NOTICE OF MEETING

Pursuant to Section 83 of the Local Government Act 1999 notice is hereby given that the following meeting will be held in the Council Chambers, Mount Barker Homemaker Centre, 6 Dutton Road, Mount Barker on Monday 14 October 2019.

6.30 pm Special Council Meeting

A. Stuart
CHIEF EXECUTIVE OFFICER

10 October 2019

Further information on Council's meeting procedures can be found on Council's website - www.mountbarker.sa.gov.au Council / Documents / Code of Practice for Meeting Procedures
ORDER OF BUSINESS

1. COUNCIL OPENING
   - Expression of Faith
   - Welcome Statement
   - Apologies or Leave of Absence

2. CONFLICT OF INTEREST DECLARATION ................................................................. 5

3. REPORTS ............................................................................................................. 6
   3.1 Regional Sports Hub – Capital Funding Deed between Council and FFSA ............................................................... 6
   3.2 Award of Contracts for Regional Sports Hub Stage 1 Construction – Separable Portion 1 (Bulk Earthworks & Civil Infrastructure) ...................................................... 22
1. COUNCIL OPENING
   EXPRESSION OF FAITH
   ACKNOWLEDGEMENT OF LAND
   APOLOGIES OR LEAVE OF ABSENCE

1.1 Leave of Absence

1.2 Apologies – Councillor Jones

2. CONFLICT OF INTEREST DECLARATION
   Council Members are reminded of the requirements for disclosure by Members of material, actual or perceived conflicts of interest in relation to items listed for consideration on the agenda.
3. REPORTS

3.1 REPORT TITLE: REGIONAL SPORTS HUB – CAPITAL FUNDING DEED BETWEEN COUNCIL AND FFSA

DATE OF MEETING: 14 OCTOBER 2019

FILE NUMBER: 19/119343

ATTACHMENTS: 1. 19/127195 Capital Funding Deed

Key Contact Brian Clancey Deputy Chief Executive Officer/General Manager, Governance and Strategic Projects

Sponsor Andrew Stuart, Chief Executive Officer

Mount Barker 2035 – District Strategic Plan:
Community Wellbeing
High Priority: Significantly advance the establishment of new sport and recreation facilities

Annual Business Plan:
The Mount Barker regional sports hub stage 1 is included under Community Wellbeing as a strategic new capital project.

Purpose:
To seek authority to execute the Capital Funding Deed for the Mount Barker regional sports hub between Council and the Football Federation SA Incorporated.

Summary – Key Issues:

- A Capital Funding Deed between Council and the Football Federation SA Incorporated (FFSA) has been prepared for the Mount Barker regional sports hub.

- The need for the Deed arises from the State Government providing a grant of $2.5 million to the FFSA for the purpose of two artificial soccer pitches and an associated building, with the grant being subject to a matching contribution from council.

- The Chief Executive Officer of the FFSA has signed and returned to Council the Capital Funding Deed (attached).
Recommendation:

That Council:

1. Endorse the attached Capital Funding Deed for the Mount Barker regional sports hub between council and the Football Federation SA Incorporated; and

2. Authorise the Capital Funding Deed between council and the Football Federation SA Incorporated to be executed for council by the Chief Executive Officer.

Background:

1. In 2017 the State Government provided a grant of $2.5 million to the FFSA for the purposes of two artificial soccer pitches and a building, with the grant being subject to matching council funding.

2. This funding was part of a package of several soccer infrastructure projects across the state for which the State Government provided grant funding direct to the FFSA.

3. A draft Terms Sheet between council and the FFSA was prepared earlier this year but has not as yet been finalised. Thisdraft anticipated the subsequent preparation of two formal agreements between council and the FFSA being a Capital Funding Deed (attached) and an Access Agreement (primarily around the use of the facilities and the associated respective responsibilities of the FFSA and Council).

4. It was subsequently determined that the priority was to proceed with the Capital Funding Deed given that the arrangements for the Access Agreement (yet to be drafted) are anticipated to be quite detailed and may require an extended period of time to finalise.

5. Conversely the Capital Funding Deed is considered to be reasonably straightforward and is required to be in place so that the condition of the State Government grant to the FFSA of matching council funding is met and council has secured access to these funds.

6. Also contained in this agenda is another item recommending the award of a tender for the construction of portion 1 of stage 1 of the regional sports hub.

7. That item also includes a recommendation for the award by council of a contract to Greenplay Australia Pty Ltd for the supply and installation of sports lighting for the two soccer pitches and premier oval in stage 1 for a contract amount of $915,705 excluding GST. As Greenplay Australia Pty Ltd would be a council contractor for these works, payment would be a council responsibility.

8. This option was facilitated by the FFSA and recommended by the procurement advisory panel, chaired by Mr John Ashcroft. This recommendation represents a significant capital cost saving of a little under $0.5 million relative to the preferred tender submission.


**Discussion:**

9. The Capital Funding Deed reflects that the FFSA has a pre-existing contract in place with Greenplay Australia Pty Ltd that includes the supply and installation of the artificial surfaces on both soccer pitches. Hence the FFSA is responsible for payment to its contractor of the fixed amount of $1,096,000 excluding GST.

10. The balance of the State Government grant to the FFSA being the amount of $1,404,000 ($2,500,000 - $1,096,000) is payable to council by the FFSA on a progressive basis as construction of the stage 1 soccer facilities proceeds.

11. These arrangements are set out in the attached Capital Funding Deed.

12. Once the Capital Funding Deed has been executed by council, the next immediate priority is the progression to completion of the draft Terms Sheet between council and the FFSA. Following that, the preparation of the Access Agreement between council and the FFSA would be undertaken. Similar agreements will also be required for other users such as cricket and Australian rules football.

**Community Engagement:**

Informing only Available from the council website.

**Policy:**

Strategic Partnerships Policy

**Long Term Financial Plan:**

This project, inclusive of grant funding, is allowed for in Council’s Long Term Financial Plan (LTFP) as per below:

<table>
<thead>
<tr>
<th>Year</th>
<th>Expenditure</th>
<th>Revenue (external and surplus land sales)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018/19</td>
<td>$8.1M</td>
<td>$3.3M</td>
</tr>
<tr>
<td>2019/20</td>
<td>$8.5M</td>
<td>$4.9M</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$16.6M</strong></td>
<td><strong>$8.2M</strong></td>
</tr>
</tbody>
</table>

Allowance for a net council contribution from General Rates and contributions from all developers in the Ministerial DPA area as included in the LTFP assumptions was $8.0M when the Plan was adopted and with indexation provision, this amount is now circa $8.4M.

Although the net contribution allowance from Council for the construction of Stage 1 has been maintained at circa $8.4M inclusive of $0.75M of forecast surplus land sales, the proposed increased capital expenditure for stage 1 has been offset by additional grant revenue. Further information is contained in the separate item in this agenda recommending the award of a tender for the construction of portion 1 of stage 1 of the regional sports hub.

**Budget:**

Execution of the Capital Funding Deed will ensure that the $2.5 million grant from the State Government to the FFSA is acquitted to the Mount Barker regional sports hub.
**Statutory/Legal:**  
The Capital Funding Deed has been prepared by FBR Law in accordance with instructions from Council.

**Staff Resource Requirements:**  
The recommendations can be implemented within existing staff resources.

**Environmental:**  
Not applicable to the Capital Funding Deed.

**Social:**  
Not applicable to the Capital Funding Deed.

**Risk Assessment:**  
The FFSA is not able to withhold payments to council or terminate the Capital Funding Deed unless it has provided formal notice to council if the FFSA considers that council is in breach of the Deed and council then has the opportunity to remedy the alleged breach.

In the extremely unlikely event that the FFSA failed to honour its funding commitment to council, FBR has advised that council would be in a position to pursue damages from the FFSA.

**Asset Management:**  
Not applicable to the Capital Funding Deed.

Council will be the owner of the capital improvements.

**Conclusion:**  
Execution by council of the Capital Funding Deed between council and the FFSA for the Mount Barker regional sports hub is now recommended.

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**Previous Decisions By/Information Reports to Council**

<table>
<thead>
<tr>
<th>Meeting Date</th>
<th>HPRM Reference</th>
<th>Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>6 May 2019</td>
<td>DOC/19/46815</td>
<td>To seek endorsement of the attached Term Sheet between council and FFSA</td>
</tr>
</tbody>
</table>
CAPITAL FUNDING DEED

Football Federation SA Incorporated (FFSA)
Mount Barker District Council (MBDC)

FBR LAW
123 Wright Street
ADELAIDE SA 5000
8272 3644
www.fbrlaw.com.au
CAPITAL FUNDING DEED

DATED:

THE PARTIES:

1. FOOTBALL FEDERATION SA INCORPORATED (FFSA) Gate 5, Coopers Stadium Holden Street, Hindmarsh SA 5007

2. MOUNT BARKER DISTRICT COUNCIL (MBDC) 6 Dutton Road, Mount Barker SA 5251

RECITALS

A. Football Federation SA Incorporated (FFSA) is the governing body of football in South Australia.

B. The Mount Barker District Council (MBDC) is the owner of land located at Springs Road Mount Barker upon which it intends to construct a Regional Sports Hub (the Hub) including soccer facilities (the Facilities), comprising two football soccer pitches with artificial turf (the Soccer Pitches) eight (8) x Light Towers (the Pitches and Lighting) and an amenities building, including toilets and pitch surrounds (the Building and Surrounds).

C. The FFSA has pursuant to a Funding Deed between it and the Minister for Recreation and Sport (the Minister) received $2.5 Million excluding GST funding (the Grant) for the purpose of constructing the Facilities and the Building and Surrounds.

D. The FFSA wishes to make the Grant available to facilitate the construction of the Facilities and the Building and Surrounds (the Purpose).

E. The FFSA will provide the Grant by way of direct payment to its own contractor for supply and installation of the artificial turf and by way of payment of the balance of the Grant funds to MBDC in the manner specified in this Deed.
THE PARTIES AGREE AS FOLLOWS

1. OPERATIVE PART

1.1. Definitions

In this Deed:

Capital Sum means that sum stated in Item 2 of the Schedule

Date of execution of this Deed means the date that the last of the parties executes the Deed

Deed means this Capital Funding Deed between MBDC and FFSA

FFSA means Football Federation SA Incorporated

Funding Deed means that deed entered into between the FFSA and the Minister dated 29 June 2017 pursuant to which the Minister provided the Grant

Funding Period means that period commencing on the date of execution of this Deed and continuing until the final payment of the Capital Sum has been made to MBDC by the FFSA

Grant means the sum of $2.5 million exclusive of GST provided by the Minister to the FFSA pursuant to the Funding Deed for two artificial pitches and a building at Mount Barker

GST Law means A New Tax System (Goods and Services Tax) Act 1999

Hub means the Mount Barker Regional Sports Hub to be constructed upon the Land, including soccer facilities (the Facilities) comprising two football soccer pitches with artificial turf (the Soccer Pitches) eight (8) x Light Towers (the Pitches and Lighting) and an amenities building, including toilets and pitch surrounds (the Building and Surrounds)

Land means land owned by MBDC on Springs Road Mount Barker being portion of the land in Certificate of Title Volume 6037 folio 785.

MBDC means the Mount Barker District Council

Minister means the Minister for Recreation and Sport

Notice to Remedy means a Notice served upon MBDC identifying a breach of this Deed and requiring MBDC to remedy the breach in a period of 28 days from the date of service of the Notice or such shorter period as FFSA may reasonably specify in all of the circumstances relating to the breach but in any event not less than 14 days and detailing what MBDC is required to do to remedy the breach

Parties means the FFSA and MBDC

Purpose means that purpose stated in Item 1 of the Schedule

Schedule means the schedule attached to this Deed

Special Conditions means those referred to in Item 5 of the Schedule
Serious Breach of this Deed means a material breach that has not been substantially remedied by MBDC within 28 days after having been served with a Notice to Remedy or such shorter period as FFSA may reasonably specify in all of the circumstances relating to the breach but in any event not less than 14 days.

1.2. Interpretation

1.2.1. In interpreting this Deed, the following principles will apply unless the contrary intention appears:

1.2.2. singular includes the plural and vice versa;

1.2.3. a reference to an individual or to a person includes a corporation, firm, association, authority, trust, state or government and vice versa;

1.2.4. a reference to any gender includes a reference to each other gender;

1.2.5. where any expression is defined in this Deed, another part of speech or grammatical form of that expression has a corresponding meaning;

1.2.6. clause headings are inserted for convenience only and do not affect the interpretation of this Deed;

1.2.7. reference to ‘dollars’ and ‘$’ are references to Australian dollars;

1.2.8. a reference to any legislation or to any section or provision of any legislation includes any statutory modification or re-enactment of that legislation or any statutory provision substituted for it; and includes any subordinate legislation or statutory instruments issued pursuant to that legislation or as it may be modified, re-enacted or substituted;

1.2.9. a reference to paragraphs, subclauses, clauses and schedules is a reference to paragraphs, subclauses, clauses and schedules of and to this Deed;

1.2.10. a reference to a party to this Deed includes that party’s executors, administrators, successors and permitted assigns.

1.3. The parties agree that the Recitals are accurate and form part of this Deed.

1.4. Nothing in this Deed will be interpreted as intending to create the relationship of partners between the Parties.

2. PAYMENT OF CAPITAL SUM

2.1. Subject to the terms of this Deed, FFSA will pay from the Grant:

2.1.1. to its own contractor the GST exclusive cost of supply and installation of the artificial turf, and;

2.1.2. the balance of the Capital Sum to MBDC in the manner set forth in Item 3 of the Schedule.
3. REPORTING AND PROVISION OF FINANCIAL INFORMATION

3.1. MBDC must provide FFSA with appropriate and regular information, records and reports as stated in Item 6 of the Schedule.

3.2. MBDC must permit any officer authorised by FFSA:
   3.2.1. to enter Land;
   3.2.2. to have access to all accounting records, equipment, documents and information in possession of MBDC relevant to the Capital Sum and the Purpose.

4. OBLIGATIONS OF MBDC

MBDC must:

4.1. have the Facilities constructed in accordance with the terms of this Deed and the Funding Deed, excepting that FFSA will be responsible for the supply and installation of the artificial turf in accordance with clause 2.1.1;

4.2. without limiting the generality of clause 4.1:
   4.2.1. 
   4.2.2. ensure that the Facilities meet Australian Standards for sports lighting as at the date of completion of the Facilities pursuant to Schedule Item 1 of the Funding Deed;
   4.2.3. ensure that all necessary development approvals and any other necessary approvals for the Facilities have been obtained pursuant to Schedule Item 5.2.1 of the Funding Deed;
   4.2.4. ensure that the Facilities comply with all relevant development approval requirements pursuant to Schedule Item 1 of the Funding Deed;
   4.2.5. permit the placement of signage pursuant to Schedule Item 7.1 of the Funding Deed, and;
   4.2.6. consult with the Minister and invite the Minister to officially open the Facilities pursuant to Schedule Item 7.2 of the Funding Deed.

4.3. use the balance of the Capital Sum referred to in clause 2.1.2 only for the Purpose;

4.4. maintain accounting records of the Capital Sum in accordance with generally accepted accounting principles;

4.5. maintain insurance in accordance with Item 4 in the Schedule;

4.6. comply with any Special Conditions stated in Item 5 of the Schedule;

4.7. comply with the reporting requirements stated in Item 6 in the Schedule;

4.8. not hold itself out as having authority to enter into contracts or commitments or make representations on behalf of FFSA;

4.9. do all things and execute and provide all documents and information reasonably necessary and within its power to enable FFSA to comply with its obligations pursuant to the Funding Deed, and without limiting the generality of this, to comply with FFSA’s obligations;
4.9.1. to provide information to the Minister pursuant to clause 6 of the Funding Deed;

4.9.2. pursuant to clause 7 of the Funding Deed, and;

4.9.3. to ensure that the Major Deliverables, as they relate to the Facilities, are delivered pursuant to Schedule Item 1 of the Funding Deed.

5. **TERMINATION**

5.1. If MBDC commits a material breach of this Deed, so long as that breach remains unremedied, the FFSA may;

5.1.1. withhold any further advance of the Capital Sum to MBDC, and/or;

5.1.2. pursue any legal rights or remedies which may be available to it.

5.2. If MBDC commits a Serious Breach of this Deed, FFSA may, by notice in writing, terminate this Deed without advance notice to MBDC.

6. **GOODS AND SERVICES TAX**

6.1. The grant of rights pursuant to this Deed and/or the construction of the Facilities constitutes a Taxable Supply as defined in the GST Law.

6.2. The MBDC is liable to pay GST on the Taxable Supply.

6.3. In relation to any instalment payment which FFSA makes to MBDC pursuant to this Deed, FFSA will pay to MBDC in addition an amount calculated by multiplying the instalment amount by the rate at which the GST is levied, as at the Date of Execution of this Deed.

6.4. The obligation of FFSA to make the additional payment referred to in clause 6.3 is conditional on MBDC first providing FFSA with a valid tax invoice for the instalment amount and GST.

7. **GOVERNING LAW**

7.1. This Deed and the rights and obligations of the parties to this Deed must be construed in accordance with and governed by the laws of the State of South Australia and the parties submit to the exclusive jurisdiction of the courts of that State.

8. **SEVERABILITY**

8.1. If any provision of this Deed is invalid or of no force or effect under any statute then this Deed is to be construed as if that provision is not in this Deed but the remainder of the Deed retains its full force and effect.
9. THE WHOLE AGREEMENT

9.1. This Deed records the whole agreement between the parties.

9.2. If the parties have executed counterpart versions of this Deed then the executed counterparts form the one agreement between the parties.

10. NOTICES

10.1. A notice means a notice in writing or a consent, approval or other communication required to be in writing under this Deed

10.2. Addresses for notices are set out in Item 7 of the Schedule.

10.3. A notice must be signed by or on behalf of the sender addressed to the recipient and:

10.3.1. delivered to the recipient's address;

10.3.2. sent by pre-paid mail to the recipient's address; or

10.3.3. sent by email to the recipient's address.

10.4. A notice given to a person in accordance with this clause is treated as having been given and received:

10.4.1. on the day of delivery if delivered before 5.00pm on a business day, otherwise on the next business day;

10.4.2. if sent by pre-paid mail, on the third business day after posting; or

10.4.3. if sent by e-mail, upon production of a receipt/sent notification, but if notification is received after 5.00pm it shall be deemed to be received on the next Business Day.

10.5. A party may from time to time notify its change of address or facsimile number by written notice to the other party.

11. WAIVER

11.1. Any waiver of any provision of this Deed is ineffective unless it is in writing and signed by the party waiving its rights.

11.2. A waiver by either party in respect of a breach of a provision of this Deed by the other party is not a waiver in respect of any other breach of that or any other provision.

11.3. The failure of either party to enforce any of the provisions of this Deed at any time must not be interpreted as a waiver of that provision.

12. AMENDMENTS

12.1. Any modification of this Deed must be in writing and signed by each party.
13. SEVERANCE

13.1. Each word, phrase, sentence, paragraph and clause of this Deed is severable.

13.2. If a court determined that a part of this Deed in unenforceable, invalid, illegal or void, that part may be severed.

13.3. Severance of a part of this Deed will not affect any other part of it.

14. READING DOWN

14.1. Where a word, phrase, sentence, paragraph, clause or other provision of this Deed would otherwise by unenforceable, illegal or void, the effect of that provision will, as far as possible, be limited and read down so that it is not unenforceable, illegal or void.

15. AUDITOR GENERAL

15.1. Nothing in this Deed derogates from the powers of the Auditor-General under the *Public Finance and Audit Act 1987* (SA).

15.2. Without limiting the previous sub-clause, FFSA acknowledges the Auditor-General’s obligations and powers under sections 32 and 34 of the *Public Finance and Audit Act 1987* (SA).

16. PUBLIC DISCLOSURE

16.1. FFSA may disclose this Deed and/or information in relation to this Deed in either printed or electronic form to the public or to a particular person as a result of a specific request.

16.2. Nothing in this clause derogates from:

16.2.1. MBDC’s obligations under any provision of this Deed; or

Executed as a Deed.

Mount Barker District Council
ABN 54 250 395 713

By

Name

Position

Date

Football Federation SA

By

Michael Carter

Name

CEO

Position

9 October 2019

Date
SCHEDULE

1. Item 1 – Purpose

To construct soccer facilities (the Facilities), comprising two (2) football soccer pitches with artificial turf (the Soccer Pitches), eight (8) x Light Towers (the Pitches and Lighting) and an amenities building (including toilets and pitch surrounds (the Building and Surroun ds) that are fit for purpose and value for money, so as to maximise the community use of the Facilities, and to minimise the capital and recurrent costs of the Facilities.

2. Item 2 – Capital Sum

2.1. $2.5 million exclusive of GST.

3. Item 3 – Responsibility for Works and Manner of Payment

3.1. FFSA is responsible only for the procurement of the supply and installation of the artificial turf for the two (2) pitches in Stage 1, at an amount of $1,096,000 ex GST as per the contract between the FFSA and its contractor Greenplay Australia. The FFSA is to be responsible for payment to its contractor for the supply and installation of the artificial turf for the two (2) pitches in Stage 1. FFSA will use its best endeavours to have Greenplay Australia perform its obligations pursuant to its contract promptly and at an appropriate time during the course of construction of the Facilities. MBDC will be solely responsible for all other works relating to the construction and completion of the Hub.

3.2. When MBDC wishes to call on FFSA for payment of any part of the balance of the Capital Sum;

3.2.1. MBDC must issue a valid tax invoice (an "MBDC Invoice") for the instalment to FFSA, which invoice must identify the work and/or materials to which the invoice relates, and must provide to FFSA copies of all third party invoices which substantiate the expenses included in the MBDC Invoice (unless and to the extent that FFSA specifies in writing that such supporting invoices are not required);

3.2.2. FFSA may, but is not required to, inspect the work and materials which are the subject of the MBDC Invoice, and MBDC will facilitate such inspection;

3.2.3. the amount of the MBDC Invoice must be not more than half of the amount of the expenses incurred by MBDC to which the invoice relates;

3.2.4. subject to being satisfied that the work and materials have been supplied and that they are of satisfactory quality, FFSA will pay the MBDC Invoice within 30 days of receipt of the same;

3.2.5. MBDC must pay any contractor or supplier whose charges are included in the MBDC Invoice those charges in full within 14 days of receiving payment of the MBDC Invoice.
4. **Item 4 – Insurance**

4.1. MBDC must effect and maintain a public liability policy of insurance relating to the Land for an amount not less than $20 million, and must ensure that its contractor(s) effect and maintain contract works insurance for the Facilities for the full value of the works less the value of the supply and installation of the artificial turf for the two (2) pitches in Stage 1.

5. **Item 5 – Special Conditions**

5.1. MBDC must commence construction of the Hub comprising the Purpose by no later than 31 December 2019 and must complete the Facilities in accordance with the approved plans and designs (and provide a certificate of practical completion) by no later than 24 months from the commencement of construction unless otherwise agreed by the FFSA.

5.2. MBDC must:

5.2.1. obtain and provide a copy of all plans and designs for the projects comprising the Purpose to FFSA for approval prior to finalization of those plans and design, (which approval will not be unreasonably withheld);

5.2.2. ensure that the Purpose is undertaken in accordance with the approved plans and designs.

6. **Item 6 - Reporting Requirements**

MBDC must provide to FFSA:

6.1. An acquittal of the revenue and expenditure related to the Capital Sum within three months of the completion of the Purpose;

6.2. Such reports FFSA may reasonably request from time to time about:

6.2.1. the progress of and any change to the authorised scope of the Purpose;

6.2.2. MBDC’s expenditure of the Capital Sum to achieve the outcomes of the Purpose;

6.2.3. the performance of MBDC’s undertakings and obligations under this Deed.

6.3. Annual financial statements, by the end of November in each year of the Funding Period for the previous financial year. The financial statements must include receipt of the Capital Sum and details and evidence of the expenditure of the Capital Sum by the MBDC for the previous financial year as against the Purpose;

6.4. Status Reports in alignment with the Project’s Federal funding reporting requirements and a Final Report in accordance with the table below. The Status Report must include a project status update.
<table>
<thead>
<tr>
<th>Report</th>
<th>Due Date (subject to change)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Status Report 1 (period October 2019 to 20 November 2019)</td>
<td>15 December 2019</td>
</tr>
<tr>
<td>Status Report 2 (period 20 November 2019 to 30 April 2020)</td>
<td>31 May 2020</td>
</tr>
<tr>
<td>Project Annual Financial Statement</td>
<td>30 September 2020</td>
</tr>
<tr>
<td>Status Report 3 (period 30 April 2020 to 31 August 2020)</td>
<td>30 September 2020</td>
</tr>
<tr>
<td>Status Report 4 (period 31 August 2022 to 20 December 2020)</td>
<td>31 January 2021</td>
</tr>
<tr>
<td>Status Report 5 - Final Report (period 20 December 2020 to 30 April 2021) to include:</td>
<td>1 August 2021</td>
</tr>
<tr>
<td>• a report on all final outcomes and Deliverables of the Projects,</td>
<td></td>
</tr>
<tr>
<td>• Project Financial Statement Report,</td>
<td></td>
</tr>
<tr>
<td>• Copies of the Certificates of Practical Completion</td>
<td></td>
</tr>
<tr>
<td>Project Annual Financial Statement</td>
<td>30 September 2021</td>
</tr>
</tbody>
</table>

7. **Item 7 - Address for Notices**

Football Federation of South Australia Inc (FFSA)
Name: Michael Carter
Address: Gate 5, Coopers Stadium, Holden Street, Hindmarsh SA 5007
Email: michael.carter@ffsa.com.au

Mount Barker District Council (MBDC)
Name: Kate Jessep
Address: 6 Dutton Road, Mount Barker SA 5251
Email: kjessep@mountbarker.sa.gov.au
3.2 REPORT TITLE: AWARD OF CONTRACTS FOR REGIONAL SPORTS HUB STAGE 1 CONSTRUCTION - SEPARABLE PORTION 1 (BULK EARTHWORKS & CIVIL INFRASTRUCTURE)

DATE OF MEETING: 14 OCTOBER 2019

FILE NUMBER: FOL/18/1589 DOC/19/121991

ATTACHMENTS:
1. DOC/19/124269 Stage 1 Budget (less portion 2) and Scope
2. DOC/19/123991 Procurement Advisory Panel - role, membership and advisors
3. DOC/19/124271 Procurement Evaluation and value management criteria and options.
4. DOC/19/124833 Site Perimeter Fencing
5. DOC/19/124879 Additional Car Parking – Perimeter of Premier Oval
6. DOC/19/122092 RSH Business Case Addendum 02

Key Contact
Bill Graham, Procurement Coordinator; Kate Jessep, Project Leader Regional Hub Delivery;

Project Sponsor
Brian Clancey, Deputy CEO/General Manager – Governance, Strategic Projects and Wastewater/Recycled Water

Mount Barker 2035 – District Strategic Plan:
The Regional Sports Hub Stage 1 Project assists Council to deliver Community Wellbeing Objective 5. Recreation and physical activity development
For the community to have access to sport recreation and leisure opportunities
In particular, community wellbeing strategies:
5.1 Promote and support recreation and sport - High Priority: To significantly advance the establishment of new recreation and sport facilities
5.2 Provide facilities and space that encourages physical activity.

Annual Business Plan 2017/2018:
1.1 Capital Projects and Initiatives - Community and Sporting Facilities Development – Regional Sports Hub Stage 1.

Purpose:
To seek:
- Endorsement of the Mount Barker regional sports hub stage 1 additional Federal Government $2 million grant funding; scope and budget (less portion 2, buildings); and Business Case Addendum 02;
- Award of contract 2018.006, Regional Sports Hub Stage 1 Construction, Separable Portion 1 (bulk earthworks & civil infrastructure) and the award of a contract for the sports lighting; and

Mount Barker District Council
14 October 2019
Special Council Agenda
22
• Authority to (a) extend the scope and budget for stage 1 to include an additional 55 car park spaces on the eastern side of the premier oval and (b) enter into the required construction contracts.

Summary – Key Issues:
1. The Mount Barker regional sports hub stage 1 project has been pledged a further $2 million Federal Government grant (funding deed pending).
2. The stage 1 project has been tendered with two separable portions (portion 1: bulk earthworks and civil infrastructure; portion 2 buildings) and a comprehensive evaluation including value management and due diligence processes has been completed.
3. The stage 1 project is ready for Council decisions on scope, budget and construction with the recommendation to proceed with the award of portion 1 of the tender only to enable further time to consider the requirements and value management of portion 2.

Recommendation:
That Council:
1. Note the $2 million additional Federal Government funding grant commitment arising from advocacy by Rebekha Sharkie MP, Federal Member for Mayo and authorise the CEO or nominee to finalise and execute the funding deed.
2. Endorses the Mount Barker regional sports hub Business Case Addendum 02 (attachment 6) and authorises the stage 1 construction project budget, including: variation contingency, remaining surplus spoil management contingency and scope as documented in attachment 1.
3. Awards the contract for the supply and installation of the sports lighting (premier oval and soccer pitches 1 and 2) to Greenplay Australia Pty Ltd for the lump sum amount of $915,705 excluding GST subject to due diligence checks being completed to the satisfaction of the Chief Executive Officer or nominee.
4. Awards contract 2018.006, Regional Sports Hub Stage 1 Construction, Separable Portion 1 (bulk earthworks & civil infrastructure) to Sarah Constructions Pty Ltd (“Preferred Tenderer”) for the lump sum amount of $10,421,500 excluding GST and subject to the Preferred Tenderer preserving:
   a. the value management options post-tender correspondence for 30 days from the date of the Contract; and
   b. the option for the remaining surplus spoil removal, subject to negotiation should Council further reduce the quantity to be removed completely from the site, as provided by the Tenderer in the post-tender correspondence for 30 days from the date of the Contract (refer attachment 3).
5. Authorises the additional scope and budget for construction by the Preferred Tenderer of portion 1 of 55 additional car spaces around the eastern side of the premier oval with no change to levels and bitumen (spray seal) finish at an estimated cost of $260,000 (excluding GST).
6. Authorises the Chief Executive Officer or nominee to execute contract documents between Council and (a) the Preferred Tenderer and (b) Greenplay Australia Pty Ltd.
7. Delegates authority to the Chief Executive Officer or nominee to proceed with construction of stage 1, less portion 2 buildings, in accordance with the approved construction project budget.

**Background:**

1. Mount Barker regional sports hub stage 1 is budgeted within the current financial year for commencement of construction with anticipated completion in 2020/21.
2. The project is a 100% new (no upgrade or renewal) capital item as forecast in the Council’s long term financial plan (LTFP) and Mount Barker 2035 District Strategic Plan.
3. The Business Case for the project was presented to Council in January 2018 and Addendum 01 to the Business Case was presented along with the Prudential Report in April 2019.
4. Council Members endorsed proceeding to tender for construction of stage 1 in May 2019 and have since participated in confidential informal gatherings on the procurement process on 22 July, 5 August, 2 September and 23 September 2019.

**Scope of Works and Provisional Budget**

5. The stage 1 scope of works and provisional budget is at [attachment 1](#).

**Procurement Strategy**

6. Pursuant to Council’s Procurement policy an open market for non-price Request for Expressions of Interest (“REOI”) process was undertaken to identify and short-list suitable Contractors that can undertake one or more of the construction elements.
7. The REOI process assisted Council to determine the method(s) of procurement which allowed for select or open tender for one, two or all of the construction elements.

**Procurement Process**

8. The REOI was issued via VendorPanel and SA Tenders on 8 May 2018 and closed on 12 June 2018. Twenty three (23) responses were received.
9. Following evaluation by a panel of all EOIs six (6) Contractors were shortlisted to be invited to formally tender for the construction works.
10. A Request for Tender (“RFT”) was issued to the shortlisted Contractors on 30 May 2019 with closing time for tenders being 11 July 2019. Five (5) tenders were received.

**Evaluation Overview**

11. The tenders have been evaluated by the Procurement Advisory Panel – members and advisors to the Panel are listed in [attachment 2](#).
12. The initial evaluation process comprised of an assessment of the quantitative and qualitative criteria with pre-determined weightings applied to each as listed in [attachment 3](#).
13. Following an initial evaluation, the Panel agreed to shortlist the three (3) highest scoring Tenderers for further consideration. These Tenderers presented to the Panel...
and were requested to address proposed value management items and alternatives identified by themselves and the Panel and to provide amended pricing where required. Applying the value management decision making framework a range of value management items have been pursued including surplus spoil management and separation of the sports lighting contract (see attachment 3).

14. Following evaluation of responses for value management items the Panel made recommendations to the Project Sponsor being Brian Clancey resulting in this report to Council as recommended by executive staff.

Basis of Decision
15. Following the comprehensive evaluation process and consideration of the views of the Panel, the Preferred Tenderer has been recommended on the basis that they are a suitably qualified and experienced construction company with the resources and capacity to undertake the works and offered the best value for money tender.

Fencing
16. The portion 1 construction tender includes 2.1m high chain mesh fencing around the soccer pitches 1 and 2 precinct and site perimeter fencing as is (farm fencing) – see attachment 4. Additional fencing is being requested by stakeholders to satisfy stage 1 usage requirements of the premier oval area and further consideration will be given to this during construction. A report will be presented to a future Council meeting on this matter. This will enable further engagement and assessment as to the needs and cost:benefit without requiring any delay in the award of the tender for portion 1.

Additional Car Parking
17. The currently tendered stage 1 design provides for 165 car parks for the premier oval of which approximately 55 car spaces have direct viewing over the oval. A further 244 spaces support the soccer pitches 1 and 2 as well as the future netball/tennis courts. Aussie rules football stakeholders have sought additional oval perimeter parking which they consider is a high priority need. A concept plan for an additional 55 oval perimeter parks has been prepared and costed by tenderers. As these works are still to be designed in detail, the cost is an estimate only at this time. See attachment 5.

18. To maximise the usability of the site for other community uses such as events, it is recommended that the additional parks are added around the eastern side of the premier oval with no change to levels and bitumen (spray seal) finish at an estimated cost of $260,000 (excluding GST). This scope and cost is in addition to the project’s current scope and budget and could be deferred to a future stage or deferred pending the availability of funding from the stage 1 construction contingency.

Football Federation of South Australia (FFSA)
19. Please refer to the separate item in this agenda titled Regional Sports Hub Capital Funding Agreement between council and the FFSA. This includes the supply and installation of the artificial surfaces for the two soccer pitches by Greenplay Australia via a pre-existing contract with the FFSA and the supply and installation of the sports lighting for the premier oval and two soccer pitches, to be the subject of a contract with council.

Funding Strategy
20. A mix of capital funding sources has always been proposed for the regional sports hub comprising the following:
• Federal Government grant funding;
• State Government grant funding;
• Council funding derived from various sources including revenue from developers within the Mount Barker MDPA growth area and the sale of surplus portions of the council owned land as shown on the endorsed regional sports hub site layout plan; and
• Contributions from peak sporting bodies.

21. Council has been successful in securing additional grant funding and increased contributions from peak sporting bodies for stage 1 as shown in attachment 1.

22. This means that the split in capital funding for stage 1 is now 63% external and 37% council, excluding the cost of the land purchase and on the assumption that the total council contribution to stage 1 remains within the $8.4 million allowed for in the adopted Long Term Financial Plan.

Stage 1 Construction Project Budget
23. The stage 1 construction budget at attachment 1 has been prepared with actual costs (e.g. statutory fees), committed costs (e.g. contracted amounts) and cost estimates (e.g. wastewater service connection). It includes variation contingency, remaining surplus spoil management contingency, a small project management and design contingency for the stage 1 scope less portion 2 (buildings) and additional car parking option, as listed in attachment 1.

Business Case Addendum 02
24. The project Business Case was presented to Council in January 2018 and an addendum was endorsed by Council in May 2019. A further update to the Business Case is at attachment 6.

25. Increased capital cost has added to the annual depreciation cost in the order of $80,000 as well as causing a corresponding small increase to forecast maintenance costs.

26. Maintenance and operating forecasts are preliminary and subject to market pricing.

27. Also reflected in the significant increase to forecast net operating costs is a reduced forecast for income from users in the establishment years (years 1-5). A more conservative position has now been taken until carrying capacity, user bookings and other sources of revenue (e.g. sponsorship) are known. This illustrates the importance of the Board being in place soon to seek to reduce actual net operating costs to an acceptable level.

28. A $56,000 decrease in interest/finance costs reflects the reduction in interest rates.

Timing
29. There is an imperative for council decision making on portion 1, bulk earthworks and civil infrastructure, of the tender as follows:
• Maximise non-winter weather particularly for undertaking bulk earthworks;
• It is now more than three months since the tender closed, acknowledging some of this time was consumed by Panel requests for further information;
• Timing for completion of stage 1 specified in various grant funding Deeds; and
• Community expectations given both the passion and patience evident to date.
30. There is also an imperative for council decision making on portion 2, buildings, for the same reasons; however, a short time extension on the current tendered prices as designed and documented until 12 January 2020 has been sought from tenderers and the preferred tenderer has already agreed to this. This is to enable further consideration of value management options and consideration of recent stakeholder feedback that may result in a change to scope requiring some degree of re-design. The portion 2 of the construction works follow bulk earthworks further facilitating a slightly delayed decision on portion 2 of stage 1 whilst noting however that the contractor for portion 1 will specify a time to council by which clarity of portion 2 is essential relative to the preparation of levels and built form platform areas.

Future Council Decisions
31. Future Council decisions are required on portion 2 (buildings) scope, budget and a recommendation to award this construction contract will be presented at a future Council meeting. Other matters include stage 1 fencing requirements, the official naming of the Hub, and the appointment of Board Members (Council Committee).

Community Engagement:

| Informing only | Council website |

Policy:
The tender process has been undertaken in accordance with Council's Procurement Policy and associated procedures.

Long Term Financial Plan:
This project is allowed for in Council’s Adopted Long Term Financial Plan 2018-2028 (LTFP). The next version of the LTFP will include an update to the project’s external funding which currently totals $14.6M as income.

The Adopted LTFP 2018-2028 allowed for this project, inclusive of grant funding, having the following Capital Expenditure and Revenue:

<table>
<thead>
<tr>
<th>Year</th>
<th>Expenditure</th>
<th>Revenue (external and forecast land sales)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018/19</td>
<td>$8.1M</td>
<td>$3.3M</td>
</tr>
<tr>
<td>2019/20</td>
<td>$8.5M</td>
<td>$4.9M</td>
</tr>
<tr>
<td>Total</td>
<td>$16.6M</td>
<td>$8.2M</td>
</tr>
</tbody>
</table>

The assumptions for the adopted LTFP 2018-2028 included a net contribution from Council of $8.0M. With indexation applied this amount is now circa $8.4M.

Although the net contribution from Council for the construction of Stage 1 has been maintained (in real terms) at circa $8.4M (including $1.5M of contributions from all developers within the Ministerial DPA area) and inclusive of $0.75M of forecast surplus land sales, it is noted that a revised LTFP would include proposed increased capital expenditure which is offset by the additional grant revenue received and or pledged.

The forecast revenue of $0.75 million from surplus land sales relates to two parcels indicatively shown on the council endorsed regional sports hub layout plan, being each
side of soccer pitches 3 and 4 with one parcel fronting Springs Road and the other being along a section of the eastern boundary.

**Budget:**
This project is a work in progress (WIP) commencing in 2017/18. Current Council 19/20 budget includes $17,179,300 for capital expenditure and grant revenue of $9,244,000 giving a net budget of $7,935,300. The stage 1 provisional project budget is at attachment 1. The next Council budget review will reflect the changes to the timing of the forecast income and expenditure for the regional sports hub stage 1 project.

**Statutory/Legal:**
Statutory approvals have already been obtained. Prudential Report has been completed. The Probity Advisor from Nexia Edwards Marshall has undertaken the role of Probity Auditor for the procurement process and confirmed satisfaction with the process. FBR Law have been engaged to provide Council legal advice on the request for tender and construction contract.

**Staff Resource Requirements:**
Project Leader, Regional Hub Delivery with input from a number of other staff.

**Environmental:**
The design includes a range of environmental sustainability measures such as water sensitive urban design, solar panels, LED lighting, building insulation and landscaping measures to improve the overall environmental quality of the current site. The construction tender places obligations on the successful tenderer to meet site environmental management requirements during construction. Mr Chris Lawry, Urban Forest Officer, is supervising the approved significant tree removal by contractor as well as tree purchasing and planting.

**Social:**
The regional sports hub construction project requires the construction companies to report on local employment and to participate in quarterly industry meetings. The project’s Business Case identifies the social benefits of this project.

**Risk Assessment:**
The recommendations are supported by comprehensive due diligence processes and risk management including a project risk register, preparation of the Business Case and subsequent Addendums, Prudential Report, and an extensive competitive procurement process overseen by an independent Probity Advisor and supported by independent Quantity Surveyor (QS) advice. On 3 October 2019, the Chief Financial Officer completed an assessment of Sarah Constructions Pty Ltd capacity to undertake a construction contract of this size and reported their financial position as acceptable at this point in time.

In addition to this, constructions bonds will be held by Council and an independent construction superintendent will be engaged. The Superintendent will consult with the QS to validate works completed against monthly progress claims and Council will pay in arrears.

As noted above, there is a timing risk to be managed in relation to council decision making on portion 2.
**Asset Management:**  
Whole-of-life costs have been considered in the preparation of the Regional Sports Hub business case and addendums. Once stage 1 is constructed the asset details will be added to the relevant Council asset management plans and maintenance schedules.

**Conclusion:**  
The Preferred Tenderer is the recommended Tenderer for stage portion 1 on the basis that they offer the best value for money/maximum community benefit as does Greenplay Australia in relation to the sports lighting.

The most recent reports to Council on this project were:

<table>
<thead>
<tr>
<th>Meeting Date</th>
<th>HPRM Reference</th>
<th>Title</th>
<th>Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>6 May 2019</td>
<td>DOC/19/</td>
<td>11.2.2 Audit and Risk Committee – Mount Barker Regional Sports Hub – Stage 1 Project</td>
<td>Prudential report recommendations to Council.</td>
</tr>
<tr>
<td>6 May 2019</td>
<td>DOC/19/</td>
<td>12.1 Mount Barker Regional Sport Hub – Term Sheet with Football Federation of South Australia (see addendum paper issued separately).</td>
<td>To progress the Council / FFSA Agreement negotiations.</td>
</tr>
<tr>
<td>6 May 2019</td>
<td>DOC/19/</td>
<td>12.2 Mount Barker Regional Sports Hub Addendum to Business Case</td>
<td>To present and seek Council adoption of the Mount Barker regional sports hub addendum 01 as at 17 January 2019 to the Business Case (as at 5 December 2017)</td>
</tr>
<tr>
<td>6 May 2019</td>
<td>DOC/19/</td>
<td>12.3 Mount Barker Regional Sports Hub Stage 1 Construction Tendering and Cost Management Report</td>
<td>To seek Council endorsement of the Mount Barker regional sports hub stage 1 project construction tendering processes, procurement strategy, cost and value management strategies and next steps as detailed in this report.</td>
</tr>
</tbody>
</table>
Mount Barker Regional Sports Hub Stage 1 Project
Scope and Budget

**Funding Status**

<table>
<thead>
<tr>
<th>as at 9 October 2019</th>
<th>AMOUNT $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal Government (CDG and BBRF grants)</td>
<td>10,150,000*</td>
</tr>
<tr>
<td>SA Government (includes $2.5 million grant to FFSA)</td>
<td>4,116,450**</td>
</tr>
<tr>
<td>Australian Football League/SANFL</td>
<td>250,000</td>
</tr>
<tr>
<td>Cricket Australia/SA Cricket Association</td>
<td>100,000</td>
</tr>
<tr>
<td>Football Federation SA (soccer)</td>
<td>Refer above***</td>
</tr>
<tr>
<td>Interest on grants (estimate#)</td>
<td>27,556</td>
</tr>
<tr>
<td><strong>Total external capital funding:</strong></td>
<td>$14,644,006</td>
</tr>
<tr>
<td>Mount Barker District Council contribution (provisional)</td>
<td>8,426,690##</td>
</tr>
<tr>
<td><strong>PROVISIONAL PROJECT BUDGET:</strong></td>
<td>$23,070,696</td>
</tr>
</tbody>
</table>

* includes $2 million Member for Mayo / Deputy Prime Minister pledge Sep 2019 – deed pending.
** includes $2.5 million grant to FFSA
*** $2.5 million matching funding from Council (condition of FFSA grant) – to be endorsed by Council
# assumes 1.5% interest rate, earned on all SA government grants excluding FFSA $2.5 million grant.
State Government Grants:
- $800,000 premier oval
- $475,000 female facilities grant
- $341,450 sports lights premier oval (cricket / Aussie rules)
- $2,500,000 grant to FFSA (2 synthetic pitches lights, & amenity building)

##Long Term Financial Plan allowance commencing 2018, includes indexation; funded by contributions from all developers in the Ministerial DPA area, forecast surplus land sales and rates.

**Stage 1 budget**

<table>
<thead>
<tr>
<th>as at 9 October 2019</th>
<th>AMOUNT $m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stage 1 funding</td>
<td></td>
</tr>
<tr>
<td>- External</td>
<td>$14.64m [63%]</td>
</tr>
<tr>
<td>- Council</td>
<td>$8.43m [37%]</td>
</tr>
<tr>
<td><strong>Stage 1 budget (excluding portion 2 – buildings; excluding additional 55 car parks)</strong></td>
<td>$23.07</td>
</tr>
<tr>
<td><strong>Stage 1 budget (excluding portion 2 – buildings; excluding additional 55 car parks)</strong></td>
<td>$17.61</td>
</tr>
</tbody>
</table>

*Based on actuals where known (e.g. statutory fees), committed costs (e.g. contracted amounts), and cost estimates (e.g. wastewater service connection costs). Includes variation contingency, remaining surplus spoil management contingency, a small design and project management and design contingency for the stage 1 scope less portion 2 (buildings) and additional car parking option.
Stage 1 Scope (excluding buildings):

<table>
<thead>
<tr>
<th>Portion 1 – bulk earthworks and civil</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bulk earthworks</td>
</tr>
<tr>
<td>Springs Rd entrance – right turn lane</td>
</tr>
<tr>
<td>Internal road (spray seal) from Springs Rd (only)</td>
</tr>
<tr>
<td>Car parking and lighting</td>
</tr>
<tr>
<td>- Lower car park – 244</td>
</tr>
<tr>
<td>- Upper car park – 165 (58 with viewing over oval)</td>
</tr>
<tr>
<td>Footpaths/paving around buildings and lighting</td>
</tr>
<tr>
<td>Internal site services:</td>
</tr>
<tr>
<td>Sewer</td>
</tr>
<tr>
<td>Electrical</td>
</tr>
<tr>
<td>Gas (bottled)</td>
</tr>
<tr>
<td>Water (potable)</td>
</tr>
<tr>
<td>NBN</td>
</tr>
<tr>
<td>Storm water – swales, pipes and detention basin</td>
</tr>
<tr>
<td>Landscaping and irrigation (note: fitted for future switch to recycled water)</td>
</tr>
<tr>
<td>Soccer pitches (synthetic) 1 and 2, fenced (1.8m high chain mesh)</td>
</tr>
<tr>
<td>Premier oval with 4 turf centre wickets (split 2 and 2), picket fence, goal posts</td>
</tr>
<tr>
<td>3 concrete practice cricket wickets/nets</td>
</tr>
<tr>
<td>Precinct fencing: 1.2m high farm fencing</td>
</tr>
</tbody>
</table>

Portion 1 element by FFSA

Synthetic soccer pitch surface (x 2 pitches) by Greenplay (FFSA contract), goals, corner flags

Preliminaries and other by Council

Professional fees / project management / statutory fees / detailed design and documentation

Site preparation and service connections:
  - Tree removal/revegetation
  - Bird boxes
  - SAPN
  - SA Water
  - NBN
  - Wastewater

Sports lighting (premier oval, soccer pitches 1 and 2)

Contingencies

Construction

Surplus spoil management

Design and project management

ADDITIONAL TO BUDGET:

<table>
<thead>
<tr>
<th>Portion 1: Additional Car Parking</th>
</tr>
</thead>
<tbody>
<tr>
<td>Additional perimeter oval car parking 55 spaces: estimated $260k</td>
</tr>
</tbody>
</table>
Mount Barker Regional Sports Hub Stage 1 Project
Construction Tender Procurement Advisory Panel
Role, membership and advisors

Role:
To advise the Project Sponsor, Mr Brian Clancy, and make recommendations:
- Procurement options and method of procurement
- Procurement risks
- Contract options
- Tender evaluation criteria and weighting
- Evaluate tender
- Recommend contract award (and/or alternate strategies)

With the objective to achieve best value for money outcome.

Procurement Advisory Panel (‘Panel’):

<table>
<thead>
<tr>
<th>Role</th>
<th>Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Independent Chairperson (BeyondInk)</td>
<td>Mr John Ashcroft</td>
</tr>
<tr>
<td>Director Oxigen</td>
<td>Mr James Hayter</td>
</tr>
<tr>
<td>CEO Football Federation SA</td>
<td>Mr Michael Carter</td>
</tr>
<tr>
<td>Senior Project Manager</td>
<td>Mr John Calder</td>
</tr>
<tr>
<td>Project Leader, Regional Hub Delivery</td>
<td>Ms Kate Jessep</td>
</tr>
</tbody>
</table>

Advisors to the Panel:

<table>
<thead>
<tr>
<th>Role</th>
<th>Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Independent Probity Advisor</td>
<td>Mr Brenton Ellery</td>
</tr>
<tr>
<td>Procurement Coordinator</td>
<td>Mr Bill Graham</td>
</tr>
<tr>
<td>Independent Quantity Surveyor (cost assessment) – Rider Levett Bucknall</td>
<td>Mr Giulio Altamura</td>
</tr>
<tr>
<td>Chief Financial Officer (financial due diligence)</td>
<td>Mr Alex Oulianoff</td>
</tr>
<tr>
<td>Work Health &amp; Safety Coordinator (WHS due diligence)</td>
<td>Ms Ingrid Pratt</td>
</tr>
<tr>
<td>Economic Development Officer (local procurement and employment advisor)</td>
<td>Ms Bridget Ransome</td>
</tr>
</tbody>
</table>
**Mount Barker Regional Sports Hub Stage 1 Project**  
**Construction Tender Evaluation Criteria and Value Management**

### Construction Select Tender Evaluation Criteria

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Evidence Required</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pricing - 60%</td>
<td>Lump sum (separable potions)</td>
</tr>
<tr>
<td></td>
<td>Schedule of Rates (for variations)</td>
</tr>
<tr>
<td>Organisation Structure/Management &amp; Technical Skills/Resources - 25%</td>
<td>• Details of key personnel to be involved in providing the services (CVs) and similar projects that they have been involved in.</td>
</tr>
<tr>
<td></td>
<td>• Details of sub-contractors and the services that they provide &amp; Schedule of Rates (SOR) (to be compared with Rider Levett Bucknall’s SOR)</td>
</tr>
<tr>
<td></td>
<td>• Specific plant and equipment to be used eg make/model/age/condition</td>
</tr>
<tr>
<td></td>
<td>• Tenderer’s current commitments</td>
</tr>
<tr>
<td></td>
<td>• Reference checks (for similar experience)</td>
</tr>
<tr>
<td>Methodology - 25%</td>
<td>• Project Specific Management Plan including:</td>
</tr>
<tr>
<td></td>
<td>- Program for the delivery of the services/capacity to deliver on time</td>
</tr>
<tr>
<td></td>
<td>- Transition management (in and out)</td>
</tr>
<tr>
<td></td>
<td>- Interface plan (re: FFSA contract with Greenplay for supply and install of artificial turf for the synthetic soccer pitches; and possible separable portions engagement of separate contractors).</td>
</tr>
<tr>
<td></td>
<td>- Staging management</td>
</tr>
<tr>
<td></td>
<td>- Quality management (conformity to the specifications)</td>
</tr>
<tr>
<td></td>
<td>- WHS management</td>
</tr>
<tr>
<td></td>
<td>- Environmental management</td>
</tr>
<tr>
<td></td>
<td>- Sub-contractor management</td>
</tr>
<tr>
<td></td>
<td>- Construction traffic management</td>
</tr>
<tr>
<td></td>
<td>- Communication &amp; reporting plan</td>
</tr>
<tr>
<td></td>
<td>- Site facilities</td>
</tr>
<tr>
<td></td>
<td>- Working times</td>
</tr>
<tr>
<td></td>
<td>• Proposed innovative practices &amp; opportunities for cost saving initiatives</td>
</tr>
<tr>
<td>Local Business Support</td>
<td>Previously provided via REOI process (monthly reporting required during construction)</td>
</tr>
</tbody>
</table>
Value Management Decision Making Framework

| Must keep:                              | • funding deed obligations  |
|                                        | • conditions of development approval |
|                                        | • statutory requirement    |
| Key principles:                         | • required to play sport  |
|                                        | • regional standard (at least matching existing regional standard facilities) |
|                                        | • work health safety considerations |
| To be considered:                      | • capital versus recurrent (operating) cost implications |
| Opportunities:                         | • other funding sources |
|                                        | • items that could be deferred to a future stage |
|                                        | • items that could be within construction contract as a separable portion (obtain competitive market price, but don’t proceed until latent conditions impact on contingency budget are fully known) |

Value management items

Value management considerations included:
- Amended bulk earthworks at the future netball & tennis court site;
- Site won top soil to be used for carpark rain gardens and detention basin;
- Offsite disposal of spoil (see also: surplus spoil management strategies, below);
- Relocation of maintenance/storage shed (shorter electrical runs);
- Sports lighting supplier; and
- Product/material selections.

Surplus spoil management strategies

Surplus spoil disposal/reuse options include:
- Reconditioning for use on premier oval (subject to cost benefit advice)
- Council owned land – various locations
- Privately owned land – various locations
- Local developers
- Garden suppliers
- Raising of the level of soccer pitches 2 and 3 (future stage)

At the time of preparing this agenda item, the management strategies listed above are being pursued with the objective of reducing the residual surplus to as low an amount as possible in the coming weeks.
FORMAL PARKING
INFORMAL PARKING
POTENTIAL OVERFLOW PARKING (major events)
CIRCULATION
BUS DROP OFF
BIKE PARKING (20 RAILS)
OVAL VIEW PARKING

PARKING

Refer Item Appendix D: Traffic Impact Statement for further detail.
Extent of sealed carpark is subject to funding.

Note: Informal parking is indicative until adjacent sites are developed to provide street and other parking options.
FORMAL PARKING
PARKING WITH OVAL VIEWS
POSSIBLE PERIMETER OVAL PARKING + 
ACCESS ON GRASS

CURRENT SPECTATOR PROVISIONS...

OVAL PERIMETER PARKING

Mount Barker District Council
Special Council Agenda
14 October 2019

PROJECT
Mount Barker Regional Sports Hub

DRAWING
Sketch Plan

DATE
03.07.19

REVISION

INFORMATION

Client
Mount Barker Council

PROJECT
Mount Barker Regional Sports Hub

FORMAL CARPARK DESIGN

PROVISION

- Provide adequate facilities
- Be accessible through main roads
- Be accessible by public transport
- Provide safety and security
- Provide good pedestrian circulation
- Provide additional facilities and ongoing maintenance
- Provide adequate facilities
- Provide safety and security
- Provide good pedestrian circulation
CURRENT CARPARK DESIGN
- Compliant to Australian Standards.
- Provides elevated parking with views over oval.
- Option for accessible carparks with views.
- Works efficiently with road and path network.
- Promotes activation of the building and grounds.
- Provides safe pedestrian circulation.
- Integrated with WSUD solutions.

shaded section: additional parking - spray seal
Mount Barker regional sports hub
Business Case
Addendum 02

References:
A. Mount Barker regional sports hub Business Case as at 5 December 2017 (presented to Council January 2018)
B. Mount Barker regional sports hub Business Case Addendum 01 as at 17 January 2019 (presented to Council May 2019)

What’s changed?

CAPITAL

Detailed design for stage 1 completed.
Building Rules Consent for stage 1 issued.
Development Approval for stage 1 issued.
Site preparations commenced including:

- SAPN pre-works
- Request for NBN development
- Preparation of site – rubbish removal, vegetation and habitat improvements planned including bird boxes constructed and installed, in preparation for significant tree removal.

Request for construction tender undertaken and assessed with two separable portions:

- Portion 1 – bulk earthworks and civils
- Portion 2 – buildings.

Total stage 1 construction cost estimate has increased from $20.6m to $23.4m
(excluding the recommended additional 55 car parks on the perimeter of the oval option – estimated additional cost of $260,000)

Additional grant funding:

- $341,450 State Government Office of Recreation Sport & Racing grant towards cost of premier oval sports lighting - received
- $2 million additional Federal funding – pledged
Provisional capital budget updated, excluding land purchase and concept planning – SEE: attachment 1 to 14 October Council Report.

OPERATING

Revision of the forecast maintenance costs based on increased capital cost – preliminary assessment only, still subject to market pricing.

Estimated depreciation costs revised based on increased capital cost

FFSA payment of Council lease fee assumed to be rebated for the first 5 years due to establishment costs

Following further liaison with potential local users, revision of assumptions for premier oval hire fees to facilitate a conservative budget forecast until booking/carrying capacity, booking take-up, and fees can be determined.

Forecast operating budget costs:

<table>
<thead>
<tr>
<th></th>
<th>Addendum 01</th>
<th>Addendum 02</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>17 Jan 2019</td>
<td>23 Sep 2019¹</td>
</tr>
<tr>
<td>FORECAST CAPITAL COST</td>
<td>$20.6m</td>
<td>$23.4m</td>
</tr>
<tr>
<td>Depreciation costs</td>
<td>$433k</td>
<td>$512k</td>
</tr>
<tr>
<td>Finance costs</td>
<td>$250k</td>
<td>$194k</td>
</tr>
<tr>
<td>Net Operating costs (excluding depreciation and finance) – year 1</td>
<td>$54k</td>
<td>$173k</td>
</tr>
</tbody>
</table>

SUMMARY

Increased capital cost has added to the annual depreciation cost in the order of $80,000 as well as causing a corresponding small increase to forecast maintenance costs. Maintenance and operating forecasts are preliminary and subject to market pricing. Also reflected in the significant increase to forecast net operating costs is a reduced forecast for income from users in the establishment years (years 1-5). A more conservative position has now been taken until carrying capacity, user bookings and other sources of revenue (e.g. sponsorship) are known. This illustrates the importance of the Board being in place soon to seek to reduce actual net operating costs to an acceptable level. A $56,000 decrease in interest/finance costs reflects the reduction in interest rates.

¹ DOC/19/127129