

6.2.11 Cora Lynn Reserve New Change Rooms Project Update

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Recommendation(s)

That Council:

- endorses Option 7 in the report, including to put the project on hold and seek Federal Government grant funding to implement the redevelopment project,
- progresses discussions on the final design of the facility with the Reserve Committee and user groups,
- thanks the Reserve Committee and user groups for working with Council on the project and advises them of Council's resolution.

Attachments

Nil

Executive Summary

Cora Lynn Recreation Reserve is Crown Land 'owned' by the Department of Environment, Land, Water, and Planning (DELWP) and managed by a community Committee of Management appointed under the Crown Land Reserves Act.

In 2018, Council was successful in receiving a community sport infrastructure loan of \$4,226,000 for a new social rooms, change rooms and canteen facility at Cora Lynn Reserve. The scope was further revised after discussions with the Reserve Committee and user groups, and to comply with Council's Sport Facility Standards. Subsequently, Council requested a reduced State Government loan of \$2,510,000 for just the construction of change rooms and public toilets. The loan amount to build the redevelopment was calculated using the initial quantity survey report for a concept plan developed in 2020.

The project has incurred unforeseen costs escalation due to the need for significant site services upgrades, Melbourne Water requirements and COVID-19 escalation cost.

To address on site conditions and Melbourne Water requirements, a redesign was required that changed the external lay out of the building, enhanced access ways, and established a viewing platform. The cost estimate received was significantly above the available budget for this project. Council officers reconsidered a modular build. This option was presented to user groups and the Reserve Committee for consideration and the feedback remained strongly opposed to a modular build.

The following options to progress this project have been developed for Council consideration and decision:

1. Modular build with reduced room sizes
2. Modular build with reduced room sizes which comply with Council's Sports Facility Standard
3. Modular build based on room sizes agreed to by Reserve Committee and football club
4. Traditional build with reduced room sizes
5. Traditional build based on room sizes agreed to by Reserve Committee and football club

6. Traditional build with agreed room sizes with public toilets as a separable portion
7. Put the project on hold and seek Federal grant funding to implement the agreed project.

All options are likely to be greater than the state government loan amount for this project of \$2,510,000. Option 1 is estimated to be the closest to the loan amount.

It is recommended that Council endorse option 7 to put the project on hold and seek Federal Government grant funding to implement the project with agreed room sizes. The Reserve Committee and Cora Lynn Football Club do not support the use of modular construction or reduced room sizes. Council is unable to complete any improvements at Cora Lynn Reserve without the approval of the Reserve Committee of Management and DELWP.

Background

Cora Lynn Recreation Reserve is Crown Land 'owned' by the Department of Environment, Land, Water, and Planning (DELWP) and managed by a community Committee of Management appointed under the Crown Land Reserves Act. Any improvements or works within Cora Lynn Reserve requires the approval of the Committee of Management and DELWP.

Cora Lynn Reserve is currently used by the Cora Lynn Football Club, Cora Lynn Netball Club and Cora Lynn Show Jumping Club.

There are three separate buildings at Cora Lynn Reserve which provide the function of social rooms, change rooms for users of the oval and canteen facilities. The need to upgrade the existing change rooms was identified in 2017 and funding for design allocated to Council's capital works program. Initial discussion with the Reserve Committee and user groups commenced in early 2018.

In late 2018, Council was successful in receiving a community sport infrastructure loan of \$4,226,000 for the new pavilion project which would see the removal of all three buildings into one new development.

Council resolved in December 2018 to remove the social room from the project. After further consultation with user groups and the Reserve committee, the canteen was removed from the scope of the project, as the size was not in accordance with Council's Sport Facility Standards Policy of 30m².

In late 2019, the idea of using modular construction was suggested to the Reserve Committee and user groups. The Reserve Committee of Management and user groups were opposed to a modular build construction method.

Upon revision of the concept plan a new estimate was completed, which outlined a \$2,510,000 traditional build cost. This report was used to apply for a variation to reduce the loan amount and was approved in September 2020. The process took 12 months as Ministerial approval was required.

The original estimated project costs have escalated due to the following:

- many of the services within the reserve not having been upgraded since the original buildings were established. Stormwater, mains sewer, water, gas, and power supplies are all in need of substantial upgrading beyond the current provision to meet the demands of the new facility and to meet demand for future developments to any buildings or assets within the reserve.
- Covid-19 have seen shortages and increased material costs across Melbourne. Skilled labour demands have also increased project construction costs due to the increase in domestic construction.

- Melbourne Water as the referral authority identifying the need to raise the floor level 500mm and restrictions on importing site fill.

A redesign to the exterior surroundings was then completed with two options of varying access paths/stairs and viewing platforms presented to the Reserve Committee and User groups for their feedback and approval. The cost estimate increased primarily due to the need to raise the floor level to comply with Melbourne Water's requirements and to incorporate the project contingency costs.

Given the cost, Council Officers have investigated and reassessed the cost and build benefits of a modular build.

In subsequent emails, both the Reserve Committee and user groups reiterated their opposition for a modular build and requested a standalone timekeeper's box remain due to sightlines of the oval.

Given the project cost was greater than the loan amount, Council officers further explored opportunities to bring the project back within the available State loan value. This included reviewing the spaces allocated within the proposed change rooms and the size of each room. Consultation with both Sport and Recreation Victoria and AFL Victoria was undertaken as part of these investigations.

Both the Cora Lynn Reserve Committee of Management and Cora Lynn Football Club have recently reiterated that they do not support the use of modular construction for the new change rooms facility.

The following options have been developed to progress this project:

1. Modular build with reduced room sizes
2. Modular build with reduced room sizes which comply with Council's Sports Facility Standard
3. Modular build based on room sizes agreed to by Reserve Committee and football club
4. Traditional build with reduced room sizes
5. Traditional build based on room sizes agreed to by Reserve Committee and football club
6. Traditional build with agreed room sizes with public toilets as a separable portion
7. Put the project on hold and seek Federal grant funding to implement the agreed project.

The table below summarises the advantages and disadvantages of each option:

NO	OPTION	ADVANTAGE	DISADVANTAGE
1	Modular with reduced room sizes	Least expensive option and likely to be closest to available project budget.	Reserve Committee and Football Club don't support.
2	Modular with reduced room sizes which comply with Council's sport facility standard	Likely to be second least expensive option and does comply with Council's standard.	Reserve Committee and Football Club don't support.
3	Modular build with agreed room sizes	Reflects the room sizes desired by reserve committee and football club	Reserve Committee and Football Club don't support. Not likely to be within the available budget.

4	Traditional build with reduced rooms sizes	Reduced cost from agreed rooms sizes. Reserve committee and football club want traditional build	Some rooms do not comply with Council's Sport Facility Standard. Not likely to be within the available budget.
5	Traditional build with agreed rooms sizes	Reflects the room sizes desired by reserve committee and football club. Reserve committee and football club want traditional build	Most costly option and likely to be significantly over the available state government loan.
6	Traditional build with agreed rooms sizes with public toilets as a separable portion	Reserve committee and football club want traditional build There are other existing public toilets within the reserve. Likely to reduced cost of project slightly.	Likely to still be significantly over available project budget
7	Put project on hold and seek federal government funding to implement agreed project.	May allow the agreed scope to be delivered.	Will further delay the new change rooms construction.

All options include a separate timekeeper's box.

A formal scope variation application will need to be made to Sport and Recreation Victoria to enable the project to move forward if an option different to the current approved scope is chosen. This would apply to options 1, 2, 4, 6 and 7.

It is recommended that Council endorse option 7 to put the project on hold and seek Federal Government grant funding to implement the development with agreed room sizes. This is as the Reserve Committee and Cora Lynn Football Club do not support the use of modular construction or reduced room sizes. Council is unable to any improvements at Cora Lynn Reserve without the approval of the Reserve Committee of Management and DELWP.

Policy Implications

Council's Sport Facility Standards Policy (2019) provides the direction for new sporting facilities within Cardinia Shire.

Options 1 and 3 of reduced room sizes do not align with Councils Sport Facility Standards Policy (2019). In some areas, Council's standards may be slightly above AFL Victoria's, or include items that AFL Victoria has considered optional. For this reason, AFL Victoria have still supported the proposed room size changes.

Option 2 still has reduced room sizes compared to the sizes agreed to by the Reserve Committee and football club but complies with Council's Sport Facility Standards Policy.

Additional spectator coverage has been added however this is proposed to be funded by the Cora Lynn Recreation Reserve Committee of Management.

Relevance to Council Plan

2.1 We support the creation of liveable spaces and places

2.1.1 Advocate, plan for and deliver accessible community infrastructure and services that address community need.

Climate Emergency Consideration

Not applicable.

Consultation/Communication

Consultation with the Cora Lynn Reserve Committee of Management and the reserve user groups regarding the proposed development of the new pavilion commenced in April 2018. Communication and consultation have been regular, and the Reserve Committee and reserve user groups have been involved throughout.

Initial discussions with DELWP as land owner have also been undertaken. DELWP has provided a letter of support for the construction of the new community pavilion as part of the state government loan application. Formal landowner consent by DELWP will be required once the detail design plans for the new change rooms pavilion are prepared.

Further consultation has been held with the Reserve Committee and Football Club. Both groups are opposed to a modular construction method for this project.

The Cora Lynn Football Club opposes the reduced room sizes of options 1 and 3 and the modular build. The Cora Lynn Reserve Committee of Management suggested an additional option of traditional build with the public toilets as a separable portion in the tender process.

Officers have met with AFL Victoria and the State Government who have provided in principle support of the changes to scope. Further consultation and approvals will be sought once a direction is received.

Financial and Resource Implications

The approved revised state government loan amount is \$2,510,000 and will be drawn once tender has been approved.

It is expected the \$2,510,000 will be paid over 10 years with interest costs to be shared equally by Treasury at 1.5%. Estimated repayment will be \$2.606 million (Principal: \$2.51m, Interest: \$96k). Council has not yet signed any on-boarding documents with Treasury Victoria to draw down on this loan.

The conditions of the state government loan mean that Council is not eligible for any state government grant or other funding for the Cora Lynn Reserve change rooms project.

Based on more recent cost estimates of the current concept plan, the cost to build the proposed facility now significantly exceeds the available loan funding. It is proposed to hold further discussions with Sport and Recreation Victoria (state government) regarding this situation and the options going forward with the existing loan amount.

Cost increases are due to:

- Increased room sizes from 2020 scope;
- Increased Melbourne Water requirements; and
- Covid-19 cost escalations.

The actual cost to build the eventual project will not be known until the formal tender process is undertaken prior to construction. In the meantime, Quantity Surveyor cost estimates are used to estimate the likely construction costs.

The Reserve Committee have committed to funding additional spectator coverage, to the value of \$75,500 for a traditional build.

As outlined above, 7 options have been developed to progress this project. Option 1 is estimated to be closest to the state government loan amount of \$2,510,000, with all other options likely requiring Council to significantly contribute towards the project costs.

There is currently no additional funding for this project within Council's 10 Year Financial Plan.

Conclusion

Since the initiation of the project many unforeseen challenges have arisen, including several site constraints, additional authority, and service requirements and those arising from the COVID-19 pandemic, delaying the projects progress.

Seven options to implement this project have been developed for Council consideration with only one option estimated to be close to the loan budget. This is option 1 which is a modular build with reduced room sizes which comply with AFL Victoria standards but not Council's Sport Facility Standards Policy.

Both the Reserve Committee and Cora Lynn Football Club are opposed to modular construction and reduced room sizes.

It is recommended that Council endorse option 7 to put the project on hold and seek Federal Government grant funding to implement the redevelopment and progresses further discussions on the final design with the Reserve Committee and user groups. This is as the Reserve Committee and Cora Lynn Football Club do not support the use of modular construction or reduced room sizes. Council is unable to any improvements at Cora Lynn Reserve without the approval of the Reserve Committee of Management and DELWP.