

Section 221 of the *Local Government Regulation 2012* stipulates that a Significant Contracting Plan must be prepared prior to commencement of a contract that Council has identified as a Significant Contract. Council may, by resolution, amend a Significant Contracting Plan at any time before the end of the financial year to which the plan relates.

1. Key Information

Significant Contract Title: Honey Farm Sports and Recreation Complex Staged Works Bulk Earthworks and Underground Services

Group: Liveability and Natural Assets

Branch: Project Delivery

Contract Administrator: Shane Relouw

Position: Project Officer

Procurement Specialist: Ben Vandenberg

Contract/Project Description for Significant Contract Plan: Staged works for Construction of bulk earthworks and underground services for the Honey Farm sports and recreation complex to support the construction of sports facilities to a regional standard for soccer and cricket as detailed in the endorsed master plan March 2021

Link to Procurement Plan: TBC as part of development of tender documents

2. Council Resolutions

Previous Council resolutions:

O/M 25 March 2021

This plan endorsed by Council:

Minutes of O/M 25 March 2021

3. Background

The 75-hectare Honey Farm Sport and Recreation Precinct was purchased by council in 2011 to provide long term sport and recreation opportunities in the southern end of the Sunshine Coast Local Government Area.

Stage 1 of the Honey Farm Sport and Recreation Precinct project (project) is for the transformation of a greenfield site in one of Australia's fastest growing regional Local Government Areas in Southeast Queensland, into an all-abilities sports, outdoor recreation, healthy living, and community events space. Stage 1 of the project will be civil works that will precede other stages of works for the following elements:

- Premier rectangular fields (full size football) suitable for regional, state, and national content
- Tier 2 cricket facilities including ovals (full size cricket with eight turf pitches) and cricket practice nets
- Shared fields (rectangular fields with one oval overlay)
- Children's playground (all abilities) adjoining a nature play area and open space
- Amenities, shelters, and furniture to service the recreation park
- Wetlands / water bodies / trails to improve sustainable, educational, and environmental outcomes
- Car parking and access roads.

The Sunshine Coast Environment and Liveability Strategy 2017 Open Space Network Blueprint identified the site as a future significant site for a council-wide sports ground and a large district recreation park.

In March 2021, Council unanimously resolved to endorse the Honey Farm Sport and Recreation Precinct, inclusive of an allocation of some additional capital funding, indicating broad support and commitment to deliver a new sport and recreation precinct for the Sunshine Coast community.

After this endorsement Council has proceeded to a range of detailed design and/or construction ready packages including this significant contract for the construction of bulk earthworks and underground services for the Honey Farm sports and recreation complex as follows:

- Roads and pavements
- Sports surfaces, clubhouses and associated facilities
- Wetlands
- Electrical services
- Stormwater
- Sewer
- Sports water and irrigation
- Landscaping
- Amenities

The staging and construction of works still to be completed will be confirmed as part of the FY23/24 capital works program with construction to follow post completion of detailed design.

4. Objectives

What are the objectives of this contract?

Enable implementation of the Honey Farm Road Master Plan to develop the Honey Farm Road Sports Complex to a regional level facility to deliver a new sport and recreation precinct for the Sunshine Coast community.

How will objectives be achieved?

- Engagement of a suitably qualified civil works construction contractor, through a public tender process, to develop the Honey Farm Road Sports and Recreation complex in accordance with Council's detailed design.
- Council will complete the detailed design during FY22/23 via a separate process.

How will achievement of objectives be measured?

The delivery of the project in full compliance with agreed design, within budget and within expected timeframes.

Contract will also contain Key Performance Indicators (KPI's) to track achievement of specific objectives. Performance against KPI's will be tracked by Council and its Project Manager, and outcomes discussed with the successful contractor.

What are the alternative ways of achieving the objectives? Include reasons for not adopting alternative ways.

Due to the value for the stage of works for the Bulk Earthworks and Underground Services for an estimated \$16million to \$18million a public tender is the only option available to Council.

5. Proposed category and contractual arrangements

Which category does this contract fall within?

Capital Works

Which contractual arrangements should be applied to this contract, and why?

Council's Major Works Contract due to the value and type of work.

6. Market and Risk Assessment

Provide an assessment of the market in which the contract is to happen, including an assessment of any procurement risks. Refer to the Risk Assessment Calculator in the Procurement Plan.

Over the past couple of years Council has received varying numbers of responses to procurements relating to sports and recreation precincts and aligned civil works. These works predominately relate to the works detailed in the staged approach detailed in background of the significant contract plan. Recent examples of contracts are:

- Maroochy Multi Sports Field 4 works
- Meridan Sports AFL fields, car park, clubhouse and sportsfield light projects
- Palmwoods AFL/Cricket Clubhouse and sports field light project

Risks:

- **Limited submissions** - The high amount of construction activity being undertaken may prevent some companies from responding.
- **Program** - Contract can't be executed in time to allow completion of staged works within the proposed timeframes.
- **Site Conditions** – rain events may result in works being delayed
- **Budget** - Responses provided by respondents may be greater than Council's budget for this work.
- **Probity** - Significant public interest may increase the likelihood of requests for information / discussions outside of the normal procurement channels.

Proposed mitigations for identified risks:

- **Limited submissions** – public tender process. The size and profile of the project will be attractive to many in the market. This will also include market sounding of local firms capable for delivery of scope of works
- **Program** – a realistic staged program for the works has been developed.
- **Probity** – All persons involved in the completion of the project will be required to sign a probity declaration.

Undertake an assessment of operational risks relating to the contract/project. Attach details.

1. Pricing variations are considered an ongoing risk and will be mitigated through use of a lump sum contract to deliver the agreed design. An updated QS estimate will be undertaken prior to tender being issued for staged works
2. The staging of the works may see more than one principal contractor operating on site delivering various stages of works. This creates potential workplace health and safety risks and risks to schedule. WH & S risks will be mitigated by assessing WH & S credentials and performance as part of the tender evaluation process, and through legislative requirements which the contractor will be required to adhere to.