



Merri-bek
City Council

SPECIAL COUNCIL MEETING AGENDA

Monday 16 September 2024

Commencing 5 pm

Online via Video Conferencing

Language Link

This is the Agenda for the Council meeting.
For assistance with any of the agenda items,
please telephone 9240 1111.

這是市政會會議的議程。您若在理解議程中有需要協助的地方，請打電話給“語言連接 (Language Link)”翻譯服務，號碼9280 1910。

Questo è l'ordine del giorno per la Riunione del consiglio Comunale. Se hai bisogno di aiuto sugli argomenti in discussione, sei pregato di telefonare al Language Link al numero 9280 1911.

Αυτή είναι η Ημερήσια Διάταξη για τη Συνεδρίαση του Συμβουλίου (Council Meeting). Για βοήθεια με οποιοδήποτε από τα θέματα της ημερήσιας διάταξης, παρακαλείστε να τηλεφωνήσετε στο Γλωσσικό Σύνδεσμο (Language Link), στο 9280 1912.

هذا هو جدول أعمال اجتماع المجلس البلدي. للمساعدة بأي بند من بنود جدول الأعمال الرجاء الاتصال بخط Language Link على الرقم 9280 1913.

Belediye Meclisi Toplantısının gündem maddeleri burada verilmiştir. Bu gündem maddeleri ile ilgili yardıma ihtiyacınız olursa, 9280 1914 numaralı telefondan Language Link tercüme hattını arayınız.

Đây là Nghị Trình cuộc họp của Ủy Ban Quy Hoạch Đô Thị. Nếu muốn biết thêm chi tiết về đề tài thảo luận, xin gọi điện thoại cho Language Link qua số 9280 1915.

यह कौंसिल की बैठक का कार्यक्रम है। कार्यक्रम के किसी भी विषय के बारे में सहायता के लिए कृपया 9280 1918 पर फोन कीजिए।

这是市政府例会的议题安排，如果需要协助了解任何议题内容，请拨打9280 0750。

ਇਹ ਕੌਂਸਲ ਦੀ ਮੀਟਿੰਗ ਦਾ ਏਜੰਡਾ ਹੈ।
ਏਜੰਡੇ ਦੀ ਕਿਸੇ ਆਈਟਮ ਬਾਰੇ ਮਦਦ ਲਈ,
ਕ੍ਰਿਪਾ ਕਰਕੇ 9280 0751 ਤੇ ਟੈਲੀਫੋਨ ਕਰੋ।

1. **WELCOME**
2. **APOLOGIES/LEAVE OF ABSENCE**
3. **DECLARATIONS OF CONFLICTS OF INTERESTS**
4. **COUNCIL REPORTS**
 - 4.1 CONTRACT VARIATION: RFT-2023-468B HOSKEN RESERVE STAGE 4
- LANDSCAPING 3

5. **CONFIDENTIAL BUSINESS**

5.1 CONFIDENTIAL PROPERTY MATTER

Pursuant to section 3(1)(a) of the Local Government Act 2020 this report has been designated as confidential because it relates to Council business information, being information that would prejudice the Council's position in commercial negotiations if prematurely released.

4. COUNCIL REPORTS

4.1 CONTRACT VARIATION: RFT-2023-468B HOSKEN RESERVE STAGE 4 - LANDSCAPING

Director City Infrastructure, Anita Curnow

Capital Works Planning and Delivery

Officer Recommendation

That Council:

1. Approves an increase in the total contract sum for Contract RFT-2023-468B – Hosken Reserve Stage 4 – Landscaping to \$1,840,257.83 (GST exclusive) for unforeseen variations that have arisen during landscaping works at Hosken Reserve, noting that this represents a variation of 16.12 per cent.
2. Authorises the Chief Executive Officer to do all things necessary to approve the contract variation, extensions and related documentation as identified in point 1.
3. Refers the shortfall as a result of the contract variation to the first quarterly budget review for 2024/25.

REPORT

Executive Summary

Implementation of the landscaping for the Hosken Reserve Masterplan is close to completion with minor finalisation tasks and plant establishment underway. A number of suppliers and contractors have been working on the project. One of the contractors is Commercialscapes, who was awarded a tender by Council in October 2023 for \$1,584,742 (GST exclusive).

In the past few months, the project has encountered a significant amount of contamination, other unexpected site conditions (latent conditions) and scope and design changes. This has resulted in cost escalations to the contract totalling \$255,515.83. Previously, a contract variation of \$63,162.26 was approved by the Chief Executive Officer.

This report seeks Council's approval to vary the contract by an additional \$192,353.57 (GST exclusive) bringing the total approved contract cost to \$1,840,257.83. The additional funding required will be referred to the first quarter finance review.

Previous Council Decisions

Contract Variation: RFT-2023-468a – Hosken Reserve Masterplan Implementation Civil Works – 2 September 2024

That Council:

1. *Endorses an increase of the total contract spend under Contract-2023-468A – Hosken Reserve – Civil Works by \$459,226.58 (GST exclusive), taking the total contract value from \$830,000 (GST exclusive) to \$1,289,226.58 (GST exclusive).*
2. *Authorises the Chief Executive Officer to do all things necessary to approve contract variations, extension and related documentation as identified in point 1.*
3. *Refers the shortfall of \$459,226.58 as a result of the contract variation to the first quarterly budget review for 2024/25.*

RFT-2023-468: Hosken Reserve - Civil Works And Landscaping Tender Award Report
– 18 October 2023

That Council:

1. *Authorises the Chief Executive Officer to:*
 - a) *Make a formal offer to Prestige Paving Pty Ltd (A.C.N. 140 970 912) (Contractor) to award contract RFT-2023-468-A Civil Works (Contract) on the following terms and otherwise subject to and in accordance with paragraph 1(c) of this Resolution for the sum of \$830,000.00 (excluding GST) or \$913,000.00 (including GST).*
 - b) *Make a formal offer to Commercialscapes Pty Ltd (A.C.N. 607 810 364) (Contractor) to award to the Contractor contract RFT-2023-468-B Landscaping (Contract) on the following terms and otherwise subject to and in accordance with paragraph 1(c) of this Resolution for the sum of \$1,584,742.00 (excluding GST) or \$1,743,216.20 (including GST).*
 - c) *Negotiate and finalise the terms of the Civil Works Contract and Landscaping Contract between Council and the Contractor(s) provided that:*
 - i. *the terms specified in paragraph 1(a) and 1(b) of this Resolution shall not be altered without a further Resolution of Council; and*
 - ii. *other than terms referred to in paragraph 1(a) and 1(b) of this Resolution, the terms of the Civil Works Contract and Landscaping Contract are acceptable to the Chief Executive Officer.*
2. *Conditional on acceptance of the Civil Works Contract and Landscaping Contract by the Contractor(s) in accordance with the terms of this Resolution:*
 - a) *Authorises the Chief Executive Officer to do all things necessary to execute the Civil Works Contract and Landscaping Contract and any required documentation for the Civil Works Contract and Landscaping Contract; RFT-2023-468-A and RFT-2023-468-B.*
 - b) *Advises all tenderers of Council's decision in relation to the Civil Works Contract and Landscaping Contract.*

1. Policy Context

Financial Management

This report is in keeping with Council's commitment to accountability and sound financial management. Contract variations exceeding Council's delegation to the CEO require Council approval.

2. Background

The landscaping at Hosken Reserve forms part of the broader Hosken Reserve Masterplan Implementation project which is listed in Council's 2023/24 and 2024/25 capital works program. Specifically, it is the landscaping part of Stage 4 – Civil Works and Landscaping.

The contract for the construction works was awarded at October 2023 Council meeting to Commercialscapes Pty Ltd for a fixed lump sum of \$1,584,742 (GST exclusive).

The landscaping contract work includes the construction of a new play area, basketball court, garden beds, waste bin installation, irrigation and pathway lighting.

During construction, asbestos was found on site, which required removal and downtime of works, slower construction method to allow for ongoing monitoring for further asbestos, changes in design due to unforeseen factors and changes to scope.

The outstanding works required are time critical and any delay could incur further delay costs. It is now a matter of urgency to resolve the requested variations, which is why this report is being included in a Special Council meeting agenda.

Details of variations for Contract RFT-2023-468B

Commercialsapces Pty Ltd Council awarded contract sum	\$ 1,584,742.00
Approved variation to date totalling 3.99% (by CEO)	\$ 63,162.26
Variation requested (includes anticipated variations)	\$ 192,353.57
Total (excluding GST)	\$ 1,840,257.83

3. Issues

Construction at Hosken Reserve is largely complete with final finishing touches to landscaping and nursing of newly planted trees and shrubs ongoing.

Post contract award, there have been numerous issues and site conditions uncovered, which has resulted in contractor seeking variations to deliver the scope of the contract. In addition, there have been some scope changes approved by Council, which has resulted in modest increase to the variation.

These are summarised in the table below:

Type of variation	Description	Variation amount
Design changes		\$ 85,720.38
Unforeseen works required and provisional items	Electrical works, lighting	\$ 31,190.65
Grandstand installation and electrical connection	To enable soccer club contribution of grandstand seating to be installed.	\$ 3,132.44
Site conditions (latent conditions) and asbestos removal – related costs	Asbestos removal and storage needs due to delays	\$ 110,472.30
Further claims not fully assessed (allowance)		\$ 25,000.00
TOTAL		\$ 255,515.83

Community impact

The landscaping contract for Hosken Reserve Masterplan Implementation delivers many of the passive recreation and landscaping features of the project throughout the reserve, including the new community open space area in the northeast of the reserve. The proposed variations ensure achievement of the intended outcomes for the community space.

Climate emergency and environmental sustainability implications

As a part of the contract, tree planting, garden beds and efficient irrigation systems are being delivered, which are all important aspects in Council's response to climate emergency and contribute towards achieving greater canopy cover and water saving measures.

Legal and risk considerations

There are no legal implications associated with the proposed variation.

Human Rights Consideration

The implications of this report have been assessed in accordance with the requirements of the Charter of Human Rights and Responsibilities and no impacts were identified.

4. Community consultation and engagement

This report is seeking a financial variation to a Council approved contract and does not require further community consultation and/or engagement.

5. Officer Declaration of Conflict of Interest

Council officers involved in the preparation of this report have no conflict of interest in this matter.

6. Financial and Resources Implications

Contract sum

The proposed contract variation as recommended by the officers and including the previous approved variation take the total value of the contract to \$1,840,257.83 (GST exclusive).

Items	
Original contract – awarded October 2023 via resolution	
Landscaping works contract sum	\$1,584,742.00
Variations identified to date (incl. \$25,000 for further anticipated)	\$ 255,515.83
Proposed amended contract value RFT-2023-468B	\$1,840,257.83

The shortfall of \$255,515.83 is proposed to be referred to the first quarterly financial review of 2024/25.

Budget position – Hosken Reserve Masterplan Implementation Project

Other components of the Hosken Reserve Masterplan Implementation Project have also been subject to unforeseen costs, mostly due to management of asbestos contamination and partly due to approved scope changes, with related contract execution and variation occurring under delegation.

One of these variations was approved at a Special Council meeting on 2 September 2024. This was for Contract RFT-2023-468A, relating to the Civil Works component of Stage 4 of the Hosken Reserve Masterplan Implementation Project, and with a different contractor. At that meeting, Council referred the shortfall arising from that contract variation (of \$459,226.58 GST exclusive) to the first quarterly budget review 2024/25.

This separate Stage 4 Landscaping contract variation also requires additional budget for the Hosken Reserve Masterplan Implementation of \$255,515.83 (GST exclusive).

Including the above Stage 4 contract variations, a total funding increase of 13.6 percent is required (or \$1,600,689) above the previously approved budget for the project. This is proposed to be included for consideration in the first quarterly financial review which will come to the December 2024 Council meeting for endorsement.

7. Implementation

Upon Council's approval of the contract variation, it will be executed by the Chief Executive Officer and works on the project will continue towards the updated practical completion date.

Attachment/s

There are no attachments for this report.