


**CSF079: APPROVAL FOR DELEGATED AUTHORITY TO AWARD
TENDERS FOR ANZAC INFRASTRUCTURE PROJECTS
VERSION TWO**

Land Description : Princess Royal Fortress, Stirling Terrace and Town Square
Proponent : City of Albany
Owner : City of Albany
Responsible Officer(s): : Chief Executive Officer (G. Foster)

Responsible Officer's Signature:



STRATEGIC IMPLICATIONS

1. This item relates to the following elements of the City of Albany Strategic Community Plan 2023 and Corporate Business Plan 2013-2017:
 - a. **Key Theme:** 2. Clean Green & Sustainable.
 - b. **Strategic Objective:** 2.2. To maintain and renew City assets in a sustainable manner.
 - c. **Strategic Initiative:** 2.2.1. Asset management.

In Brief:

- Delegated authority is required for the CEO to award tenders for particular projects over \$250,000.
- Some projects have timeframes that are related to funding, event and construction deadlines that must be completed prior to the November 2014 Anzac commemorations.
- Due to these timeframes, project schedules have been fast tracked and are likely to be impacted as tenders following the normal process of being assessed by Council Committees prior to being presented to an Ordinary Council Meeting would not be able to be awarded until late May or early June 2014.
- To ensure that projects can be completed by November 2014, Council approval is sought for the CEO to assess and award tenders for these projects.

RECOMMENDATION

**CSF079: RESPONSIBLE OFFICER RECOMMENDATION
VOTING REQUIREMENT: ABSOLUTE MAJORITY**

THAT Council GRANT the CEO delegated power to award the following tenders:

- (a) Contract C14012–Princess Royal Fortress Cafe and Administration Refurbishment;
- (b) Contract C14017–Supply and Delivery of Paving Units (Stirling Terrace/Town Square).

in accordance with the approved allocated budget.

BACKGROUND

2. The City has two ANZAC related projects in its approved 2013-14 budget that exceed the CEO's current delegated power threshold of \$250,000 for accepting tenders, which are also tied to funding agreements (execution timetables).

DISCUSSION

3. The subject projects being:
 - a. Contract C14012 – Princess Royal Fortress Cafe and Administration Refurbishment. This project involves two main portions of work.

The modification of the Canteen & Military Institute (currently Tea Room & Australian Light Horse Museum) to become administration facilities and a retail outlet.

Modification and additions to Repository Store (Currently Warden's Flat and Workshop/ Store) to create a new Cafe/ Restaurant. Budget for this package of works is \$450,000+. Funding – City of Albany consolidated funds.
 - b. Contract C14017 –Supply and Delivery of Paving Units – for installation at Stirling Terrace and Town Square within the context of an overall master plan to create a dual use space for community events and greater alfresco use. Budget for this package of works is \$250,000+. Funding – Lotterywest and City of Albany.
4. Due to the tight timeframes, project schedules have been fast tracked, highlighting that prolonged tender processes are a high risk.
5. To mitigate this risk and ensure works can be completed on time and ensure compliance with funding agreements, Council approval is sought for the CEO's current delegated power to assess and award tenders for these projects to be increased to the approved allocated budget amounts.

GOVERNMENT & PUBLIC CONSULTATION

6. Relevant Government departments including State Heritage Council, Department of Environment Regulation, Department of Indigenous Affairs and SWALSC have been consulted on the subject projects.
7. Requests for tenders will be published in the West Australian and the Great Southern Weekender for each project to ensure compliance with the tender regulations.

STATUTORY IMPLICATIONS

8. In accordance with the provisions of the *Local Government Act 1995*, section 5.42, the Council may delegate to the Chief Executive Officer any of its powers other than those referred to in section 5.43.
9. Regulation 11 of the *Local Government (Functions and General) Regulations 1996 (Regulations)* requires Council to publicly tender if the contract is, or is expected to be, more, or worth more than \$100,000.

POLICY IMPLICATIONS

10. The City of Albany Purchasing Policy and Regional Price Preference Policy are applicable to this item.

RISK IDENTIFICATION & MITIGATION

11. The risk identification and categorisation relies on the City's Enterprise Risk Management Framework.

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
<i>Delay in awarding tenders, which may impact on delivery.</i>	<i>Possible</i>	<i>Medium</i>	<i>Medium</i>	<i>Council support the increase in delegated power to award tenders.</i> <i>Or</i> <i>Be prepared to call Special Council Meetings to ensure awarding tenders are not delayed.</i>
<i>Non compliance with external funding contract</i>	<i>Unlikely</i>	<i>Medium</i>	<i>Medium</i>	<i>As above.</i>

FINANCIAL IMPLICATIONS

12. Funding required has been allocated in the approved budget.

LEGAL IMPLICATIONS

13. Nil

ENVIRONMENTAL CONSIDERATIONS

14. For the Town Square site, an application was made to Department of Environment (DER), Contaminated Sites Branch (CSB) and reviewed and as a result all works are being carried out in accordance with a comprehensive Site Management Plan.
15. An Environmental Impact Assessment has been undertaken by a City of Albany Reserves Officer. No declared rare fauna were identified within the area of the proposed works.

ALTERNATE OPTIONS

16. If Council chose not to increase the power of delegation, Special Council Meetings could be called in lieu.

SUMMARY CONCLUSION

17. To ensure that projects can be completed by November 2014, it is recommended that the delegated power for the CEO to assess and award tenders for these projects is increased as requested.

Consulted References	:	Local Government (Functions and General) Regulations 1995 Council Policy – Purchasing Council Policy – Buy Local (Regional Price Preference)
File Number (Name of Ward)	:	C13026, GS.APC.61, RD.DEC.36, RD.DEC.37, PR.TEN.9, PS.CLM.40
Previous Reference	:	<ul style="list-style-type: none"> • OCM 18/09/2012 Report Item 1.1. • OCM 17/12/2013 Report Item WS024