

CONFIDENTIAL

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REPORT FOR:	Council		
MEETING DATE:	10 May 2022		
REPORT FROM:	Director Infrastructure		
REPORT TITLE:	Ryan Mitchell Swim Centre – Tender Update and Project Scope		
FILE NAME:	F21/253	RECORD NO:	AR22/19606

STRATEGIC DIRECTIONS

1 Community

- 1.2 We are resilient, inclusive, safe and a vibrant community where people feel proud to live.
- 1.3 People of all ages, cultures, abilities and interests have access to services, facilities and experiences that support their wellbeing.

4 Infrastructure

- 4.1 Our physical infrastructure meets our community needs.
- 4.2 We have safe, accessible and well-utilised CBD, public spaces and built environments that reflect the priorities of our community.

5 Governance and Financial Sustainability

- 5.2 We have positive relationships with other levels of government and partners that deliver great outcomes for the community.
- 5.5 We meet or exceed legislative and accreditation requirements for all relevant programs.

SUMMARY/ABSTRACT

The tender process for the Ryan Mitchell Swimming Centre refurbishment and upgrade has closed and the initial evaluation meeting was held 21 April 2022.

The tendered price from a very credible company that includes shade structure (\$45,800) and a contingency (\$200,000) will result in a total cost for the project of \$2.99 million, approximately \$267,000 over the budgeted amount of \$2.72 million.

The current pool has 5 lanes, which prevents hosting regional level competitive swimming events. An additional lane to allow this could be included for an additional \$175,000 and while considered good value if compared to widening the pool at a later date, Council Officers do not consider it a high priority due to the infrequency of the events themselves and the resulting value to the community.

Council Officers consider that the shortfall can be obtained from the 2022/23 New Capital budget either by deferring new footpath construction (currently approximately \$500,000 allocation) or deferring sealed road renewal or upgrade projects.

RECOMMENDATION

Council:

1. Proceeds with the Ryan Mitchell Swim Centre project as previously defined but with the inclusion of a shade structure over the Water Play Area, and;
2. Endorses deferring 2022/23 Capital Works as determined by the Director Infrastructure, of \$267,000 to fund the revised project to a total value of up to \$2,990,000.

BACKGROUND

The Ryan Mitchell Swimming Centre is 50 years old and much of the infrastructure has reached or past the end of its operational life. Following endorsement at the 19 January 2021 Council meeting, Council received a \$1,011,600 grant from the Local Government Infrastructure Partnership Program and confirmed access to a low interest loan (a cash advance debenture) for a matching amount.

Following a functional design that informed a better estimated cost of the works, Council endorsed allocating a further \$700,000 from the Local Roads and Community Infrastructure Program to create a total budget of \$2,723,200.

Public consultation was undertaken on the functional design and a report to the 18 January 2022 Council meeting resulted in Council resolving as follows:

1. *Proceeds with the project to renew and upgrade the Ryan Mitchell Swim Centre as previously defined except to include a Water Play Area that does not remove the Toddler Pool.*
2. *If funding allows, that a shade be placed over the new water play area, and if funding does not allow, that a future budget allocation be considered to shade the area.*

Council Officers met with the consultants and scoped out a water play area that was discrete from the toddler pool and included some more "fun elements", agreed to include footings for the shade structure as a deliverable item in the design, and to include shade sails as a separable item for consideration. (See Attachment 1 for a revised Water Play Area)

The tender period for construction closed 11 April 2022 and Council Officers reviewed the tenders received 21 April 2022.

DISCUSSION

The preferred tendered price for construction (excluding a shade structure) is approximately \$2.660m. In addition to the construction of the pool, Council will need to fund approximately \$320,000 of additional works and contingency being:

- The consultant prepared detailed design and project management
- Removal of trees blocking access to the site
- Removal of and replacement/repair irrigation affected by the construction.
- Turf reinstatement around the excavated areas
- Minor refurbishment of the changing/shower rooms
- Minor accommodation aspects not included in the tender
- \$200,000 contingency

The projected initial cost is therefore approximately \$2.980m.

As part of the tender process Council Officers requested the tenderers propose value-add items that they may identify, plus a separable item for the shade sail construction.

Council Officers have proposed to accept two changes (reusing chemical dosing equipment and reducing the tile replacement amount) that will reduce the tender price approximately \$35,000. It is proposed to accept the shade structure at an added cost of \$45,800.

The projected cost with these two considerations then is \$2,990,521, being \$267,321 over the budget (noting that the \$267,000 includes \$200,000 contingency).

Additional swimming lane

Another value-added item offered in the tender is an additional swimming lane for \$175,000.

The current 5 lane configuration does not allow Port Augusta to bid for state competition level events. Noting that the most common events of this nature are the Masters Games and the SA Regional Championships which are shared at facilities around the state, Port Augusta may be in a position to host it every 3 to 6 years. In addition to the pride associated with hosting an event such as this, is the economic activity to the city generated by the spectators and participants.

Given the infrequent occurrence of events of this nature, the anticipated expectation following the pool upgrade that the remaining infrastructure at the pool will be upgraded (showers and first aid rooms for example – roughly \$150,000) Council Officers do not consider it vital that the additional lane be included at this time.

It would however, cost less to do it now than to do it in the future. Should Council resolve to widen the pool at a later date, it is roughly estimated that it will cost \$600,000 (plus the anticipated shower and first aid room upgrades).

Other value-add items

Other value-add items that could be considered and are supported by Council Officers are a high-quality surfacing to the Water Play Area (additional \$40,000) and the same surface applied to the surrounds of the toddler pool and the Learn to Swim pool (additional \$42,000).

However, while these would improve the amenity of the area and the longevity of the Water Play Area surface, as the project is already over budget it is not proposed to include these.

Conclusion/Summary

The preferred tendered price including the shade structure and minor changes is approximately \$2.99 million. The budget allocation in total was \$2.72 million, a shortfall of \$267,000 noting that this includes \$200,000 for contingency.

Items that could be included are additional swimming lane at \$175,000, and more expensive surfacing to both the new Water Play Area, and both the existing toddler pool and Learn to Swim pool at \$82,000. Council officers would support all of these additional items but note that the project is already over the projected budget.

The added benefit of the additional lane would be to host infrequent state level competitions. The proposed different surface has some advantages (mostly longer life) over the existing surface around the Toddler pool and proposed surface the proposed surface around the Water Play Area.

The advantages are not that significant and therefore while Council Officers would like to include these items, they do not consider the additional cost good value.

CONFIDENTIALITY PROVISIONS

The Council is satisfied that, pursuant to Section 90(3)(k) of the Act, the information to be received, discussed or considered in relation to this agenda item is information relating to tender submission and pricing, and should be considered under confidential provisions. In addition, the disclosure of this information would, on balance, be contrary to the public interest. The public interest in public access to the meeting has been balanced against the public interest in the continued non-disclosure of the information. The benefit to the public at large resulting from withholding the information outweighs the benefit to it of disclosure of the information. The Council is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because the disclosure of tender pricing and Council's commercial position may severely prejudice Council's ability to be able to negotiate a cost-effective proposal for the benefit of the Council and the community in this matter.

Having considered this item in confidence under Section 90(2) and (3)(k) of the Act, the Council, pursuant to Section 91(7) of the Act orders that the report, attachments, discussions and minutes relating to this agenda item, be retained until the contract is awarded for the upgrade works to the Ryan Mitchell Swim Centre, and that this order be reviewed every 12 months.

RISK MANAGEMENT

1: Financial/Budget/Asset Management

The funding aspects of the project have been discussed in detail in previous reports but in summary Council has

- Grant funding of \$1,011,600 from the Local Government Infrastructure Partnership Program,
- Access to a loan (debenture) at a reduced rate (-0.75% off the standard CAD rate) for 3 years,
- Access to \$735,000 from the Local Roads and Community Infrastructure Program that can be allocated to this project (note, only \$700,000 was committed in the November 2021 Council report).

The expected overall price for the works is \$2.990 million, approximately \$267,000 less than the allocated budget of \$2.72 million.

Considering that this work is a combination of new infrastructure and renewal of existing infrastructure, the shortfall in funding could come from the draft 2022/23 Council budget from either the New Capital Works programs or the Building and Land Improvement Renewal Capital Works program.

Council Officers are confident that the shortfall of \$267,000 can be funded from these programs without adversely impacting the renewal program. Also, should Council so resolve, a further \$175,000 can be found to include the additional swimming lane, and a further \$40,000 for the premium surfacing to the Water Play Area. The projects identified deferred would be undertaken the following financial year.

2: Legal/Policy

Council Officers have reviewed and considered the application of Policy 1.1.16 Prudential Management in respect to the refurbishment and upgrade project.

Renewal of the pool and upgrade to include a Water Play Area is consistent with Council's strategic directions.

Council must meet current disability access standards when renewing infrastructure.

3: Environment/Planning

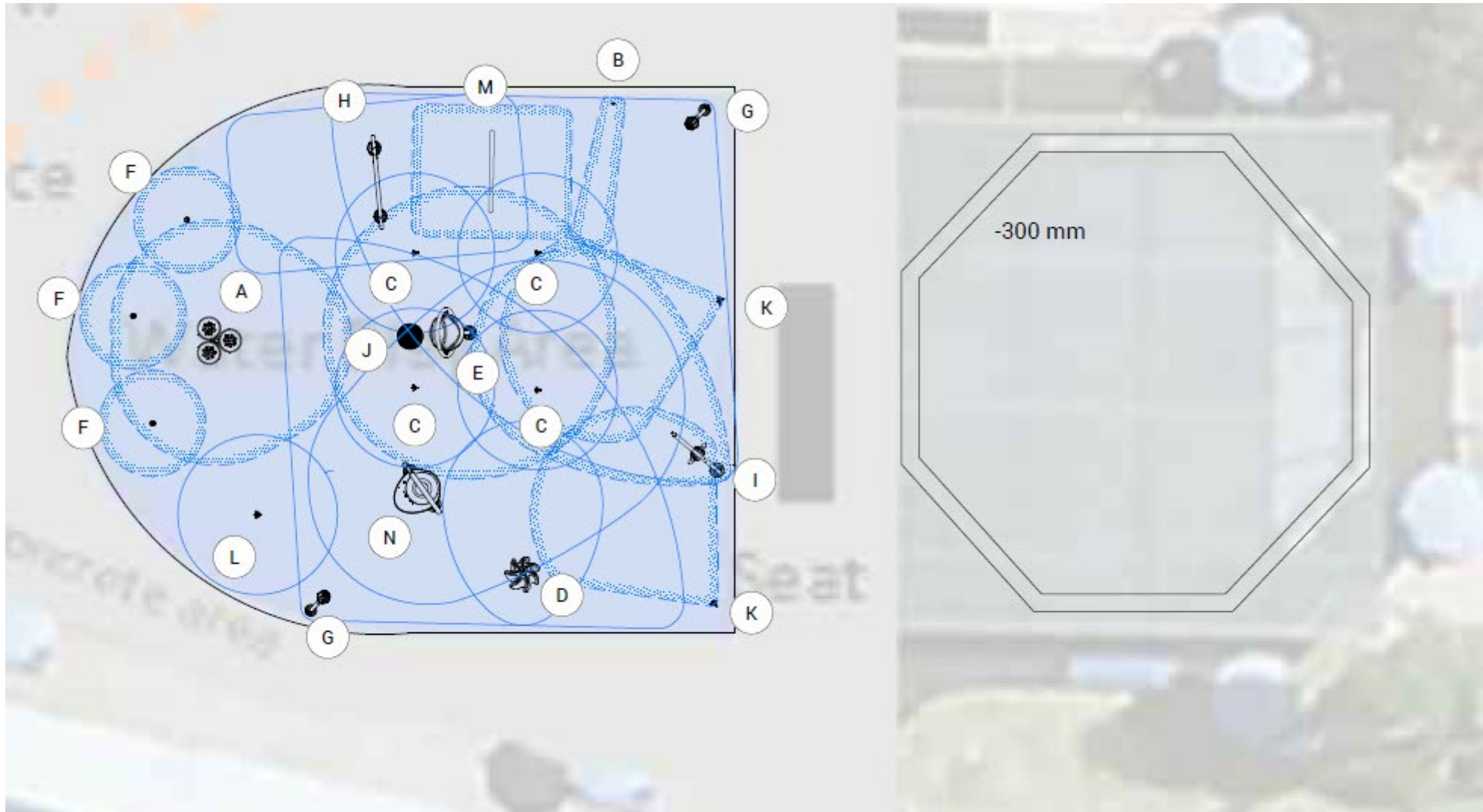
Redevelopment of the Ryan Mitchell Swim Centre will require development approval in line with the provisions to the Planning Development and Infrastructure Act 2016.

4: Community

Renewal of the mechanical systems and refurbishment of the pool is fundamentally good asset management, and the upgrade portions (DDA access and the Water Play Area) are shown to be supported by the community and will potentially increase the utilisation of the pool asset.

Kevan Delaney
10/05/2022

Attachment – Extract from the revised Water Play Area



Legend for elements in the Water Play Area

Splashpad Products - Rev.6

Item	Range	Label	Reference	LPM
A	PlayRope / Vortex	BOBBLE N.2	VOR 7233	98
B	PlayRope / Vortex	DIRECTIONAL JET N.1	VOR 0305	11
C	PlayRope / Vortex	FOUNTAIN SPRAY N.2	VOR 7676	19
D	PlayRope / Vortex	HELIO N.3	VOR 7238	15
E	PlayRope / Vortex	HELIO N.6	VOR 7241	61
F	PlayRope / Vortex	JET STREAM N.2	VOR 0325	19
G	PlayRope / Vortex	LUNA CANNON N.1	VOR 7235	26
H	PlayRope / Vortex	LUNA N.1	VOR 7230	57
I	PlayRope / Vortex	LUNA N.3	VOR 7234	30
J	PlayRope / Vortex	PLAYSAFE DRAIN N.4	VOR 1004	N/A
K	PlayRope / Vortex	ROOSTER TAIL	VOR 0303	38
L	PlayRope / Vortex	SIDE WINDER	VOR 7518	30
M	PlayRope / Vortex	SPRAY LOOP	VOR 0519	38
N	PlayRope / Vortex	TWIN SPLASH	VOR 7242	57

