

Agenda

For the Special Council Meeting

Location: Council Chambers, Municipal Offices
62-68 Ovens Street, Wangaratta

Date: Tuesday, 29 January 2019

Time: 6pm



RURAL CITY OF
WANGARATTA

Brendan McGrath
Chief Executive Officer

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1. **ACKNOWLEDGEMENT OF TRADITIONAL OWNERS**

We acknowledge the traditional owners of the land on which we are meeting. We pay our respects to their Elders past, present and emerging, and to Elders from other communities who may be here today.

2. **OPENING PRAYER**

Almighty God, we humbly ask thee to bless and guide this council in its deliberations so that we may truly preserve the welfare of the people whom we serve. Amen

3. **PRESENT**

4. **ABSENT**

5. **ACCEPTANCE OF APOLOGIES & GRANTING OF LEAVE OF ABSENCE**

ORDER OF BUSINESS

6. **CONFLICT OF INTEREST DISCLOSURE**

In accordance with sections 77A, 77B, 78 and 79 of the *Local Government Act 1989* Councillors are required to disclose a ‘*conflict of interest*’ in a decision if they would receive, or could reasonably be perceived as receiving, a direct or indirect financial or non-financial benefit or detriment (other than as a voter, resident or ratepayer) from the decision.

Disclosure must occur immediately before the matter is considered or discussed.

PRESENTATION OF REPORTS

OFFICERS' REPORTS

7. EXECUTIVE SERVICES

7.1 CEO PERFORMANCE REVIEW AND KEY PERFORMANCE INDICATORS

Meeting Type: Special Council Meeting
Date of Meeting: 29 January 2019
Author: Executive Services Coordinator

No Council officers or contractors who have provided advice in relation to this report have declared a conflict of interest regarding the matter under consideration.

Executive Summary

This report is presented to Council in accordance with *Section 97A (1) of the Local Government Act* and the requirements of the Chief Executive Officer's (CEO) Contract of Employment, a performance review was conducted for the 2018 performance period. A performance plan has been created for the upcoming 2019 performance period.

Council engaged an independent facilitator to implement and oversee the performance review. It followed an agreed framework and consisted of a leadership assessment by seven employees including his direct reports, a CEO self-assessment and an assessment by the Councillors. The review assessed the CEO's performance against his agreed key performance indicators established at the commencement of the review period. The facilitator was a part of all discussions and met separately for a period with the group of Councillors to ensure all relevant information was known and documented. Following the review a new set of Key Performance Indicators have been established for the coming year.

The CEO performance review report and performance outcomes are dealt with in the confidential section of this meeting agenda. The performance criteria for the 2019 financial year has now been finalised and is presented for Council's endorsement separately.

RECOMMENDATION:

That Council:

- 1. That Council accepts the previous performance review prepared by CT Management Group September 2018***
- 2. That Council endorses the Chief Executive Officer's 2019 performance criteria***

Attachments

- 1 CEO ANNUAL PERFORMANCE REVIEW 2018 - Confidential
- 2 CEO KEY PERFORMANCE INDICATORS 2019 - Confidential

8. CORPORATE SERVICES

8.1 MID YEAR BUDGET REVIEW

Meeting Type:	Special Council Meeting
Date of Meeting:	29 January 2019
Author:	Manager - Finance
File Name:	NA
File No:	NA

No Council officers or contractors who have provided advice in relation to this report have declared a conflict of interest regarding the matter under consideration.

Executive Summary

This report is presented to Council to provide an update of Council's full year forecast financial position compared to the Adopted Budget for 2018/19, and to propose that Council adopts the 2018/19 Budget Review as its budget reporting framework for the remainder of the 2018/19 financial year.

RECOMMENDATION:

That Council:

- 1. Having considered the 2018/19 Budget Review, adopts the 2018/19 Budget Review as the reference framework for all future budget reporting for the 2018/19 financial year, and***
- 2. Adopts the reduction of \$4.723 million in the capital works budget in the 2018/19 Budget Review.***

Background

Council officers have undertaken a thorough revision of projected income and expenditure for the 2018/19 financial year. The revised targets will become the benchmark framework for future budget reporting.

It is Council's practice to undertake a budget reassessment midway through each financial year. To this end, a comprehensive review of Council's 2018/19 financial position was undertaken having regard to the following matters:

- The requirement under the *Local Government Act 1989* to establish and maintain a budgeting and reporting framework that is consistent with the principles of sound financial management.
- Council's audited financial position as at 30 June 2018.
- Projects and works carried forward from the 2017/18 year.
- Income received in 2017/18 in relation to the 2018/19 year.
- Outcomes of funding applications.

- Works undertaken in response to opportunities.
- Known adjustments to income and expenditure.

An explanation of movements since the Adopted Budget to the Budget Review are provided for the:

1. Net operating result and underlying surplus (deficit)
2. Capital expenditure
3. Borrowings.

Implications

Policy Considerations

There are no specific Council policies or strategies that relate to this report.

Financial/Economic Implications

Full year 2018/19 Summary

	Adopted budget	Current Budget (including Carry Overs)	Budget Review	Increase / (Decrease)
Operating Surplus/(Deficit)	\$2.536m	\$3.528m	\$2.325m	(\$1.204m)
Adjusted Underlying (Deficit)	(\$3.949m)	(\$4.132m)	(\$4.677m)	(\$0.545m)
Borrowings	\$9.419m	\$9.419m	\$4.982m	(\$4.437m)
Capital Works Expenditure	\$38.760m	\$39.593m	\$34.870m	(\$4.723m)

Income Statement

The adopted budget surplus was \$2.536 million. The budget review surplus is \$2.325 million, representing an overall unfavourable movement of \$0.211 million, or \$1.204 million when compared to the Current Budget which includes the carry over adjustments reported at the Ordinary Council meeting held September 2018.

At this stage no allowance has been made in relation to the flash flood event that occurred on Thursday, 13 December 2018. The Commonwealth and Victorian governments will be providing assistance through the jointly funded Disaster Recovery Funding Arrangements (DRFA) although this funding generally only covers Council owned road and bridge infrastructure. Other damage to Council infrastructure not covered by the DRFA (or insured) such as footpaths, trails and some community facilities is estimated to be \$500,000.

A comparison of the adjusted underlying surplus shows an overall unfavourable movement of \$0.545 million (when compared to the Current Budget) and can be explained by the following large favourable and unfavourable movements:

Unfavourable

1. An accounting adjustment of \$1.498 million has been made to the Net Gain on the sale of assets. The reason for this is to recognise the written down value of assets sold including the Murrell Street industrial land, Detour Road property and the Ovens College Site. Council has also incurred a range of legal and real estate costs in the sale process.
2. Increase in depreciation due to increased asset values arising from revaluations, \$852,000.
3. Adjustment for an increase in annual leave and long service leave provisions due to the EBA approval in August 2018, \$526,000.
4. Underwriting of the Jazz Festival, \$100,000.
5. Strategic Engagement funding received in 2017/18, \$136,000.
6. Saleyards restructure, \$52,000.
7. Increase in the transportation cost of organic waste due to the delay in the organics processing plant, \$100,000.
8. Anticipated reduction in parking meter revenue due to the Ovens Street redevelopment works and loss of available parking spaces, \$22,000.
9. New additional operating projects
 - \$100,000 - Milawa Micro Grid this is fully funded from the State Government
 - \$50,000 - WISAC 24/7 access, this is funded via a reserve from profit share for the YMCA.

Favourable

10. The following operational projects have been deferred to the 2019/20 financial year:
 - \$30,000 - Domestic Waste Water Plan,
 - \$30,000 - Data collection for CBD Drainage,
 - \$20,000 - Implementation of ASPEC and Open Spatial Data Collection,
 - \$10,000 - China Friendship expenditure
 - \$25,000 - Event Strategy Implementation - Tourism Event Attraction
 - \$50,000 - Comprehensive Service Planning Framework
 - \$64,000 - Strategic Planning Framework
 - \$26,000 - Document Management (WIM) software upgrade
11. Salary savings from vacancies, \$425,000.
12. Reduction in community grants, \$20,000.
13. Removal of the second 'Down By The River' event, \$24,000.
14. Reduction in Christmas decoration spend, \$90,000.
15. Increased net result from doing PERIN court lodging, \$20,000.
16. Additional rates and charges revenue as a result of supplementary rates notices of \$30,000.

17. An increase in grant income from the Victorian Grants Commission, \$56,203.
18. An increase in interest income from cash on deposit and investments, \$279,000.

Capital Works

The adopted budget contained capital works expenditure of \$38.760 million.

In September 2018 Council resolved to carry over capital expenditure of \$1.148 million from the 2017/18 year and also resolved to reduce Council's capital expenditure in the 2018/19 budget by \$315,000 resulting in \$39.593 million capital works program.

The capital works for the 2018/19 Budget Review is \$34.870 million, which results in a decrease of \$4.723 million from the adjusted capital works budget approved at the Ordinary Council Meeting held September 2018.

The reduction of \$4.723 million can be explained by the following large movements:

1. Deferral of \$5.4 million of expenditure for the WISAC Aquatics development due to the previous failure of Federal government to fund works on the 50 metre outdoor pool. Funding has since been approved and tenders are being evaluated. Works will begin in the later part of 2018/19.
2. Deferral of expenditure on projects for which delivery of works is expected over the financial years 2018/19 and 2019/20:
 - \$151,785 - Barr Two Oval Lighting Development - Optus Mobile Tower Installation
 - \$773,183 - HP Barr Oval 2 Drainage & Restoration Works
 - \$40,000 - Document Scanning Software
 - Deferral of \$400,000 of works on the Commercial Hangars at the Wangaratta Aerodrome to allow time for detailed design
 - CBD Street Banner Deferral, \$283,000
3. Savings have been identified on the following projects:
 - \$29,669 - Development Road Bridge
 - \$35,482 - Coronation Preschool Upgrade
 - \$35,000 - Footpath High Priority Program
 - \$50,000 - Building Renewal Program
 - \$50,000 - Milawa Township Centre - Infrastructure Concept and Detailed Design
 - \$30,000 - Springhurst Township Centre Development
 - \$400,000 – Ovens Street and King George Gardens
4. Increase of \$1.4 million on the Cruse Street project due to scheduling additional works in 2018/19 based on tenders recently issued.
5. Increase of \$710,000 of expenditure on Wangaratta-Eldorado/Bourke Rd intersection as State Government funding announced that allows for works to be completed in 2018/19.
6. Increase in the Township Gravel Road Sealing of \$104,000 will allow for Falconer Lane works in addition to existing works.

7. Increase in the civil works expenditure of \$366,000 on the Murrell Street industrial estate to allow for the completion of land sales.
8. Payroll & HRIS – a \$240,000 increase in capital works budget, \$130,000 arises due to a transfer from operating expenses to capital. An increase to the total budget is proposed of \$110,000 (from Adopted Budget) to allow for higher costs of implementing the new payroll system in-house rather than outsourcing as previously planned. Tender responses that are currently under evaluation and the additional funding will ensure an internal project implementation resource is maintained for 6 months.
9. Transfer the Milawa Netball Court Renewal project from capital to operating as this is not a council owned asset.
10. Deferral of expenditure on projects for which delivery of works is expected over the financial years 2018/19 and 2019/20:
 - \$151,785 - Barr Two Oval Lighting Development - Optus Mobile Tower Inst
 - \$773,183 - HP Barr Oval 2 Drainage & Restoration Works
 - \$40,000 - Document Scanning Software
11. New Capital projects including:
 - \$100,000 – Concept design on Whitfield/Benalla Road
 - \$45,000 - Power supply required for lighting of Reid Street
 - \$20,000 - North Wang Recreation Reserve - Netball Court works
 - \$157,000 – Williams Road Parking Improvements

Borrowings

The Adopted Budget for 2018/19 included borrowings for the Aquatic Strategy, Cruse Street and Ovens Street and King George gardens. The change to the capital works budget phasing for the Aquatic Strategy implementation and Cruse Street and project savings for the Ovens Street and King George gardens will reduce the borrowings from \$9.418 million to \$4.982 million. Borrowings for the Aquatic Strategy implementation has been reduced by \$5.437 million, Ovens Street and King George gardens reduced by \$400,000 and Cruse Street has been increased by \$1.4 million. Borrowings will be required in 2018/19 as planned, in line with the capital works program.

Legal/Statutory

There are no legal/statutory implications identified for the subject of this report.

Social

There are some social impacts contained within the budget review due to either the ceasing or deferral of some projects.

Environmental/Sustainability Impacts

There are some environmental/sustainability impacts within the budget review.

2017 – 2021 Council Plan

This report supports the 2017-2021 Council Plan:

Goal

We are Sustainable

The non-negotiables

Our team will make the best and most efficient use of Council's resources.
Our legislative, governance and compliance requirements will be met.

Strategic Links

a) Rural City of Wangaratta 2030 Community Vision

N/A

b) Other strategic links

N/A

Risk Management

Risks	Likelihood	Consequence	Rating	Mitigation Action
Poor performance against budget	M	M	M	Regular monitoring and reporting of budget position

Consultation/Communication

Officers believe that appropriate consultation has occurred and the matter is now ready for Council consideration.

Conclusion

A thorough revision of projected income and expenditure for the 2018/19 financial year has been undertaken.

The revised targets from the Budget Review will become the benchmark framework for future budget reporting for the remainder of the 2018/19 financial year.

Attachments

- 1 Income Statement [↓](#)
- 2 Capital Works [↓](#)

9. INFRASTRUCTURE SERVICES

9.1 T1819/027 CONSTRUCTION OF NEW AQUATICS FACILITIES

Meeting Type: Special Council Meeting
Date of Meeting: 29 January 2019
Author: Project Officer
File Name: T1819/027 New Aquatics Facilities
File No: T1819/027

No Council officers or contractors who have provided advice in relation to this report have declared a conflict of interest regarding the matter under consideration.

Executive Summary

This report is presented to Council to provide details of the evaluation of tenders received for T1819/027 construction of new Aquatics Facilities.

RECOMMENDATION:

That Council:

- 1. Refer the allocation of an additional \$546,430.18 to the construction of new Aquatics Facilities in the 2020/2021 capital works budget;***
- 2. Award T1819/027 construction of new Aquatics Facilities to Browns Wangaratta;***
- 3. Authorises the Chief Executive Officer to sign and seal documents for Contract T1819/027 Construction of new Aquatics Facilities; and***
- 4. Discloses the contract price for Contract T1819/027 Construction of new Aquatics Facilities.***

Background

The Wangaratta Indoor Sports and Aquatic Centre (WISAC) is located in Wangaratta's prime recreational precinct known as 'The Parklands', amongst a wide variety of recreational and community facilities. The facility opened in 2002, and is owned by Council and managed by YMCA Victoria. It incorporates indoor aquatic infrastructure including:

- a 25 metre, eight lane pool;
- an eight by ten metre mixed-use program pool; and
- a toddler's leisure pool with beach entry and water features.

There are no current aquatic facilities within the region that are able to maintain the appropriate 35 degree temperatures necessary for hydrotherapy and injury recovery. This is a vital service for the health and wellbeing of residents, and

access to facilities such as these are integral to the sustainability of rural and regional communities. A completed aquatic plan business case indicates that once developed, there are current demand levels within the region to support a 50% increase in hydrotherapy use in the first year, 40% in year two and 20% in year three.

Detailed business modelling and an Economic Impact Assessment have identified that an appropriate aquatic upgrade at WISAC will likely result in the development of a North-East Regional Academy of Sport. The Hume Region is the only remaining region in Victoria that does not currently have an established academy. The upgraded aquatic facilities, co-located with existing sporting facilities, make WISAC and the Parklands precinct an ideal base as a major regional recreational hub (and recognised Victorian Institute of Sport pathway).

This tender was conducted through an initial Expression of Interest and then subsequent invitation only tender process.

Expressions of Interest were advertised on Tenderlink and in The Chronicle as follows:

Tenderlink	27 July 2018
The Chronicle	27 July 2018

Expressions of Interest closed at 2:00pm 16 August 2018.

Expressions of interests were received from the following companies:

- Browns Wangaratta
- Midson Construction Pty Ltd
- John Lyng Group Pty Ltd
- Hansen & Yuncken Pty Ltd
- McCorkell Constructions Pty Ltd
- Barge Constructions Pty Ltd
- Joss Construction Pty Ltd

All the companies were evaluated and invited to tender to the final phase.

Tenders were invited through a closed process through Tenderlink on 26 October 2018.

Tender closed at 2:00pm on 29 November 2018.

Tenders were evaluated by Council's Director – Infrastructure Services, Manager – Infrastructure, Planning & Delivery, Project Manager and a Probity Auditor from Crowe Horwath.

Tenders were evaluated against the following criteria:

Evaluation Criteria	Description	%
Value for Money	Total price of the work.	25%
Response to Contract Documents	All specification items have been clearly addressed.	25%
Risk & Quality Management	Management system and procedures including OH&S.	15%
Experience & Qualifications	Capability to perform contract works based on experience and past performance in previous similar works.	15%
Local Content	Purchasing locally sourced material and consumables Subcontracting services from local businesses Employment of local people.	10%
Business & Financial Capacity	Viability of the Business to deliver both financial and functional aspects of the tender.	10%

Panel members assigned a score (maximum 100) to each criteria (as shown below) and then weighted the average score to produce a final Weighted Attribution Method Score.

P	Evaluation Result	Criteria
100	Exceptional	Demonstrated capacity exceeds all required standards and innovations proposed.
90	Excellent	Demonstrated capacity exceeds all required standards.
70	Good	Complies with all required standards and capacity demonstrated.
50	Satisfactory	Complies with relevant standards without qualifications.
30	Marginal	Complies with relevant standards with qualifications.
0	Unsatisfactory	Fails to satisfy required standards.

From the Weighted Attribution Method the tenderers were scored as follows with the top two tenders taken through to interviews and final evaluation.

Tenderer	Preliminary evaluation score
Browns Wangaratta	69
Midson Construction Pty Ltd	55
John Lyng Group Pty Ltd	66
Hansen & Yuncken Pty Ltd	70
McCorkell Constructions Pty Ltd	66

The final evaluation was based upon the documentation submitted at tender and additional documentation supplied following the tender interview process. The

evaluation panel rescored the two shortlisted tenderers against the original tender evaluation criteria. The purpose of this “final evaluation” was to determine a preferred tenderer for further consideration.

Tenderer	Final score
Browns Wangaratta	72
Hansen & Yuncken Pty Ltd	66

Implications

Policy Considerations

Council’s Procurement Policy.

Financial/Economic Implications

The preferred tender price is within 3% of current budget for the entire project.

Original costs estimates completed in 2015 estimated costs (pool construction only) at \$12,503,500. Market testing via a tender for the warm water pool was completed in early 2018, and the Long Term Financial Plan (LTFP) adjusted to \$15,227,868.

The increase in award price from the original construction cost is 5% per year. Although Consumer price index (CPI) is approximately 2.2% construction materials increases have been much higher.

An independent evaluation of the tendered pricing concluded that pricing was fair a reasonable although it did note that pricing of the pool components are at the “higher end” of the most recent regional Victoria pool project; Bendigo's Gurri Wanyarra Wellbeing Centre.

Councils LTFP allocates \$16,113,848 for planning, design and construction over five years (2015 – 2020).

Costs to complete planning and design are \$885,980.00, allowing \$15,227,868 for the construction phase.

The tender included works which were originally outside of scope but are required to be completed. These works have been allocated in LTFP and are shown in the 2019/20 renewal budget detailed below:

Existing Pool plant and filter (renewal)	\$305,000
Existing pool concourse (renewal)	\$165,000
Existing pool boiler replacement (renewal)	\$ 8,000
Western Carpark formalisation (renewal/Capital)	\$880,000

An additional \$546,430.18 will be referred to the 2020/21 budget process. \$250,000 of this cost will allow for other expenses such as vegetation offsets, legal advice and clarifications during the construction phase.

This project is subject to the following external funding commitments:

Federal government funding	\$4,400,000
State government funding	\$1,500,000
State government low-interest loan	\$6,000,000
Wangaratta Amateur Swim Club	\$ 100,000

Legal/Statutory

There are no legal/statutory implications identified for the subject of this report.

Social

As indicated above there are no current aquatic facilities within the region that are able to maintain the appropriate 35 degree temperatures necessary for hydrotherapy and injury recovery. A completed aquatic plan business case indicates that once developed, there are current demand levels within the region to support a 50% increase in hydrotherapy use in the first year, 40% in year two and 20% in year three.

Increased sporting opportunities are also identified as outcomes from the construction of the new facilities.

Environmental/Sustainability Impacts

The aquatics facility will be constructed using state of the art equipment designed to minimise energy consumption.

2017 – 2021 Council Plan (2018 Revision)

This report supports the 2017-2021 Council Plan:

Goal

We are Thriving
We are Sustainable

We will research and advocate:

To make sure our services are responsive and adaptable to the changing needs and profile of our community

We will create and deliver:

Fun and accessible aquatic facilities that are developed to meet the long term needs of our community – through the implementation of the Wangaratta Aquatics Plan.

We will plan and make decisions for the future:

To make sure that everything we do – from building assets to delivering events – considers the physical, social, cultural and financial needs of our community members.

Strategic Links

a) Rural City of Wangaratta 2030 Community Vision

b) Parklands Master Plan

Risk Management

Risks	Likelihood	Consequence	Rating	Mitigation Action
Timeframe and achieving the proposed timelines	Possible	Timeframe become unrealistic	High	Project manager to reassess
Unsatisfactory quality of works	Rare	Statement of conformance not issued	Moderate	Project Manager to reassess
Community backlash over the removal of trees	Medium	Reputation management	High	RCoW open communication as ear marked trees have been assessed by RCoW arborist and all of the necessary permits have been obtained
Disgruntled user groups	Moderate	Reputation management	High	Regular communications with RCoW staff
Contractor Injury	Possible	Death or Injury – Workcover investigation	Extreme	Contractor to provide Safe work method statements to demonstrate how they are managing risks to workers.

Consultation/Communication

Level of public participation	Promises to the public/stakeholders	Tools/Techniques
Inform	We will keep you informed throughout the life of the project.	PCG and user groups meetings. Update of RCoW website Updates in the local paper

Officers believe that appropriate consultation has occurred and the matter is now ready for Council consideration.

Conclusion

The tenders received were evaluated and appropriate reference checks undertaken for the preferred tenderer. A Probity Auditor was appointed and involved throughout the evaluation process.

The evaluation panel recommend T1819/027 Construction of new Aquatics Facilities be awarded to Browns Wangaratta.

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Attachments

- 1 T1819-027 New Aquatics Facilities - Evaluation Report - Confidential
- 2 Probity Review Report - Aquatic Facility January 2019 - Confidential

9.2 T1819/039 MORGAN ROAD ROAD AND DRAINAGE RENEWAL PROJECT

Meeting Type: Special Council Meeting
Date of Meeting: 29 January 2019
Author: Coordinator - Technical Services
File Name: T1819/039 Morgan Road road and drainage renewal project
File No: T1819/039

No Council officers or contractors who have provided advice in relation to this report have declared a conflict of interest regarding the matter under consideration.

Executive Summary

This report is presented to Council to provide details of the evaluation of tenders received for T1819/039 Morgan Road road and drainage renewal project.

RECOMMENDATION:

That Council:

1. ***Approve the transfer of \$120,000 within the 2018/19 capital works budget from T1819-051 - Wangaratta-Eldorado, Bourke Road intersection upgrade project to T1819/039 - Drainage Renewal Morgan Road;***
2. ***Award T1819/039 - Drainage Renewal Morgan Road to Mitchell Constructions;***
3. ***Authorises the Chief Executive Officer to sign and seal documents for Contract T1819/039 - Drainage Renewal Morgan Road; and***
4. ***Discloses the contract price for Contract T1819/039 Morgan Road road and drainage renewal project.***

Background

The Rural City of Wangaratta is upgrading the existing drainage network and roadway at Morgan Road, Wangaratta to overcome frequent flooding within the area.

The overall project will include the upgrade of the road and drainage, along with the installation of a stormwater pump, retardation basin and discharge pipe over the levee.

Tenders for the Morgan Road road and drainage works were invited through advertisements as follows:

<u>Advertisement</u>	<u>Date</u>
Tenderlink	7 November 2018
Chronicle	9 November 2018

Tenders closed at 2:00pm on 5 December 2018.

The tender evaluation team included Council's Delivery and Contracts Coordinator, Project Manager and a Project Officer.

One non-conforming tender was received by James Excavation and seven conforming tenders were received by the closing time, as follows:

Tenders Received
Bordignon Excavations
Guiney Excavations
North East Civil Construction
James Excavation
Mitchell Construction
Dunstan Civil
BMD Construction
Abbott Construction

Tenders were evaluated against the following criteria:

Evaluation Criteria	Description	%
Cost to Council – Direct & Indirect	Total price of the work.	30%
Experience & Qualifications	Capability to perform contract works based on experience and past performance in previous similar works.	25%
Response to Specification	All specification items have been clearly addressed.	20%
Risk & Quality Management	Management system and procedures including OH&S.	10%
Local Content	Purchasing locally sourced material and consumables Subcontracting services from local businesses Employment of local people.	10%
Business & Financial Capacity	Viability of the Business to deliver both financial and functional aspects of the tender.	5%

Panel members assigned a score (maximum 100) to each criteria (as shown below) and then weighted the average score to produce a final Weighted Attribution Method Score.

P	Evaluation Result	Criteria
100	Exceptional	Demonstrated capacity exceeds all required standards and innovations proposed.
90	Excellent	Demonstrated capacity exceeds all required standards.
70	Good	Complies with all required standards and capacity demonstrated.

50	Satisfactory	Complies with relevant standards without qualifications.
30	Marginal	Complies with relevant standards with qualifications.
0	Unsatisfactory	Fails to satisfy required standards.

From the Weighted Attribution Method the tenderers were scored as follows:

Tenderer	Weighted Score
Bordignon Excavations	65
Guiney Excavations	65
North East Civil Construction	64
James Excavation	Non-conforming
Mitchell Construction	66
Dunstan Civil	56
BMD Construction	56
Abbott Construction	61

Implications

Policy Considerations

Council's Procurement Policy.

Financial/Economic Implications

This budget covers several projects for Morgan Rd, including land purchase, basin construction, power / pump stations and drainage works. Council has entered into a cost sharing agreement with a developer who will be paying for a portion of the works. Council's total capital works budget 2018/19 allocated \$577,603 excluding GST to the project.

Additional funding is requested via a \$120,000 transfer from savings identified in the T1819-051 - Wangaratta-Eldorado, Bourke Road intersection upgrade project. These saving are available as this project has received funding from the Fixing Country Roads Program.

Legal/Statutory

There are no legal/statutory implications identified for the subject of this report.

Social

Works will improve infrastructure and reduce the impacts of flooding for local residents.

Environmental/Sustainability Impacts

Improved infrastructure for stormwater capture.

2017 – 2021 Council Plan (2018 Revision)

This report supports the 2017-2021 Council Plan:

Goal

We are Growing
We are Established

We will create and deliver:

Timely and appropriate infrastructure to support our growth areas.

We will plan and make decisions for the future:

To facilitate drainage and road infrastructure to support future growth plans

We will focus on our business:

To ensure that we understand and plan for the long term opportunities, challenges and priorities that face our growth potential.

The non-negotiables

To appropriately protect, plan and develop residential, rural, commercial and industrial land based on what we understand is important to the people who live, work and visit here.

To monitor our road network to meet current and future needs of our community and our industry.

Strategic Links

a) Rural City of Wangaratta 2030 Community Vision

b) Wangaratta Stormwater Management Plan 2003

Risk Management

Risks	Likelihood	Consequence	Rating	Mitigation Action
Works not delivered on time	Possible	Timeframe becomes unrealistic.	Moderate	Project Manager to reassess.
Unsatisfactory quality of works	Rare	Statement of conformance not issued	Moderate	Project Manager to reassess.
Disruption to local residents.	Possible	Reputation management	High	Communication to residents prior to works commencing.

Consultation/Communication

Level of public participation	Promises to the public/stakeholders	Tools/Techniques
Inform	We will keep informed throughout the project.	<ul style="list-style-type: none">• Letters• Update RCoW's website

Officers believe that appropriate consultation has occurred and the matter is now ready for Council consideration.

Conclusion

The tenders received were evaluated and reference checks undertaken and the Evaluation Panel therefore recommend Mitchell Constructions as the preferred tenderer for T1819/039 - Drainage Renewal Morgan Road.

Attachments

- 1 T1819 039 - Drainage Renewal Morgan Road - Evaluation Report - Confidential

10. DEVELOPMENT SERVICES

10.1 AUSTRALIAN RAIL TRACK CORPORATION - INLAND RAIL PROJECT

Meeting Type: Special Council Meeting
Date of Meeting: 29 January 2019
Author: Director Development Services
File Name: Community Relations - Liaison - Australian Rail Track Corporation
File No: F17/454

No Council officers or contractors who have provided advice in relation to this report have declared a conflict of interest regarding the matter under consideration.

Executive Summary

The Australian Rail Track Corporation (ARTC) has requested Council's feedback on their '70% design' plans for the Inland Rail project at the Wangaratta and Glenrowan railway station precincts. This report is presented to Council to update Council's formal position on the project proposals at these sites and provide this updated position to the ARTC.

RECOMMENDATION:

That Council:

- 1. Adopt the following updated formal position on the Inland Rail project as it relates to locations within the Rural City of Wangaratta:***
 - The ARTC continue to engage in meaningful consultation with the community and local agencies***
 - Support the ARTC's preferred solution within the Wangaratta station precinct, including modifying the Green/Roy Street bridge deck and lowering the tracks in this location, moving the existing east track at the station to create a new west track, and replacing the existing Cusack and Docker Street footbridges with a more centrally located cross-corridor pedestrian / cycle connection. This support is on the basis of:***
 - the ARTC facilitating discussions with relevant agencies and authorities to consider filling in the current east track cut.***
 - the provision of a well-designed, all abilities pedestrian / cycle underpass at the station instead of a new pedestrian bridge.***
 - The ARTC consider the potential impact of increased train traffic on road traffic flows at the Sisley Avenue and Sanford Road railway crossings in Wangaratta and the need for overpasses in these locations.***
 - Not support the ARTC's preferred solution for Beaconsfield Parade, Glenrowan (lowering the existing track) and request the***

ARTC to continue investigating options for removing the existing bridge in this location and constructing a new bridge in a suitable alternative location.

- 2. Approve officers to respond to the ARTC and other government agencies with Council's updated formal position on the Inland Rail Project.***

Background

Inland Rail is a once-in-a-generation project, transforming the way freight will move around the country. It will complete the spine of the national freight network between Melbourne and Brisbane via regional Victoria, New South Wales and Queensland.

The Tottenham to Albury section of Inland Rail is planned along 305km of existing rail corridor from metropolitan Melbourne to the Victoria-NSW border at Albury-Wodonga. The project will see enhancements of existing structures to provide increased clearances along the rail corridor to accommodate double stack freight trains. This includes works at the Wangaratta and Glenrowan railway station precincts.

In September 2018 Council resolved to:

1. *Support a formal position on the Tottenham to Albury Project including:*
 - *Engage in meaningful consultation with the community and local agencies*
 - *Maintain the heritage look, feel and character of the stations*
 - *Create / maintain all ability access from both sides of the railway precincts, including from any existing station buildings to new track locations*
 - *At Wangaratta Station:*
 - *Maintain dual tracks but move tracks to the West side of the station;*
 - *Consider installation of dropped tracks for entire length of works to reduce impact on existing structures;*
 - *Fill in the created disused line to allow additional open space to be created; and*
 - *Consider the overall impact of a pedestrian underpass versus pedestrian bridges*
 - *At Glenrowan Station:*
 - *Maintain current track location alignment and level*
 - *At Springhurst Station:*
 - *Consider all access requirements*
2. *Approve officers to respond to ARTC and other government agencies with Council's formal position.*

This resolution was in response to the ARTC's early design thinking. The ARTC since completed further community engagement activities, considered Council's adopted position and progressed designs for the Glenrowan and Wangaratta locations. The ARTC presented these '70% designs' to Council in December 2018 and has invited Council's feedback.

Within the Wangaratta railway station precinct additional clearance is required at a number of structures. Key parts of the ARTC's preferred solution is to:

- Modify the Green/Roy Street bridge deck and lower both tracks in this location
- Move the current dropped east track at the railway station to create a new track parallel to the existing west track and a potential new platform to service the new west track
- Replace the existing Cusack and Docker Street footbridges with a more centrally located cross-corridor pedestrian / cycle connection.

The ARTC's preferred solution at Glenrowan is to lower the existing track at Beaconsfield Parade.

Alternative options have also been considered as part of the ARTC's planning process, including a new rail corridor alignment at Glenrowan and an extended track lower at Wangaratta to retain the existing footbridges. These are not the ARTC's preferred solutions.

The ARTC advised that no infrastructure changes are required at Springhurst to accommodate Inland Rail and that all access requirements at the Springhurst Station is outside of the scope of the project.

To meet ARTC's deadline for feedback on their '70% designs', Council officers have recently provided the ARTC with preliminary comments with the understanding that Council's updated formal position will be provided once finalised. In summary officers comments provided included the following key points:

- For Wangaratta:
 - Officers supported moving the existing east track at the station to create a new west track and filling in the cut currently accommodating the east track.
 - Officers preferred replacing the existing Cusack and Docker Street footbridges with a well-designed all abilities pedestrian / cycle underpass in a suitable location.
 - Officers highlighted the potential impacts of increased train on the Sisley Avenue and Sanford Road railway crossings and the need to consider overpasses these locations.
- For Glenrowan:
 - Officers did not support lowering the existing tracks at Beaconsfield Parade and preferred further investigating options to remove the existing bridge and construct a new bridge in an alternative location.

Considering the latest information provided by the ARTC and officers feedback, it is important to update Council's formal position regarding this project as it relates to localities in the municipality as follows:

- The ARTC continue to engage in meaningful consultation with the community and local agencies
- Support the ARTC's preferred solution within the Wangaratta station precinct, including modifying the Green/Roy Street bridge deck and lowering the tracks in this location, moving the existing east track at the station to create a new west track, and replacing the existing Cusack and

Docker Street footbridges with a more centrally located cross-corridor pedestrian / cycle connection, subject to:

- the ARTC facilitating discussions with relevant agencies and authorities to consider filling in the cut currently accommodating the east track (this will provide more space at the front of the station and opportunities for improved cross-corridor connections)
- the provision of a well-designed, all abilities pedestrian / cycle underpass at the station instead of a new pedestrian bridge.
- The ARTC consider the potential impact of increased train traffic on road traffic flows at the Sisley Avenue and Sanford Road railway crossings in Wangaratta and the need for overpasses in these locations.
- Not support the ARTC's preferred solution for Beaconsfield Parade, Glenrowan (lowering the existing track) and request the ARTC to continue to work with Council and other agencies to investigate options to remove the existing bridge in this location and construct a new bridge in a suitable alternative location.

This position supports the Inland Rail project while seeking to:

- Encourage continued community involvement
- Protect the key heritage values of the station precinct, enhance cross corridor connectivity and consider broader road traffic impacts in Wangaratta
- Help find a suitable solution for Glenrowan which will protect and enhance the nationally significant Glenrowan heritage precinct and retain connectivity.

Implications

Policy Considerations

- Economic Development Strategy
- Wangaratta CBD Masterplan
- Wangaratta Planning Scheme
- Glenrowan Township Development Plan

Financial/Economic Implications

There are no direct financial implications on Council. The project will have a positive impact on the local community with additional employment during construction. It is important to ensure the final outcome delivers this benefit long term.

Legal/Statutory

There are no legal/statutory implications identified for the subject of this report.

Social

This project is likely to have considerable impacts on accessibility, character and amenity of the railway station precincts in Wangaratta and Glenrowan.

Environmental/Sustainability Impacts

There are no environmental / sustainability impacts identified for this subject of this report.

2017 – 2021 Council Plan (2018 Revision)

This report supports the 2017 - 2021 Council Plan:

Goal

We are Established

We will plan, research and advocate for the future:

- For a local and regional rail system that is reliable, more frequent and fast.
- With regional partners to identify and address public and community transport gaps.

The non-negotiables

Our infrastructure is developed and maintained based on what we understand is important to the people who live, work and visit here.

Strategic Links

a) Rural City of Wangaratta 2030 Community Vision

N/A

b) Other strategic links

N/A

Risk Management

Risks	Likelihood	Consequence	Rating	Mitigation Action
Works are completed without Council's requirements being incorporated	Possible	Loss of community amenity, heritage values, access and connectivity	Medium	Continue to actively engage with the with the ARTC

Consultation/Communication

The ARTC continues to engage with communities and stakeholders to progress planning for the Tottenham to Albury section of Inland Rail. Engagement has included one-on-one discussions, community meetings, special interest group sessions, interviews, opportunities to provide feedback via a website and stakeholder consultation (including Council, industry and agencies). Most recent community engagement activities included a 'pop-up' event at the Wangaratta railway station and a mail out to the Glenrowan community.

Members of the public can continue to make submissions via the ARTC website.

Conclusion

Inland Rail is a once-in-a-generation project and works required to make this project a reality will have significant impacts on the Wangaratta and Glenrowan railway station precincts. The ARTC has progressed its planning for these works to a '70% design milestone'. An updated Council position is needed in response to these plans to support the project while seeking to encourage community involvement, protect heritage values and consider connectivity and road traffic impacts.

Attachments

Nil.

11. CLOSURE OF MEETING

ATTACHMENTS

**Rural City Of Wangaratta
Comprehensive Income Statement**

	Adopted Budget 2018/19	Current Budget (incl Carry Overs) 2018/19	Budget Review 2018/19	Variance to Current Budget 2018/19	Variance to Current Budget 2018/19
	\$'000	\$'000	\$'000	\$'000	\$'000
Income					
Rates and charges	32,164	32,164	32,194	30	0%
Statutory fees and fines	1,213	1,213	1,197	(16)	(1%)
User fees	7,750	7,750	7,532	(218)	(3%)
Contributions - cash	343	493	547	54	11%
Grants - Operating	9,798	9,798	10,525	727	7%
Grants - Capital	5,234	6,568	7,362	793	12%
Net gain/(loss) on sale/disposal of property, infrastructure,	2,314	2,314	816	(1,498)	(65%)
Reimbursements	91	91	473	382	421%
Other revenue	457	457	746	289	63%
Total Income	59,363	60,848	61,393	545	1%
Expenses					
Employee benefits	23,090	23,316	23,440	(124)	(1%)
Materials and services	17,433	17,700	18,472	(772)	(4%)
Depreciation and amortisation	15,832	15,832	16,683	(852)	(5%)
Finance costs	370	370	371	(1)	(0%)
Other expenses	102	102	102	(0)	(0%)
Total Expenses	56,826	57,319	59,068	(1,749)	(3%)
Surplus/(deficit) for the year	2,536	3,528	2,325	(1,204)	(34%)
Reconciliation to Adjusted Underlying Surplus / (Deficit)					
Capital grants (non-recurring)	3,828	4,853	5,648	795	16%
Contributions capital (non-recurring)	343	493	458	(35)	(7%)
Net gain / loss on sale of assets	2,314	2,314	816	(1,498)	(65%)
Reimbursements capital	0	0	80	80	0%
Adjusted Underlying Surplus / (Deficit)	(3,949)	(4,132)	(4,677)	(545)	13%

**Rural City Of Wangaratta
Statement of Capital Works**

	Adopted Budget 2018/19 \$'000	Current Budget 2018/19 \$'000	Revised Budget 2018/19 \$'000	Variance To Current Budget (incl Carry Overs) 2018/19 \$'000	Variance To Current Budget (incl Carry Overs) 2018/19 \$'000
Property					
Land	-	-	-	-	
Land Improvements	2,837	2,870	2,563	(307)	(11%)
Total land	2,837	2,870	2,563	- 307	-11%
Buildings	1,666	1,680	1,591	- 89	-5%
Heritage Buildings	-	-	-	0	0%
Leasehold improvements	-	-	-	0	0%
Total buildings	1,666	1,680	1,591	(89)	(5%)
Total property	4,503	4,550	4,154	(395)	(9%)
Plant and equipment					
Heritage plant and equipment	-	-	-	0	0%
Plant, machinery and equipment	1,826	1,857	1,703	(154)	(8%)
Fixtures, fittings and furniture	305	308	25	(283)	(92%)
Computers and telecommunications	767	846	927	81	10%
Book collection	183	183	183	0	0%
Artworks	5	5	5	0	0%
Total Plant and equipment	3,087	3,200	2,843	(357)	(11%)
Infrastructure					
Roads	12,117	12,540	15,230	2,689	21%
Bridges	548	511	476	(35)	(7%)
Footpaths and cycleways	710	790	755	(35)	(4%)
Drainage	2,006	2,046	2,015	(31)	(2%)
Recreation, Leisure and Community Facilities	10,676	10,975	4,843	(6,132)	(56%)
Waste management	3,730	3,549	3,632	83	2%
Parks, Open Spaces and Streetscapes	477	526	415	(111)	(21%)
Aerodromes	855	855	455	(400)	(47%)
WIP Off Street Car Parks	52	52	52	(0)	(0%)
Total Infrastructure	31,171	31,844	27,873	(3,971)	(12%)
Total capital works	38,760	39,593	34,870	(4,723)	(12%)
Represented by:					
New asset expenditure	22,357	22,419	18,264	(4,155)	(19%)
Asset renewal expenditure	11,850	12,265	12,155	(111)	(1%)
Asset expansion expenditure	103	116	116	0	0%
Asset upgrade expenditure	4,450	4,793	4,336	(458)	(10%)
	38,760	39,593	34,870	(4,723)	(12%)

*Report Contains Filters