

6.4.2 23-016 - Koo Wee Rup Bowling Club Modular Build Construction

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Recommendation(s)

1. Note that the tender process for the traditional construction of the Koo Wee Rup Bowls Club 22-059 has been abandoned due to the higher than expected tender prices.
2. In exercise of the power conferred by s 11 (1) of the Local Government Act 2020, Council delegates to the Chief Executive Officer the authority to seek tenders for a Modular construction of the Koo Wee Rup Bowls Club and to enter a contract arising from such tender up to a maximum value of \$4,600,000 (excluding GST).
3. If the Chief Executive Officer exercises the delegation in accordance with Resolution 2, the Chief Executive Officer is requested to report Council on the outcome of the tender and subsequent contract entered at the earliest available opportunity after it is entered.

Attachments

Nil

Executive Summary

Council Officers have sought tenders for the traditional construction of the Koo Wee Rup Bowls project on two occasions with both attempts abandoned, due to higher than expected tender prices, which is a result of the ongoing pressures within the construction industry.

With consideration to the current position of the construction industry, several Councils are turning towards modular construction, as a viable and attractive alternative for the construction of community facilities.

Modular construction presents a significant cost saving, whilst providing quality outcomes and minimal disruption to user groups and the community through reduced project delivery timeframes.

Council Officers will initiate an open tender process seeking tender responses from modular construction companies.

It should be noted that external funding for this project, Building Better Regions Funding of \$1.647M, is at risk, as there is a set deadline for construction completion of December 2023.

To mitigate this risk, this report seeks approval from Council for the CEO delegation to be increased on a one-time basis, to seek a tender and award a contract for a Koo Wee Rup Bowling Club modular construction up to a maximum value of \$4,600,000 excluding GST.

Background

The existing Koo Wee Rup Bowling Club building is to be replaced to provide improved functionality, accessibility and long-term viability of the facility. The current facility does not meet Council's facility standards. The new building provides the following functionality:

- Change rooms

- Accessible toilets
- Lounge areas
- A kitchen
- Bar servery
- Bistro
- Community rooms with breakout areas and kitchenette
- New carpark facilities
- Covered walkway

The initial public tender process for the engagement of a suitably qualified commercial builder opened for submissions in May 2022 and closed on 21 June 2022. Two conforming Tender submissions were received.

The second public tender process was combined with two other projects namely Garfield Netball Pavilion and Pakenham Regional Tennis Centre Extension. This tender process opened for submissions on 27 October 2022 and closed on 14 February 2023. Five conforming Tender submissions were received.

In both instances the tender submissions were evaluated, and the Tender Evaluation Panel concluded to abandon the tender process for the Koo Wee Rup Bowls Construction due to higher than expected tender prices, which is a result of the ongoing pressures within the construction industry.

Policy Implications

The delivery of this project aligns with other Council strategies, policies, and plans, such as:

Cardinia Shire Council Sport Facility Standards
Cardinia Shire Council's Draft Recreation Strategy
Cardinia Shire Council's Building Maintenance Policy
Cardinia Shire Council's Project Management Framework
Cardinia Shire Council Liveability Plan
Cardinia Shire Council Active Cardinia Strategy

Relevance to Council Plan

1.1 We empower our communities to be healthy, connected and resilient

1.1.1 Plan for, and support the delivery of, accessible health and social services that address critical gaps in provision.

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

To attain an Environmentally Sustainable Design outcome, the building design will include internal Council requirements.

Consideration and implementation have been made to the following items:

- Energy and Carbon emissions components: locate hot water appliances close together and near the hot water system.
- A central recirculating system is specified, no gas appliances are utilised in this project.
- HVAC components: VRV based system has been specified, to provide the ability to use more outside air.
- Indoor Environment components: good levels of natural light to most of the occupied area.
- Other components: LED Lighting, sustainable materials selection etc.

Consultation/Communication

Consultation and engagement with various stakeholders including user groups, funding departments and Council Officers has occurred throughout all phases of the planning and design processes for this project.

Members of the Koo Wee Rup Bowling club attended a recent visit to a modular construction company. The purpose of this visit was to demonstrate the standard of construction being achieved in the modular industry. The members in attendance were receptive to the use of modular construction for their needs.

Financial and Resource Implications

External project funding has been secured through the Growing Suburbs Fund of \$1.647M and the Building Better Regions fund of \$1.647M. The Building Better Regions Funding agreement stipulates construction must be finalised by 31 December 2023. Council has been advised that extensions of time for this funding will not be granted due to the cessation of the fund through changes in Government.

To retain the Building Better Regions Funding grant for this project, Council Officers will seek tender submissions from the modular construction market, with the view to deliver the full scope of works as detailed and agreed with the user groups. This Tender process is expected to close during June 2023.

Conclusion

The Building Better Regions Funding grant for this project requires Council to deliver the KWR Bowls facility by December 2023, or Council not receive the Federal funding of \$1.647million.

Noting that there is a tight timeframe for the delivery of this project of around 7 months, in order to continue to retain the Building Better Regions Funding, it is recommended that Council delegate to the Chief Executive Officer the authority to seek tenders for a Modular construction of the Koo Wee Rup Bowls Club and to accept a contract for this construction up to a maximum value of \$4,600,000 (excluding GST).