

ITEM 14.2.1 NULLAGINE AQUATIC FACILITY

Responsible Officer:	Steven Harding Chief Executive Officer
Author:	Etienne Vorster A/Director Infrastructure Services
Proposed Meeting Date:	30 June 2023
Location/Address:	N/A
Name of Applicant:	N/A
Author Disclosure of Interest:	Nil

REPORT PURPOSE

To seek authorisation from Council to accept an offer of corporate sponsorship for the Nullagine Aquatic Centre and vary the dimensions of the aquatic facility at Nullagine from six (6) metres wide to seven point two (7.2) metres wide and to approve a variation in price to \$1,040,000 for the procurement of goods and services for the 'Design and Construct' of a 25 m x 7.2 m swimming pool, a 6 m x 6 m toddler pool, hydraulics, plant, and equipment from Hydrilla.

BACKGROUND

At the Ordinary Council Meeting held on 26 May 2023, Council authorised the Chief Executive Officer to enter into a Contract with Hydrilla for the 'Design and Construct' of Option 1, being a 25 m x 6 m swimming pool, a 6 m x 6 m toddler pool, hydraulics, plant, and equipment; and approved a Purchase Order to be raised to the value of \$900,000 for the procurement of goods and services for the 'Design and Construct' of a 25 m x 6 m swimming pool, a 6 m x 6 m toddler pool, hydraulics, plant, and equipment from Hydrilla. Council resolved as follows:

That Council:

- 1. Authorises the Chief Executive Officer to enter into a Contract with Hydrilla for the 'Design and Construct' of Option 1, being a 25 m x 6 m swimming pool, a 6 m x 6 m toddler pool, hydraulics, plant, and equipment; and*
- 2. Approves a Purchase Order to be raised to the value of \$900,000 for the procurement of goods and services for the 'Design and Construct' of a 25 m x 6 m swimming pool, a 6 m x 6 m toddler pool, hydraulics, plant, and equipment from Hydrilla.*

COMMENTS/OPTIONS/DISCUSSIONS

The Chief Executive Officer has been successful securing additional funding for the provision of the Nullagine Aquatic Centre from Atlas Iron mining company. It is recommended the Council accept an offer of \$1,500,000 towards the Nullagine Aquatic Centre project. This will require a budget amendment.

With the additional funding available, it is possible to increase the width of the pool from 6 m wide to 7.2 m wide, which will provide 4 x 1.8 m wide swimming lanes as

opposed to the 3 x 2 m wide lanes. A revised quotation was obtained from Hydrilla to accommodate the proposed 7.2 m width. The cost increased from \$900,000 for a 6 m wide pool, to \$1,040,000 for a 7.2 m wide pool. All amounts referred to are excluding GST. A variation of this magnitude – 11.56% - to the contract price is permissible with Council approval.

Increasing the pool width to accommodate 4 x 1.8 m lanes instead of 3 x 2 m lanes, yield a 20% increase in pool size while the additional lane provides a 33.333% increase in capacity for swimming gala events. The increase in width and exponential increase in capacity is therefore considered to be highly cost-effective improvement.

Conclusion:

It is recommended that Council support the proposed increase of the pool width from 6 m wide to 7.2 m wide.

STATUTORY IMPLICATIONS/REQUIREMENTS

Local Government Act 1995 and Local Government (Functions and General Regulations) 1996 tender regulations.

POLICY IMPLICATIONS

3.14 Procurement and Tender Procedures Policy

4.5 Execution of Documents

STRATEGIC COMMUNITY PLAN

5: Governance

Demonstrated accountability and corporate governance.

G1 Provide efficient, accountable and ethical governance.

G1.1 Enhance governance capability to deliver sustainable outcomes, roads and buildings.

RISK MANAGEMENT CONSIDERATIONS

Financial – Minor

Reputational – Minor

FINANCIAL IMPLICATIONS

Resource requirements are in accordance with existing budgetary allocation. Council has secured an additional \$ 1,500,000 funding from Atlas Iron mining company for the Nullagine Aquatic Facility.

VOTING REQUIREMENTS

Absolute Majority.

OFFICER'S RECOMMENDATION

That Council:

- 1. Accepts the offer of funding from Atlas Iron of \$1,500,000 and authorises the Chief Executive Officer to execute any necessary funding agreement;**

2. Pursuant to section 6.8 of the *Local Government Act 1995*, authorises an amendment to the Shire's 2022-2023 Annual Budget to allocate funds from the contribution from Atlas Iron, to the Nullagine Pool Project as per the following table:

Account	Description	Current Budget	Amendment	Revised Budget
NEW	Atlas Iron Contribution – Nullagine Pool	\$0	\$1,500,000	\$1,500,000
NEW	Atlas Iron Contribution – Nullagine Pool	\$1,500,000	-\$1,500,000	\$0
	SP – Nullagine Swimming Pool	\$750,000	\$1,500,000	\$2,250,000

3. Authorises the Chief Executive Officer to vary the Contract with Hydrilla for the 'Design and Construct' of a 25 m x 7.2 m swimming pool, a 6 m x 6 m toddler pool, hydraulics, plant, and equipment for a price of \$1,040,000 ex GST; and
4. Approves a Purchase Order to be raised to the value of \$1,040,000 for the procurement of goods and services for the 'Design and Construct' of a 25 m x 7.2 m swimming pool, a 6 m x 6 m toddler pool, hydraulics, plant, and equipment from Hydrilla.