

MINUTES



Strategic Planning Committee Meeting

Held via Zoom

On

Monday 11 October 2021

The Agenda for the Strategic Planning Committee Meeting, Monday 11 October 2021, forms part of these Minutes and is attached in full at the end of the Minutes.

These Minutes are considered draft until adopted and confirmed at the next Strategic Planning Committee Meeting.

The meeting commenced at 7:07 pm.

PRESENT:

<i>Cr L Cooper (Chairperson)</i>	<i>Scott Ward</i>
<i>Cr J Dwight</i>	<i>Chandler Ward</i>
<i>Cr M Timmers-Leitch</i>	<i>Collier Ward</i>
<i>Cr S Grasso</i>	<i>Dinsdale Ward</i>
<i>Cr M Baker</i>	<i>Dobson Ward</i>
<i>Cr S Laukens</i>	<i>Friberg Ward</i>
<i>Cr D Pearce</i>	<i>Taylor Ward</i>
<i>Cr N Seymour</i>	<i>Tirhatuan Ward</i>
<i>Mr B Dobson</i>	<i>Chief Executive Officer</i>
<i>Mr G Thorne</i>	<i>Director - Infrastructure</i>
<i>Mr M Kelleher</i>	<i>Director - City Strategy and Integrity</i>
<i>Ms T Scicluna</i>	<i>Director - Connected Communities</i>
<i>Ms I Kelly</i>	<i>Acting Director - City Centre</i>
<i>Ms S Stanton</i>	<i>Executive Manager - Strategy, People and Culture, Interim Information Technology & Transformation</i>
<i>Mr P McQue</i>	<i>Manager, Governance</i>

Order of Business

- 1 Apologies And Requests For Leave Of Absence.....4
- 2 Declarations Of Conflict Of Interest.....4
- 3 Confirmation Of Minutes.....4
- 4 Considering And Ordering Upon Officers’ Reports.....5
 - 4.1 Miller's Homestead EOI Outcome.....5
 - 4.2 Gilbert Park Modular Building7
 - 4.3 Request for Waiver of Penalty Interest and Legal Fees on Rates8
- 5 Motions For Which Notice Has Previously Been Given9
- 6 Supplementary Items.....9
- 7 Urgent Business9
 - 7.1 Urgent Business9
- 8 Confidential Items.....9

1 Apologies and Requests for Leave of Absence

The Mayor, Councillor Cooper advised the meeting that Cr Allred was having technical difficulties joining the meeting.

2 Declarations of Conflict of Interest

Nil.

3 Confirmation of Minutes

The Chairperson, Councillor Cooper invited Councillors to raise any opposition to the Minutes of the Meeting of Council held on Monday 13 September 2021. There being none, the Chairperson declared the Minutes be confirmed.

4 Considering and Ordering Upon Officers' Reports

4.1 Miller's Homestead EOI Outcome

SUMMARY: Miller's Homestead Project Officer, Kate Bonser

On 3 June 2019, a feasibility study was presented to Council whereby Miller's Homestead was elected for collective use as a "Community Arts and History Centre", including the appointment of a community/not-for-profit tenant for a 12-month pilot period to oversee the venue activation and deliver proactive and collaborative programs and events. Due to the impact of the pandemic some of the work to progress this initiative was deferred during 2020.

To aid with the appointment of a tenant and the pilot program, Council has now undertaken the Expression of Interest (EOI) process for the 12-month pilot tenancy at Miller's Homestead.

This report provides an overview of the EOI process, applications, panel assessment alongside a mandatory criteria and weighted comparative criteria, and the rationale for selection of the preferred Community/Not-for-Profit Tenant at Miller's Homestead for a pilot 12-month period.

RECOMMENDATION

That the Committee:

1. Approve a 12-month tenancy licence agreement at Miller's Homestead and Gardens at 30 Dorrigo Drive Boronia, with the preferred applicant, Eastern Regional Libraries (ERL).
2. Note that the organisational structure of ERL meets the mandatory criteria as a Community/Not for profit group.
3. Note that the proposed activities and services presented by ERL for Miller's Homestead and Gardens activation successfully meets the vision as a collective use "Arts and History Centre", offering a 12-month pilot program of creative writing and literature events, children's programs, community and cultural events, arts partnerships, heritage literature collections, genealogy services and gardening, seed bank and sustainability activities.
4. Authorise the Chief Executive Officer (or such person as the Chief Executive Officer selects) to execute all the necessary documentation pertaining to the tenancy licence agreement between Knox City Council and ERL, including the option to extend the agreement a further four years to its maximum five-year term as per Council's Lease and Licence Policy, and upon satisfactory delivery of the 12-month pilot program.
5. Advise all applicants accordingly.

Cr Timmers-Leitch informed the Committee, in the interests of transparency and good governance that she and Cr Allred serve as Board Members of the Eastern Regional Library. Cr Timmers-Leitch noted that as they served as Council's representatives on the Board and neither received any personal advantage, in accordance section 129(d) of the Local Government Act neither considered they had any conflict of interest to declare.

RESOLUTION

MOVED: Councillor Dwight

SECONDED: Councillor Seymour

That the Committee:

1. **Approve a 12-month tenancy licence agreement at Miller’s Homestead and Gardens at 30 Dorrigo Drive Boronia, with the preferred applicant, Eastern Regional Libraries (ERL).**
2. **Note that the organisational structure of ERL meets the mandatory criteria as a Community/Not for profit group.**
3. **Note that the proposed activities and services presented by ERL for Miller’s Homestead and Gardens activation successfully meets the vision as a collective use “Arts and History Centre”, offering a 12-month pilot program of creative writing and literature events, children’s programs, community and cultural events, arts partnerships, heritage literature collections, genealogy services and gardening, seed bank and sustainability activities.**
4. **Authorise the Chief Executive Officer (or such person as the Chief Executive Officer selects) to execute all the necessary documentation pertaining to the tenancy licence agreement between Knox City Council and ERL, including the option to extend the agreement a further four years to its maximum five-year term as per Council’s Lease and Licence Policy, and upon satisfactory delivery of the 12-month pilot program.**
5. **Advise all applicants accordingly.**

CARRIED

Councillor Pearce joined the meeting at 7:13 pm before the vote on item 4.1

Councillor Baker left the meeting at 7:14 pm due to technological issues before the vote on item 4.1

4.2 Gilbert Park Modular Building

SUMMARY: Project Manager, Major Initiatives Unit – Joe Kelly

This report considers and recommends the appointment of a tenderer for the construction of the Gilbert Park Modular Change Rooms at 6 Forbes Close, Knoxfield.

RECOMMENDATION

That the Committee:

1. Accepts the tender submitted by Modular Spaces for the lump sum price of \$1,277,290.00 excluding GST for Contract 2683 – Gilbert Park Modular Change Rooms (Construction);
2. Allocates a contingency for this project as set out in the confidential Attachment 1, and authorise the Chief Executive Officer (or such person the Chief Executive Officer selects) to expend this contingency at their discretion;
3. Authorises the Chief Executive Officer (or such person the Chief Executive Officer selects) to execute contract documentation of Contract No. 2683 – Gilbert Park Modular Change Rooms (Construction) to give effect to Council’s decision; and
4. Advises all tenderers accordingly.

RESOLUTION

MOVED: Councillor Laukens

SECONDED: Councillor Baker

That the Committee:

1. **Accepts the tender submitted by Modular Spaces for the lump sum price of \$1,277,290.00 excluding GST for Contract 2683 – Gilbert Park Modular Change Rooms (Construction);**
2. **Allocates a contingency for this project as set out in the confidential Attachment 1, and authorise the Chief Executive Officer (or such person the Chief Executive Officer selects) to expend this contingency at their discretion;**
3. **Authorises the Chief Executive Officer (or such person the Chief Executive Officer selects) to execute contract documentation of Contract No. 2683 – Gilbert Park Modular Change Rooms (Construction) to give effect to Council’s decision; and**
4. **Advises all tenderers accordingly.**

CARRIED

Councillor Baker returned to the meeting at 7:15 pm before the vote on item 4.2

4.3 Request for Waiver of Penalty Interest and Legal Fees on Rates

SUMMARY: Coordinator Rates and Valuation – Ian Goulet

Request approval to waive interest of \$2,843.00 and legal fees of \$1,523.91 levied on overdue rates for the property listed in Confidential Attachment 1.

RECOMMENDATION

That the Committee:

1. Approve waiving interest of \$2,843.00 and legal fees of \$1,523.91, incurred from 1 July 2013 to 30 March 2020 for late payment of rates and charges for the property listed in Confidential Attachment 1.
2. Pursuant to Section 125 of the Local Government Act 2020, resolve that the confidential information in Confidential Attachment 1 be publicly available for the limited purposes of communicating the effect of this Resolution to the extent necessary to give effect to them.
3. Authorise the Chief Executive Officer (or such person as the Chief Executive Officer selects) to determine, at their discretion, that the information in Confidential Attachment 1 is no longer confidential information for the purposes of Section 66 of the Local Government Act 2020, including for the purpose of informing the community of the nature of Council's decision.

RESOLUTION

MOVED: Councillor Seymour

SECONDED: Councillor Timmers-Leitch

That the Committee:

1. Approve waiving interest of \$2,843.00 and legal fees of \$1,523.91, incurred from 1 July 2013 to 30 March 2020 for late payment of rates and charges for the property listed in Confidential Attachment 1.
2. Pursuant to Section 125 of the Local Government Act 2020, resolve that the confidential information in Confidential Attachment 1 be publicly available for the limited purposes of communicating the effect of this Resolution to the extent necessary to give effect to them.
3. Authorise the Chief Executive Officer (or such person as the Chief Executive Officer selects) to determine, at their discretion, that the information in Confidential Attachment 1 is no longer confidential information for the purposes of Section 66 of the Local Government Act 2020, including for the purpose of informing the community of the nature of Council's decision.

CARRIED

5 Motions for Which Notice has Previously Been Given

Nil.

6 Supplementary Items

Nil.

7 Urgent Business

7.1 Urgent Business

Nil.

8 Confidential Items

Nil.

MEETING CLOSED AT 7:19 pm

Minutes of Meeting confirmed at the
Strategic Planning Committee Meeting
held on Monday, 8 November 2021

.....
Chairperson

The Agenda for this meeting is attached in full at the end of the Minutes

AGENDA



Meeting of the Strategic Planning Committee of Council

To be via Zoom

On

Monday 11 October 2021 at 7:00 PM

Order of Business

1 Apologies And Requests For Leave Of Absence.....3

2 Declarations Of Conflict Of Interest.....3

3 Confirmation Of Minutes3

4 Considering And Ordering Upon Officers’ Reports4

 4.1 Miller's Homestead EOI Outcome.....4

 4.2 Gilbert Park Modular Building12

 4.3 Request for Waiver of Penalty Interest and Legal Fees on Rates17

5 Motions For Which Notice Has Previously Been Given20

6 Supplementary Items.....20

7 Urgent Business20

8 Confidential Items.....20

Bruce Dobson
Chief Executive Officer

1 Apologies and Requests for Leave of Absence

2 Declarations of Conflict of Interest

3 Confirmation of Minutes

Confirmation of Minutes of Strategic Planning Committee Meeting on Monday 13 September 2021

4 Considering and Ordering Upon Officers' Reports

4.1 Miller's Homestead EOI Outcome

SUMMARY: Miller's Homestead Project Officer, Kate Bonser

On 3 June 2019, a feasibility study was presented to Council whereby Miller's Homestead was elected for collective use as a "Community Arts and History Centre", including the appointment of a community/not-for-profit tenant for a 12-month pilot period to oversee the venue activation and deliver proactive and collaborative programs and events. Due to the impact of the pandemic some of the work to progress this initiative was deferred during 2020.

To aid with the appointment of a tenant and the pilot program, Council has now undertaken the Expression of Interest (EOI) process for the 12-month pilot tenancy at Miller's Homestead.

This report provides an overview of the EOI process, applications, panel assessment alongside a mandatory criteria and weighted comparative criteria, and the rationale for selection of the preferred Community/Not-for-Profit Tenant at Miller's Homestead for a pilot 12-month period.

RECOMMENDATION

That the Committee:

1. Approve a 12-month tenancy licence agreement at Miller's Homestead and Gardens at 30 Dorrigo Drive Boronia, with the preferred applicant, Eastern Regional Libraries (ERL).
2. Note that the organisational structure of ERL meets the mandatory criteria as a Community/Not for profit group.
3. Note that the proposed activities and services presented by ERL for Miller's Homestead and Gardens activation successfully meets the vision as a collective use "Arts and History Centre", offering a 12-month pilot program of creative writing and literature events, children's programs, community and cultural events, arts partnerships, heritage literature collections, genealogy services and gardening, seed bank and sustainability activities.
4. Authorise the Chief Executive Officer (or such person as the Chief Executive Officer selects) to execute all the necessary documentation pertaining to the tenancy licence agreement between Knox City Council and ERL, including the option to extend the agreement a further four years to its maximum five-year term as per Council's Lease and Licence Policy, and upon satisfactory delivery of the 12-month pilot program.
5. Advise all applicants accordingly.

1. INTRODUCTION

The Miller's Homestead Project Officer was appointed in February 2021 to realise Council's vision for Miller's Homestead as a collective use "Community Arts and History Centre" with the appointment of a community/not-for-profit tenant for a 12-month pilot period, to deliver proactive and collaborative programs and events.

1.1 Expression of Interest Process

The Expression of Interest (EOI) for Miller's Homestead Tenancy offered the opportunity for eligible applicants to apply for this 12-month pilot tenancy, with the option for a further 4-year extension.

The EOI application process opened on Monday, 24 May 2021 and closed on Wednesday, 30 June 2021, which was managed alongside Council's procurement portal, the first time this framework has been used to manage tenancy EOI processes, proving to be a robust tool for this purpose.

Specialist advice was sought from Council's Procurement, Governance and Property Departments to effectively guide a clear and transparent EOI and Assessment process, identify and mitigate any conflict of interest or risk, and to ensure that all applicants met the mandatory criteria as a not-for-profit/community group.

The EOI process required that all applicants respond to both mandatory and comparative weighted selection criteria, as outlined in Attachment 1.

1.2 Applications and Assessment

Applications for tenancy were received from:

- **Australian South Asian Centre (ASAC)**
Proposed a multicultural program that focuses upon Australian South Asian cultural and community development.
- **Contemporary Art and Social Transformation Group (CAST)**
Proposed a visual arts residency program with RMIT alumni including social arts engagement research projects and some public programming.
- **Eastern Regional Libraries/Your Library (ERL)**
Proposed a diverse program of creative writing and literature events, children's programs, community and cultural events, arts partnerships, heritage literature collections, genealogy services and gardening, seed bank and sustainability activities.

Applications were evaluated in two stages, including a panel of Council officers and Councillor representation as follows:

Panel Round One (all three applications) reviewed by:

- Kate Bonser Miller's Homestead Project Officer
- Linda Merlino Coordinator Community Planning and Places
- Paige Kennett Acting Coordinator Property Management

Panel Round Two (two shortlisted applications) reviewed by:

- Councillor Jude Dwight Chandler Ward
- Nicole Columbine Manager Active and Creative Communities
- Elissa Pachacz Coordinator Arts and Cultural Services
- Paige Kennett Acting Coordinator Property Management
- Kate Bonser Miller's Homestead Project Officer

The following provides a summary of the panel scores for each eligible applicant, with further detail regarding weighted criteria offered in Attachment 1:

	Name of Eligible Applicant	Score out of 100	Score out of 100	Average Score out of 100
		Evaluation Round 1	Evaluation Round 2	Evaluation Rounds 1 and 2
1.	Australian South Asian Centre (ASAC) – Daizy Maan	46	Did Not Progress	N/A
2.	Contemporary Art and Social Transformation Group (CAST) – Dr Tammy Wong Hulbert and Dr Gretal Taylor	71	68	69.6
3.	Eastern Regional Libraries (ERL) Your Library: Joseph Cullen	79	83	81

Round One Panel Assessment Panel Recommendations

- ASAC will not progress to Round Two assessment, however the appointed tenant may be interested in exploring program partnerships or regular hire with this group.
- CAST and ERL to move to round two presentation assessment, both eligible and positive proposals.

Round Two Panel Assessment Panel Recommendations:

- Eastern Regional Libraries (ERL) recommended tenancy for a 12-month pilot period, with the intent to continue for a further 4 years as per Council’s Lease and License Policy.
- RMIT-CAST may be invited for a program partnership or regular hire by ERL, incorporated as part of the 12-month program plan prepared by ERL.

2. DISCUSSION

Although several enquiries regarding tenancy of Miller’s Homestead were received from local smaller scaled community not-for-profit groups, these organisations did not progress to application, due to their own lack of resources and appetite to deliver on the vision for broad activation and community engagement.

ASAC scored comparatively low in the first round, primarily due to their capacity to regularly activate the venue management at the expected level of operation. Although their proposed program aligned with the Council vision for the property, their proposal was more aligned to be a program partner than a lead tenant of this venue. Exploring opportunities for program partnerships with the preferred tenant can be encouraged.

Although both applications from ERL and RMIT - CAST scored equally in Round 2 for alignment to Council’s Vision, the areas that differentiated the two finalists included:

Due Diligence: ERL has an established reputation as a venue management, with the organisational structures and governance modelling to provide ongoing facility management, accountability and reporting. RMIT-CAST offered a focus on project-based operations, with some limitations in their structure and governance for a fully operational site, offering more intermittent activities based on their resources and staffing capacity limitations.

Benefit to Community: ERL has a proven community mindset and ability to program for broad engagement, whereas RMIT-CAST has a more targeted fine arts focus, with some concerns around the targeted engagement being primarily the regional creative sector rather than a focus on the preferred context of the local community.

Heritage and Environment: The ERL application details a whole site approach, embracing the heritage nature of the building and gardens with activations including garden clubs, seed bank, tech free room and sustainable venue practices. RMIT-CAST on the other hand showed an interest in this area, however, did not articulate how this would translate into actual venue management or programming. Both applicants addressed heritage of site pre and post settlement.

Scale and Diversity: ERL provides a strong proposal for diverse programming that covers both arts, community and heritage programs, at a scale that suits the space as well as the capacity to provide a clear plan for ongoing activation of the venue. RMIT-CAST, however, presented a highly academic approach, with a focus on small and targeted group engagement, rather than whole of community. They were unable to indicate how they might activate the venue regularly.

An arts program partnership between ERL as the tenant, and RMIT-CAST as a programmer, project lead or hirer, has the potential to provide the community with access to programming from both organisations.

Financial Impact: ERL have the benefit of already running services and have costed out a flexible program and are able to deliver their program without further funding from Council. RMIT-CAST is dependent on unsecured project grants for each proposed project, proposing that their first year of tenancy will be focused on securing funds for ongoing program and project delivery.

Both ERL and RMIT-CAST indicated a willingness to work with the Miller's Homestead Community Reference Group, with positive ideas about how to best engage with these representatives.

Both ERL and RMIT-CAST indicated that they are keen to collaborate and partner with other applicants to help build a more diverse and engaged program should they be appointed to tenancy, with RMIT-CAST showing specific interest in being a regular hirer or program partner with the lead tenant should they not be successful.

Proposed Licence Agreement with ERL

The proposed Licence Agreement with ERL will include the following key features, in line with Council's Lease and License Policy:

- Use of Council's standard template for a Community Licence Agreement as the written agreement between the parties.
- A maximum of a five-year term tenancy (inclusive of the 12-month pilot year), subject to the satisfactory performance of the obligations outlined in the Occupancy Agreement, with further extension negotiated on a case-by-case basis as per Council's Leases and Licenses Policy.

- A community tenancy fee of \$210 applied annually, and reviewed in accordance with Council's adopted Fees and Charges.
- A standard Licence Agreement maintenance schedule detailing Council and Tenant responsibilities.
- A standard application of costs associated with services, repairs, damages, and upgrades.

Special conditions within the agreement include:

- Conditions that specifically relate to Miller's Homestead and Gardens as a heritage facility.
- The development of a 12-month pilot Program Schedule outlining the intended services, activities, partnerships, and events proposed by the tenant, supported by Council Officers.

3. CONSULTATION

The Miller's Homestead and Gardens Expression of Interest in Tenancy was advertised to the arts community statewide via a paid campaign with Arts Hub, through Council's own community networks including social media platforms as well as through Council officers' own professional networks.

Governance was advised of the nature of both the shortlisted applicant organisations and their connection with Council including ERL Board membership. ERL Board includes Cr Marcia Timmers-Leitch and Cr Yvonne Allred. ERL may be perceived to be a "government service".

Communications and Marketing will be involved to ensure clear messaging around perceptions of the preferred tenant.

Internal stakeholders were consulted between Rounds 1 and 2 to understand any positive and/or negative impact on programming on Council planning already underway. No negative impacts were determined.

4. ENVIRONMENTAL / AMENITY ISSUES

Applicants' responses to the Heritage and Environment criteria were considered in both evaluation rounds. Both shortlisted applicants demonstrated a high level of understanding of Council values regarding heritage and environment. The preferred tenant demonstrated considerable experience of sustainable business practices and described in detail potential ongoing activities reflecting the heritage nature of the building in benefit of the broader community.

5. FINANCIAL & ECONOMIC IMPLICATIONS

There is no indication that the preferred tenant, ERL, will require increased funding from Council to deliver their proposal, and will have no further impact on the current budget allocations for Miller's Homestead this financial year 2021/22.

6. SOCIAL IMPLICATIONS

ERL demonstrates awareness of the implications of the property location, scale, and history through programming and expressed willingness to work with Community Reference Group (CRG) in responding to feedback, suggested programming, and suitable methods to notify local residents of upcoming programs and events.

ERL are well placed to form and resource partnerships and support community organisations including both unsuccessful applicants and casual hirers (see Recommendations from Round 2 Evaluation).

7. RELEVANCE TO KNOX COMMUNITY AND COUNCIL PLAN 2017-2021

Goal 7 - We are inclusive, feel a sense of belonging and value our identity

Strategy 7.1 - Protect and preserve our local cultural heritage

Strategy 7.3 - Strengthen community connections

Goal 8 - We have confidence in decision making

Strategy 8.1 - Build, strengthen and promote good governance practices across government and community organisations

Strategy 8.2 - Enable the community to participate in a wide range of engagement activities

8. CONFLICT OF INTEREST

The officers contributing to and responsible for this report have no conflicts of interest requiring disclosure under Chapter 5 of the Governance Rules of Knox City Council.

9. CONCLUSION

ERL, having passed a mandatory criteria check with Governance, are an eligible not-for-profit organisation in relation to Miller's Homestead Expression of Interest in Tenancy.

ERL scored the highest during both Rounds 1 and 2 assessments, offering suitable programming and venue management proposals to successfully deliver the tenancy outcomes as a collective use Community Arts and History Centre.

ERL is the preferred tenant, and it is recommended that they be appointed to the pilot 12-month tenancy period, with the option for a further 4-year period and placed on a standard Licence Agreement in line with Council's Leases and Licenses Policy inclusive of special conditions related to Miller's Homestead and Gardens and a heritage facility, and an officer supported program schedule for the first 12-month pilot period.

10. CONFIDENTIALITY

There is no content in this report that meets the definition of confidential information from the Local Government Act 2020.

Report Prepared By: Miller's Homestead Project Officer, Kate Bonser

Report Authorised By: Acting Director Connected Communities, Nicole Columbine

Attachments

1. Attachment 1 Millers Homestead Comparative Tenancy Evaluation Criteria 2021 [4.1.1 - 1 page]



Miller's Homestead Comparative Tenancy Evaluation Criteria 2021

COMPARATIVE EVALUATION CRITERIA (Weighted)	%
Alignment to Council's Vision for Miller's as a "Collective Use" venue including proactive and collaborative programming and events that establish Miller's as a vibrant "Community Arts and History Centre". <ul style="list-style-type: none"> <i>quantify and define; what is demonstrated through past, present future activities?</i> 	20%
Due Diligence <ul style="list-style-type: none"> <i>Does the organisation have the processes and professional capacity to deliver a purposeful, well organised, insightful, responsive and reputable service?</i> 	20%
Benefit to Community <ul style="list-style-type: none"> <i>What are the tangible benefits of this organization being housed at Miller's to the local community? What will it mean for the local residents in terms of increased quality of life, participation, creativity, education, disruption, relevance, expectations?</i> 	25%
Heritage and Environment <ul style="list-style-type: none"> <i>Is there an expressed commitment to the preservation of the heritage building and gardens?</i> <i>Does the tenant express commitment to sustainable business practices?</i> 	10%
Scale and Diversity <ul style="list-style-type: none"> <i>Is the size and service scope of this group a good fit? Does the scale match our expected capacity for venue activation, growth, diversity of programming, resourcing and on site presence?</i> 	5%
Financial Impact <ul style="list-style-type: none"> <i>Evidence of sound financial practices, responsible financial planning</i> <i>Costs required to activate the site safely and functionally fit for purpose</i> <i>Return on investment – is there any financial benefit or return on Council investment?</i> 	20%

4.2 Gilbert Park Modular Building

SUMMARY: Project Manager, Major Initiatives Unit – Joe Kelly

This report considers and recommends the appointment of a tenderer for the construction of the Gilbert Park Modular Change Rooms at 6 Forbes Close, Knoxfield.

RECOMMENDATION

That the Committee:

- 1. Accepts the tender submitted by Modular Spaces for the lump sum price of \$1,277,290.00 excluding GST for Contract 2683 – Gilbert Park Modular Change Rooms (Construction);**
- 2. Allocates a contingency for this project as set out in the confidential Attachment 1, and authorise the Chief Executive Officer (or such person the Chief Executive Officer selects) to expend this contingency at their discretion;**
- 3. Authorises the Chief Executive Officer (or such person the Chief Executive Officer selects) to execute contract documentation of Contract No. 2683 – Gilbert Park Modular Change Rooms (Construction) to give effect to Council’s decision; and**
- 4. Advises all tenderers accordingly.**

1. INTRODUCTION

This contract is for the construction of new modular change rooms for the Gilbert Park Baseball and Softball Clubs. The works aim to significantly improve the facility through the addition of four new change rooms, an umpire’s room, two first aid rooms, and public toilets. The existing public toilets and storage building as well as the existing batting cage will be demolished to make way for the new modular building. The site is located at 6 Forbes Close, Knoxfield.

The facility is classified as a regional baseball/softball facility by Council, the Eastern Regional Councils Collective, and the two sports respective governing bodies. The current facility does not meet the requirements of a regional facility, hence the need for the redevelopment and improvement works.

The overall project includes a new modular building and an upgrade to the existing pavilion, which will be delivered under two (2) separate tender and construction processes. The market for construction of modular buildings is limited, and as such, greater competitive pricing may be achieved by managing the construction of this project under two separate portions. This report relates to the first portion – new modular building. The second portion – upgrade of existing pavilion, will be tendered separately later in the year.

In accordance with Council’s Procurement Policy, after considering the complexity, value and risk associated with this contract, it was determined to utilise a public tender process commensurate with the approved Procurement Plan.

This report considers and recommends the appointment of a tenderer to undertake the works.

2. DISCUSSION

2.1 Background

The current facility at Gilbert Park caters for the Baseball and Softball clubs. It is approximately 45 years old, and the user groups have been in discussions with Council for nearly 20 years regarding upgrade works. They currently operate without any dedicated change rooms, umpire's rooms or first aid rooms.

This contract is for the construction of new modular change rooms for the Gilbert Park Baseball and Softball Clubs. The facility currently hosts some State and Australian Championships, however once the works are completed the facility will then be at a standard which will allow it to host many more major tournaments. These include the Victorian and Australian Little League Championships, Victorian and Australian Softball Championships, as well as many regional and interstate school championships.

Scoping and concept development was undertaken in 2019/20, with the preferred concept option presented to and supported by the stakeholder groups in June 2020.

Concept revision and detailed design works commenced in September 2020, with design documentation being prepared by principal architectural consultant Dig Design. The concept revision was approved by the stakeholder groups in May 2021.

2.2 Proposed Works

Following tender evaluation and contract award, construction works are planned to commence in November 2021 and be completed by the end of June 2022. Works consist of demolition of the existing public toilets, storage building and batting cage, fabrication off site of a new Modular Change Room Building and works associated with the requirements of Council's Sustainable Buildings and Infrastructure Policy.

2.3 Tenders Received

Council advertised a public tender for this project on 17 July 2021, in accordance with Council's Procurement Policy and approved Procurement Plan. The tender closed on 13 August 2021.

The following tenders were received:

Modular Spaces
Rendine Constructions
Fleetwood Australia
KLMSA
Allmore Constructions
McCorkell Brown
Marathon Modular
Insight Construction Group

2.4 Tender Evaluation Panel

The Tender Evaluation Panel consisted of suitably qualified panel members experienced in the evaluation and award of major capital works projects.

All members of the Panel signed the Conflict of Interest and Confidentiality Agreements indicating that they had no conflict of interest or association with any of the submitting tenderers.

2.5 Evaluation Criteria

The evaluation criteria, as listed in the Conditions of Tender, have been assigned the following weightings in accordance with the approved Procurement Plan:

Price	40%
Demonstrated Skills and Experience	25%
Project Timeframes, Resources and Methodology	25%
Sustainable Communities Objectives	10%

The tender also nominated the following mandatory criteria:

- Public Liability Insurance
- OH&S System
- Quality Assurance System
- Commercial Builders Registration
- Compliance with tender documentation
- Financial capacity

2.7 Preferred Tender

Modular Spaces is the recommended tenderer with the highest overall evaluation score. It is anticipated that Modular Spaces will provide satisfactory performance and successfully deliver this project.

Refer to Attachment 1 – Procurement Report (which includes the Tender Evaluation Matrix) for the detailed tender evaluation.

3. CONSULTATION

Aside from checking referees of preferred tenderer, no further consultation was undertaken as part of the tender evaluation process.

4. ENVIRONMENTAL/AMENITY ISSUES

The project aims to exceed the Council’s Sustainable Buildings and Infrastructure Policy, with the addition of a 20kw solar system, performance glazing, new insulation throughout, energy efficient lighting, solar external lighting, rain water tank and the use of recycled materials.

5. FINANCIAL & ECONOMIC IMPLICATIONS

The funding sources available are as follows:

Description	Funds
CWP Allocation Number N1130 4006	\$1,800,000.00
Total Funds Available:	\$1,800,000.00

Note that the funding above relates to the overall project (concept design, detailed design, permits, construction). The proposed contract sum for the construction is within the budget and consistent with a Quantity Surveyor (QS) estimate prepared prior to tender.

6. SOCIAL IMPLICATIONS

No social implications needed to be further considered in the evaluation of this contract, as the preferred tenderer is compliant with Item 5 of the Comparative Criteria contained in the tender documents.

7. RELEVANCE TO KNOX COMMUNITY AND COUNCIL PLAN 2017-2021

Goal 1 - We value our natural and built environment

Strategy 1.1 - Protect and enhance our natural environment

Goal 6 - We are healthy, happy and well

Strategy 6.2 - Support the community to enable positive physical and mental health

Goal 7 - We are inclusive, feel a sense of belonging and value our identity

Strategy 7.3 - Strengthen community connections

8. CONFLICT OF INTEREST

The officers contributing to and responsible for this report have no conflicts of interest requiring disclosure under Chapter 5 of the Governance Rules of Knox City Council.

9. CONCLUSION

The tender representing the best value for Council was presented by Modular Spaces for the lump sum price of \$1,277,290.00 excluding GST.

10. CONFIDENTIALITY

Attachment 1 is included in the confidential agenda as it contains confidential information pursuant to Council's Governance Rules and Section 66 of the Local Government Act 2020, as it relates to:

- Private commercial information that, if released, would unreasonably expose tenders to disadvantage because it would release financial information about the business that is not available to their competitors.

Report Prepared By: Project Manager, Major Initiatives Unit – Joe Kelly

Report Authorised By: Director, Infrastructure – Grant Thorne

Attachments

Confidential Attachment 1 Procurement Report - Gilbert Park Modular Change Rooms Construction is distributed under separate cover.

4.3 Request for Waiver of Penalty Interest and Legal Fees on Rates

SUMMARY: Coordinator Rates and Valuation – Ian Goulet

Request approval to waive interest of \$2,843.00 and legal fees of \$1,523.91 levied on overdue rates for the property listed in Confidential Attachment 1.

RECOMMENDATION

That the Committee:

- 1. Approve waiving interest of \$2,843.00 and legal fees of \$1,523.91, incurred from 1 July 2013 to 30 March 2020 for late payment of rates and charges for the property listed in Confidential Attachment 1;**
- 2. Pursuant to Section 125 of the Local Government Act 2020, resolve that the confidential information in Confidential Attachment 1 be publicly available for the limited purposes of communicating the effect of this Resolution to the extent necessary to give effect to them; and**
- 3. Authorise the Chief Executive Officer (or such person as the Chief Executive Officer selects) to determine, at their discretion, that the information in Confidential Attachment 1 is no longer confidential information for the purposes of Section 66 of the Local Government Act 2020, including for the purpose of informing the community of the nature of Council's decision.**

1. INTRODUCTION

Rates and charges have accrued as unpaid on this property since 2013-14. Council worked with collection agency (ML&C Collection), including the authorisation of legal action to recover the outstanding rates and charges. In 2020 ML&C Collections were made aware of particular circumstances regarding the debt accrual which are included within Confidential Attachment 1.

Section 171 of the Local Government Act 1989 (LGA 1989) sets out the conditions under which Council, by resolution, may waive rates or charges or interest on the grounds of financial hardship.

Section 6.1.5 of Council's Payment Assistance Policy details Council requirements for the consideration of the waiver of rates and charges and stipulates any such waiver of rates and charges must be approved by Council. Section 6.3 of the Payment Assistance Policy addendum requires a waiver of interest over \$1,000 to be approved by Council.

2. DISCUSSION

Circumstances regarding the accrual of the debt are included within Confidential Attachment 1. Fundamentally, no payment for rates and charges has been received for the property since 2013-14. Upon receiving correspondence requesting to waive interest and legal fees levied, the request was reviewed in line with the Payment Assistance Policy. The supporting information provided confirms a waiver on compassionate grounds is appropriate.

In accordance with Council's Payment Assistance Policy, support will also be offered in deferring the remaining rates and charges and entering into a manageable payment arrangement.

3. CONSULTATION

There has been consultation with the ratepayer and their advisors throughout this process and the advisers continue to represent and support the ratepayer.

4. ENVIRONMENTAL/AMENITY ISSUES

There are no environmental or amenity issues pertaining to this report.

5. FINANCIAL & ECONOMIC IMPLICATIONS

Council would be writing off \$2,843.00 interest and the writing off the recovery of \$1,523.91 legal fees which have been expended. Such items are unbudgeted however, will have no material impact to Council's financial position.

6. SOCIAL IMPLICATIONS

The recommended waiver and the option of ongoing deferral and payment arrangement in response to this application is a clear demonstration of a compassionate response.

7. RELEVANCE TO KNOX COMMUNITY AND COUNCIL PLAN 2017-2021

Goal 4 – We are safe and secure

Strategy 4.4 Protect and promote public health, safety and amenity

Goal 6 - We are healthy, happy and well

Strategy 6.2 - Support the community to enable positive physical and mental health

8. CONFLICT OF INTEREST

The officers contributing to and responsible for this report have no conflicts of interest requiring disclosure under Chapter 5 of the Governance Rules of Knox City Council.

9. CONCLUSION

It is recommended that Council approves waiving the \$2,843.00 interest and the \$1,523.91 legal fees for the property listed in Confidential Attachment 1.

10. CONFIDENTIALITY

Attachment 1 is included in the confidential agenda, as it contains confidential information pursuant to Council's Governance Rules and Section 66 of the Local Government Act 2020, as it relates to personal information that reveals a person's identity that would be unreasonable to disclose in a public report

Report Prepared By: Coordinator Rates and Valuation – Ian Goulet

Report Authorised By: Chief Executive Officer, Bruce Dobson

Attachments

Confidential Attachment 1 - Request to Waive Penalty Interest and Legal Fees has been circulated under separate cover.

5 Motions for Which Notice has Previously Been Given

6 Supplementary Items

7 Urgent Business

8 Confidential Items

Nil