Conduct in accordance with Section 5.103 of the *Local Government Act*.

6.1 Councillor Smyth – Item 8 - TS09.06.22 RFT 2021-22.05 Alterations and Additions to the Swanbourne Nedlands Surf Life Saving Club

Councillor Smyth disclosed an impartiality interest in Item 8 - TS09.06.22 RFT 2021-22.05 Alterations and Additions to the Swanbourne Nedlands Surf Life Saving Club. Councillor Smyth disclosed that she is a Vice Patron of the Swanbourne Nedlands Surf Life Saving Club, and as a consequence, there may be a perception that her impartiality on the matter may be affected. Councillor Smyth declared that she would consider this matter on its merits and vote accordingly.

6.2 Councillor McManus – Item 8 - TS09.06.22 RFT 2021-22.05 Alterations and Additions to the Swanbourne Nedlands Surf Life Saving Club

Councillor McManus disclosed an impartiality interest in Item 8 - TS09.06.22 RFT 2021-22.05 Alterations and Additions to the Swanbourne Nedlands Surf Life Saving Club. Councillor McManus disclosed that he is a Patron of the Swanbourne Nedlands Surf Life Saving Club, and as a consequence, there may be a perception that his impartiality on the matter may be affected. Councillor McManus declared that he would consider this matter on its merits and vote accordingly.

6.3 Mayor Argyle – Item 8 - TS09.06.22 RFT 2021-22.05 Alterations and Additions to the Swanbourne Nedlands Surf Life Saving Club

Councillor Argyle disclosed an impartiality interest in Item 8 - TS09.06.22 RFT 2021-22.05 Alterations and Additions to the Swanbourne Nedlands Surf Life Saving Club. Mayor Argyle disclosed that she is a Patron of the Swanbourne Nedlands Surf Life Saving Club, and as a consequence, there may be a perception that her impartiality on the matter may be affected. Mayor Argyle declared that she would consider this matter on its merits and vote accordingly.

7. Declarations by Members That They Have Not Given Due Consideration to Papers

Nil.

8. TS09.06.22 RFT 2021-22.05 Alterations and Additions to the Swanbourne Nedlands Surf Life Saving Club

Meeting & Date	Special Council Meeting – 16 June 2022
Applicant	City of Nedlands
Employee Disclosure under section 5.70 Local Government Act 1995	Nil.
Report Author	Neil Brown – Coordinator of Projects
Director	Andrew Melville – Acting Director Technical Services
Attachments	1. CONFIDENTIAL Evaluation and Recommendation Report – Tender Award RFT 2021-22.05 Alterations and Additions to the Swanbourne Nedlands Surf Life Saving Club

Regulation 11(da) – Not Applicable – Recommendation Adopted

Moved – Councillor McManus
Seconded – Councillor Smyth

That the Revised Officer Recommendation be adopted.
(Printed below for ease of reference)

CARRIED 8/1
(Against: Cr. Mangano)

Council Resolution / Revised Officer Recommendation

That Council:

- 1. approves the award of the contract for Alterations and Additions to the Swanbourne Nedlands Surf Life Saving Club in accordance with the City's Request for Tender number RFT 21-22.05 and comprising of that request, the City's Conditions of Contract and the Swan Group WA Pty. Ltd. tender submission;**
- 2. instructs the CEO to arrange for a Letter of Acceptance and a Contract document be sent to Swan Group WA Pty. Ltd. for execution;**

3. **instructs the CEO to arrange for all other tender respondents to be advised of the tender outcome;**
4. **agrees to list an amount of \$395,000 in the draft Annual Budget for 2022/23; and**
5. **instructs the CEO to formally request additional funding from the project's Grant Funding partners.**

Recommendation

That Council:

1. approves the award of the contract for Alterations and Additions to the Swanbourne Nedlands Surf Life Saving Club in accordance with the City's Request for Tender number RFT 21-22.05 and comprising of that request, the City's Conditions of Contract and the Swan Group WA Pty. Ltd. tender submission;
2. instructs the CEO to arrange for a Letter of Acceptance and a Contract document be sent to Swan Group WA Pty. Ltd. for execution;
3. instructs the CEO to arrange for all other tender respondents to be advised of the tender outcome;
4. agrees to list an amount of \$395,000 in the draft Annual Budget for 2022/23; and
5. notes the CEO has formally requested additional funding from the project's Grant Funding partners.

Purpose

The purpose of the report is for Council to accept the evaluation and recommendation for the award of RFT 2021-22.05 Alterations and Additions to the Swanbourne Nedlands Surf Life Saving Club to Swan Group WA Pty Ltd.

Voting Requirement

Simple Majority.

Background

The Swanbourne Nedlands Surf Life Saving Club (The Club) was identified as requiring alterations and additions as part of the Capital Works Programme for 2021-22. These works will ensure the Club's facilities are adequate for its growing member base, which have outgrown the existing facility.

The Club's storage and changerooms are outdated and are no longer fit for purpose. The Club's current changerooms negatively affect its female members the most. The facilities are housed in an older part of the building that was once a first aid room, before the Club had female lifesavers. This space is smaller than its male counterpart with 4 open style gang showers and 1 toilet for more than 350 female members.

The current changerooms fall short of the National Construction Codes and Australian Standards for both genders. There is no universal access or parental changing space, and this cannot be rectified in the changerooms current configuration.

Similarly, the Club's storage space hasn't been expanded since 1979, and during that time membership has grown 700%. As a result, the Club is unable to keep its lifesaving equipment rescue ready or properly cater for increased Nipper participation.

The scope includes the following works:

- Demolish existing building elements including structural walls,
- Clear and prepare all areas for new construction,
- Pour new concrete slabs and erect structural steel,
- Erect masonry and framed walls,
- Install new roofing members, including replacement of the existing roof sheeting; and
- Complete all works including fit out to a high level of detail.

Originally managed by the Club, the project moved into the control of the City during the 2021/22 budget process, with Council direction to take on the management due to the complexities of delivery. Current funding contributions are shown in the table below:

Funding Body	Amount
City of Nedlands (incl design, construction costs and the City's overheads)	\$248,400
Swanbourne Surf Club	\$248,400
Federal Government	\$610,000
State Government	\$500,000
LotteryWest	\$500,000
Total	\$2,106,800

The Request for Tender was publicly advertised on Tenderlink during the period 25 March – 04 April 2022. The City received a total of 3 submissions.

Discussion

After the closure of the tender period, the evaluation panel completed the analysis and evaluation of the submissions. At the conclusion of the process Swan Group WA Pty. Ltd. was nominated as the preferred supplier for this package of works. The submissions were rated against the following criteria:

- Relevant experience (30%),
- Key personnel skills and experience (30%), and
- Project Methodology (40%).

Swan Group provided information on similar projects that they have recently undertaken, successfully demonstrating an ability to complete the requirements of this request. Key personnel listed were experienced, suitably skilled and have experience delivering similar projects. The project methodology provided by Swan Group was detailed and provided very good information on how the project would be delivered. Quality management was addressed along with preconstruction activities, long lead time procurement items, a dilapidation report, and existing services investigations.

Officers identified that the submission from the tenderer results in a total project cost exceeding the allocated budget. There is currently a high demand for building contractors within the market, and this is reflected in the lack of submissions for the works, and higher than estimated tendered prices.

The City has sought a proportional increase in funding commitment from each grant funding body prior to the letter of award being approved for this project.

Should the project be awarded, works are expected to start in June 2022 and conclude in February 2023.

References were provided by Colin Gardener, Modus Design and Wyatt Brown, of the City of Perth. Both noted that the Swan Group Pty. Ltd. had successfully delivered projects previously, providing a good level of workmanship. Projects were well managed with Swan Group Pty. Ltd. showing a good attitude towards safety management.

Following the due diligence processes that the City has undertaken, the City is confident that Swan Group WA Pty. Ltd. are capable of completing the scope of work to the required standards, and that their offer represents good value for money to the City within the market.

Consultation

Extensive consultation has been undertaken with The Club to ensure the project outcomes meet their long-term needs.

Strategic Implications

This item relates to the following elements from the City's Strategic Community Plan.

Vision Our City will be an environmentally-sensitive, beautiful and inclusive place.

Values **Healthy and Safe**
Our City has clean, safe neighbourhoods where public health is protected and promoted.

High standard of services
We have local services delivered to a high standard that take the needs of our diverse community into account.

Priority Area

- Renewal of community infrastructure such as roads, footpaths, community and sports facilities

Budget/Financial Implications

The current allocated budget for these works is \$2,106,800 spread across two financial years.

Current Funding	2021-22	2022-23
Federal Department of Infrastructure, transport, regional development and communications	\$610,000	
State Department of Local Government, Sport and Cultural Industries	\$500,000	
Lotterywest	\$500,000	
City of Nedlands	\$165,600	\$82,800
Swanbourne Nedlands Surf Life Saving Club	\$124,200	\$124,200
Subtotal	\$1,899,800	\$207,000
Total	\$2,106,800	

At the time of writing, expenditure is \$121,431 for design and documentation works. The nominated preferred tenderer's submission for construction is \$2,191,155.00. With the inclusion of City Overheads (20% of municipal funding) and contingencies (7% of the construction cost), the anticipated Construction Cost is predicted to exceed the allocated budget.

Budget	Amount
Current Expenses	\$ 121,431
Construction Cost	\$2,191,155
Current City's Overheads (20% on Municipal)	\$ 49,680
Contingencies (7% of construction)	\$ 153,378
Total	\$2,515,644
Budget Allocated	\$2,106,800
Anticipated Overrun	\$ 408,844

Administration has sought additional funding from grant bodies and the Surf Club (who have already committed to provide additional funding as per the below table), however these grant bodies are yet to formally approve an increase of their grant funding contribution.

Administration proposes the following budget allocations. If additional grant funding is not provided, additional municipal funding will be required. If this case arises additional funding will be sought at the mid-year review.

Proposed Funding	2021-22	2022-23	Total
Federal Department of Infrastructure, transport, regional development and communications	\$610,000	\$30,000	\$640,000
State Department of Local Government, Sport and Cultural Industries	\$500,000	\$25,000	\$525,000
Lotterywest	\$500,000	\$25,000	\$525,000
City of Nedlands	\$165,600	\$395,000	\$560,600
Swanbourne Nedlands Surf Life Saving Club	\$124,200	\$204,200	\$328,400
Subtotal	\$1,899,800	\$684,200	\$2,579,000

The following Budget break down applies:

Budget	Amount
Current Expenses	\$ 121,431
Construction Cost	\$2,191,155
City's Overheads (20% on Municipal)	\$ 113,120
Contingencies (7% of construction)	\$ 153,378
Total	\$2,578,045
Budget Allocated	\$2,579,000
Anticipated Surplus	\$ 955

Contract variations may be latent (unknown) conditions, or delays at no fault to the Contractor. Should the City agree to a contract and any variations or delays be accepted, the City would be obliged to pay those agreed costs to the Contractor. Therefore, it is recommended that a project contingency be included within the budget.

Federal, State and Lottery West grants cannot be used to fund project contingency or overheads. Therefore these costs are required to be covered by the City and The Club. Overheads are only charged on the Municipal component of funding and increase as Municipal funding increases.

Original construction estimates for the projects were undertaken in 2019, and since that time the construction industry has seen significant increase in demand and prices. The tendered amount is approximately 40% higher than original estimates which matches current market conditions.

Legislative and Policy Implications

The award of this tender is governed by the City of Nedlands Procurement Policy.

The works to be delivered under this contract are in line with the City of Nedlands Asset Management Policy.

Decision Implications

By endorsing the officer recommendation, this project will deliver upgraded facilities that will rectify the above issues and immediately positively impact the Club membership, especially female and junior participation, whilst also allowing the Club to better deliver education, community, and lifesaving programs. Increased storage and change facilities will also allow the Club to take on more new members and offer more community programs.

Endorsing the City to fund the full amount of additional budget will allow the project to proceed to construction without delay, with the current program having works complete before the end of the calendar year. If the City is required to delay award until additional grant funding is received, tender award and therefore construction start will be delayed. This will require construction to impact on a larger proportion of the Club's patrolling season, negatively affecting these activities for longer.

By not endorsing the recommendation, the project will not be able to proceed, and the Swanbourne Nedlands Surf Lifesaving Club's facilities will remain at a substandard level, negatively impacting member numbers, and the Club's ability to deliver its valued community service.

Conclusion

Swan Group WA Pty. Ltd. have completed public building improvement projects for other metropolitan local governments, have the required skills and experience necessary to complete the works, and are therefore the recommended tenderer for this package of works.

This project will benefit the Surf Club and the wider community by providing better amenity and expanded facilities to the Club.

10. Declaration of Closure

There being no further business, the Presiding Member declared the meeting closed at 6.34 pm.