

10.2 Cove Sports Stage 1 - Scope Options

Report Reference	GC221213F10.2
Originating Officer	Project Manager – Architect – Birgit Stroeher
Corporate Manager	Manager City Activation – Charmaine Hughes
General Manager	General Manager City Development – Tony Lines

CONFIDENTIAL MOTION

That pursuant to Section 90(2) and (3)(b) of the Local Government Act 1999, the Council orders that all persons present, with the exception of the following persons: Chief Executive Officer, General Manager City Development, General Manager City Services, General Manager Corporate Services, Chief Financial Officer, Manager City Activation, Project Design Advisor, Project Manager Construction, Manager Office of the Chief Executive, Chief Financial Officer, Unit Manager Governance and Council Support, be excluded from the meeting as the Council receives and considers item Cove Sports Stage 1 Scope Options upon the basis that the Council is satisfied that the requirement for the meeting to be conducted in a place open to the public has been outweighed by the need to keep consideration of the matter confidential given the information relates to matters that may impact commercial contract negotiations.

REPORT OBJECTIVE

Following discussion at the Forum on 22 November 2022, the Administration was requested to undertake an options review of the Cove Sports Stage 1 project to identify the opportunity for potential savings.

This report outlines four core potential options to achieve a variety of project savings and their associated impact on scope and service level delivery.

REPORT HISTORY

Report Reference	Report Title
EMF200421R06	Cove Sports and Community Club - Redevelopment Options
GC201124R11	Cove Sports and Community Club - Community Consultation Feedback and Feasibility Options
GC210127R11	Cove Sports and Community Club - Community Consultation Feedback and Feasibility Options
EMF210629R04	Cove Sports and Community Club - Feasibility Options
GC210914F18.1	Cove Sports and Community Club - Feasibility Study and Business Case
GC220412R11.1	Cove Sports and Community Club - Stage 1 Community Consultation
FRAC220517R6.4	Cove Sports and Community Club - Stage 1 Prudential Report
GC220614R11.1	Cove Sports and Community Club - Stage 1 Prudential Report
EMF221122R02	Cove Sports and Community Club - Stage 1 Project update

EXECUTIVE SUMMARY

The total cost of Cove Sports Stages 1 and 2 was independently estimated at [REDACTED] in 2021, with Stage 1 costs estimated at [REDACTED] that year. The Stage 1 scope was endorsed to proceed upon receiving 50% partnership funding, which has now been confirmed by the Office for Recreation, Sport, and Racing (ORSR) noting the amount is less than 50%. In February 2022, the cost estimate for the works, based on then known market trends, was [REDACTED] which is noted in the 2022 / 2023 Annual Business Plan and Long-Term Financial Plan (LTFP).

At present, Cove Sports Stage 1 is progressing with the documentation phase. Planning Approval was lodged in October 2022, and the Public Consultation Period for Development Application commenced on 24 November 2022 and shall conclude on 14 December 2022. It is anticipated that the project will be reviewed at the Council Assessment Panel meeting or under delegated authority in January 2023.

As detailed within the Forum (EMF) on 22 November 2022, the current October 2022 design and construction cost estimate is [REDACTED] which considers the project scope as documented with market trend forecasting for a 2023 construction phase commencement.

The core reasons for the increase in project costs from [REDACTED] to [REDACTED], to [REDACTED] include the following:

- National and global market trends regarding labour, material supply, and transportation.
- An increase of [REDACTED] in costs associated with stormwater requirements, car parking, landscaping extent, and NBN connection.
- The original scope included base service level (recreation only) standard lighting at a cost of [REDACTED]. To increase to a training service level standard would be an additional [REDACTED] on top of the original [REDACTED] allocated within the budget. An amount of [REDACTED] has been included within scope for an oval lighting upgrade to game standard.
- A small increase in the floor plan to accommodate a larger multi-purpose space following liaison with the clubs and previous Council regarding the layout of the building.

After feedback received at the Forum held on 22 November 2022, in consultation with the project design team and cost manager, staff have developed various project scope options for Council's consideration, review and determination (please refer to the below content for further details).

The Administration have reviewed the recent community consultation to understand any specific opportunities highlighted by the public for club related activities but no such opportunities were identified.

The report reviews four core potential options. The first option provides the ability to deliver significant financial savings through the removal of all items relating to the multi-sports field and western car park, still removing the BMX track, shaping and mulching. This would result in savings circa [REDACTED]. All other options include the irrigation controllers.

To reduce scope whilst meeting the ORSR funding requirements. All include the multi-sports field but provide options for lighting scope.

RECOMMENDATION

1. That Council:

- a. Proceed with Option 1 – removal of scope to the western side of the site at a project cost of [REDACTED] or
- b. Proceed with either:

- i. Option 2a – As documented with training level lighting and irrigation controllers at a project cost of [REDACTED] or
 - ii. Option 2b – As documented with game level lighting and irrigation controllers at a project cost of [REDACTED] or
 - c. Proceed with Option 3 – Intermediate Training Level Cost Saving Options at a project cost of [REDACTED] or
 - d. Proceed with Option 4 – Intermediate Game Level Cost Saving Options at a cost of [REDACTED] or
 - e. Proceed with alternate western car park finish at a saving of [REDACTED]
2. In accordance with Section 91(7) and (9) of the *Local Government Act 1999* the Council orders that this report, Cove Sports Stage 1 – Scope Options, any appendices and the minutes arising from this report having been considered in confidence under Section 90(2) and (3)(b) of the Act, except when required to effect or comply with Council’s resolution(s) regarding this matter, be kept confidential and not available for public inspection for a period of 12 months from the date of this meeting. This confidentiality order will be reviewed at the General Council Meeting in December 2023.

DISCUSSION

Background

The Cove Sports and Community Club Stage 1 (CSCC) redevelopment will provide the City of Marion with a sporting and community facility that will support a wide range of community and recreational programs and stimulate economic activity in the southern region.

The scope for the Cove Sports Stage 1 project as detailed within the ORSR grant funding comprises the following:

- new netball club building with two new netball courts, shelters, and lighting
- new multi-purpose field that accommodates cricket, soccer, football, and rugby
- new car parking accommodating 188 car parks
- the netball club building accommodates;
 - canteen with external access
 - multipurpose room
 - storage areas
 - two change rooms with changing cubicles
 - male, female, and accessible toilet facilities
 - removal of BMX track

At the 14 September 2021 General Council meeting, Council endorsed the scope for the Stage 1 and Stage 2 redevelopment works for the site. The total cost of CSCC Stages 1 and 2 was independently estimated in 2021 at [REDACTED] and could be delivered as a staged redevelopment across various years. On 17 May 2022, Council resolved to deliver Stage 1 of the project in isolation from Stage 2. In February 2022 the cost estimate for the works based on then known market trends was [REDACTED], as noted in the 2022/23 Annual Business Plan and Long-Term Financial Plan (LTFP). On 27 June 2022 grant funding of [REDACTED] was confirmed as being allocated to Stage 1 only – this was noted by Council and confirmed by ORSR.

The current design and construction estimate dated October 2022 is [REDACTED] which considers the current documented project scope and market forecasting for a 2023 construction. The cost estimate includes costs associated with the design and construction of the redevelopment.

Cost Implications

During the Forum held on 22 November 2022, Council Members were informed of cost increase from the original 2021 Stage 1 costings of [REDACTED] to the [REDACTED] contained within the Annual Business Plan and LTFP with escalation to the current projected costings of [REDACTED] for construction within 2023. This cost increase has occurred due to a variety of reasons including:

- national and global market conditions from a labour, material availability and transportation perspective.
- additional [REDACTED] due to stormwater requirements, car parking, landscaping and NBN connection.
- The original scope included base service level (recreation only) standard lighting at a cost of [REDACTED]. To increase to a training service level standard would be an additional [REDACTED] on top of the original [REDACTED] allocated within the budget. An amount of [REDACTED] was included within [REDACTED] scope for an oval lighting upgrade to game standard.
- A small increase in the floor plan to accommodate a larger multi-purpose space following liaison with the clubs and previous Council regarding the layout of the building.

OPTIONS APPRAISAL

After feedback received at the November 2022 Forum, the Administration has reviewed key elements of the current scope to identify potential budget savings.

In consultation with the project design team and cost manager, staff have developed four project scope options for Council's consideration, review and determination. The options are based on:

1. Significant reduction of western side scope
2. As documented scope with lighting standard options
3. Intermediate training level cost saving options
4. Intermediate game level cost saving options

It should be noted that the current documented budget baseline for the project is [REDACTED] against the [REDACTED] project budget allocated within the 2022/23 Annual Business Plan and Long-Term Financial Plan. The Council's contribution to the project is funded by borrowings.

Option 1 – Significant reduction of western side scope - [REDACTED] saving, project cost of [REDACTED]

This option contains extensive cost reduction options to the western end of the site. However, this would be contrary to the [REDACTED] State Government grant funding agreed which shows the multi-sports field as a deliverable and could result in ORSR reducing the level of grant funding from the current [REDACTED]. It would achieve a [REDACTED] saving.

Reference 7 (table 1) considers the removal of the multi-sports field from scope at a cost saving of [REDACTED] removal, reshaping and mulching of the existing Cove BMX track to reduce dust impact on neighboring properties and facility users.

References 5 and 6 refer (table 1) to savings of [REDACTED] for reduced landscaping scope to the western side of the site together with [REDACTED] for removing the perimeter recreational pedestrian pathway surrounding the multi-sports field.

Table 1 - [REDACTED] saving

Ref	Item	Item Cost/saving	Comment
7	Multi-sports field scope removal	- [REDACTED]	<ul style="list-style-type: none"> - Option to not proceed with construction of multi-sports field. - Retain existing recreation level lighting to existing soccer pitch. No irrigation works, saving [REDACTED] - Removal and demolition of BMX track and mulch the area for mud/dust reduction (retain extent of soccer field only) The multisport field can be considered in Stage 2 works. <u>This is not in accordance with the [REDACTED] State Funding agreement which notes an expanded lower field as a deliverable.</u>
8	Removal of carparking to the west adjacent multisport field only	- [REDACTED]	<ul style="list-style-type: none"> - Shape to required level and mulch area only - This option does not support the ability for large attendance games to occur on the multi-sport field as the car parking numbers will be inadequate, the existing car parking should accommodate training level attendance only. The new car park could be included in a Stage 2 redevelopment of the site.
5	Landscaping reductions	[REDACTED]	Removal of planting scope to western side of site only
6	Pathway removal	[REDACTED]	Removal of perimeter recreational pedestrian pathway / walkway that surrounds the multi-sports field from Stage 1 for inclusion into Stage 2

Option 2 – As documented Scope plus Additional Items (Table 2) No savings. Project cost 2a [REDACTED] or 2b [REDACTED]

This option encompasses the scope of the project without any scope reduction. The option includes [REDACTED] for the irrigation controllers and valve box relocation.

The current scope includes a provision for [REDACTED] for 'recreational' standard lighting for the multi-sports field. This standard would not be sufficient for training activities or games to be played. Should Council wish to raise the lighting standard to a training standard, this would require an additional [REDACTED] budget. Should the Council wish to enable games to be played on the multi-sports field, an additional [REDACTED] investment would be required.

Table 2			
Ref	Item	Item Cost/saving	Comment
1	Sports field game Standard Sports Lighting	+ [REDACTED] Discussed at EMF 22 Nov 2022	- Inclusion of Game (AFL) standard sports lighting level to multi-sports field to enable sporting matches to occur, costs above baseline budgeted allowance of [REDACTED] which is for 2 new lights only general recreational standard only to west of field
2	OR Sports field	+ [REDACTED]	Additionally, baseline general level lighting

	lighting for training level only		allowance of [REDACTED]. Required to match soccer lighting standard which is equivalent sports training level lighting for other codes. Two lights to the east of the soccer pitch remain in place and 2 new lights and towers are installed to the west.
3	Irrigation Controllers & Valve Relocation Box	+ [REDACTED] Discussed and agreed in principle at EMF 22 Nov 2022.	<ul style="list-style-type: none"> - Installation of a new mainline around the southern edge of the new multi-sports field extension, connecting the existing laterals to new valves as well as the new irrigation valves. - This removes solenoid valves from being in the middle of the sports field.

Key considerations: Current scoped lighting will provide for recreational use only, therefore not future proofing the facility.

Option 2a Should the Council resolve to deliver the multi-sports field as per the original scope, the inclusion of the training standard lighting would be an investment of [REDACTED] plus the [REDACTED] irrigation to future proof the multi-sports field. at an additional cost of [REDACTED] resulting in a total project value of [REDACTED].

Option 2b Should the Council resolve to deliver the multi-sports field as per the original scope, the inclusion of the games standard lighting would be an investment of [REDACTED] plus the [REDACTED] irrigation to future proof the multi-sports field. at an additional cost of [REDACTED] resulting in a total project value of [REDACTED].

Option 3 – Intermediate Training Level Cost Saving Options (Table 3) - [REDACTED]

This option provides medium scale value management and scope reduction.

This option includes the multi-sports pitches but removes the car park; removes, reshapes and mulches the BMX track; removes the pathway and landscaping to the west. It includes training lighting and irrigation works. This achieves savings of [REDACTED], with a total project budget of [REDACTED].

Table 3			
Ref	Item	Item Cost/saving	Comment
2	Sports field lighting for training level only	+ [REDACTED]	Additionally, baseline general level lighting allowance of [REDACTED]. Required to match soccer lighting standard which is equivalent sports training level lighting for other codes. Two lights to the east of the soccer pitch remain in place and 2 new lights and towers are installed to the west.
3	Irrigation Controllers & Valve Relocation Box	+ [REDACTED] Discussed and agreed in principle at EMF 22 Nov 2022.	<ul style="list-style-type: none"> - Installation of a new mainline around the southern edge of the new multi-sports field extension, connecting the existing laterals to new valves as well as the new irrigation valves. - This removes solenoid valves from being in the middle of the sports field.
8	Removal of carparking to	- [REDACTED]	<ul style="list-style-type: none"> - Shape to required level and mulch area only - This option does not support the ability for

	the west adjacent multisport field only		large attendance games to occur on the multi-sport field as the car parking numbers will be inadequate, the existing car parking should accommodate training level attendance only. The new car park could be included in a Stage 2 redevelopment of the site.
5	Landscaping reductions	- [REDACTED]	Removal of planting scope to western side of site only
6	Pathway removal	- [REDACTED]	Removal of perimeter recreational pedestrian pathway / walkway that surrounds the multi-sports field from Stage 1 for inclusion into Stage 2

Key consideration: Reliant on existing car parking only, noting that the BMX Club and soccer clubs have relocated and the area is for training level lighting only. Therefore the existing car parking may suffice.

Option 4 – Intermediate Game Level Cost Saving Options (Table 4) - [REDACTED]

This option is the same as Option 3 however provides game level lighting instead of training level. It achieves savings of [REDACTED], with a total project budget of [REDACTED].

Table 4			
Ref	Item	Item Cost/saving	Comment
1	Sports field game Standard Sports Lighting	+ [REDACTED] Discussed at EMF 22 Nov 2022	- Inclusion of Game (AFL) standard sports lighting level to multi-sports field to enable sporting matches to occur, costs above baseline budgeted allowance of [REDACTED] which is for 2 new lights only general recreational standard only to west of field
3	Irrigation Controllers & Valve Box Relocation	+ [REDACTED] Discussed and agreed in principle at EMF 22 Nov 2022.	- Installation of a new mainline around the southern edge of the new multi-sports field extension, connecting the existing laterals to new valves as well as the new irrigation valves. - This removes solenoid valves from being in the middle of the sports field.
8	Removal of carparking to the west adjacent multisport field only	- [REDACTED]	- Shape to required level and mulch area only - This option does not support the ability for large attendance games to occur on the multi-sport field as the car parking numbers will be inadequate, the existing car parking should accommodate training level attendance only. The new car park could be included in a Stage 2 redevelopment of the site.
5	Landscaping reductions	- [REDACTED]	Removal of planting scope to western side of site only

6	Pathway removal	██████████	Removal of perimeter recreational pedestrian pathway / walkway that surrounds the multi-sports field from Stage 1 for inclusion into Stage 2
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Key consideration: Reliant on existing car parking only, noting that the BMX Club and soccer clubs have relocated and the area is for game level lighting only.

CAR PARKING FINISH

All options, apart from Option 2, do not include car parking to the western side of the site. For Option 2, an alternative cement stabilized finish would result in a saving of ██████████ to the reported Option 2a ██████████ or Option 2b ██████████.

A gravel finish is not recommended for the following reasons:

- DDA access implications due to surface finish
- The majority of the costs of creating the car park are associated with the construction of the car park base including stormwater etc, not the surface treatment
- During summer, the wear course will deteriorate, additionally, increased use over time will lead to fine material gravitating to surface creating dust, potentially affecting neighbouring properties
- Winter usage will lead to deterioration, creating excessive dirt/mud build up, and run-off, noting that this period is when the car park would be used the most by end users, clubs, and the wider community
- Creates implications with traffic and car parking inefficiencies due to an inability to provide line markings, plus circulation, access, and egress issues
- Increases in operational and maintenance costs (e.g., infilling, making good) in the region of circa ██████████ per annum assuming two surface rectifications a year.

In Summary

Several options are available for consideration. Several of the options influence the longer-term Stage 2 plans. Should Council decide to focus on achieving significant savings by removing any scope relating to the western side of the site, a saving of circa ██████████ could be achieved (removal of car park, multi-sport field and association landscaping, irrigation, lighting, pathways) moving this work into a future Stage 2. The BMX track would be demolished, shaped and mulched. However, this would result in renegotiation and likely reduction of the ORSR grant funding.

The other alternatives provide a range of options to reduce scope whilst meeting the ORSR funding requirements.

A copy of a site plan showing the potential scope reductions (excluding the locations of landscaping reduction) is shown overleaf.

Next Steps

Upon Council's decision on the additional cost options and cost saving options, the documentation for tender will be adjusted accordingly and a pretender estimate will be tabled in March 2023 prior to seeking pricing from contractors.

ATTACHMENTS

Nil

