

1. CONSTRUCTION OF A 25M LEGACY OUTDOOR POOL AT SUNSHINE SWIM & LEISURE CENTRE, KENNEDY STREET SUNSHINE

1.1. Purpose

- 1.1.1. The purpose of this report is to seek Council approval for works associated with the construction of the 25 Metre Legacy Outdoor Pool and associated works at the Sunshine Swim & Leisure Centre, Kennedy Street, Sunshine.

1.2 Recommendation Overview

- 1.2.1 It is proposed that works associated with the construction of the 25 Metre Legacy Pool and associated works at the Sunshine Swim & Leisure Centre, Kennedy Street, Sunshine be awarded to Kane Constructions Pty Ltd for the sum of \$3,958,385.00 (exclusive of GST).
- 1.2.2 Contract 06 131826 (Redevelopment of Sunshine Swim and Leisure Centre) be varied to include 25 Metre Legacy Outdoor Pool and associated works.
- 1.2.3 It is recommended that Council fund \$557,883.40 (excluding GST) of the contract sum and SRV will provide the balance of \$3,400,501.60 (excluding GST) as per the final Funding Agreement approved by the Minister.

1.3. Background

- 1.3.1 After the World FINA Swimming Championship event in Melbourne in March 2007 the Victorian State Government offered Brimbank City Council a 25 metre x 20 metre Austral Pool from the four "Legacy Pools" being offered to be relocated to Melbourne Local Government Swimming Pools.
- 1.3.2 Brimbank City Council (BCC) undertook extensive consultation with Sports and Recreation Victoria (SRV). In May 2007 an initial Funding Agreement was reached between Brimbank City Council and Sports and Recreation Victoria (SRV).
- 1.3.3 The initial Funding Agreement provided for the installation of 25 metre outdoor pool, splash pad, BBQ area, hard landscaping, etc. at no cost to Council.
- 1.3.4 In the 2007/08 adopted BCC Budget, \$600,000 was included for the construction of an amenities building to service the new 25 metre outdoor pool.
- 1.3.5 In June 2007 the Minister for Local Government approved a variation to the existing redevelopment of Sunshine Swim and Leisure Centre contracts between BCC, consultants and contractors, Peddle Thorp Melbourne and Kane Constructions Pty Ltd respectively.
- 1.3.6 The approval allowed the design and installation of a 25 metre outdoor pool as part of the redevelopment of the Sunshine Swim & Leisure Centre and exempt Council from the provisions of Section 186(5) (c) of the Local Government Act 1989. Therefore, BCC was not required to tender these works as the benefit of appointing existing contractors was significant.
- 1.3.7 The design of the 25 metre outdoor pool and associated works commenced and after extensive community consultation during the conceptual stages, a completed set of contract documents were issued to Kane Constructions Pty Ltd in December 2007.

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1.4. Policy / Council Plan

- 1.4.1 The Minister for Local Government exempted Council from the provisions of Section 186(5) (c) of the Local Government Act 1989 and as a result BCC was not required to tender these works as the benefits of appointing existing contractors was significant.

1.5. Consultation

- 1.5.1 Community consultation has taken place between BCC Officers and the community.

1.6. Analysis

- 1.6.1 Further consultation continued in March and April 2008 between BCC and SRV to research and to achieve additional design savings sufficient to maintain a standard compatible with the public aquatic centres in Victoria.
- 1.6.2 Two separate and independent Quantity Surveying companies were employed to monitor and ensure that a fair and reasonable outcome was achieved on an "open book" agreement with Kane Constructions Pty Ltd.

1.7. Resource Implications

Details (including details of any funding)	Total Cost (A)	Income from Funding (B)	Cost to Council (A – B)
Construction of a 25m outdoor pool at Sunshine Swim & Leisure Centre	\$3,958,385 (exclusive of GST).	\$3,400,501.60 (exclusive of GST).	\$557,883.40 (exclusive of GST).

- 1.7.1 Council cost will be funded from the 2007/08 adopted budget of \$600,000.

1.8 Conclusion

- 1.8.1 On the basis of all of the information received and the processes undertaken Kane Constructions Pty Ltd. has the technical, commercial and financial capacity to fulfil the requirements of this contract and that the offer represents the best value to Council and Sports & Recreation Victoria.

1.9. Recommendation

- 1.9.1 That the CEO be authorised to sign the final funding agreement between Brimbank City Council and Sports & Recreation Victoria.
- 1.9.2 That the installation of a 25 metre outdoor pool and associated works at Sunshine Swim & Leisure Centre be awarded to Kane Constructions Pty Ltd for the contract sum of \$3,958,385 (exclusive of GST).
- 1.9.3 That the CEO be authorised to enter into a contract variation (Contract 06 131826) of \$3,958,385 excluding GST with Kane Construction Pty Ltd.