

## NOTICE

of

## SPECIAL COUNCIL MEETING

Pursuant to the provisions of sections 83 & 84 (1) of the  
*Local Government Act 1999*

to be held in the

## COUNCIL CHAMBERS

on

**MONDAY 27 NOVEMBER 2023 AT 7:00PM**



ANDREW MACDONALD  
CHIEF EXECUTIVE OFFICER

Issue Date: 23 NOVEMBER 2023

### MEMBERSHIP

MAYOR MELISSA JONES - PRESIDING MEMBER

Cr J Allanson  
Cr S Rypp  
Cr J Williams

Cr A Kaur  
Cr L Trotter  
Cr J Zeppel

Cr J Nenke  
Cr A Vanstone

*DISCLAIMER – Please note that the contents of the Special Council Agenda have yet to be considered by Council and recommendations may be altered or changed by the Council in the process of making the formal Council decision. For all final determinations and decisions of Council, please refer to the relevant Minutes from each respective meeting.*

**AGENDA**  
27 NOVEMBER 2023

**ACKNOWLEDGEMENT OF COUNTRY**

Town of Walkerville would like to acknowledge the Kurna people as the traditional custodians of the land we are meeting on today, and respect their spiritual relationship with their country.

We recognise the many generations of stewardship the Kurna people have provided to this land, and respect that their cultural heritage and beliefs are as important today as they were for their ancestors.

**1. ATTENDANCE RECORD**

1.1 Present

1.2 Apologies

1.3 Not Present / Leave of Absence

1.3.1 Cr Allanson is on a leave of absence from 1 August 2023 to 30 July 2024, inclusive **(CNC316/22-23)**.

**2. CONFIRMATION OF MINUTES**

- |     |   |    |
|-----|---|----|
| 2.1 | That the minutes of the <b>Ordinary Council</b> meeting held on 20 November 2023 be confirmed as a true and accurate record of the proceedings. | 3  |
| 2.2 | That the minutes of the <b>Audit and Risk Committee Special</b> meeting held on 22 November 2023 be received and noted.                         | 14 |

**3. DECLARATIONS OF INTEREST (GENERAL / MATERIAL)**

**4. REPORTS REQUIRING DECISION OF COUNCIL**

- |     |  |    |
|-----|--|----|
| 4.1 | Major Projects Procurement & Delivery Strategy | 18 |
|-----|--|----|

**5. CLOSURE**

Decision Report Item Number **4.1**

## Major Projects Procurement & Delivery Strategy

**Report Date:** 23 November 2023  
**Reporting Officer:** Andrew MacDonald – Chief Executive Officer  
**Responsible Manager:** Andrew MacDonald – Chief Executive Officer  
**Previous Reference:** Special Council Meeting held 26 June 2023 - **CNC349/22-23**

### Report Purpose

The purpose of this report is for Council to consider a proposed approach for its three Major Projects:

- Walkerville Sports Club;
- Walkerville Bowling & Community Club; and
- 39 Smith Street Recreation Centre.

### Officer Recommendation

1. That Council seeks approval from the SA Government Financing Authority (**SAFA**) to vary the funding deed, for the \$4M Local Government Infrastructure Partnership Program (**LGIPP**) grant, dated 25 December 2021, for:
  - the construction of a new building for the Walkerville Bowling & Community Club, and the upgrade of oval lighting, tennis courts and cricket practice nets at the Walkerville Oval.
2. That subject to approval from SAFA to vary the \$4M LGIPP funding deed, Council endorses:
  - proceeding with a '**Request for Tender**' for a new build of the Walkerville Bowling & Community Club, as per the detailed designs provided in Attachment A, noting that the tender will be seeking cost saving initiatives on the design; and
  - proceeding with a '**Request for Tender**' for the upgrade of the oval lighting, tennis courts and cricket practice nets at the Walkerville Oval.
3. That Council endorses a renovation approach to the upgrade of the Walkerville Sports Club, including the formation of a 'Walkerville Sports Club Design Committee', to assist Council in guiding the design direction and scope of the Walkerville Sports Club project.
4. That Council notes that a future report will be presented to Council recommending:
  - a proposed approach to the formation of 'Walkerville Sports Club Design Committee', including membership and terms of reference; and
  - a tender approach for an '**Early Contactor Involvement**' to assist the 'Walkerville Sports Club Design Committee' with refurbishment designs and value management of the Walkerville Sports Club.

5. That Council endorses proceeding to a **'Request for Proposal'** for 39 Smith Street using concept documentation for both 'refurbishment' and 'new build' options as provided in Attachment B and Attachment C respectively, noting Council's decision to proceed with a 'refurbishment' or 'new build' will be a further decision of Council informed by **'Request for Proposal'** submissions, with consideration given to affordability and meeting the needs of the community now and in the future.
6. In the event that Council considers a 'new build' for 39 Smith Street the preferred option, Council will seek approval from the Officer for Recreation, Sport & Racing (ORSR) to vary the funding deed for the \$5M Grant.

## Background

The delivery of Town of Walkerville's Major Projects, which encompasses Walkerville Oval (Sports Club and Bowling Club buildings) and 39 Smith Street Recreation Centre, have been on Council's agenda for number of years. A major hurdle in the delivery of these projects has been affordability, as Council has limited financial capacity and must rely on external grant funding to successfully and financially sustainably deliver all three projects.

On 21 March 2021, Council received correspondence from the Hon. Rob Lucas MLC notifying Council they had been successful in obtaining grant funding to the amount of \$4M under the LGIPP, to support redevelopment at the Walkerville Oval site. Council has been working very closely with architects Walter Brooke & Associates to produce designs for both the Walkerville Sports Club and the Walkerville Bowling & Community Club, collectively as one single 'new build' project. Budget estimates for the design proposal are now at \$15M, which exceeds the \$9.5m budget allocated for the works.

Following preliminary master planning and Labor's victory in the 2022 State Election, Council received a \$5M contribution (election promise) to support the redevelopment/refurbishment of the recreation centre located at 39 Smith Street. Master planning, concept designs, cost estimation and investigatory works have been undertaken. However, recent cost estimates are now at \$7.8M, which is well above the original cost estimate of \$6M.

Given increasing project costs, design and community concerns, at a Special Meeting held on 26 June 2023, Council resolved:

### **CNC349/22-23**

1. That Council receive and note the Walkerville Oval Redevelopment Update & South Australia Finance Authority Communication report.
2. That as a result of the recent estimated project costings of \$15.0m (up from the original project estimates of \$8.0m), Council determines to defer any further action in relation to CNC95/22-23 of 17 October 2022 until such time that the newly appointed CEO Mr Andrew MacDonald undertakes a review of the Walkerville Oval redevelopment, which is to be brought back to Council no later than 30 November 2023.
3. That Council direct Administration to advise the Design Team that the Walkerville Oval redevelopment has been deferred until further notice.
4. That Mayor Melissa Jones write to the South Australian Finance Authority and the Member for Adelaide Lucy Hood MP advising:
  - a. of Council's decision to defer any further progress on the Walkerville Oval redevelopment project pending a review to return to Council by 30 November 2023;
  - b. that Council remains committed to proceeding with the Walkerville Oval redevelopment whether in its current design, or a revised design, or a refurbished design;
  - c. that Council requests an extension of time due to the appointment of the incoming CEO and Council's desire to undertake a full review of this major project;
  - d. that Council will provide further correspondence to the South Australian Finance Authority upon completion of the CEO's review, no later than 20 December 2023.

The CEO has subsequently completed a review of the Walkerville Oval projects and has included the 39 Smith Street Recreation Centre as part of the review, due to concerns this project is likely to be the highest risk development currently being considered by Council.

At its meeting held 22 November 2023, Council's Audit & Risk Committee considered a report from the CEO on the proposed approach to Council's Major Projects (this report). The Committee discussed some elements of the report's risk assessment and the importance of strong contract and project management. As a result of the discussion, the following risk and mitigating activities has been added to the 'Risk Implications' Table provided at Attachment at D of this report.

18	Inadequate project oversight and management resulting in increased costs, time delays and poor work quality	Construction	High	A Project Manager has been appointed by Town of Walkerville to manage the Major Projects (Ross Oates). Council to form a Major Projects Steering Committee with skills and experience in contracts, finance, procurement and project management.	Medium
----	---	--------------	------	---	--------

The Audit & Risk Committee indicated strong support for the proposed Major Projects strategy and has recommended Council supports the recommendations contained within this report.

## Discussion

The CEO's review has focused on:

- fact finding;
- situation analysis;
- identification of key risks; and
- developing an approach that will reduce risks and ultimately deliver all three Major Projects.

## Fact Finding

Over the past couple of months, the CEO has undertaken the following key activities in an effort to better understand the current status of the Major Projects and to help inform the most appropriate way forward:

- Meetings with key stakeholders (Sports Club, Bowling Club, adjacent residents, Member for Adelaide, Local Government Finance Authority (LGFA), SAFA and Council Members).
- Inspection of existing buildings.
- Review of grant funding conditions.
- Meeting with architects – Walter Brooke & Associates – to discuss plans/options.
- Engagement of Di Harris, a procurement expert, to provide advice on the best procurement approach for each project.
- Engagement of Michael Richardson from BRM Advisory to comprehensively review Council's Long Term Financial Plan (LTFP), with a particular focus on borrowing capacity and financial sustainability.

## Situation Analysis

As a result of the above fact finding activities, the CEO provides the following analysis:

- The Walkerville Sports Club is not on board. They wish to retain the existing grandstand and believe the existing facility provides a good foundation for a successful renovation.
- The Walkerville Bowling & Community Club does not want a combined facility with the Sports Club. They are happy with current design and simply wants a new building due to the poor condition of their existing facilities.
- Warwick Street residents have communicated that the redevelopment of the Sports Club must consider their privacy.
- SAFA is concerned about extended delays and Council's ability to deliver. They are, however, willing to assist with a funding deed variation request for the Treasurer's consideration.

- LGFA is concerned about Council's financial sustainability and borrowing capacity, including approximately \$5M of Council debt associated with the Eastern Regional Alliance (ERA) Water subsidiary.
- The majority of Council Members are concerned about the proposed Smith Street renovation option and would prefer to see a new build that better meets the needs of the community.
- It is clear the community and State Government are concerned about Council's ability to deliver the Major Projects. This is impacting on Council's reputation in the eye of the community and the State Government.
- Council's current LTFP is not robust enough to provide Council with the certainty required to ensure it has financial capacity to borrow for the Major Projects and to operate sustainably long term.

### **Identified Key Risks**

As a result of the above situation analysis, the following key risks have been identified:

- The risk associated with losing existing grant funding is considered **HIGH**. A loss of grant funding would result in Council not being able to deliver Major Projects.
- The risk of not securing required funding from the LGFA is considered **HIGH**. Council's existing LTFP required significant review to ensure Council has the capacity and confidence of the LGFA to appropriately and sustainably borrow funds.
- The vulnerability of the construction sector presents a **HIGH** risk to Major Projects due to increasing construction costs and potential construction delays.
- The potential damage to Council's reputation is considered **HIGH**. Council needs to build community and State Government confidence in its ability to fund and deliver these Major Projects.
- The risk associated with Council becoming financially unsustainable is considered **HIGH**. Strong financial planning, forecasting and prudential reviews of each project is required to ensure Council understands all costs and is able to financially sustain operating and capital costs long term.

In addition to the above, a comprehensive risk assessment has been undertaken, which is provided in Attachment D. The risk assessment includes identified Major Project risks, an assessment for each risk, mitigating activities and residual risks.

As a result of the escalating costs of the existing designs for the Walkerville Sports Club, Walkerville Bowling & Community Club and 39 Smith Street Recreation Centre, it is the view of the CEO that Council is **unable to afford** the delivery of all three projects in their current form.

The CEO's review also suggests greater community engagement is necessary, along with more robust project management and stronger forward financial planning. Gaining the confidence of the community, State Government and the LGFA will require all of these project delivery elements to be well considered; only then will Council be able to successfully deliver its Major Projects.

### **Proposed Strategy – Major Projects**

The CEO is recommending that Council considers an alternative approach to the three Major Projects. The following is proposed:

- Walkerville Bowling & Community Club: proceed to tender for new build ASAP – current design but seeking cost savings on the design. Estimated cost of \$5M (includes contingency).
- Walkerville Sports Club: to be refurbished in 12-18 months' time (delay). This will help to spread Council's borrowings and allow time for detailed design. In the meantime, proceed with

upgrades to Walkerville Oval lighting, tennis courts and cricket practice nets (turf and synthetic wickets). Estimated cost of \$1.5M.

- 39 Smith Street Recreation Centre: proceed with Request for Proposal (**RFP**) for renovation and/or new build leading to a 'decision point'. Estimated cost of \$10M (for new two court stadium build).

### Walkerville Bowling & Community Club

It is recommended that the Walkerville Bowling & Community Club new build be completely separated from the Walkerville Sports Club project and that Council proceeds to tender as soon as possible, as per the current Walter Brooke design.

The budget for the redevelopment of the Walkerville Bowling & Community Club, including associated civil and car parking works, has been estimated at \$5M (\$2.5M funded by Town of Walkerville and \$2.5M funded by the existing LGIPP grant); subject to approval from SAFA to vary the funding deed.

The proposed procurement strategy for the Walkerville Bowling & Community Club is a Request for Tender (**RFT**) for a new build, with prospective tenderers requested to consider potential cost saving initiatives on the design and/or construction methodology (for example modular construction), which may potentially reduce the cost of the project. More details are provided within the 'Procurement Plan Major Projects' (refer Attachment E).

### Walkerville Sports Club

It is recommended that a refurbishment of the existing Sports Club facility be considered with construction delayed for approximately 18 months. The CEO has discussed this option with the President of the Walkerville Sports Club and the President of the Senior Football Club, who are both supportive of a refurbishment in lieu of a new build.

Prior to any design work taking place for the proposed refurbishment, the CEO recommends the formation of a 'Walkerville Sports Club Design Committee' (the **Committee**), which would assist in guiding both the design and scope for the project. This approach will be critical to the success of this project as previously there has been insufficient consultation and collaboration with the Walkerville Sports Club.

The budget for a refurbished Walkerville Sports Club is estimated at \$3M to \$3.5M. In order to keep a prospective refurbishment within this budget, an Expression of Interest (**EOI**) market approach is recommended to engage an architect and builder to work closely with the Committee and Council, to ensure the design remains within the allowable budget. More details are provided within the 'Procurement Plan Major Projects' (refer Attachment E).

Once all design work has been completed and the project is 'Shovel Ready', it is proposed that Council seeks external grant funding of approximately \$1.5M to deliver this project. Once grant funding is secured, a RFT would be undertaken for the construction of the project.

### Upgrade of Walkerville Oval Lighting, Tennis Courts and Cricket Nets

It is recommended that in light of proposed Sports Club redevelopment postponement, that Council considers upgrading oval lighting, tennis courts with lighting (featuring one fully match compliant netball court) and new cricket nets (featuring both turf and synthetic wickets). This would ensure the sporting clubs that utilise the Walkerville sports facility would receive some immediate benefit, whilst the Sports Club refurbishment design is being developed.

The estimated cost of this project is \$1.5M. Council would need to liaise with SAFA to ensure that the existing funding deed for LGIPP \$4M grant, can be varied to accommodate these upgrades. There would be \$750,000 allocated from this grant funding.

The upgraded oval lighting, tennis courts and cricket nets, would be issued as separate tenders as soon as Council receives approval from LGIPP that the grant funding can be used for this purpose. Construction would be expected to occur in the latter half of 2024.

Administration has met with the Walkerville Cricket Club President, Walkerville Sports Club President and the Senior Football Club President, who are all very supportive this approach.

### 39 Smith Street

As of 17 April 2023, Council's intention for the 39 Smith Street project is to proceed with a budget refurbishment of the existing facility (refer Attachment B). It is acknowledged that a renovation may be the only option that Council can afford, which is the reason Council has pursued this option.

However, the CEO believes proceeding with a renovation is a high risk approach, due to the age of the facility, potential for unforeseen issues during construction, shortened useful life, increased depreciation costs (which would put upward pressure on rates), non-compliant indoor court on completion of renovations and facilities that may not meet the needs of the community now or in the future.

The CEO believes it may be prudent for Council to explore a simple new two court stadium build, which is capable of hosting multiple indoor sports and activities, including gymnastics. It is therefore recommended that Council go to market with a RFP, whereby prospective tenderers would be able to provide a proposal for the design and construction of either the refurbishment option and/or a new two court stadium build. This would encourage tender submissions for both options and provide Council with the opportunity to make the most informed decision – renovate or new build.

The CEO has had informal discussions with consultants, including Walter Brooke (architects of the endorsed 'refurbishment' option), Stride Constructions and Ausco, to gain a better understanding of how a minimum budget new build alternative could be achieved. In light of these discussions, Walter Brooke prepared a revised new build design option and master plan (refer Attachment C).

Whilst a new two court stadium build has not been formally costed, it is estimated that it would be in the vicinity of \$10M, compared to the latest cost estimate of a refurbishment which is at \$7.8M.

Once Council has made a decision on which design option to proceed with, shortlisted respondents would be invited to respond to a formal RFT for the detailed design, demolition and construction works for the project.

### **Affordability & Financial Capacity Review**

As part of the CEO's Major Projects review, BRM Advisory were engaged to review Council's financial sustainability and borrowing capacity. This has focused on examining and pressure testing Council's LTFP and borrowing ability. The revised LTFP is based on the proposed approach presented within this report.

The Financial Capacity Review (refer Attachment F) includes a number of recommended amendments to Council's draft LTFP, which were presented to the LGFA by the CEO and BRM Advisory. Written indication was subsequently received from the LGFA, indicating that they are able to support the required increase in borrowings to fund the Major Projects.



## Procurement Plan Report

The CEO engaged a procurement specialist, Di Harris Purchasing, to assist in preparing a 'Procurement Plan' which would be used to guide the procurement and delivery strategy for each of the three Major Projects. The procurement methodologies and strategies for each of the projects have been used to inform the recommendations within this report. The final Procurement Plan Report is provided in Attachment E.

## Major Projects Timeline & Community Engagement Strategy

Administration has prepared a preliminary timeline outlining the proposed delivery strategy for each of the three Major Projects (refer Attachment G). A corresponding Community Engagement Plan (refer Attachment H) has also been prepared, which aligns with the proposed Major Projects timeline and approach.

## Reducing Risk

The proposed approach presented within this report will help to ensure the following:

- Grant funding is secured;
- Key stakeholder groups are all on board;
- Construction risks are carefully managed (procurement method and timing);
- Council's financial risks are reduced and long term sustainability maintained;
- Reputational risk significantly reduced; and
- Facilities meet the needs of our community now and into the future.

A comprehensive risk assessment has been undertaken in relation to Council's Major Projects. Risks were identified by the Senior Leadership Team and staff, BRM Advisory and Di Harris. Each risk has been rated and mitigation actions identified to reduce the risks (refer to Attachment D).

## Summary of Recommendations

- Walkerville Sports Club works deferred to allow for detailed design. **Estimated cost of \$3M (new grant funding \$1.5M).**
- Replace project with new oval lighting, upgrade tennis courts with lighting and new cricket nets featuring both turf and synthetic wickets. **Estimated cost of \$1.5M (LGIPP grant funding of \$750K).**
- Walkerville Bowling & Community Club (proceed to tender for new build). **Estimated cost of \$5M (LGIPP grant funding of \$2.5M).**
- 39 Smith Street Recreation Centre (proceed to RFP) for renovation and/or new build leading to a 'decision point'. **Estimated cost of \$10M (ORSR grant funding of \$5M).**

## Strategic Layering

- Each project has its own procurement strategy;
- Each project has a defined budget;
- Each project has its own timeline (complementary phasing – affordability & risk reduction);
- Each project has its own community engagement strategy;
- Each project will have its own Prudential Report (to be developed).

## Financial Implications

Council's revised draft LTFP has factored in the cost of all projects presented within this report.

Based on the financial modelling, Council will maintain an operating surplus for seven of the 10 forecasted years, with only minor deficits experienced in three of the forecasted years. Council's borrowings will peak at \$10.947M in 2026/27 and will decrease to \$7.541M in 2032/33. Council's Net Financial Liability Ratio will peak at 92% in 2026/27 and fall to less than 70% in 2032/33.

In delivering Major Projects (new Bowling Club, Sports Club refurbishment, Walkerville Oval lighting, upgraded tennis courts and cricket nets, and 39 Smith Street Recreation Centre), Council will invest approximately \$19.5M, with \$9.75M of this investment coming from external grant funding.

Based on the revised draft LTFP, advice received from BRM Advisory in their Financial Capacity Review and positive indication from the LGFA that they are able to support the required increase in borrowings, the CEO is of the opinion that the delivery of the Major Projects (as per the proposed strategy) is financially feasible and responsible. The following tables provide a draft Income Statement, Balance Sheet and Financial Indicators which are based on the revised draft LTFP (yet to be formally considered by Council).

*Note: The Asset Renewal Ratio has been excluded from Financial Indicators table, as more work is required to ensure Asset Management Plans align to adjusted renewal budgets with draft LTFP.*

### Income Statement Town of Walkerville LTFP

\$'000	Jun-24 Bud	Jun-25 Fcst	Jun-26 Fcst	Jun-27 Fcst	Jun-28 Fcst	Jun-29 Fcst	Jun-30 Fcst	Jun-31 Fcst	Jun-32 Fcst	Jun-33 Fcst
<b>Income</b>										
Rates	10,436	10,885	11,217	11,531	11,854	12,458	12,807	13,166	13,534	13,913
Statutory Charges	382	398	409	420	431	442	453	465	477	489
User Charges	652	679	853	891	910	929	949	969	989	1,010
Grants, Subsidies and Contributions	615	640	658	676	693	711	730	749	768	788
Investment Income	4	4	4	4	5	5	5	5	5	5
Reimbursements	59	61	63	65	66	68	70	72	74	76
Other Income	140	146	150	154	158	162	166	170	175	179
<b>Total Income</b>	<b>12,288</b>	<b>12,813</b>	<b>13,355</b>	<b>13,740</b>	<b>14,116</b>	<b>14,775</b>	<b>15,179</b>	<b>15,595</b>	<b>16,022</b>	<b>16,461</b>
<b>Expenses</b>										
Employee Costs	4,055	4,244	4,457	4,586	4,719	4,856	4,997	5,142	5,292	5,445
Materials, Contracts & Other Expenses	5,128	5,338	5,716	5,869	6,016	6,166	6,320	6,478	6,641	6,807
Depreciation, Amortisation & Impairment	2,016	2,112	2,268	2,552	2,787	2,901	3,018	3,135	3,255	3,379
Finance Costs	179	109	466	667	671	653	622	580	532	482
Net loss - Equity Accounted Council Businesses	246	259	231	201	197	215	211	205	200	223
<b>Total Expenses</b>	<b>11,624</b>	<b>12,062</b>	<b>13,138</b>	<b>13,875</b>	<b>14,390</b>	<b>14,792</b>	<b>15,168</b>	<b>15,541</b>	<b>15,919</b>	<b>16,336</b>
<b>Operating Surplus / (Deficit)</b>	<b>664</b>	<b>751</b>	<b>216</b>	<b>(135)</b>	<b>(274)</b>	<b>(17)</b>	<b>11</b>	<b>54</b>	<b>103</b>	<b>125</b>
Asset Disposal & Fair Value Adjustments	-	-	-	-	-	-	-	-	-	-
Amounts Received Specifically for New or Upgraded Assets	2,625	5,850	1,475	100	100	100	100	100	100	100
<b>Net Surplus / (Deficit)</b>	<b>3,289</b>	<b>6,601</b>	<b>1,691</b>	<b>(35)</b>	<b>(174)</b>	<b>83</b>	<b>111</b>	<b>154</b>	<b>203</b>	<b>225</b>
<b>Other Comprehensive Income</b>										
Changes in Revaluation Surplus - I,PP&E	2,800	2,844	2,912	3,094	3,455	3,522	3,592	3,658	3,725	3,791
Movements in Other Reserves	-	-	-	-	-	-	-	-	-	-
<b>Total Other Comprehensive Income</b>	<b>2,800</b>	<b>2,844</b>	<b>2,912</b>	<b>3,094</b>	<b>3,455</b>	<b>3,522</b>	<b>3,592</b>	<b>3,658</b>	<b>3,725</b>	<b>3,791</b>
<b>Total Comprehensive Income</b>	<b>6,089</b>	<b>9,444</b>	<b>4,604</b>	<b>3,060</b>	<b>3,281</b>	<b>3,605</b>	<b>3,703</b>	<b>3,813</b>	<b>3,928</b>	<b>4,017</b>

## Balance Sheet

Town of Walkerville LTFP

\$'000	Jun-24 Bud	Jun-25 Fcst	Jun-26 Fcst	Jun-27 Fcst	Jun-28 Fcst	Jun-29 Fcst	Jun-30 Fcst	Jun-31 Fcst	Jun-32 Fcst	Jun-33 Fcst
<b>Current Assets</b>										
Cash and Cash Equivalents	5,961	195	204	209	209	209	208	207	206	204
Trade and Other Receivables	476	498	519	534	547	575	591	607	622	641
<b>Total Current Assets</b>	<b>6,437</b>	<b>693</b>	<b>723</b>	<b>743</b>	<b>756</b>	<b>784</b>	<b>799</b>	<b>814</b>	<b>828</b>	<b>845</b>
<b>Non-Current Assets</b>										
Equity Accounted Investments in Council Businesses	1,755	1,696	1,664	1,663	1,466	1,251	1,040	835	635	412
Infrastructure, Property, Plant & Equipment	142,181	145,621	154,717	172,728	176,112	179,593	182,912	186,229	189,563	193,117
Capital Work in Progress	750	12,750	14,500	-	-	-	-	-	-	-
Other Non-Current Assets	1,060	1,060	1,060	1,060	1,060	1,060	1,060	1,060	1,060	1,060
<b>Total Non-Current Assets</b>	<b>145,746</b>	<b>161,126</b>	<b>171,942</b>	<b>175,451</b>	<b>178,638</b>	<b>181,904</b>	<b>185,012</b>	<b>188,123</b>	<b>191,257</b>	<b>194,589</b>
<b>Total Assets</b>	<b>152,183</b>	<b>161,819</b>	<b>172,665</b>	<b>176,194</b>	<b>179,394</b>	<b>182,688</b>	<b>185,811</b>	<b>188,937</b>	<b>192,085</b>	<b>195,434</b>
<b>Current Liabilities</b>										
Trade & Other Payables	5,471	3,023	1,308	1,574	1,551	1,607	1,614	1,651	1,688	1,772
Borrowings	-	-	-	-	-	-	-	-	-	-
Provisions	530	552	568	583	598	613	629	646	662	680
Other Current Liabilities	-	-	-	-	-	-	-	-	-	-
<b>Total Current Liabilities</b>	<b>6,002</b>	<b>3,575</b>	<b>1,876</b>	<b>2,156</b>	<b>2,148</b>	<b>2,221</b>	<b>2,244</b>	<b>2,297</b>	<b>2,350</b>	<b>2,451</b>
<b>Non-Current Liabilities</b>										
Borrowings	200	2,818	10,758	10,947	10,873	10,489	9,885	9,144	8,310	7,541
Provisions	26	27	27	28	29	30	30	31	32	33
Liability - Equity Accounted Council Businesses	220	220	220	220	220	220	220	220	220	220
<b>Total Non-Current Liabilities</b>	<b>446</b>	<b>3,065</b>	<b>11,005</b>	<b>11,195</b>	<b>11,122</b>	<b>10,738</b>	<b>10,135</b>	<b>9,396</b>	<b>8,562</b>	<b>7,793</b>
<b>Total Liabilities</b>	<b>6,447</b>	<b>6,639</b>	<b>12,881</b>	<b>13,351</b>	<b>13,270</b>	<b>12,959</b>	<b>12,378</b>	<b>11,692</b>	<b>10,913</b>	<b>10,245</b>
<b>Net Assets</b>	<b>145,735</b>	<b>155,180</b>	<b>159,783</b>	<b>162,843</b>	<b>166,124</b>	<b>169,729</b>	<b>173,432</b>	<b>177,245</b>	<b>181,173</b>	<b>185,189</b>

## Financial Indicators

Town of Walkerville LTFP

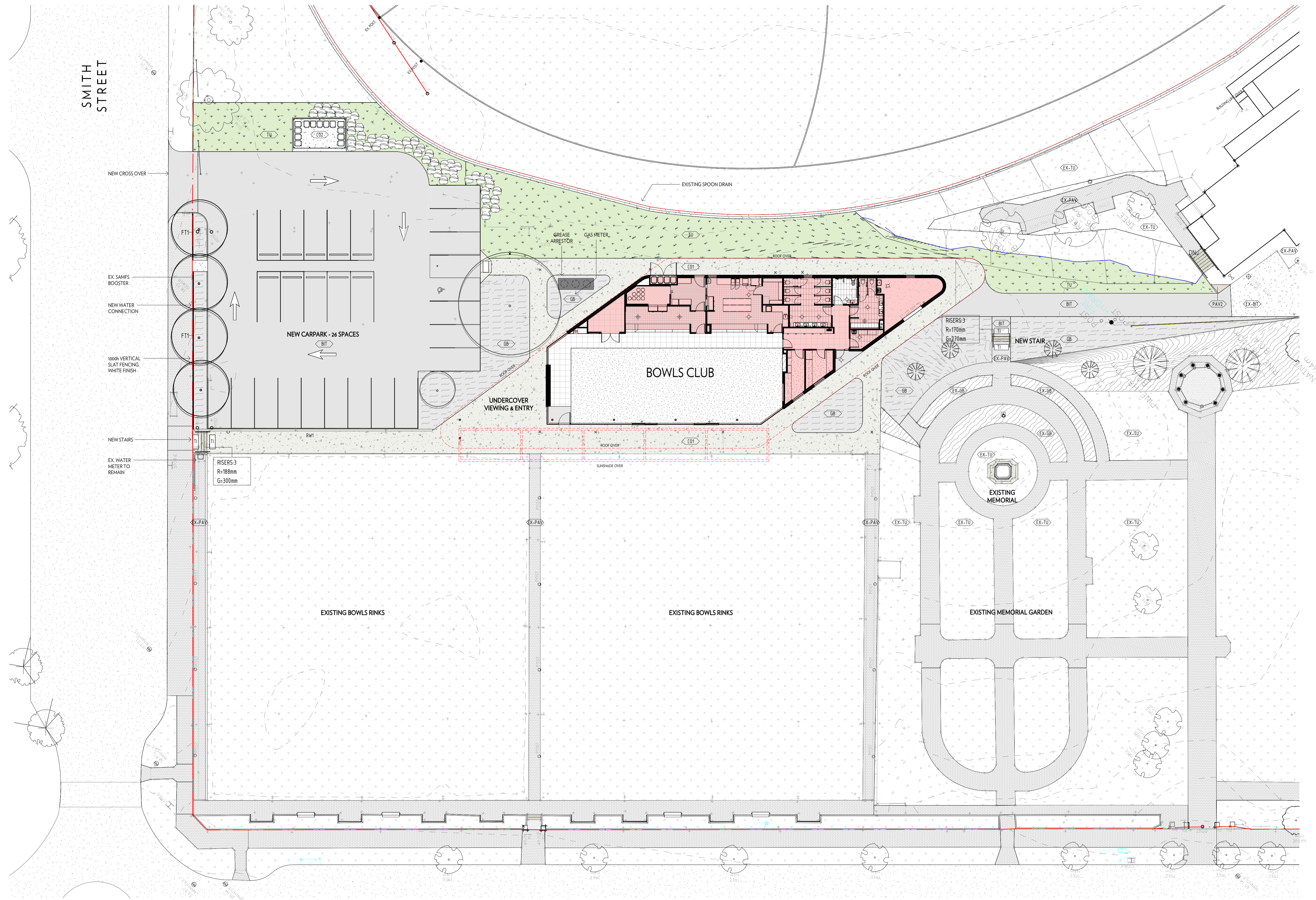
\$'000	Jun-24 Bud	Jun-25 Fcst	Jun-26 Fcst	Jun-27 Fcst	Jun-28 Fcst	Jun-29 Fcst	Jun-30 Fcst	Jun-31 Fcst	Jun-32 Fcst	Jun-33 Fcst
<b>Operating Surplus Ratio</b>										
Total Income	12,288	12,813	13,355	13,740	14,116	14,775	15,179	15,595	16,022	16,461
Operating Surplus / (Deficit)	664	751	216	(135)	(274)	(17)	11	54	103	125
<b>Operating Surplus Ratio</b>	<b>5.41%</b>	<b>5.86%</b>	<b>1.62%</b>	<b>(0.98%)</b>	<b>(1.94%)</b>	<b>(0.12%)</b>	<b>0.08%</b>	<b>0.35%</b>	<b>0.64%</b>	<b>0.76%</b>
Target Maximum	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%
<b>Net Financial Liabilities Ratio</b>										
Add: Total Liabilities	6,447	6,639	12,881	13,351	13,270	12,959	12,378	11,692	10,913	10,245
Less: Cash and Cash Equivalents	(5,961)	(195)	(204)	(209)	(209)	(209)	(208)	(207)	(206)	(204)
Less: Trade and Other Receivables	(476)	(498)	(519)	(534)	(547)	(575)	(591)	(607)	(622)	(641)
<b>Net Financial Liabilities</b>	<b>11</b>	<b>5,947</b>	<b>12,158</b>	<b>12,608</b>	<b>12,514</b>	<b>12,175</b>	<b>11,580</b>	<b>10,879</b>	<b>10,085</b>	<b>9,400</b>
Total Income	12,288	12,813	13,355	13,740	14,116	14,775	15,179	15,595	16,022	16,461
<b>Net Financial Liabilities Ratio</b>	<b>0%</b>	<b>46%</b>	<b>91%</b>	<b>92%</b>	<b>89%</b>	<b>82%</b>	<b>76%</b>	<b>70%</b>	<b>63%</b>	<b>57%</b>
Add: Notional share of ERA Water debt (based on 1/3rd of \$15.3m debt cap)	5,100	5,100	5,100	5,100	5,100	5,100	5,100	5,100	5,100	5,100
<b>Adjusted Net Financial Liabilities</b>	<b>5,111</b>	<b>11,047</b>	<b>17,258</b>	<b>17,708</b>	<b>17,614</b>	<b>17,275</b>	<b>16,680</b>	<b>15,979</b>	<b>15,185</b>	<b>14,500</b>
<b>Adjusted Net Financial Liabilities Ratio</b>	<b>42%</b>	<b>86%</b>	<b>129%</b>	<b>129%</b>	<b>125%</b>	<b>117%</b>	<b>110%</b>	<b>102%</b>	<b>95%</b>	<b>88%</b>
Target Maximum	120%	120%	120%	120%	120%	120%	120%	120%	120%	120%

## Risk Implications

The strategies proposed within this report have been developed taking into account identified risks. Each risk has been assessed using Council's 'Risk Rating Matrix' and mitigation strategies employed to reduce Council's risk exposure. Refer Attachment D for 'Risk Implications' Table.

## Attachments

Attachment A	Bowling Club New Build 2023
Attachment B	Refurbishment Concept 2023
Attachment C	New Build Concept 2023
Attachment D	Risk Implications Table 2023
Attachment E	Procurement Plan Major Projects 2023
Attachment F	Financial Capacity Review 2023
Attachment G	Major Projects Timeline 2023
Attachment H	Community Engagement Plan 2023



SITE PLAN  
1 : 200

REFER WD-0-002 - PROJECT LEGEND SHEET FOR ALL LEGENDS

ARCHITECTURE - INTERIOR DESIGN  
LANDSCAPE ARCHITECTURE  
MASTERPLANNING

contractors must verify all dimensions on the job before commencing work or making shop drawings

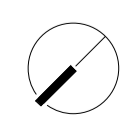
Rev	Date	Reason for Issue

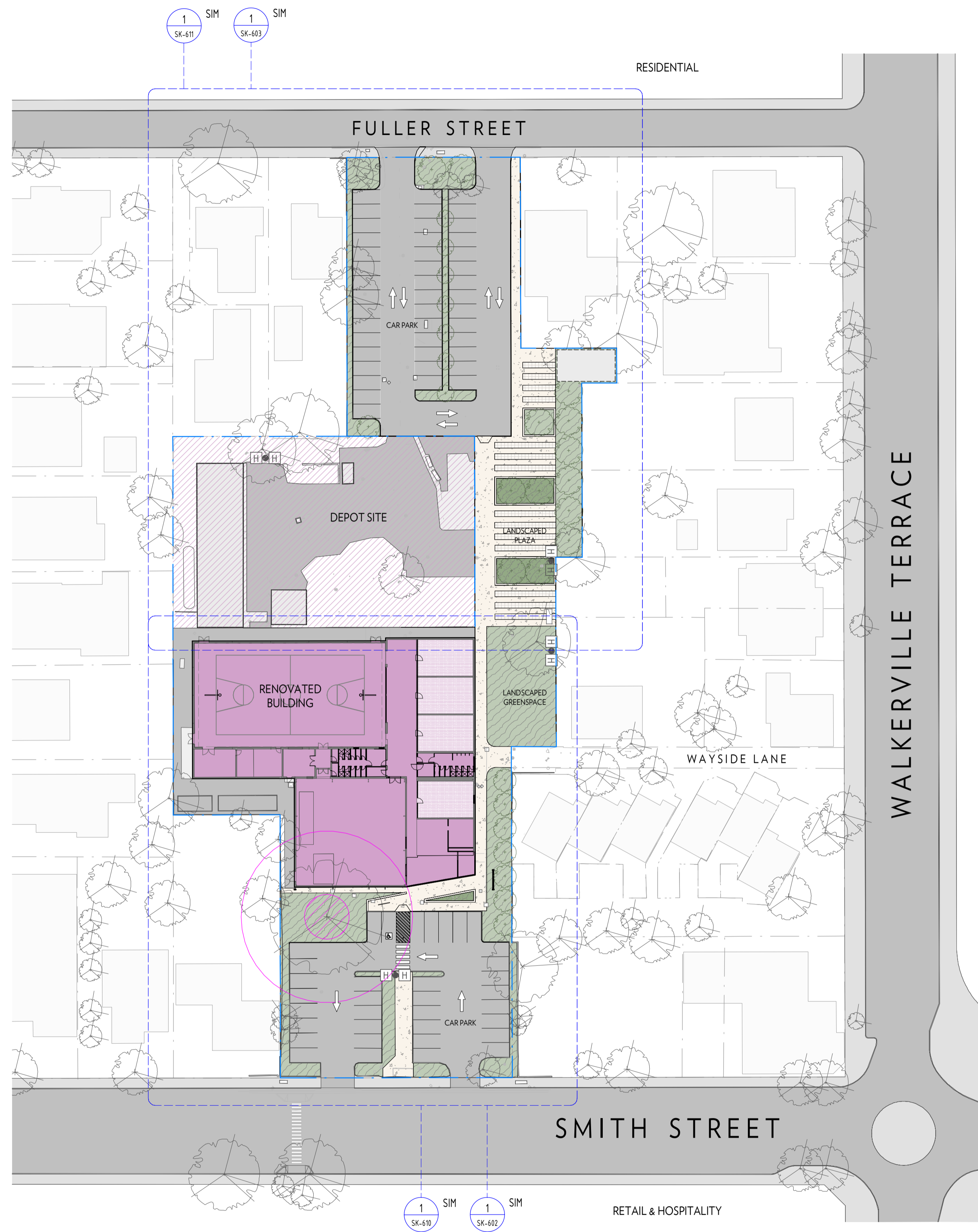
WALKERVILLE OVAL BOWLING CLUB  
TOWN OF WALKERVILLE  
RECREATION GARDEN, WALKERVILLE  
SITE PLAN

project no: 20-0142  
scale: 1 : 200 @ A1  
date: 19-10-2023  
drawn: Author  
sheet no: WD-1-101 revision:

PRELIMINARY

© walterbrooke and associates pty ltd  
level 9 25 franklin st adelaide sa 5000  
telephone 8 8272 4166  
email wba@walterbrooke.com.au  
www.walterbrooke.com.au  
ABN 42 007 918 514

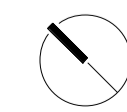
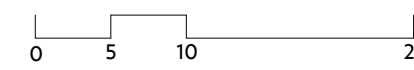




REASON FOR ISSUE	REV	DATE

PRELIMINARY

**WALTER BROOKE** ARCHITECTURE  
 INTERIOR DESIGN  
 LANDSCAPE ARCHITECTURE  
 MASTER PLANNING



SMITH STREET REDEVELOPMENT  
 39 SMITH STREET, WALKERVILLE

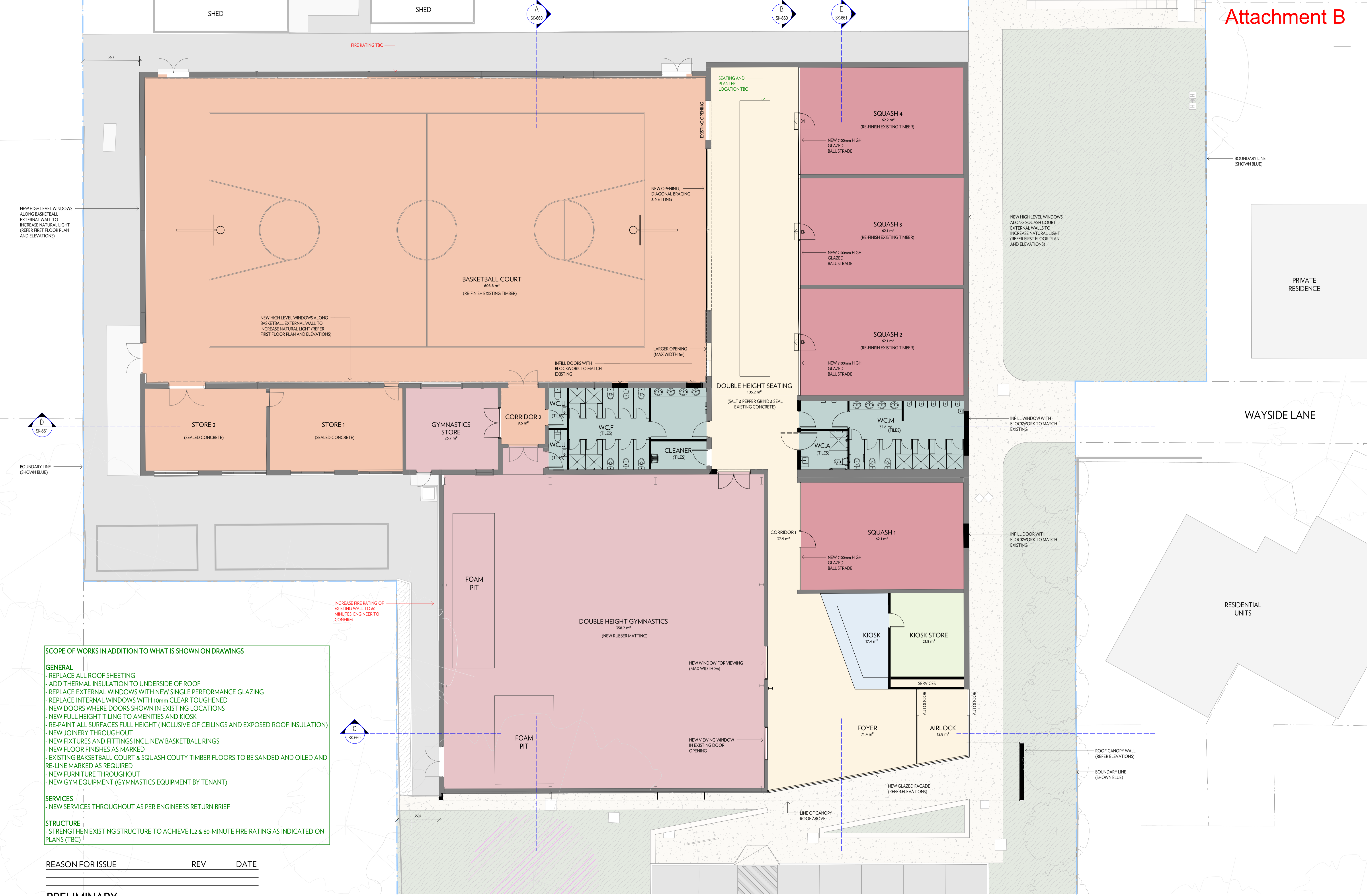
LOCATION PLAN

1: 500 @A1

DRAWING — SK-601

REVISION —

PROJECT — 21-0331



**SCOPE OF WORKS IN ADDITION TO WHAT IS SHOWN ON DRAWINGS**

**GENERAL**

- REPLACE ALL ROOF SHEETING
- ADD THERMAL INSULATION TO UNDERSIDE OF ROOF
- REPLACE EXTERNAL WINDOWS WITH NEW SINGLE PERFORMANCE GLAZING
- REPLACE INTERNAL WINDOWS WITH 10mm CLEAR TOUGHENED
- NEW DOORS WHERE DOORS SHOWN IN EXISTING LOCATIONS
- NEW FULL HEIGHT TILING TO AMENITIES AND KIOSK
- RE-PAINT ALL SURFACES FULL HEIGHT (INCLUSIVE OF CEILINGS AND EXPOSED ROOF INSULATION)
- NEW JOINERY THROUGHOUT
- NEW FIXTURES AND FITTINGS INCL. NEW BASKETBALL RINGS
- NEW FLOOR FINISHES AS MARKED
- EXISTING BASKETBALL COURT & SQUASH COURT TIMBER FLOORS TO BE SANDED AND OILED AND RE-LINE MARKED AS REQUIRED
- NEW FURNITURE THROUGHOUT
- NEW GYM EQUIPMENT (GYMNASISTICS EQUIPMENT BY TENANT)

**SERVICES**

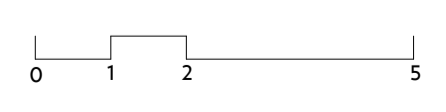
- NEW SERVICES THROUGHOUT AS PER ENGINEERS RETURN BRIEF

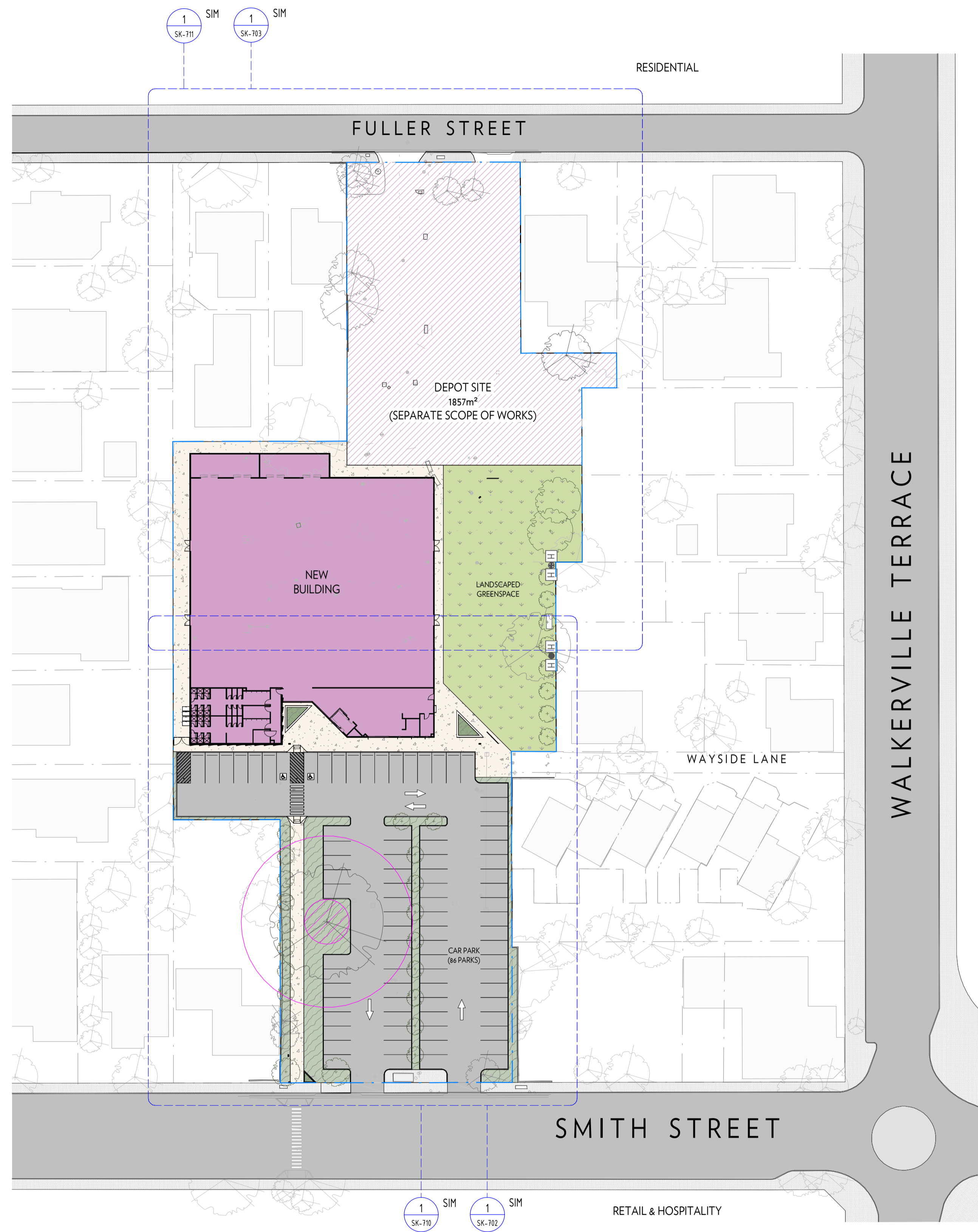
**STRUCTURE**

- STRENGTHEN EXISTING STRUCTURE TO ACHIEVE I12 & 60-MINUTE FIRE RATING AS INDICATED ON PLANS (TBC)

REASON FOR ISSUE	REV	DATE

PRELIMINARY

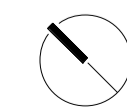
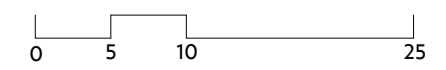




REASON FOR ISSUE	REV	DATE

PRELIMINARY

**WALTER BROOKE** ARCHITECTURE  
 INTERIOR DESIGN  
 LANDSCAPE ARCHITECTURE  
 MASTER PLANNING



SMITH STREET REDEVELOPMENT: NEW BUILD  
 39 SMITH STREET, WALKERVILLE

LOCATION PLAN

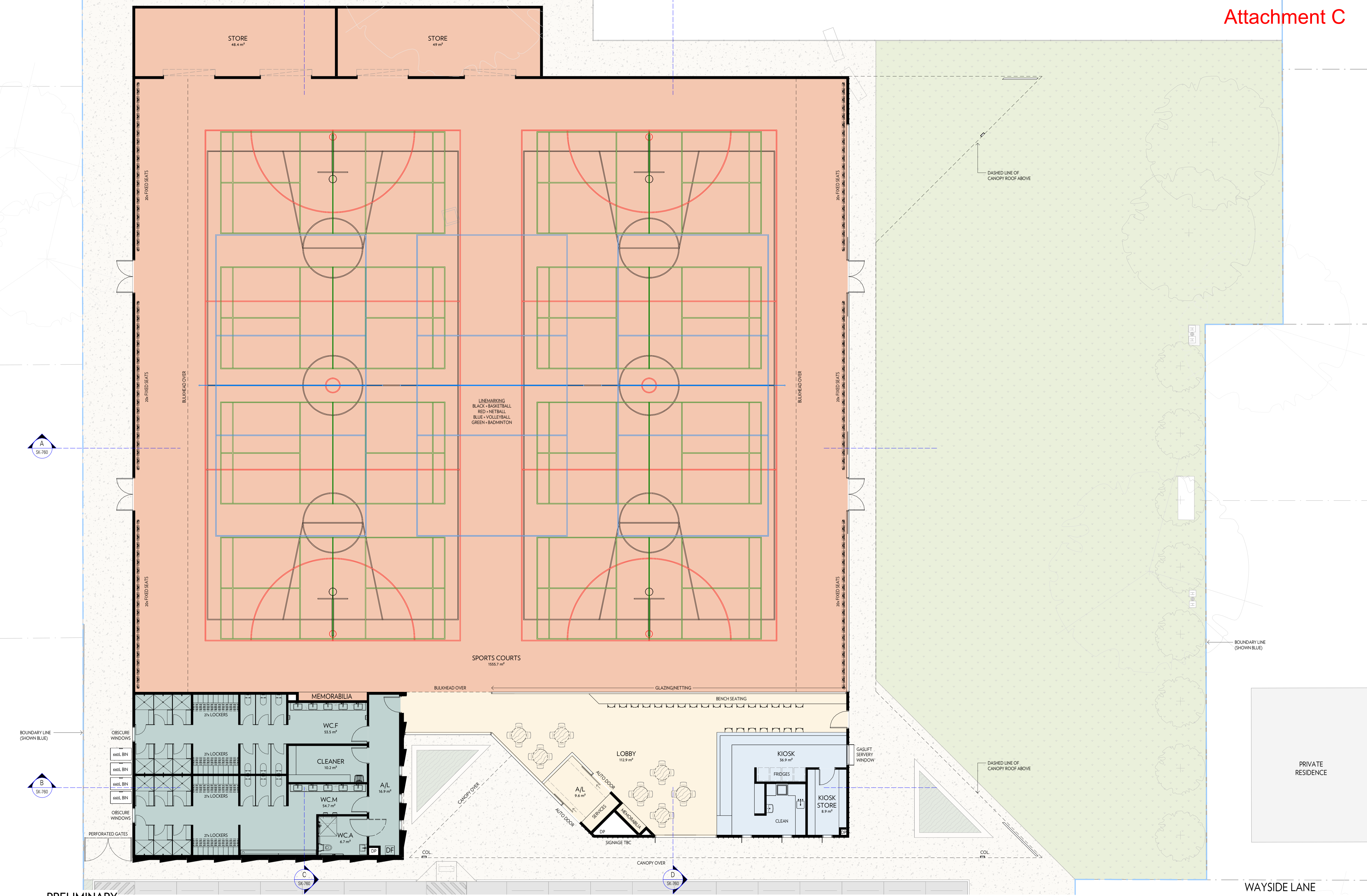
1: 500 @A1

DRAWING — SK-701

REVISION —

PROJECT — 21-0331





LINE MARKING  
 BLACK = BASKETBALL  
 RED = NETBALL  
 BLUE = VOLLEYBALL  
 GREEN = BADMINTON

SPORTS COURTS  
 1555.7 m²

MEMORABILIA  
 53.5 m²

WC.F  
 10.2 m²

CLEANER  
 10.2 m²

WC.M  
 54.7 m²

WC.A  
 6.7 m²

A/L  
 16.9 m²

LOBBY  
 112.9 m²

A/L  
 9.6 m²

SERVICES  
 DP

MEMORABILIA  
 DP

SIGNAGE TBC

KIOSK  
 36.9 m²

FRIDGES  
 CLEAN

KIOSK STORE  
 8.9 m²

PRIVATE RESIDENCE

WAYSIDE LANE

A  
 SK-760

B  
 SK-760

C  
 SK-760

D  
 SK-760

PRELIMINARY



SMITH STREET REDEVELOPMENT: NEW BUILD  
 39 SMITH STREET, WALKERVILLE

GROUND FLOOR PLAN

1 : 100 @A1

DRAWING	SK-720
REVISION	—
PROJECT	21-0331

**WALTER BROOKE** ARCHITECTURE  
 INTERIOR DESIGN  
 LANDSCAPE ARCHITECTURE  
 MASTER PLANNING

## Risk Implications Table

The strategies proposed in the Major Project Procurement & Delivery Strategy Report have been developed taking into account the risks identified in this table. Risk ratings are based on the 'Risk Rating Matrix' provided at the end of this document.

The risks and associated mitigation activities included in this table were identified by;

- Andrew MacDonald (CEO)
- James Kelly (Group Manager Assets & Infrastructure)
- Sarah Spencer (Group Manager Public Relations & Community Services)
- Ross Oates (Project Manager)
- Jim Dickens (WHS / HR Coordinator)
- Michael Richardson (BRM Advisory)
- Di Harris (Di Harris Purchasing)

Risk #	Risk Description	Risk Category	Risk Rating	Risk Mitigation Activity	Residual Risk Rating
1	Town of Walkerville loses existing grant funding (currently \$5M from ORSR for 39 Smith Street and \$4M from LGIPP for Walkerville Oval projects)	Financial	High	<p>Early engagement with funding partners regarding potential changes to scope.</p> <p>Administration to work very closely with grant funding partners to undertake the following;</p> <ul style="list-style-type: none"> <li>• Clarify the revised scope for each of the Major Projects with respective grant funding partners;</li> <li>• Amend necessary wording/conditions of grant funding deeds/agreements to align with the revised Major Project strategies;</li> <li>• Clearly articulate Major Project delivery strategies and timelines to funding partners in order to build confidence in Council's ability to deliver.</li> </ul>	Medium
2	Town of Walkerville not able to secure sufficient funds	Financial	High	<p>Early engagement with LGFA regarding potential changes to scope and revised LTFFP. Key messaging to LGFA to demonstrate this would include;</p>	Medium

	from LGFA to finance Major Projects			<ul style="list-style-type: none"> <li>Tenders for Major Projects would be staggered, allowing Council greater flexibility to reassess each Major Project's procurement strategy one project at a time (fixed price tender sum for the Bowling Club would be known before awarding tender for 39 Smith Street for example);</li> <li>Delay delivery of Walkerville Sports Club refurbishment;</li> <li>A Financial Capacity Review for the Major Projects prepared (refer <i>Attachment G</i>) clearly demonstrating Council's ability to fund major projects and pay back debts.</li> </ul>	
3	Town of Walkerville becomes financially unsustainable as a result of funding Major Projects	Financial	<b>High</b>	<p>Comprehensive review of LTFP to ensure funding agreements are identified.</p> <p>Procurement of Major Projects will be undertaken one project at a time so that Council has the opportunity to reassess its financial position once each Major Project tender is awarded. The Major Projects Holistic Prudential Review and individual project reviews will be revisited to ensure Council is not overcommitting with the Major Projects, ensuring financial stability and sustainability.</p>	<b>Medium</b>
4	Major Projects experience significant cost variations.	Financial	<b>High</b>	<p>Major Projects will be staged to ensure certainty over each individual project (price, delivery timeframe etc.)</p> <p>'Request for Tender' documentation to be very specific regarding the requirement for pricing to be a fixed lump sum, removing the risk of significant variations.</p> <p>Tenderers who wish to submit a proposal for any of the Major Projects must attend a compulsory site briefing which will outline potential risks associated with each project which they must then take into consideration as part of their respective proposals.</p>	<b>Medium</b>

5	Town of Walkerville is exposed to increased interest rate risk as a result of higher borrowings levels	Financial	<b>Medium</b>	Consideration to be given to mixed or variable/fixed interest loans. If required, amend project scope(s) or defer Capital Projects	<b>Low</b>
6	New capital or operating projects compete with approved Major Projects.	Financial	<b>Medium</b>	Council adheres to its newly adopted LTFFP. Council commences development of a new strategic plan ensuring alignment with LTFFP.	<b>Low</b>
7	LTFFP is based on immature Asset Management Plans.	Financial	<b>Medium</b>	Focus on developing up to date Asset Management Plans for each asset class over coming years and making regular updates to the LTFFP.	<b>Low</b>
8	Shortlisted tender prices exceed Council's available budget	Financial	<b>High</b>	Enter into further negotiation with shortlisted suppliers to achieve a Project offering that will provide both best value for money and Project outcome to Council and its ratepayers, or alternatively, return to market for additional suppliers/options.	<b>Medium</b>
9	Membership & Financial impacts on associated Clubs due to construction requirements.	Financial	<b>High</b>	Provide financial assistance to the Bowling Club in relation to the green upkeep. Fencing and shade to protect bowling greens as much as possible. Hire appropriate amenities (toilets etc.) so that bowling green(s) can continue to be used. Provide Bowling Club with an anticipated construction schedule to assist games programming. Liaise with Sports Club regarding their respective requirements during construction (toilets, oval access etc.)	<b>Medium</b>
10	Potential damage to Town of Walkerville's reputation within the community due to lack of ability to deliver Major Projects	Reputational	<b>Medium</b>	Administration to prepare a comprehensive community engagement strategy for each of the three major projects. Community engagement would aim to keep the community fully informed and engaged in the Major Projects by means of the following techniques; <ul style="list-style-type: none"> <li>• Letter from the Mayor to residents;</li> <li>• Postcard updates;</li> </ul>	<b>Low</b>

				<ul style="list-style-type: none"> <li>• 'About Town' quarterly updates;</li> <li>• 'Weekly Round Up' updates;</li> <li>• Website &amp; Social media updates as appropriate</li> </ul>	
11	Potential damage to Town of Walkerville's reputation with key stakeholders including the Bowling Club, Sports Club and the SA Government.	Reputational	<b>High</b>	<p>Administration to maintain very clear communication with adjacent residents, key stakeholders, including but not limited to the Bowling Club, Sports Club and SA Government throughout the design, tendering and construction phases of the three Major Projects. This engagement would be undertaken using the following techniques;</p> <ul style="list-style-type: none"> <li>• In person at pre-arranged meetings (onsite if appropriate);</li> <li>• Emails to inform of major project milestones;</li> <li>• Formal milestone reporting;</li> <li>• Press releases for any major public news announcements;</li> <li>• Regular Council updates on Major Projects.</li> </ul>	<b>Medium</b>
12	No Responses to the Procurement invitation due to inability of Contractors to undertake the works on budget or on time	Procurement	<b>High</b>	<p>Ensure Council undertakes a suitable approach to Tender for each of the requirements for individual projects. This would include:</p> <ul style="list-style-type: none"> <li>• Request for Proposal for 39 Smith Street;</li> <li>• Expression of Interest for Early Contractor Involvement process for the Walkerville Sports Club; and</li> <li>• Request for Tender with options sought for budget saving encouraged for the Walkerville Bowling &amp; Community Club;</li> </ul> <p>Each process is aimed at providing Tenderers with an overview of the requirements and enable potential Contractors to receive as much information relating to the</p>	<b>Medium</b>

				<p>project to assist in responding to the tender prior to release of documents for response.</p> <p>Tenderers will be given the opportunity to provide alternative design solutions.</p>	
13	Only non-compliant tenders received.	Procurement	<b>High</b>	Ensure the Specification and response schedules are clear in the expectations of Council in regard to provision of the Projects.	<b>Medium</b>
14	Major Projects do not receive Planning Approval from the CAP.	Planning	<b>Medium</b>	Administration has appointed a Planning Consultant (URPS) to prepare comprehensive planning application reports for each of the Major Projects, ensuring that all key planning requirements (traffic assessments etc.) are satisfied during the Development Application process.	<b>Low</b>
15	Major Projects experience construction delays due to unforeseen circumstances including inclement weather conditions, material shortages etc. meaning Council cannot complete projects by anticipated deadlines.	Construction	<b>Medium</b>	<p>Builders selected for each of the Major Projects will also have a proven record delivering projects on time and on budget with suitable and relevant referees. Contract documentation to be very clear regarding latent conditions with regular project meetings with contactor(s).</p> <p>Administration to maintain frequent communication with key stakeholders in relation to anticipated Major Project milestones and avoid making overly optimistic/ambitious promises regarding completion dates.</p>	<b>Low</b>
16	Insolvency of contracted provider due to labour and supply issues.	Construction	<b>High</b>	Council to undertake a Prudential Review, and obtain Financial Reports from independent organisations to assess the level of comfort of the financial position of the successful Contractor, prior to appointment to undertake the Works.	<b>Medium</b>
17	Public Safety	Construction	<b>High</b>	<p>Ensure that successful tenderers have fully compliant WHSMS documentation.</p> <p>Regular monitoring, surveillance and site meeting to ensure work is being undertaken in a safe and responsible manner.</p>	<b>Medium</b>
18	Inadequate project oversight and management resulting in increased costs, time delays and poor work quality	Construction	<b>High</b>	<p>A Project Manager has been appointed by Town of Walkerville to manage the Major Projects (Ross Oates).</p> <p>Council to form a Major Projects Steering Committee with skills and experience in contracts, finance, procurement and project management.</p>	<b>Medium</b>

19	Council's business continuity maybe impacted during Major Project delivery	Operational	<b>Medium</b>	Council's Senior Leadership Team will regularly monitor for any impact on Council's business continuity as a result of the Major Projects.	<b>Low</b>
----	--	-------------	---------------	--	------------



Risk Rating Matrix						
RISK RANKING	CONSEQUENCES	INSIGNIFICANT	MINOR	MODERATE	MAJOR	CATASTROPHIC
	<b>Injury</b>	No treatment/ injury	First aid treatment	Minor, but lost time injury	Serious injury requiring hospital treatment	Fatality or permanent disability
	<b>Property damage</b>	Slight	Minor	Considerable	Major	Substantial
	<b>Environment</b>	No impact	Local effect. On site release immediate containment	Low level impact. On site release contained with outside assistance	Serious impact. Offsite release with no detrimental effects	Detrimental impact. Toxic release off site with detrimental effect
<b>LIKELIHOOD</b>	<b>Reputational or financial loss</b>	Low reputational and/or financial loss	Medium Reputational and/or financial loss	Considerable Reputational and/or financial loss	Major Reputational and/or financial loss	Substantial Reputational and/or financial loss
<b>Almost Certain</b>	High/frequent level of exposure to hazard – recurring recorded incidents - expected to occur in most circumstances	M	H	H	VH	VH
<b>Likely</b>	Exposure to hazard is likely – recorded incidents – will probably occur in most circumstances	M	M	H	H	VH
<b>Possible</b>	Exposure to hazard could happen – infrequent recorded incidents –might occur at some time	L	M	H	H	H
<b>Unlikely</b>	Exposure to hazard could happen – very few recorded incidents - could occur at some time	L	L	M	M	H
<b>Rare</b>	Exposure to hazard could happen – an incident might be possible - may occur only in exceptional circumstances	L	L	M	M	H

Ref ISO 31000 – Risk Management Principles and Guidelines

Risk Rating		Risk Priority	
VH	Very High Risk	(1)	Immediate corrective action
H	High	(2)	Prioritised action required
M	Medium	(3)	Planned action required
L	Low	(4)	Manage by routine procedures





## **TOWN OF WALKERVILLE**

### **PROCUREMENT PLAN – MAJOR PROJECTS**

**39 Smith Street;**

**Walkerville Sports Club; and**

**Walkerville Bowling and Community Club**

## Contents

<b>1. BACKGROUND AND SCOPE</b> .....	3
<b>2. PROCESSES AND PROCEDURES</b> .....	4
2.1 Objective of the Procurement Plan .....	4
2.2 Risk Management .....	4
<b>3. PROCUREMENT PROCESS - 39 SMITH STREET</b> .....	7
3.1 Background.....	7
3.2 Proposed Plan.....	7
<b>4. PROCUREMENT PROCESS - WALKERVILLE SPORTS CLUB FACILITY</b> .....	9
4.1 Background.....	9
4.2 Proposed Plan.....	9
<b>5. PROCUREMENT PROCESS - WALKERVILLE BOWLING AND COMMUNITY CLUB.</b> .....	10
5.1 Background.....	10
5.2 Proposed Plan.....	10
<b>6. PROPOSED PROCUREMENT PROCESS</b> .....	11
6.1 Early Engagement process – Walkerville Sports Club.....	11
6.2 Prudential Review – All Projects .....	11
6.3 Tender Processes – Definitions .....	12
6.4 Proposed Procurement Process – Project 1 – 39 Smith Street .....	13
6.5 Proposed Procurement Process – Project 2 – Refurbishment of Walkerville Sports Club facility.....	14
6.6 Proposed Procurement Process – Project 3 - Redevelopment of the Walkerville Bowling and Community Club.....	14
<b>7. PROCUREMENT TIMEFRAMES</b> .....	15
7.1 General.....	15
7.2 Early Contractor Involvement / Engagement.....	15
7.3 Prudential Review.....	15
7.4 Project 1 – 39 Smith Street.....	15
7.5 Project 2 – Walkerville Sports Club .....	16
7.6 Project 3 – Walkerville Bowling and Community Club .....	16

**Attachment 1 – Town of Walkerville – Major Projects Timeline**

## 1. BACKGROUND AND SCOPE

- 1.1 The Town of Walkerville (the **Council**) has an identified requirement to undertake a Procurement process relating to Major Project (the **Project**) for upgrade of various Sporting and Community facilities within the Council area.

The Project includes the following individual requirements:

1. Refurbishment/New Build of 39 Smith Street;
2. Refurbishment of Walkerville Sports Club; *and*
3. Redevelopment of the Walkerville Bowling and Community Club.

- 1.2 This Procurement Plan (the **Plan**) has been prepared to ensure Council meets all of its procurement and probity requirements under the Local Government Act 1999, Part 4 – Contracts and Tenders Policies, Practices and Procedures relating to obtaining value in the expenditure of Public Money; providing for ethical and fair treatment of participants and ensuring probity, accountability and transparency in its procurement operations.

The Plan will include various steps which it is recommended to take place to ensure Council has undertaken a full consultation process with those affected Community Groups who would utilise the various sites, local residents who may be impacted during the ongoing works and with Council ratepayers in general, to ensure all issues are resolved prior to commencing the Tendering and Contracting process.

- 1.3 It is highly recommended that Council undertake a Prudential Review as required under the Local Government Act 1999, Part 3 – Prudential Requirements for Certain Activities, which requires Council to:

*...obtain and consider a report that addresses the prudential issues set out in subsection (2) before the Council –*

*engages in any project (whether commercial or otherwise and including through a subsidiary or participation in a joint venture, trust, partnership or other similar body)—*

- (i) *where the expected operating expenses calculated on an accrual basis of the council over the ensuing five years is likely to exceed 20 per cent of the council's average annual operating expenses over the previous five financial years (as shown in the council's financial statements); or*
- (ii) *where the expected capital cost of the project over the ensuing five years is likely to exceed an amount of \$4,000,000 (indexed); or*
- (iii) *where the council considers that it is necessary or appropriate.*

- 1.4 The proposed Procurement processes will also require Council to consider the Risk both financially and reputationally that may occur within the continuation of the Procurement process for this Major Project, to bring it to fruition.

## 2. PROCESSES AND PROCEDURES

### 2.1 Objective of the Procurement Plan

Council has identified the three individual projects of this Major Project which have been considered to be of benefit to the ratepayers and visitors alike to the Town of Walkerville.

Grant Funding was approved to the value of \$4m under the “**Local Government Infrastructure Partnership Program**” for the refurbishment of the Walkerville Sports Club and the Walkerville Bowling & Community Club facilities.

As part of the 2022 State election campaign, the Labor candidate for the seat of Member for Adelaide, Lucy Hood, announced an election promise to provide a cash contribution to the Town of Walkerville totaling \$5.0m toward the refurbishment of 39 Smith Street. This commitment was unsolicited and was an amount arbitrarily determined by the Labor Party.

The Procurement objective is to ensure that each of the three separate portions of the Project are able to be funded and completed, without Council assuming a financial or reputational Risk relating to ongoing Loan Repayments for any deficit in current budgeted amounts, and continual Depreciation of Assets over time.

### 2.2 Risk Management

Key risks identified, associated risk ratings and risk mitigation activities which may impact this procurement may include:

- 2.2.1 timing of project from commencement to practical completion due to labour and material shortages currently being experienced in the building industry, which may also impact final price;
- 2.2.2 scope of requirements resulting in high indicative pricing which may result in significant budget implications; and
- 2.2.3 both 2.2.1 and 2.2.2 above having the effect of diminishing the quality of each of the final projects in an effort to reduce pricing and meet timelines to ensure Council Budgetary requirements are achieved.

A number of identified Risks have been rated in Table One, in accordance with the Risk Assessment Matrix at Table Two.

**Table One**

Risk #	Risk Description	Risk Rating	Risk Mitigation Activity
1	No Responses to the Procurement invitation due to inability of Contractors to undertake the works on budget or on time	H	<p>Ensure Council undertakes a suitable approach to Tender for each of the requirements for individual projects. This would include:</p> <ul style="list-style-type: none"> <li>– Request for Proposal for 39 Smith Street;</li> <li>– Expression of Interest for Early Contractor Involvement process for the Walkerville Sports Club; and</li> <li>– Request for Tender with options sought for budget saving encouraged for the Walkerville Bowling &amp; Community Club;</li> </ul>

			<p>Each process is aimed at providing Tenderers with an overview of the requirements and enable potential Contractors to receive as much information relating to the project to assist in responding to the tender prior to release of documents for response.</p> <p>By providing Tenderers with as much information as possible, including the ability to provide more options from a procurement perspective, could encourage more submissions to each of the individual requirements.</p>
2	High indicative price and/or lack of significant overview of the Project offering received for satisfactory supply which may impact Council as a Financial Risk.	H	Enter into further negotiation with shortlisted suppliers to achieve a Project offering that will provide both best value for money and Project outcome to Council and its ratepayers, or alternatively, return to market for additional suppliers/options.
3	Responses from suppliers with limited qualification/capacity in provision of the Services	M	Ensure the Specification and response schedules are clear in the expectations of Council in regard to provision of the Projects.
4	Inability through clarification and negotiation to achieve an outcome that would provide Council with a Project option which will meet with the approval of Council and its Community and to be within Budget.	H	Ensure all options are open for review, deletion or replacement of inclusions that would restrict tenderers being able to provide a best value option for Council consideration.
5	Insolvency of contracted provider due to labour and supply issues	M	Council to undertake a Prudential Review, and obtain Financial Reports from independent organisations to assess the level of comfort of the financial position of the successful Contractor, prior to appointment to undertake the Works.
6	Reputational Risk to Council should the Project be unable to commence or does not meet the expectations of the various Community & Sporting Groups or Ratepayers	M	Council to undertake an Early Engagement with members of various Community & Sporting organisations who would utilise the facilities, and Ratepayers, in particular those who may be affected by the ongoing works during construction.

Table Two - Risk Assessment Matrix

CONSEQUENCE - General Description		Likelihood of Risk				
		Rare	Unlikely	Possible	Likely	Almost Certain
Would stop the achievement of functional goals/objectives	<b>Severe</b>	High	High	Extreme	Extreme	Extreme
Would threaten functional goals/objectives	<b>Major</b>	Medium	Medium	High	High	Extreme
Requires Significant adjustment to overall function to achieve objectives	<b>Moderate</b>	Medium	Medium	Medium	High	High
Would threaten an element of the function and would require some adjustment to achieve objectives	<b>Minor</b>	Low	Medium	Medium	Medium	High
Low consequence to achievement of objectives	<b>Insignificant</b>	Low	Low	Low	Medium	Medium

2.3 Council will be responsible for the management of both the financial and reputational risks, not only prior to and during the procurement process but also during the construction phase of any Works approved.

2.4 The various risks may involve instigating processes that will avoid issues that may affect both Council and its ratepayers.

Issues that may need to be resolved including, but not limited to timing of works, traffic disruptions and disruption to facility use, by the inclusion of the following within the Tender Specifications:

- works to be undertaken only during certain hours/days;
- management of any Road Closures or other traffic disruptions during the Works;
- liaising closely with the various facility users to minimise disruptions to sporting or other community activities as and where possible during the Works; and
- requirement for Contingency Plans in relation to Risk as per Clause 1.4, due to delays currently being experienced in the Building Industry, such as shortage of both qualified sub-contractors and building materials.

### 3. PROCUREMENT PROCESS - 39 SMITH STREET

#### 3.1 Background

Council has, over a number of years, undertaken significant procedures including obtaining Building Inspection Reports on various aspects of the current site and facility, which would need to be undertaken if the building were to meet with building approval requirements.

As part of the 2022 State Election campaign, an unsolicited cash contribution to the Town of Walkerville totalling \$5.0m, was granted toward the refurbishment of the existing facility at 39 Smith Street by Labor Candidate Lucy Hood who stood for the seat of Member for Adelaide. This was an amount arbitrarily determined by the Labor Party.

Various Reports have identified significant issues with the current facility which would appear to indicate that the site is not fit for purpose and would take significant work to bring it to a point of being able to meet the Building Codes and various mandatory Australian Standards.

Whilst the Council option would appear to be for a refurbishment of the existing facility, given the various identified issues, Council may wish to consider whether it may be more prudent to undertake a new build rather than refurbishment.

#### 3.2 Proposed Plan

Council has previously obtained preliminary cost estimates to undertake the Refurbishment and have also sought indicative pricing options if Council were to consider a Rebuild of the facility. A high level cost estimate for a 'reduced scope' new build option was provided to Town of Walkerville by Stride Constructions which revealed that such a facility could be delivered for as little as \$6.5m, however this estimate appears to lack sufficient allowances for contingencies.

The initial cost for the Concept Design documentation for the Budget Refurbishment option has been \$72,800.

It is estimated that to progress the design documentation for the Refurbishment option to a point where it would be suitable to put to tender in order to receive real market costings, an additional spend of approximately \$287,000 in design consultant fees would be required.

Given the Financial and Reputational risk that may arise should the final outcome of a refurbishment not result in a best value option for Council and its community, it would be at this **decision point** that Council would need to consider whether the additional cost upfront is in its best financial interests, to ensure Options are able to be considered that will provide a satisfactory outcome for this particular Project.

It would be a recommendation for consideration prior to assuming the additional spend, that Council undertake a Request for Proposal (**RFP**) to enable proposed Contractors to provide indicative pricing and concept proposals to undertake either:

- a Refurbishment of the building required to bring it up to Australian Standards;
- a Rebuild of 39 Smith Street; or
- provide options for consideration by Council as separable portions to undertake either a Rebuild or a Refurbishment.

#### Decision Point

Once responses to the RFP have been received and considered by the Evaluation team, Council would be required to decide whether the option to Rebuild or to Refurbish is the most appropriate option for Council to proceed with. This would depend upon the price and viable concept options provided for consideration.

Depending on the outcome of the Decision Point, Council would then proceed to a Select Request for Tender (RFT) from shortlisted respondents.

Following receipt of RFT responses, the Evaluation team will consider all responses and following any required clarification of various responses and negotiations, if any, have been completed, Council would then seek a Best and Final Offer from one or more final preferred providers for consideration and recommendation of the selected successful Contractor to be appointed to undertake the project.

Prior to the release of the select RFT, Council will communicate with the community on the process to be undertaken and would also proceed with completion of Development Applications, Planning Approval, etc and per the options as outlined in **Attachment 1 – Town of Walkerville – Major Projects Timeline**.



## 4. PROCUREMENT PROCESS - WALKERVILLE SPORTS CLUB FACILITY

### 4.1 Background

Council has undertaken significant works to date, including obtaining Building Inspection Reports on various aspects of this project.

This procurement process was postponed by Council in August 2023 and ratepayers advised as such, however as the design works had been almost completed, Council approved the final design documentation to be received and held pending any further consideration at a later date.

### 4.2 Proposed Plan

At an informal meeting of Elected Members held in 2022, the general consensus identified that staging this particular project would be in the best interest of Council and the community, with the 39 Smith Street project being identified as taking precedence.

Staging of the project may include renovations being initially undertaken at the site up to and including a specific value which may include a portion of the \$4m LGIPP funding for this Project to a proposed value of \$1.5m, with the remainder to be allocated to the Walkerville Bowling and Community Club project.

Given the Financial and Reputational risk that may arise should the final outcome not result in a best value option for Council and its community, it would be a recommendation that Early Contractor Involvement as well as Engagement with current users of the facility and local affected residents and ratepayers to ensure Council takes into account, the various aspects of each individual Group when preparing the final Tender documentation.

Communication with the community will be required to provide an overview of the proposed redevelopment at the facility.

Once SAFA Grant amendments and approvals have been received, Council would then form the "Walkerville Sports Club Design Committee" (the **Committee**) to progress the project, including agreement of the required Scope, for approval by Council.

Expressions of Interest (**EOI**) for the engagement of Early Contractor Involvement (**ECI**) will then occur, with tenderers to provide options relating to various concept designs, and estimated pricing for consideration by Council.

Following full consideration of the responses received and various concepts supplied, Council will shortlist tenderers who will then be invited to respond to a Request for Tender (**RFT**) to include all methodologies, timelines and final Pricing for consideration and evaluation.

Following any required clarification of various responses and negotiations, if any, have been completed, Council would then seek a Best and Final Offer from one or more final preferred providers for consideration and recommendation of the selected successful Contractor to be appointed to undertake the project.

The successful Contractor will be required to work closely with Council's Project Manager and liaise with the Committee, undertake the works to practical completion.

**Refer to Attachment 1 – Town of Walkerville – Major Projects Timeline.**

## 5. PROCUREMENT PROCESS - WALKERVILLE BOWLING AND COMMUNITY CLUB.

### 5.1 Background

Council has already approved and finalised all Tender documents relating to the upgrade of the Walkerville Bowling & Community Club facility including all Technical Specifications, drawings and RFT documentation.

This procurement process therefore is “Tender Ready” and it would therefore be recommended that this project be released to an Open Request for Proposal process as soon as possible.

### 5.2 Proposed Plan

With this portion of the Major Works being ready for tender, it is proposed that it be released to the sector as a Request for Tender, as outlined in the Town of Walkerville – Major Projects Timeline.

This Project may include a portion of the \$4m LGIPP funding to a value of possibly \$2.5m, with the remainder to be allocated to the Walkerville Sports Club project.

It is recommended that Council undertake a Request for Tender (**RFT**) to receive options for consideration from tenderers that will provide Council with a Best Price option. Tenderers would also be encouraged to provide budget saving initiatives/design alternatives as part of their tender submissions which could potentially reduce the overall cost of the project.

Once responses to the RFT have been received and considered and one or more preferred providers are shortlisted as part of the Evaluation process, Council would seek a Best and Final Offer for consideration and recommendation of the selected successful Contractor to be appointed to undertake the project

## 6. PROPOSED PROCUREMENT PROCESS

The procurement process that is recommended to ensure Council is able to meet its obligations relating to each of the individual portions of the Major Project is as follows:

### 6.1 Early Engagement process – Walkerville Sports Club

Undertake Early Engagement meetings with prospective Contractors/subcontractors, Community Groups who use the various facilities and those affected Ratepayers and residents in the vicinity of the facility.

This Engagement process is recommended to be undertaken to ensure that Council takes into consideration such matters as:

- allocating appropriate Budget funding and Timelines for Practical Completion to the project prior to commencement of the Procurement phase,
- work with the community on minimising disruption to sporting and community users of the facility as much as is possible; and
- staging the works in such a manner that it will meet the current identified demands of the building industry.

### 6.2 Prudential Review – All Projects

Council is to undertake a Prudential Review of all portions of the Major Project to meet the requirements of the Local Government Act 1999.

The first stage of the prudential review process would include an overarching report providing a recommendation on the capacity of the Town of Walkerville to deliver each Project given the known financial constraints.

The second stage would involve prudential reviews for the individual projects. Under Section 48 of the Local Government Act 1999 it is likely that Town of Walkerville would be required to prepare a prudential report for the Walkerville Bowling & Community Club project and the 39 Smith Street project. A prudential report for the Walkerville Sports Club would be at the discretion of Town of Walkerville.

It would be the recommendation that the Project relating to upgrade of the Walkerville Sports Club be undertaken as a 3 Stage process, being:

1. Request for Expression of Interest (EOI) for Early Contractor Involvement;
2. Shortlisting of respondents to be invited to respond to a Select Request for Tender;
3. Negotiation, clarification of various responses and a final Best and Final Offer stage with one or more final preferred providers for consideration and recommendation of the selected successful Contractor.

It would be recommended that the Project relating to the Walkerville Bowling & Community Club be undertaken as a 2 Stage process, being

1. Request for Tender (RFT) including encouragement for Tenderers to provide budget saving initiatives for consideration;
2. Following evaluation of responses, and review of any clarifications sought, one or more shortlisted preferred providers be required to submit a Best and Final Offer for consideration.

### 6.3 Tender Processes – Definitions

By definition, each of the procurement processes are as follows:

- **Early Contractor Involvement (ECI)**

**Early Contractor Involvement (ECI) is recommended for the Walkerville Sports Club project only.**

This is a type of construction contract where the principal contractor is engaged at an early stage in a project to offer input into the design phase, in contrast to the traditional Request for Tender model where the contractor is only brought onboard at the end of the design phase. The ECI allows the contractor to have an input into the design of the project and suggest various value options for consideration.

Following the evaluation of this initial **Express of Interest** phase, shortlisted suppliers will be invited to respond to a Request for Tender, with the successful Contractor being appointed under the terms and conditions of Contract to act as the Principal Contractor for the completion of the works to Practical Completion.

The contractor would be required to utilise its knowledge and experience to ensure that the project is designed to increase buildability or value and will be required to consider and mitigate any construction phase risks.

The contractor may choose to involve their own supply chain sub-contractors in the process to offer additional expertise or tender **at its own cost** for suitably qualified and certified sub-contractors to undertake various aspects of the works.

As the ability of parties to affect project cost and programme is greater in the design stages than in the construction phase then the potential for value engineering is greater under ECI contracts than traditional contracts.

The ECI contract model has similar aims to the traditional design/build tender process however ensures that responsibility for the final design is retained by the Council design team.

- A **Request for Tender (RFT)** provides comprehensive information about the project to potential responders, including any changes from any initial Request for Expressions of Interest stage. Council will, under an RFT process need to have a budget allocation clearly defined, will seek high-quality responses to the documentation provided, including final Technical Specifications, Technical Drawings, with respondents required to provide a final Lump Sum Price and Breakdown of the Lump Sum Price, and a full Methodology and Timeline for the Project from contract award to Practical Completion. An RFT also encourages clarification queries to be obtained during the Open Tender period to ensure a clear understanding of requirements.
- A **Request for Proposal (RFP)** is used when a Council does not have a particular solution in mind and instead is seeking industry proposals. Unlike an RFT where funding for the procurement is approved, an RFP usually does not have a budget allocated as the requirement is yet to be refined. Respondents will be provided with Technical Specifications and Technical Drawings however these will be refined by the respondent if shortlisted to the Stage 2 process.

It is through the RFP process that Council gains an estimate of the possible budget required and the information necessary to consider by reviewing the various options that may be presented for further consideration.

The RFP would generally be Stage 1 of a 2 Stage process leading into a select RFT process, with one or more shortlisted respondents to the RFP stage. The shortlisted respondents will be required to refine the options provided, into a final RFT response to include final Specification

and Drawing requirements to be included in the final Contract, Lump Sum and Breakdown of Lump Sum Pricing, final methodology and Timelines based on the Proposal provided in the RFP process.

The Request for Proposal approach may also encourage innovative responses that could generate cost savings and possibly facilitate a better response to the needs of Council and its community.

Depending upon the final decision by Council regarding whether to undertake the RFT process for a specific requirement such as Refurbishment only of the site or a Rebuild of the Site, or whether an RFP 2 stage process is undertaken, that final decision will need to consider the additional timelines which will be encountered if the RFP process is agreed.

- **Request for Expression of Interest**

An Expression of Interest (EOI) is a formal process which can be used by Council to seek interest from potential suppliers for a specific project or service. It is usually the first stage of a multi-stage tender process and may be used to:

- Seek an indication of the interest of potential service providers, capable of undertaking specific work.
- Shortlist a limited number of tender respondents for invitation to participate in Stage 2 – completion of a Request for Tender. This may reduce tendering costs for industry participants as a whole in that only those service providers who are shortlisted after an EOI process are invited to tender.

The EOI process is designed to provide a structured approach to preparing a call for an expression of interest (EOI) for projects on an open tendering basis. The guide primarily focuses on EOIs for selecting shortlisted service providers to be invited to tender in the second stage for a specific portion of the Major Project. The guide also provides documentation that may assist Council and respondents when calling and evaluating EOIs.

This 3 Stage process, would include (but not limited to):

1. Request for Expression of Interest issued;
2. Following an initial evaluation of the REOI responses, shortlisting of respondents to be invited to respond to a further Request for Tender;
3. Evaluation of shortlisted responses, further negotiation, and if required, interview with respondents to seek further information or clarification of various responses and a final Best and Final Offer as Stage 3 with one or more final preferred providers for consideration and recommendation of the selected successful Contractor.

#### 6.4 Proposed Procurement Process – Project 1 – 39 Smith Street

It is recommended that Council consider whether it will proceed to market for either:

1. Refurbish 39 Smith Street including requirements to be included to enable the site, which is currently not fit for purpose, to meet all Building Codes and various Australian Standards, or
2. Rebuild 39 Smith Street; or
3. Seek options for both Refurbish and Rebuild for comparison and evaluation to consider a Best Value Option.

Council may consider an initial Request for Proposal to obtain various options from Contractors, to include an indicative price, to enable Council to consider whether the best method to proceed with would be a Rebuild on the site or Refurbishment of the current facility.

Following evaluation and consideration of the initial RFP responses which will include, if required interview with one or more respondents by the Evaluation Panel, and clarification of issues identified, Tenderers will be shortlisted for invitation to prepare a select Request for Tender for consideration.

The Evaluation Panel will then consider the responses to the RFT, obtain further clarifications if required, negotiate with the preferred provider and prepare a Recommendation Report of the selected successful Contractor response for Council consideration.

### 6.5 Proposed Procurement Process – Project 2 – Refurbishment of Walkerville Sports Club facility

It would be the recommendation that this Project relating to upgrade of the Oval facility, be undertaken as an Expression of Interest for appointment of Early Contractor Involvement, due to the requirements of Council in relation to this site being not fully defined, as follows:

1. Request for Expression of Interest – selection of Contractor to undertake Early Contractor Involvement.
2. Evaluation of responses including clarification of issues identified. Respondents then to be shortlisting for invitation to respond to a Request for Tender.
3. Following evaluation, negotiation, interview with Evaluation Panel and clarification of various responses, Council will then request a “**Best and Final Offer**” from one or more final preferred providers for consideration.
4. Prepare a Recommendation Report for Council consideration of the selected successful Contractor response.

### 6.6 Proposed Procurement Process – Project 3 - Redevelopment of the Walkerville Bowling and Community Club.

As this Project is “Tender Ready” with all Technical Specifications and Drawings, indicative pricing and Request for Tender documentation all prepared, it is recommended that this Project proceed to market as an open Request for Tender with tenderers encouraged to submit any budget saving initiatives for consideration.

The responses received will be evaluated, clarifications sought, may also include interviews with one or more respondents and only if considered prudent, Council may also require one or more shortlisted respondents to provide a “Best and Final Offer” prior to agreement on the successful Contractor.

A final Recommendation Report will be prepared for submission to and consideration by Council, of the selected successful Contractor response.

## 7. PROCUREMENT TIMEFRAMES

### 7.1 General

The timeframe for undertaking each of the 3 individual Projects under this Major Project will in part, be dependent on the terms and conditions of the LGIPP Funding agreement relating to the Walkerville Sports Club and the Walkerville Bowling & Community Club projects. An amount of \$5m has also been allocated by the Labor Party for use in the upgrade of 39 Smith Street and will be required to be approved by the Office of Recreation, Sport and Racing (ORSR).

### 7.2 Early Contractor Involvement / Engagement

It would be prudent to undertake the EOI for Early Contractor Involvement for the Walkerville Sports Club Project after the final scope is agreed, with an anticipated EOI release date of May 2024.

Shortly following the release to market of the EOI, for example late May or early June 2024, it would be recommended that the Compulsory briefing with interested Contractors and sub-contractors be scheduled, with the Briefing to be widely advertised to ensure as many Contractors/Subcontractors are able to attend as possible.

Council would also be encouraged to consider providing attendees with advice on all three Major Projects as this may encourage responses from organisations with the capability and capacity to undertake either all of the works or portions only.

Simultaneously, meetings with local Sporting and Community Groups and affected Ratepayers/residents be undertaken to ensure that all are fully aware of the project requirements, and to ensure that the various sporting and community groups are made aware of the rules of engagement between the various clubs/committees and Councils nominated Project Manager to avoid any issues relating to Probity arising during the tender process.

These Rules of Engagement would preferably include the appointment of one only nominated representative of each Group who would be the only Council point of contact during the Projects, including from commencement of the Procurement phase to Practical Completion of the various Projects.

It would be recommended that each of the meetings as above included a Facilitator who is skilled in managing similar projects to oversee the proceedings.

### 7.3 Prudential Review

Council to commence the appointment of a Prudential Advisor to undertake the Prudential Review as required, as early as possible in the Procurement phase.

### 7.4 Project 1 – 39 Smith Street

Dependent upon the securing of LGIP funding and the amount of funding approved by the Labor Party, it is recommended that the release date for Request for Proposal to either refurbish or rebuild of 39 Smith Street would be recommended for **February 2024** with any release of select RFT documentation to be dependent on the Council decision at the evaluation of the RFP. This is the Decision Point at which Council will be required to either approve the ongoing process to Refurbish the building or to demolish and rebuild on the site.

### **7.5 Project 2 – Walkerville Sports Club**

Following Council approval of all Grant funding, it is recommended that the Expression of Interest – Early Contractor Involvement be released in May 2024, with final shortlisted RFT documentation issued in October 2024.

### **7.6 Project 3 – Walkerville Bowling and Community Club**

Following approval of funding, it is recommended that the Request for Tender for Redevelopment of the Walkerville Bowling and Community Club be released in March 2024. The RFT process would encourage Tenderers to provide options that would provide budget savings initiatives for consideration by Council.

Tenderers responding to this Project would be encouraged to provide options for budget saving initiatives for consideration by Council.





**BRM**  
Advisory

W brmadvisory.com.au  
ABN 65 067 721 797

8 November 2023

Mr Andrew MacDonald  
Chief Executive Officer  
66 Walkerville Terrace  
GILBERTON, SA 5081

Dear Andrew

## **Financial Capacity Review - Statement of Work Undertaken**

We have been asked by the Town of Walkerville (ToW) to support its financial assessment, and to provide independent advice to Elected Members, about the financial and operational capacity of ToW to concurrently deliver three major capital works projects.

This letter summarises the work we have undertaken.

### **1. THE CAPITAL PROJECTS**

ToW is currently considering executing three significant capital works building projects (Capital Projects). Namely:

1. Demolish and rebuild the Walkerville Bowling Club Clubrooms (WBC Project)
2. Refurbishment of the Walkerville Sports Club (WSC Project)
3. Redevelopment or rebuild of 39 Smith Street (39 Smith Street Project)

### **2. EXTERNAL FUNDING SOURCES**

To support delivery of the Capital Projects, ToW has attracted two separate funding commitments from the State Government.

The first is a \$4.0 million funding commitment under the Local Government Infrastructure Partnership Program (LGIPP) in relation to the redevelopment of Walkerville Oval. ToW is intending to apply these funds to collectively support the WBC Project and the WSC Project. As no grant milestones have yet been reached, ToW is yet to receive any of this committed LGIPP funding.

The second is a \$5.0 million funding commitment received prior to the 2022 State Election to support the redevelopment of 39 Smith Street. ToW has received this funding (during FY2023) in expectation that the 39 Smith Street Project will proceed.

Both funding commitments require matching funding to be committed by ToW.

We have not reviewed any of the grant agreements or documentation in relation to these funding commitments. Should any of the Capital Projects not proceed, should ToW fail to meet any of the requirements of the grants, or if ToW reduces the scope of any of the Capital Projects, some of these committed grant funds may need to either be repaid or forfeited.

### 3. WORK UNDERTAKEN

On 10 October 2023 we were provided with a draft version of the ToW Long Term Financial Plan (LTFP)<sup>1</sup> to inform our review. To assess the financial capacity of ToW to deliver the Capital Projects, it was critical to ensure that the LTFP contained reasonable and up to date assumptions. We supported ToW to make several changes to the draft LTFP including:

- Roll forward the LTFP model to include 2023 actuals (the original draft was based on FY2023 BR2);
- Estimate the appropriate phasing of expenditure of the Capital Projects, consistent with the desired procurement and project delivery approach developed by the CEO;
- Develop recurrent cost and revenue estimates for the Capital Projects for inclusion in the LTFP modelling;
- Increase the forecasted capital renewal expenditure by 20% on the basis that the existing capital renewal estimates were based on 2019 asset management plans and had not been indexed to current dollars. We increased the capital renewal expenditure by a further 10% to account for construction cost increases above the rate of inflation over the last few years;
- Included a general provision for new capital expenditure in each forecast year of the LTFP of \$200k, and assumed that \$100k of this new capital expenditure would attract external contributions;
- Identified the relatively high level of depreciation expenditure and in conjunction with the Assets and Infrastructure Team made adjustments to the forecast depreciation on existing assets to account for assets which have recently been disposed of and to remove the existing depreciation provisions relating to the existing assets for the Walkerville Bowling Club and 39 Smith Street;
- Included an assumed growth in rateable assessments for each period of 0.2% per annum and a one-off increase in assessments in FY2029 of 2.5% based on the expected future development of the Buckingham Arms site;
- Adjusted interest rate assumptions to match current financing rates available through the Local Government Financing Authority; and
- Ensured indexing was correctly and consistently applied throughout the LTFP Model.

Following these updates, the latest draft version of the model<sup>2</sup> has been prepared and is awaiting review of the ToW Audit Committee and Elected Members.

On 3 November 2023, we attended the Local Government Financing Authority (LGFA) with the ToW CEO, to present the latest draft model and to seek feedback from the LGFA about their capacity to lend funds to support the Capital Projects, based on the

---

<sup>1</sup> Walkerville LTFP Model FY2024 – Major Projects – Scenario 1.xlsm

<sup>2</sup> Walkerville LTFP Model FY2024 – FY2023 Rollover.v3

updated LTFP modelling. We provided the LGFA with a copy of the Draft LTFP Model for further review.

On 6 November 2023, we received a request for further information from the LGFA about the modelling and following our response received a written indication from the LGFA on 8 November 2023 that they are able to support the required increase in borrowings to fund the Capital Projects based on the LTFP modelling provided.

#### 4. KEY RISKS

As with any financial modelling, predicting future financial outcomes is based on a variety of assumptions, each with varying degrees of certainty. There are many key risks that could materially impact the LTFP forecasts developed. These risks and high level mitigation strategies are shown in Table One.

*Table One: High level Financial Risk Assessment for the Capital Projects*

Key LTFP Risks	Mitigation strategies
Budgets are insufficient to deliver the Capital Projects due to supply shortages, inflation or other factors beyond the control of ToW and hence additional funding requirements	<ul style="list-style-type: none"> <li>Projects are assumed to be phased to manage cost overruns</li> <li>Option to design to available budget for all Projects</li> </ul>
Grant funding requirements cannot be met, resulting in a reduction in external funding available and an increase in council funding required	<ul style="list-style-type: none"> <li>Opportunity to rescope or defer Capital Projects</li> </ul>
Stakeholders are not satisfied with the design outcomes for the Capital Projects causing increases in scope and additional funding requirements	<ul style="list-style-type: none"> <li>Stakeholder engagement strategy</li> <li>Option to design to available budget for all Projects</li> </ul>
LTFP is based on inaccurate assumptions, particularly regarding capital renewal program due to immature Asset Management Plans.	<ul style="list-style-type: none"> <li>Focus on developing up to date Asset Management Plans for each asset class over coming years and making regular updates to the LTFP</li> </ul>
Elected Members identify and wish to pursue a number of new capital or operating projects which are not currently provided for in the LTFP	<ul style="list-style-type: none"> <li>Prudent financial management and alignment of LTFP with Strategic Plan</li> </ul>
ToW is exposed to increased interest rate risk as a result of higher borrowings levels	<ul style="list-style-type: none"> <li>Treasury management</li> <li>Opportunity to rescope or defer Capital Projects</li> </ul>

#### 5. NEXT STEPS

ToW has decided to commission a separate prudential report for each of the Capital Projects. The plan is that each Prudential Report will be prepared following completion of detailed designs. The Audit Committee of ToW will be asked to review each prudential report prior to submission to ToW Elected Members for consideration. Therefore, there will be future stage gates whereby ToW can fully consider the financial and operational impacts of each Capital Project.

During the November and December 2023 meeting cycles, both the Audit Committee and Council will be asked to review the updated LTFP and make a decision on the progression of each Capital Project to the next stage of planning.

Should you have any questions or comments about this letter, please do not hesitate to contact me.

Yours faithfully  
**BRM ADVISORY**



MICHAEL RICHARDSON  
Director  
Email: [mrichardson@brmadvisory.com.au](mailto:mrichardson@brmadvisory.com.au)  
Direct line: 0408 637 345

# Town of Walkerville – Major Projects Timeline

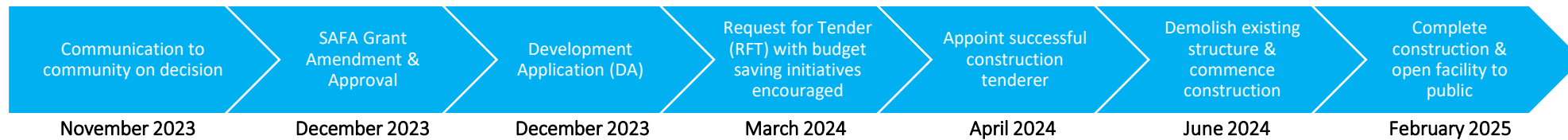
## Confirm Approach & Preliminary Due Diligence



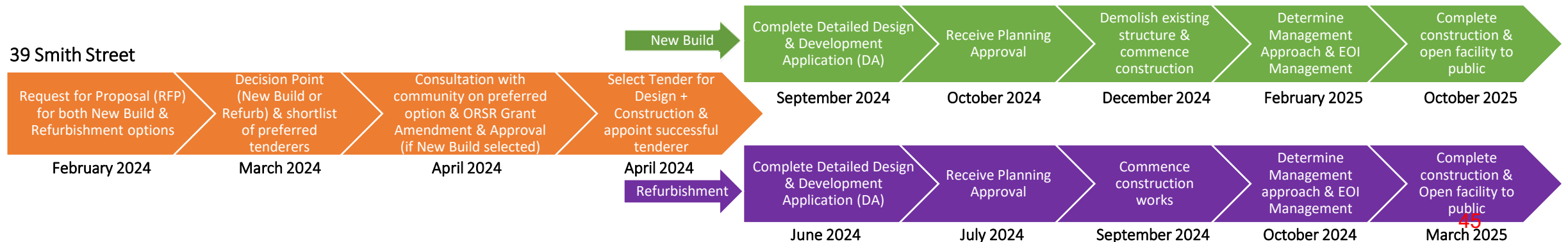
## Walkerville Sports Club



## Walkerville Bowling & Community Club



## 39 Smith Street





# MAJOR PROJECTS

## engagement plan

### Purpose:

To identify all of the communication needs associated with the Town of Walkerville's three major projects and subsequent timelines. Communications will provide information, direction and updates for the purpose of aligning stakeholders with goals, schedules and requirements for successful buy-in and project implementation. It will also keep the community informed and allow Council to remain transparent throughout the different phases of the redevelopments.

### Goals:

- Keep stakeholders and community informed of project information, timelines and milestones.
- Ensure the community is along for the ride throughout the process.
- Provide clear insight into decisions or roadblocks.
- Facilitate knowledge and understanding among the community.
- Provide structured opportunities for feedback from stakeholders to drive project progress.
- Inform the State Government when key milestones are reached.

### Methods:

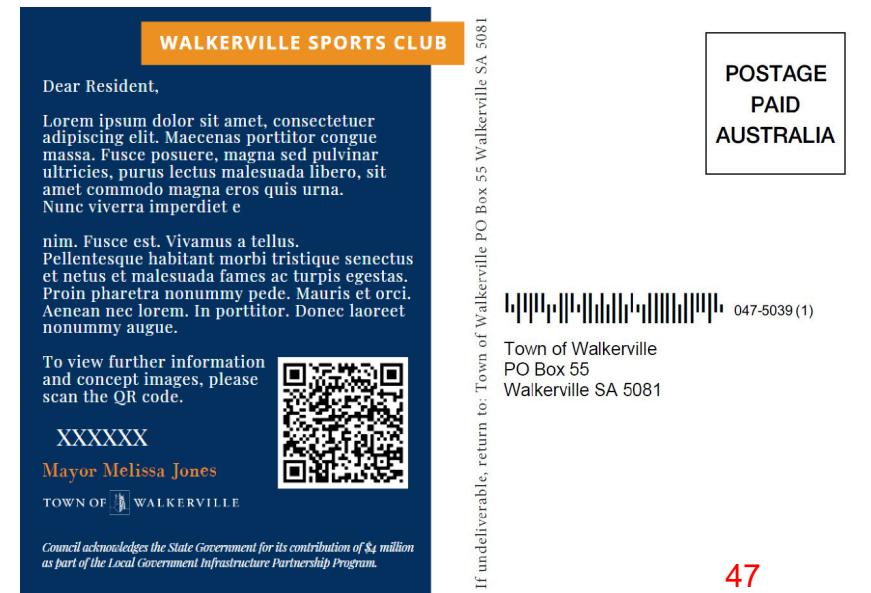
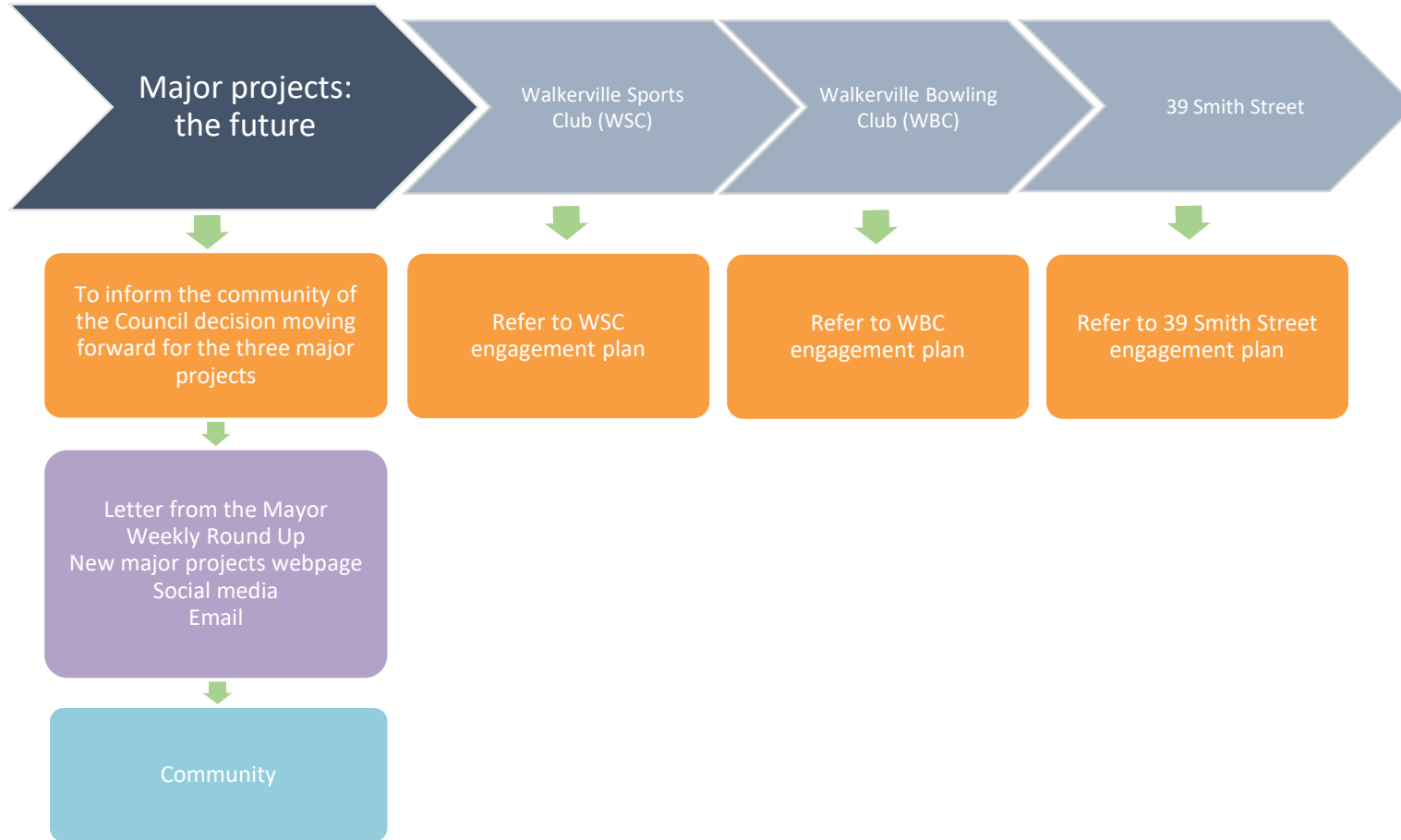
- Letter from the Mayor – mailout to ratepayers to inform of major announcements.
- Postcard – marketing campaign theme used to create common branding for community awareness of project updates. Only for key milestones.
- About Town – quarterly newsletter used to share relevant news each season.
- Weekly Round Up – weekly newsletter used to communicate regular updates.
- Website – Council online webpage continuously updated with news and timelines.
- Social media (Facebook and Instagram) – regular updates and photos.
- In person – meetings aimed at gathering stakeholders for discussion.
- Email – communication for stakeholders to deliver updates or organise in person meetings, as well as informing State Government of milestones.
- Press release – media statement for any public news announcements.

### Audience:

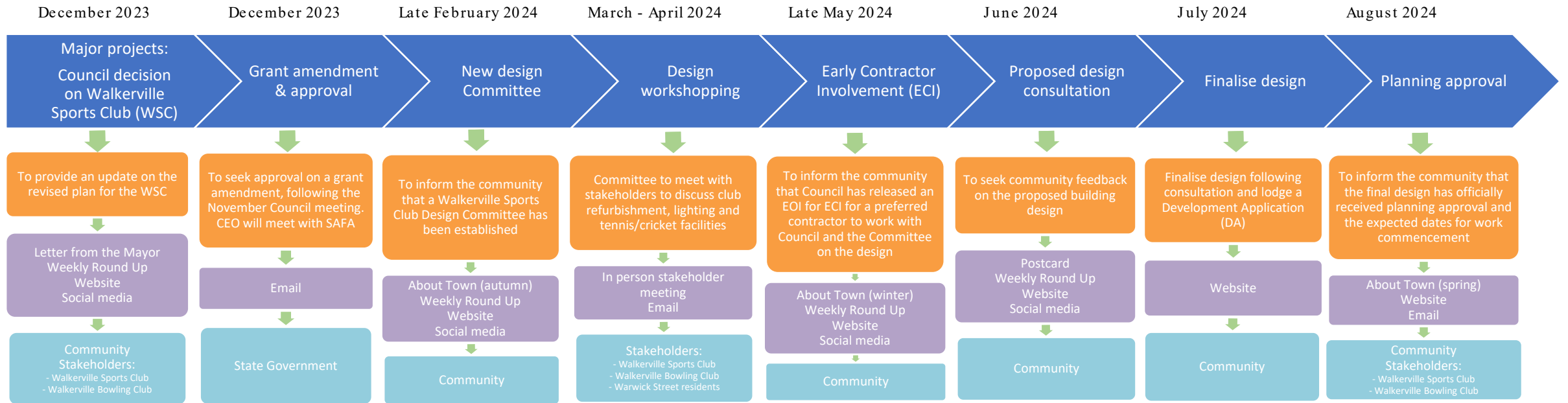
The engagement plan targets three audience groups – stakeholders, community and State Government. Stakeholders include sports club representatives, Walkerville Oval users, specific residential locations and local community groups. Community includes residents, ratepayers, businesses and visitors. The State Government will be informed of key milestones, which are stipulated by each project Deed.

# MAJOR PROJECTS: engagement plan

Campaign launch: December 2023

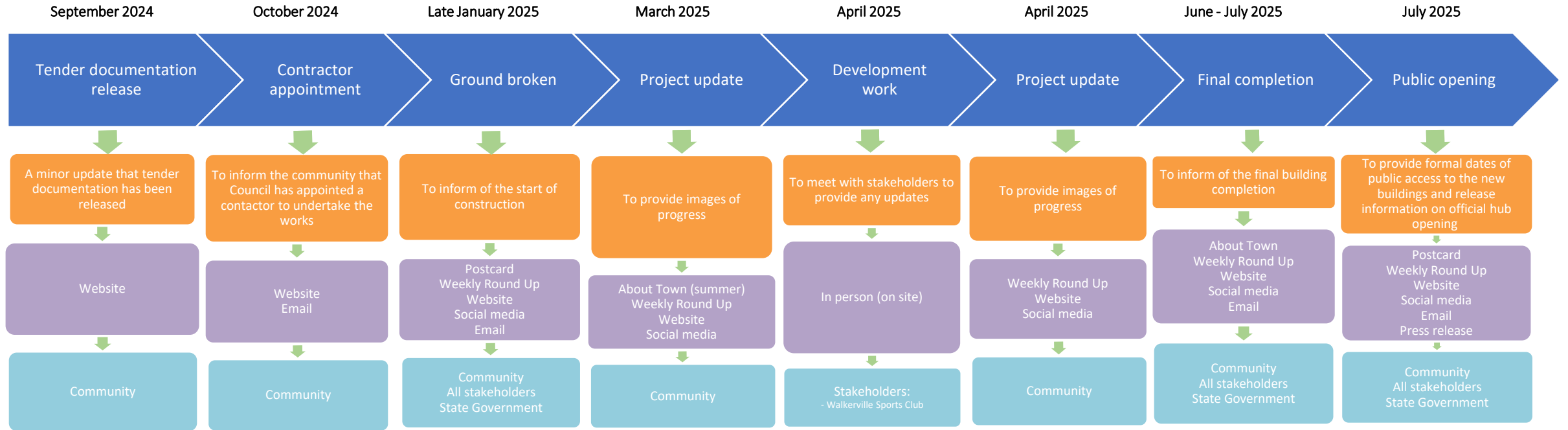


# WALKERVILLE SPORTS CLUB: engagement plan

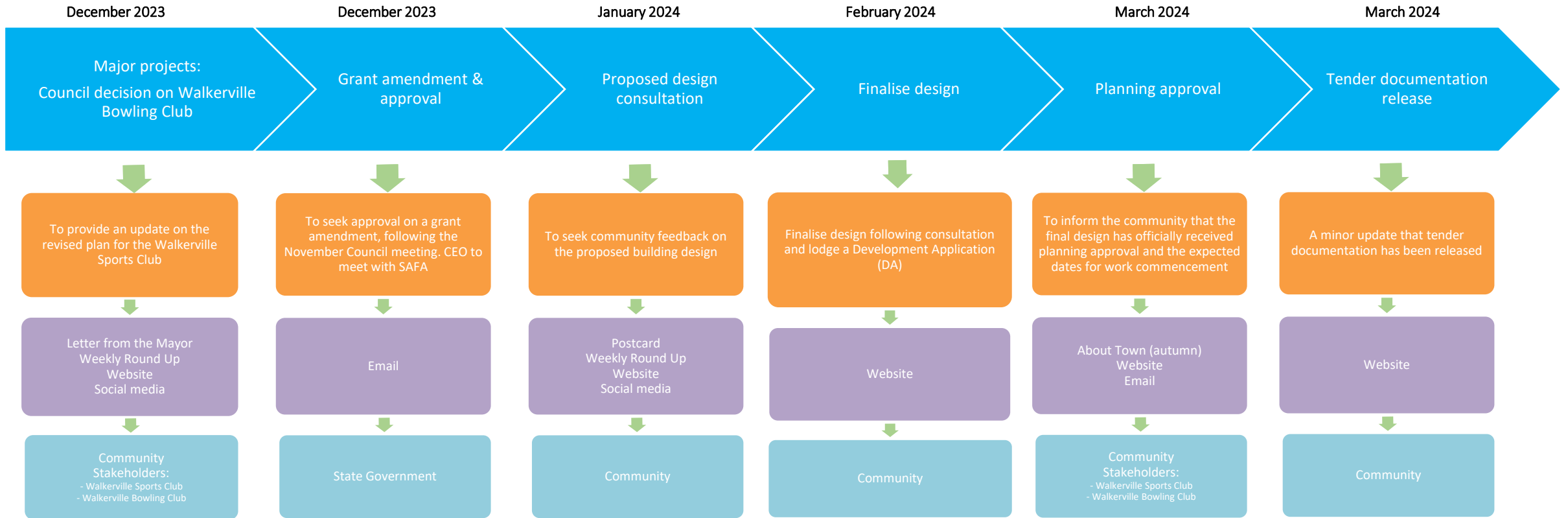




# WALKERVILLE SPORTS CLUB: engagement plan



# WALKERVILLE BOWLING CLUB: engagement plan



# WALKERVILLE BOWLING CLUB: engagement plan



# 39 SMITH STREET: engagement plan



\*The remainder of the 39 Smith Street engagement plan will be finalised once a refurbishment or new build option is endorsed, as communication and timeframes will differ based on the preferred way forward.



**MINUTES**

of

**COUNCIL MEETING**

held in the

**COUNCIL CHAMBERS**

on

**MONDAY 20 NOVEMBER 2023 AT 7PM**

*The Presiding Member declared the meeting open at 7:00pm.*

## ACKNOWLEDGEMENT OF COUNTRY

Town of Walkerville would like to acknowledge the Kurna people as the traditional custodians of the land we are meeting on today, and respect their spiritual relationship with their country.

We recognise the many generations of stewardship the Kurna people have provided to this land, and respect that their cultural heritage and beliefs are as important today as they were for their ancestors.

## 1. ATTENDANCE RECORD

### 1.1 Present

Mayor Melissa Jones  
Deputy Mayor Liz Trotter  
Cr Aman Kaur  
Cr James Nenke  
Cr Steven Rypp  
Cr Anthony Vanstone  
Cr James Williams  
Cr John Zeppel

### Staff in Attendance

Chief Executive Officer, Andrew MacDonald  
Group Manager Public Relations & Community Services, Sarah Spencer  
Group Manager Assets & Infrastructure, James Kelly  
WHS/HR Coordinator, Jim Dickens  
Council Secretariat & Governance Officer, Danielle Edwards  
Executive Assistant to Mayor and CEO, Emma Spencer

### 1.2 Apologies

Nil.

### 1.3 Not Present / Leave of Absence

1.3.1 Cr Allanson is on a leave of absence from from 1 August 2023 to 30 July 2024, inclusive **(CNC316/22-23)**.

## 2. CONFIRMATION OF MINUTES

2.1 Ordinary Council meeting held on 16 October 2023

**CNC88/23-24**

**Moved:** Cr Vanstone

**Seconded:** Cr Zeppel

That the minutes of the **Ordinary Council** meeting held on 16 October 2023 be confirmed as a true and accurate record of the proceedings.

**CARRIED UNANIMOUSLY**

2.2 Special Council meeting held on 30 October 2023

**CNC89/23-24**

**Moved:** Cr Kaur

**Seconded:** Cr Zeppel

That the minutes of the **Special Council** meeting held on 30 October 2023 be confirmed as a true and accurate record of the proceedings.

**CARRIED UNANIMOUSLY**

2.3 Eastern Health Authority meeting held on 1 November 2023

**CNC90/23-24**

**Moved:** Cr Trotter

**Seconded:** Cr Zeppel

That the minutes of the **Eastern Health Authority** meeting held on 1 November 2023 be received and noted.

**CARRIED UNANIMOUSLY**

## 3. DECLARATIONS OF INTEREST

Nil.

## 4. DEPUTATIONS

Nil.

## 5. PETITIONS

Nil.

## 6. MAYORS DIARY

### 6.1 Mayors Diary

**CNC91/23-24**

**Moved:** Cr Trotter

**Seconded:** Cr Kaur

That Council receives and notes the Mayoral Diary from 12 October 2023 to 15 November 2023.

**CARRIED UNANIMOUSLY**

## 7. COUNCIL MEMBER'S REPORTS

- 7.1 Cr Rypp provided verbal acknowledgement to staff and the RSL for the Remembrance Day Service on 11 November 2023.
- 7.2 Cr Trotter provided verbal acknowledgement to staff and the Walkerville Community Committee for the success of the 2023 Christmas Fair held on 12 November 2023.
- 7.3 Cr Kaur provided verbal acknowledgement to staff and participants of the Diwali Festival.
- 7.4 Cr Zeppel provided verbal acknowledgement to the Walkerville Community Committee for the Mini Christmas Pageant held in the Town Hall.
- 7.5 Cr Zeppel along with Mayor Jones and Cr Trotter attended the Propel SA Christmas event on Thursday 16 November 2023 and provided a verbal update.

## 8. COUNCIL MEMBER'S SUBSIDIARY REPORTS

Nil.

## 9. QUESTIONS FROM THE GALLERY

Nil.

## 10. QUESTIONS WITHOUT NOTICE

Nil.

## 11. QUESTIONS ON NOTICE

Nil.

## 12. MOTIONS WITHOUT NOTICE

Nil.



### 13. MOTIONS ON NOTICE

Nil.

### 14. DECISION REPORTS

#### 14.1 Council Resolution Register

##### **CNC92/23-24**

**Moved:** Cr Kaur

**Seconded:** Cr Trotter

That Council receives and notes the Council Resolution Register dated 16 November 2023, as a true and correct record, and confirms that it is satisfied that decisions marked as 'complete' have been fully enacted to the satisfaction of Council.

**CARRIED UNANIMOUSLY**

#### 14.2 Delegations Review

##### **CNC93/23-24**

**Moved:** Cr Nenke

**Seconded:** Cr Kaur

1. That Council resolves to grant the Chief Executive Officer a delegation of each function and power of the Council specified in the *Instrument of delegation to the Chief Executive Officer* (appearing as Attachment A to this report) on the terms set out in that instrument.
2. That Council resolves to grant the delegations specified in the *Instrument of delegation: Fire and Emergency Service Act 2005* (appearing as Attachment B to this report) on the terms of that instrument.
3. That the Council resolves to grant the sub-delegations specified in the *Instrument of sub-delegation: Road Traffic Act 1961* (appearing as Attachment C to this report) on the terms of that instrument.
4. That Council resolves to grant the authorisations specified in the *Instrument of authorisation: Road Traffic Act 1961* (appearing as Attachment D to this report) and authorises the Chief Executive Officer to approve the authorisation on behalf of the Council by executing the instrument.
5. That Council records its opinions that the Group Manager Assets & Infrastructure is:

- (a) an experienced engineering practitioner for the purposes of preparing a traffic impact statement as required by clause A.7 of the *Instrument of General Approval and Delegation to Council* granted by the Minister for Transport (dated 22 August 2013) (RT Act Approval); and
- (b) has an appropriate level of knowledge and expertise in the preparation of traffic management plans for the purposes of clause E.2 of the RT Act Approval.

**CARRIED UNANIMOUSLY**

#### 14.3 2022/23 Annual Report

##### **CNC94/23-24**

**Moved:** Cr Rypp

**Seconded:** Cr Williams

1. That Council adopts the 2022/23 Annual Report, as presented in Attachment A.
2. That Council authorises Administration to make minor amendments of a formatting or technical nature to the 2022/23 Annual Report, as required.

**CARRIED UNANIMOUSLY**

#### 14.4 Election of Deputy Mayor

*The presiding member, with consent of two-thirds of members present suspended the meeting procedures pursuant to Regulation 20(1) of the Local Government (Procedures at Meetings) Regulations 2013 to allow informal discussion on this item.*

*Formal meeting procedures suspended at 7:09pm.*

*Formal meeting procedures resumed at 7:10pm.*

##### **CNC95/23-24**

**Moved:** Cr Vanstone

**Seconded:** Cr Zeppel

1. That pursuant to section 51(3) of the *Local Government Act 1999*, Council resolves to appoint a Deputy Mayor.
2. That pursuant to section 51(4) of the *Local Government Act 1999*, Council resolves that the term of office for the Deputy Mayor be 12 months, concluding 20 November 2024.
3. That Council resolves to use the selection process as detailed in the report, being all Council Members, including the Mayor, will participate in a secret ballot. If the votes for two or more candidates are equal, lots will be drawn to determine which candidate will be excluded. The process will repeat as necessary until a Deputy Mayor is elected.

**CARRIED UNANIMOUSLY**

*The presiding member, with consent of two-thirds of members present suspended the meeting procedures pursuant to Regulation 20(1) of the Local Government (Procedures at Meetings) Regulations 2013 to allow informal discussion on this item.*

*Formal meeting procedures suspended at 7:10pm.*

*Formal meeting procedures resumed at 7:11pm.*

**CNC96/23-24**

**Moved:** Cr Vanstone

**Seconded:** Cr Rypp

That Councillor Zeppel be appointed as Deputy Mayor for the Town of Walkerville.

**CARRIED UNANIMOUSLY**

14.5 Periodic Adjustment of Council Member Allowances

**CNC97/23-24**

**Moved:** Cr Kaur

**Seconded:** Cr Trotter

That Council receives and notes the report titled 'Periodic Adjustment of Council Member Allowances'.

**CARRIED UNANIMOUSLY**

14.6 Local Government Participation and Election Review

**CNC98/23-24**

**Moved:** Cr Rypp

**Seconded:** Cr Trotter

That Council receives and notes the report titled 'Local Government Participation and Election Review'.

**CARRIED UNANIMOUSLY**

## 14.7 Prudential Management Policy

**CNC99/23-24****Moved:** Cr Rypp**Seconded:** Cr Kaur

1. That Council adopts the Prudential Management Policy, appearing as Attachment A.
2. That Council authorises Administration to make changes to the Prudential Management Model Policy of a minor technical or formatting nature.

**CARRIED UNANIMOUSLY**

## 14.8 2023 Asset Management Plans – Community Consultation and Adoption

**CNC100/23-24****Moved:** Cr Nenke**Seconded:** Cr Trotter

1. Council adopts the three new Asset Management Plans, being:
  - Roads Asset Management Plan 2023-2033 (appearing as Attachment A);
  - Stormwater Asset Management Plan 2023-2033 (appearing as Attachment B); and
  - Footpaths Asset Management Plan 2023-2033 (appearing as Attachment C).
2. That Council authorises Administration to make minor amendments of a formatting or technical nature to the Asset Management Plans, as required.

**CARRIED UNANIMOUSLY**

## 14.9 Endorsement of East Waste Independent Chairperson

**CNC101/23-24****Moved:** Cr Nenke**Seconded:** Cr Kaur

That Council endorses the re-appointment of Mr Fraser Bell as the Eastern Waste Management Authority Independent Chair for a three-year term, commencing in January 2024.

**CARRIED UNANIMOUSLY**

**15. IDENTIFICATION OF ITEMS FOR INDIVIDUAL CONSIDERATION** (en bloc protocol)

The Presiding Member asked Council Members if they wish to withdraw an information report from the en bloc protocol for discussion or questions. Items not withdrawn indicate that all Council Members have taken the time to adequately satisfy themselves that the recommendation for each report is the appropriate course of action and therefore moved en bloc.

**CNC102/23-24**

**Moved:** Cr Williams

**Seconded:** Cr Rypp

That item 16.2 be moved as per its recommendations.

**CARRIED UNANIMOUSLY**

**16. REPORTS REQUIRING DISCUSSION AND / OR PRESENTED FOR INFORMATION**

16.1 Monthly Works Report – October 2023

**CNC103/23-24**

**Moved:** Cr Nenke

**Seconded:** Cr Trotter

That Council note and receive the Monthly Works Report for October 2023.

**CARRIED UNANIMOUSLY**

16.2 Decisions of Council Assessment Panel 13 November 2023

**CNC104/23-24**

**Moved:** Cr Williams

**Seconded:** Cr Rypp

That Council notes that the Council Assessment Panel did not meet on 13 November 2023, as no items were raised for consideration by Council Administration.

**CARRIED UNANIMOUSLY**

**17. CORRESPONDENCE**

Nil.

**18. URGENT OTHER BUSINESS**

Nil.

**19. CONFIDENTIAL ITEMS**

## 19.1 CEO Performance Review – Probation and Annual Review Process

**CNC105/23-24****Moved:** Cr Zeppel**Seconded:** Cr KaurPursuant to section 90(2) and 90(3)(a)

Pursuant to section 90(2) of the Local Government Act 1999 (the Act) the Council orders that all members of the public, except the Chief Executive Officer Andrew MacDonald, Group Manager Assets & Infrastructure James Kelly, Group Manager Public Relations & Community Services Sarah Spencer, WHS/HR Coordinator Jim Dickens, Council Secretariat & Governance Officer Danielle Edwards and Executive Assistant to Mayor and CEO Emma Spencer be excluded from attendance at the meeting for Agenda Item 19.1 *CEO Performance Review – Probation and Annual Review Process*.

The Council is satisfied that pursuant to sections 90(3)(a) of the Act, the information to be received, discussed and considered in confidence as the information in relation to this agenda item includes information of a confidential nature (not being a trade secret) the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead).

Accordingly, on this basis, the Council is satisfied that the principle that meetings of the Council should be conducted in a place open to the public has been outweighed by the need to keep the information or matter confidential.

**CARRIED UNANIMOUSLY**

*The time being 7:33pm the meeting moved into confidence.*

**CNC107/23-24****Moved:** Cr Trotter**Seconded:** Cr RyppPursuant to section 91(7)

That having considered Agenda Item 19.1 CEO Performance Review – Probation and Annual Review Process in confidence under section 90(2) & 90(3)(a) of the Act, the Council, pursuant to section 91(7) of that Act orders that the report, minutes and all attachments to this Agenda Item be retained in confidence for a period of 5 years, and that pursuant to section 91(9)(c) of the Act the Council delegates to the Chief Executive Officer the review and power to revoke this Order.

**CARRIED UNANIMOUSLY**

*The time being 7:37pm the meeting moved out of confidence.*

**20. CLOSURE**

*The Presiding Member declared the meeting closed at 7:37pm.*



# MINUTES

of

## SPECIAL AUDIT AND RISK COMMITTEE MEETING

Pursuant to the provisions of Section 87 of the  
*Local Government Act 1999*

held in

**WALKERVILLE COUNCIL CIVIC CENTRE  
COUNCIL CHAMBERS  
66 WALKERVILLE TERRACE GILBERTON**

On

**WEDNESDAY 22 NOVEMBER 2023 AT 4:30PM**



22 NOVEMBER 2023

*The presiding member declared the meeting open at 4:30pm.*

**1. ATTENDANCE RECORD**

1.1 Present

Mr Ross Haslam (Presiding Member) – *via Microsoft Teams*  
Mayor Melissa Jones  
Cr Liz Trotter  
Mr Colin Scarlett

In Attendance

Chief Executive Officer, Andrew MacDonald  
Project Manager, Ross Oates  
WHS/HR Coordinator, Jim Dickens  
Council Secretariat & Governance Officer, Danielle Edwards

1.2 Apologies

Ms Michele Bennetts

1.3 Not Present / Leave of Absence

Nil.

**2. DECLARATIONS OF INTEREST**

2.1 Nil.

**3. CONFIRMATION OF MINUTES**

3.1 **AC12/23-24**

**Moved:** Cr Trotter

**Seconded:** Mr Scarlett

That the minutes of the Audit and Risk Committee Meeting held on 5 October 2023 be confirmed as a true and accurate record of the proceedings.

**CARRIED**

## 4.1 Major Projects Procurement &amp; Delivery Strategy

**AC13/23-24****Moved:** Mayor Jones**Seconded:** Cr Trotter

That the Audit & Risk Committee recommends to Council the following:

1. That Council seeks approval from the SA Government Financing Authority (**SAFA**) to vary the funding deed, for the \$4M Local Government Infrastructure Partnership Program (**LGIPP**) grant, dated 25 December 2021, for:
  - the construction of a new building for the Walkerville Bowling & Community Club, and the upgrade of oval lighting, tennis courts and cricket practice nets at the Walkerville Oval.
2. That subject to approval from SAFA to vary the \$4M LGIPP funding deed, Council endorses:
  - proceeding with a '**Request for Tender**' for a new build of the Walkerville Bowling & Community Club, as per the detailed designs provided in Attachment A, noting that the tender will be seeking cost saving initiatives on the design; and
  - proceeding with a '**Request for Tender**' for the upgrade of the oval lighting, tennis courts and cricket practice nets at the Walkerville Oval.
3. That Council endorses a renovation approach to the upgrade of the Walkerville Sports Club, including the formation of a 'Walkerville Sports Club Design Committee', to assist Council in guiding the design direction and scope of the Walkerville Sports Club project.
4. That Council notes that a future report will be presented to Council recommending:
  - a proposed approach to the formation of 'Walkerville Sports Club Design Committee', including membership and terms of reference; and
  - a tender approach for an '**Early Contactor Involvement**' to assist the 'Walkerville Sports Club Design Committee' with refurbishment designs and value management of the Walkerville Sports Club.
5. That Council endorses proceeding to a '**Request for Proposal**' for 39 Smith Street using concept documentation for both 'refurbishment' and 'new build' options as provided in Attachment B and Attachment C respectively, noting Council's decision to proceed with a 'refurbishment' or 'new build' will be a further decision of Council informed by '**Request for Proposal**' submissions, with consideration given to affordability and meeting the needs of the community now and in the future.
6. In the event that Council considers a 'new build' for 39 Smith Street the preferred option, Council will seek approval from the Officer for Recreation, Sport & Racing (ORSR) to vary the funding deed for the \$5M Grant.

**CARRIED**

**5. REPORTS REQUIRING DISCUSSION AND / OR PRESENTED FOR INFORMATION**

Nil.

**6. CONFIDENTIAL REPORTS**

Nil.

**7. CLOSURE**

*The presiding member declared the meeting closed at 4:57pm.*