



Minutes
of the
Special Meeting of Council
held
Thursday 5 May
2016 at 12 noon

In
Council Chambers
Honour Avenue, Wyalkatchem

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Agenda of the Special meeting of Council to be held in council chambers, Cnr Honour Avenue and Flint Street, Wyalkatchem on Thursday May 2016 commencing at 12 noon.

1. DECLARATION OF OPENING: 12.45

1.1 The Shire President will declare the Meeting open.

1.2 The Shire of Wyalkatchem disclaimer will be read aloud.

“No responsibility whatsoever is implied or accepted by the Shire of Wyalkatchem for any act, omission or statement or intimation occurring during this meeting. It is strongly advised that persons do not act on what is heard at this Meeting and should only rely on written confirmation of Council’s decisions, which will be provided within ten days of this meeting”.

2 Public question time

2.1 Response to previous questions taken on notice

2.2 Declaration of public question time opened

2.3 Declaration of public question time closed

3. Record of attendance, apologies, and approved leave of absence

3.1 Present: Cr Holdsworth, Cr Gawley, Cr Butt, Cr Garner, Cr Jones, Cr Gamble, Cr Davies

3.2 Apologies

3.3 On leave of absence

3.4 Staff: Ian McCabe, Claire Trenorden, Rachel Nightingale, Trevor Webb

3.5 Visitors


3.6 Gallery

3.7 Applications for leave of absence:

- 4.0 Petitions, deputations and presentations**
- 4.1 Petitions**
- 4.2 Deputations - not applicable**
- 4.3 Presentations**
- 5.0 Confirmation of Minutes from previous meeting - not applicable**
- 6.0 Announcements by Presiding Person**
- 7.0 Matters for which meeting may be closed**
- 8.0 Officer reports to council**
- 8.3.1 Corporate Management --Tendering - Tender evaluations - Four independent living units**

8.3 Officer reports to council

8.3.1 CORPORATE MANAGEMENT – TENDERING – TENDER EVALUATIONS – FOUR INDEPENDENT LIVING UNITS

FILE REFERENCE:	4.19.9
AUTHOR'S NAME AND POSITION:	Ian McCabe Chief Executive Officer
AUTHOR'S SIGNATURE:	
DATE REPORT WRITTEN:	5 May 2016.
DISCLOSURE OF INTEREST:	The author has no financial interest in this matter.

SUMMARY

1. To authorise the Chief Executive Officer to approach MCG architects and have them ask for a more complete tender for AK Homes and McGrath. Council will then convene to decide who to award the tender to at the Ordinary Meeting of Council 19 May 2016.

Appendix:

There are no attachments to this item.

Comment:

The district of the Shire of Wyalkatchem has a population skewed toward the aged with 27.2% of persons aged 65 years or more. This proportion is likely to increase by the time of the next ABS Census on 9 August 2016. There has also been population drift toward the metropolitan area which has reduced the number of working age persons (50.7% of the local population compared to 61.4% nationally). This in turn impacts on the number of families and children with social consequence for the community as evidenced in lower school enrolments and rates of participation in sports and the like.

Council has included increased independent aged accommodation within economic planning for the district as well as the draft Strategic Community Plan. It is thought this will drive a need for maintenance, repair and home services which assist in addressing the need for working aged persons. This will also support the provision of other services to the aged, such as medical and ancillary health care, services that

are of value to the wider community. Potentially, this will provide further momentum in attracting families and greater economic activity.

It is equally important for the district to support social sustainability and the well-being of residents. The provision of housing and support services within the district will allow residents to maintain social networks such as family and friends and continue community relationships. This will assist in sustaining the excellent rate of volunteering in Wyalkatchem and other community endeavours.

In 2012 the Shire of the Wyalkatchem and the Wyalkatchem Senior Citizen's Homes Trust Inc. agreed to construct four independent living units for the aged. These were to be funded by a State Government grant awarded to the Shire of \$735,000 and a cash contribution from the Trust of \$250,000. Funding has been held in trust by the Shire since 2014 with any interest re-invested in the project. Any Shire labour costs have been absorbed by the Shire at no cost to the project. The Trust made land available as part of an existing development in Wilson Street. The resulting asset will be managed and maintained by the Trust.

The agreement required an architect to be selected to manage the design and tender process for the units and provide project management services for the construction phase. A competitive tender process commenced in July 2015 to select an architect which resulted in twelve submissions. Representatives of Council, the Shire and the Trust agreed on the selection of MCG Architects Pty Ltd.

The project calls for four units to be constructed but Council envisages this to be the first stage in a larger development of 20 units each of two bedroom design. The architects prepared a master plan design of three stages and a set of drawings and specifications for the first stage construction. Council passed a development application for the entire development at the ordinary meeting 26 November 2015 (decision 3193).

An indicative costing of the first stage of the project was provided by an independent quantity surveyor at \$1,239,303 (ex-GST). Inclusive of sunk costs such as engineering and architects fees already incurred, this exceeds the original funding by approximately \$300,000. The Wyalkatchem Senior Citizen's Homes Trust Inc. has agreed to make a further cash contribution of \$50,000 and the Shire of Wyalkatchem will provide funds in the 2016/17 budget. Other sources of funding will be explored and considered.

In addition, it should be noted that an electrical sub-station at a cost of \$61,798 is not included in the original estimate by the quantity surveyor. There are likely to be water supply head costs incurred in stage three of the project currently estimated at \$60,000 (2016 dollars).

Tenders were let 9 January 2016 and resulted in interest from 12 builders and five tender submissions. One of these was disqualified for non-compliance with tender requirements and four were assessed by the architect. The tender addresses the construction of four independent living units for the aged while providing essential preparation for the twenty unit development. The average tender was \$1,251,016 (ex-GST) while the lowest tender was \$1,133,636 (ex-GST). All necessary material to provide a tender was made available to all potential tenderers.

An initial recommendation was made by the architect and all tender submissions were considered by Council and the Trust. With Council's consideration of the first round of tenders 18 February 2016, it was decided to review the planned expenditures for this project and re-advertise a revised tender (decision 3239).

Statewide advertising was placed 2 April 2016 with closure 27 April 2016 resulting in five submissions at an average tender price of \$1,118,400 (GST inclusive); the lowest tender was \$912,620 and the highest tender was for \$1,365,051.

The architect MCG Architects Pty Ltd assessed all tenders for price, local content, corporate profile and structure, relevant experience, key personnel and the various proposal criteria as per the specification. Two suppliers were nominated for further investigation, McGrath Homes (transportable solution) and AK Homes (on-site construction). The Wyalkatchem Senior Citizen's Homes Trust Inc. have been provided with the architect's reporting and have given the CEO written and verbal feedback on the tenders for Council's information.

It is recommended that Council consider all material provided and a recommendation be agreed upon at the meeting.

Consultation:

Full Council

Mr Don Eaton; Mr Dale Tyler; and, Mr Peter Wood, representing the Wyalkatchem Senior Citizen's Homes Trust Inc.

Mr Michel Greenhalgh and Ms Erika de Lima, MCG Architects Pty Ltd

Statutory Environment:

Local Government Act 1995 s.3.57;

Local Government (Functions and General) Regulations 1996 (as amended).

Policy Implications:

There is no direct Council Policy relative to this report.

Financial Implications

There is no direct financial implication relative to this item in the current financial year. However, this item will require a budget allocation in 2016/17. The Wyalkatchem Senior Citizen's Homes Trust Inc. have indicated a commitment to contribute an additional \$50,000. The CEO has written to CEACA and requested headworks of \$61,798 be funded by that organisation.

Strategic Plan/Risk Implications

There are significant and direct Strategic and Risk Implications relative to this item. The Shire of Wyalkatchem has identified the issue of aged housing in whatever form provided as central to the sustainability of the district. Housing improvement has a high probability of contributing to the retention and attraction of population and attracting service providers by demand driven supply. In turn this could generate demand for other activity such as education and sports and leisure.

For the existing population it is important to maintain social networks and this project will contribute to ensuring this occurs.

This project and the above elements are identified as central to the revised Strategic Community Plan planned of Council endorsement in June 2016 and represent a long-standing commitment by Council to the aged and aged related services. It is also recognised that the above factors are important to the sustainable provision of health services which is a necessary service to the district.

There will be elements of risk for Council including unforeseen resource requirements, project delays and circumstances not within the control of Council such as issues of supply.

Voting Requirements Absolute Majority

Council Decision Number: 3279

Moved: Cr Jones **Seconded:** Cr Butt

That council resolve the following

1. Authorise the Chief Executive Officer to approach MCG architects and have them ask for a more complete tender for AK Homes and McGrath. Council will then convene to decide who to award the tender to at the Ordinary Meeting of Council 19 May 2016.

Vote: 7/0

- 9.0** **Motions for which previous notice has been given**
- 10.0** **Questions by members of which due notice has been given**
- 11.0** **New business of an urgent nature introduced by the presiding person**
- 12.0** **Matters for which meeting may be closed**
- 13.0** **Closure of meeting: 12.50**