



SPECIAL COUNCIL MEETING

Tuesday 7 December 2021

6:00pm

Upstairs Community Hub

Gallery Online

AGENDA

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1.	Commencement of Meeting, Welcome	
2.	Apologies	
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5. OFFICER REPORTS

5.1 MARYBOROUGH ART GALLERY REDEVELOPMENT PROJECT CONSTRUCTION WORKS CONTRACT AWARD

Author: Manager Infrastructure

Responsible Officer: General Manager Infrastructure Assets and Planning

The Officer presenting this report, having made enquiries with relevant members of staff, reports that no disclosable interests have been raised in relation to this report.

SUMMARY/PURPOSE

The purpose of this report is to recommend that Council appoint Searle Bros Building Contractors the contract G1547-21 Maryborough Art Gallery Redevelopment Project – Construction Works.

One conforming tender was received and have been assessed against the advertised criteria.

RECOMMENDATION:

That Council:

1. award Colbrico Pty Ltd trading as Searle Bros the G1547-21 Maryborough Art Gallery Redevelopment Project – Construction Works contract for the sum of \$1,622,877(ex GST) including \$1,482,877 (ex GST) plus the two provisional items (at the discretion of Council) being \$100,000 (ex GST) for pre-existing conditions and \$40,000 (ex GST) for the indigenous garden and Council authorises the CEO to execute the contract.
2. allocate \$63,972 (ex GST) from the 2021/22 Budget to cover the additional costs required for completion of the project.

LEGISLATION AND POLICY CONTEXT

Central Goldfields Shire Council's Council Plan 2021-2025 – Our Community's Wellbeing

The Community's vision 1. Socially connected, creative, inclusive, healthy, and safe 'all ages' friendly communities

Initiative: Nurture and celebrate creativity

Central Goldfields Shire Council's Council Plan 2021-2025 – Our Growing Economy

The Community's vision 2. Engaging and flourishing tourism

Initiative: Develop, grow and promote history and heritage, Indigenous, culinary, cycling and walking, arts and culture and nature-based tourism.

Central Goldfields Shire Council's Council Plan 2021-2025 – Our Spaces and Places

The Community's vision 1. Communities honour, protect, and celebrate culture, diversity, history, and heritage.

Initiative: Value and care for our heritage and cultural assets.

BACKGROUND INFORMATION

Council received two grants from the state government for the revitalisation of the Central Goldfields Art Gallery. This in addition to Council's contribution of \$273,000, has provided a total project budget of \$1,973,000 for stages 1-3.

The project will support the Central Goldfields Art Gallery to:

- Increase the range (breadth) of works exhibited, display a growing collection and attract touring exhibitions of significant cultural merit and worth to the community.
- Increase the number of community members engaged in cultural and educational activities.
- Increase opportunities for local people to develop their creative skills and to exhibit work in a state of the art, regionally significant exhibition space.
- Increase capacity for additional visitor numbers through improved amenity and better use of space.

REPORT

A detailed specification was prepared and put to market as a Request for Tender and closed on 10 November 2021.

One tender was received which was over the available construction budget. The tender panel assessed this tender in line with the Key Selection Criteria and the tenderer became the preferred tenderer. A value management process was then undertaken and the final result is a proposal that is \$63,972 over the available budget. This overrun will allow for some important design features to remain including the provision of polished concrete floors and skylights. Reference checks were undertaken and following these checks, the evaluation was finalised.

CONSULTATION/COMMUNICATION

The request for tender was advertised in The Age, Bendigo Advertiser, Ballarat Courier, Council's e-procure portal and Council's web page in compliance with section 186 of the Local Government Act. The tender was available to download from Council's tender portal from 29/09/21 to 10/11/21.

FINANCIAL & RESOURCE IMPLICATIONS

Council received two grants from the state government for the revitalisation of the Central Goldfields Art Gallery. This in addition to Council's contribution of \$273,000, has provided a total project budget of \$1,973,000 for stages 1-3.

Source	Amount (\$) Ex GST	Confirmed/ Unconfirmed
Council Contribution	\$273,000	Noted in grant agreement. Budgeted by Council
External Contribution Source #1	\$500,000	Signed funding agreement 2020 Via Regional Infrastructure Fund
External Contribution Source #2	\$1,200,000	Signed funding agreement 2021 Via Tourism Infrastructure Investment Fund
Total Project Budget	\$1,973,000	

The Project Budget is allocated over several project areas, including; design and professional services; project management; construction; and, permits. The construction budget is \$1,558,905 ex GST. Additional savings will be sought throughout the build process to minimise potential overspend, particularly as pre-existing conditions are better understood.

RISK MANAGEMENT

This report addresses Council's strategic risk Property and Assets - Failure to maintain, renew and expand our assets in a timely and robust way, that considers service and delivery needs by upgrading the art gallery building.

A statewide surge in the construction sector, including escalating building material costs and a reduced potential labour pool has remained a key risk throughout the project and has been documented at the monthly Project Control Group meetings and via Project Status Reports at each funding Milestone. In anticipation of a budget overrun in response to these conditions, a hold point was put in the schedule at tender review to realign the budget with available funds. The value management process undertaken has largely achieved this. However, additional savings will be sought throughout the project to further alleviate the pressure on the contingency amount.

CONCLUSION

Council officers, having undertaken a detailed assessment of tenders for contract G1547-21 Maryborough Art Gallery Redevelopment Project – Construction Works, recommend Colbrico Pty Ltd trading as Searle Bros Building Contractors as the contractor at a cost of \$1,622,877 (ex GST).

ATTACHMENTS

1. Nil