



## TOWN OF PORT HEDLAND

### SPECIAL MEETING OF COUNCIL MINUTES

**4 OCTOBER 2017 AT 5:30PM**

**COUNCIL CHAMBERS, MCGREGOR STREET,  
PORT HEDLAND**

*Agenda Item:*

1. *Award of Tender 2017-18 South Hedland Aquatic Centre – Renewal Works*

#### *DISCLAIMER*

*No responsibility whatsoever is implied or accepted by the Town of Port Hedland for any act, omission, statement or intimation occurring during Council Meetings. The Town of Port Hedland disclaims any liability for any loss whatsoever and howsoever caused arising out of reliance by any person or legal entity on any such act, omission, and statement of intimation occurring during Council Meetings.*

*Any person or legal entity that acts or fails to act in reliance upon any statement, act or omission occurring in a Council Meeting does so at their own risk. The Town of Port Hedland advises that any person or legal entity should only rely on formal confirmation or notification of Council resolutions.*

**“A nationally significant, friendly city that people are proud to call home”**

*David Pentz  
Chief Executive Officer*

*Distribution Date: 16 October 2017*

<b>Item 1</b>	<b>Opening of Meeting</b> .....	<b>3</b>
<b>Item 2</b>	<b>Acknowledgement of Traditional Owners</b> .....	<b>3</b>
<b>Item 3</b>	<b>Recording of Attendance</b> .....	<b>3</b>
	3.1 Attendance.....	3
	3.2 Apologies .....	3
	3.3 Approved Leave of Absence.....	3
	3.4 Disclosure of Interests .....	4
<b>Item 4</b>	<b>Attendance by Telephone/Instantaneous Communications</b> .....	<b>4</b>
<b>Item 5</b>	<b>Public Time</b> .....	<b>4</b>
	5.1 Public Question Time.....	4
	5.1.1 Mr Arnold Carter.....	4
	5.2 Public Statement Time.....	5
	5.2.1 Mr Brad Pawlenko.....	5
	5.2.2 Mrs Mary Attwood .....	7
<b>Item 6</b>	<b>Questions from Members without Notice</b> .....	<b>7</b>
	6.1 Councillor Troy Melville .....	7
	6.2 Councillor Jan Gillingham.....	7
	6.3 Councillor David Hooper .....	7
	6.4 Councillor Louise Newbery.....	7
	6.5 Councillor Richard Whitwell.....	9
	6.6 Councillor Tavo .....	9
<b>Item 7</b>	<b>Declarations of All Members to Have Given Due Consideration to All Matters Contained in the Business Paper before the Meeting</b> .....	<b>10</b>
<b>Item 8</b>	<b>Reports of Officers</b> .....	<b>11</b>
	8.1 Infrastructure and Town Services .....	11
	8.1.1 Award of Tender 2017–18 South Hedland Aquatic Centre – Renewal Works .....	11
<b>Item 9</b>	<b>Matters for Which Meeting May Be Closed (Confidential Matters)</b> .....	<b>16</b>
<b>Item 10</b>	<b>Closure</b> .....	<b>16</b>
	10.1 Date of Next Meeting .....	16
	10.2 Closure .....	16

---

### Item 1 Opening of Meeting

---

The Mayor declared the meeting open at 5:30 pm.

---

### Item 2 Acknowledgement of Traditional Owners

---

The Mayor acknowledges the traditional custodians, the Kariyarra people and recognises the contribution of Kariyarra Elders past, present and future, in working together for the future of Port Hedland.

---

### Item 3 Recording of Attendance

---

#### 3.1 Attendance

Mayor Camilo Blanco  
 Deputy Mayor Troy Melville  
 Councillor Jan Gillingham via telephone at 5:30pm  
 Councillor David Hooper  
 Councillor Julie Arif  
 Councillor Louise Newbery  
 Councillor Richard Whitwell  
 Councillor Lincoln Tavo

David Pentz	Chief Executive Officer
Gerard Sherlock	Director Infrastructure and Town Services
Rob Leeds	Director Development, Sustainability and Lifestyle
Josephine Bianchi	Manager Governance
Louise O'Donnell	Governance Officer / Minute Taker
Samantha Fernandes	Governance Officer / Minute Taker

Public	11
Media	1
Officers	2

#### 3.2 Apologies

Nil

#### 3.3 Approved Leave of Absence

#### CM201718/050 COUNCIL DECISION

**MOVED: CR TAVO**

**SECONDED: CR HOOPER**

**That the Council approve Councillor Gillingham's application for leave of absence from 4 to 11 October 2017.**

***CARRIED 8/0***

### 3.4 Disclosure of Interests

Nil

---

### Item 4 Attendance by Telephone/Instantaneous Communications

---

Nil

---

### Item 5 Public Time

---

*Important note:*

*'This meeting is being recorded on audio tape as an additional record of the meeting and to assist with minute-taking purposes which may be released upon request to third parties. If you do not give permission for recording your participation please indicate this at the meeting. The public is reminded that in accordance with Section 6.16 of the Town of Port Hedland Local Law on Standing Orders nobody shall use any visual or vocal electronic device or instrument to record the proceedings of any meeting unless that person has been given permission by the presiding member to do so. Members of the public are also reminded that in accordance with section 6.17(4) of the Town of Port Hedland Local Law on Standing Orders mobile telephones must be switched off and not used during the meeting.'*

*In accordance with section 6.7(3) of the Town of Port Hedland Local Law on Standing Orders, members of the public are required to complete a question form and place the completed form in the tray provided.*

**All candidates, whether current Elected Members or not, are required to declare that they are a candidate for the upcoming election prior to asking questions or making a statement at Council or Committee Meetings.**

The Mayor opened Public Question Time at 5:34pm.

### 5.1 Public Question Time

#### 5.1.1 Mr Arnold Carter

*In regards to the necessity to hold this Special Meeting tonight so close to the election and the consequences it should have, I contacted the Department of Local Government and expressed my concerns. Accordingly I have received an email reply that stated "Thank you for your email. Each local government determines whether or not they will take a caretaker policy in the lead up to local government elections. There is no legislation requires the local government to implement a caretaker regime. It is best to check with your local government to see if they have a caretaker policy in place."*

*I understand you do not have a caretaker policy in place?*

The Mayor advised in the affirmative.

*Mr Carter further added that provided the correct procedure for the special meeting of electors is followed, under section 5.28 of the Local Government Act 1995, the meeting may proceed, however any decisions made at a special meeting are not binding. Section 5.33 of this Act requires that such decisions be considered by Council at the next possible meeting. The next Ordinary Council Meeting is due to take place on the 25 October 2017, which falls after the local government election which he determined that decisions made at this Special Council Meeting are not binding and a local government can only incur expenditure that is included in the budget, if such expenditure is authorised by an absolute majority decision.*

The Mayor advised Mr Carter that the information he is providing is correct for an elector's meeting however Special Council Meetings are treated differently.

*Mr Carter stated that the same rules apply to Special Council Meetings as he has got this confirmed three times with the Department and requested the Mayor to give his response in writing to him so he can take it back to the person responsible for providing him with this information.*

The Mayor advised Mr Carter that if the information he has provided was correct, then every Special Council Meeting which has a budget implication would then not be a legal decision.

The Chief Executive Officer advised that the Town have checked this matter with Senior Counsel at WALGA who confirmed that the provisions in the Act that Mr Carter is referencing is only for elector's meetings, and not for Council meetings. As a result, any decision made at Council this evening is binding going forward. Mr Carter is correct to state that any decision made by Council on expenditure should be endorsed by an absolute majority vote.

*In the amended recommendation for the tender for renewal works for which Council is considering tonight, the recommendation to increase the budget to the project is \$500,000. I am confused reading this recommendation as it stated to approve the allocation \$500,000 from the asset management infrastructure reserve fund, reducing the financial year closing balance of the reserve to \$2,099,000. However the financial statements has the following financial information; an opening balance of \$2,601,000 with a transfer in of \$1,503,000 which makes a total of \$4,104,000. There is a transfer out of \$2,699,000 leaving a balance of \$1,405,000. In your balance, you show an actual balance of \$2,599,000. Can you explain where \$1,194,000 has come from which is listed in the Town's financial statements?*

The Mayor advised that the question would be taken on notice.

The Mayor closed Public Question Time at 5:42pm.

The Mayor opened Public Statement Time at 5:42pm.

## **5.2 Public Statement Time**

### **5.2.1 Mr Brad Pawlenko**

*Mr Pawlenko as President of the Hedland Water Polo Association speaks on behalf of their committee and members in relation to the recommendation to award the tender to undertake works that will see the reopening of the South Hedland Aquatic Centre (SHAC).*

*The SHAC is Hedland's Water Polo's official home and playing arena offering a pool that is fit for purpose being the correct length, width and depth.*

*The Gratwick Aquatic Centre (GAC) where Hedland Water Polo has held its last two seasons is a pool that is not regulation width or depth and due to the shallow end of the pool, we are required to play at a shorter distance from goal face to goal face, or else some of the taller players would be playing in near waist depth water.*

*I have played water polo here in Hedland for the last five seasons with season six set to commence on Friday next week. Over those five years, Hedland Water Polo has experienced largely disrupted seasons due to the SHAC closures, which has made developing the sport and attracting new members very difficult.*

*Five years ago when I started playing water polo here in Hedland, the SHAC was closed and Hedland Water Polo cancelled its season. The following year we actually had a full season at SHAC but we struggled to rebuild numbers after cancelling the season the year before. The next season is when we had several closures of SHAC due to water quality issues, forcing Hedland Water Polo to transfer between SHAC and GAC many times during our regular season requiring use to move all water polo equipment including goals, scoreboards, shot clocks, lane ropes etc. The disruption saw the gradual loss of players toward the second half of the season to a point where many games were forfeited due to lack of numbers.*

*As mentioned, over the last two seasons we have played at GAC, which is a great venue but just not fit for purpose to play water polo and can I just take this opportunity to thank the staff at GAC as over the last two years they have been tremendous in supporting Hedland Water Polo to host our sport at the venue.*

*Although GAC is not a fit for purpose water polo pool, we have made do and have worked hard to promote Hedland Water Polo as a great summer sport. So much so, that last year we had around 130 Flippa Ball kids and junior members join Hedland Water Polo. The number of junior kids at Water Polo last year actually outnumbered our senior members.*

*Although this is a fantastic result for Hedland Water Polo, these numbers at GAC had the place almost overflowing with kids requiring us to have two separate sessions for Flippa Ball to be able to accommodate everyone. Noting that we are expecting Flippa Ball and Junior Water Polo to be even bigger this year, we will have to manage this again or hopefully only for the first half of our season if this item is passed tonight.*

*As for the Senior Water Polo, I mentioned that the size and depth of the GAC's main pool is not regulation. Due to the narrowness of the pool we have had to play a hybrid form of water polo for the last two years dropping one field player from each team so that it is not too crowded in the water. Also, people being able to touch the bottom of the pool is an issue for umpires and players alike. Especially when some players are six foot five and are not allowed to touch the bottom of the pool. It make it very difficult for them to play the game at all.*

*Also, it has not been beneficial for our game to teach newcomers to the sport a hybrid form of the game. Especially when we are trying to develop players to represent Port Hedland at the State Country Water Polo Championships each year.*

*In terms of the State Country Water Polo Championships held in Geraldton this year, Port Hedland was awarded the Country Championships to be held in March next year. Those Country Championships have not been held in Port Hedland for a decade. Unfortunately due to the uncertainty of SHAC, re-opening Hedland Water Polo had to relinquish holding the Country Championships, which will now be held in either Mandurah or Rockingham.*

*Once again, this has a flow on effect on Hedland Water Polo Association being able to promote our sport by hosting and showcasing high level water polo in our home town. Not to mention the fact that we will all have to fly down to Perth, then drive to Mandurah or Rockingham next year at significant cost to our players.*

*From Hedland Water Polo's position, we are looking for the Council to provide us with some certainty moving forward in when, how and where we can again play our sport in a fit for purpose pool. We believe that having certainty that the SHAC will open in the new year for at least the next 3-5 years, will go a long way to helping Hedland Water Polo promote and grow our sport, one of the oldest sports played in Port Hedland and hopefully we will be able to host the Country Championships here in Port Hedland in 2019.*

## **5.2.2 Mrs Mary Attwood**

*Mrs Attwood expressed her disappointment regarding the SHAC contract. Mrs Attwood has lived in town all her life and acknowledged that sport is an important activity for kids and adults, but she expressed her concerns about the ongoing maintenance of our facilities.*

*This pool has been closed for a year. When it was first built, this was the first pool in town, and then they built the South Hedland Aquatic Centre. Every year during the winter months, the pools were closed. Maintenance was carried out to ensure the pools were ready for the next year, so the kids could continue to have that option for swimming in GAC or SHAC. I have been told of the ongoing pool costs. As a taxpayer and local person, I am concerned about the facilities our kids need. The Council should be ashamed of themselves. Why are we spending millions of dollars on a facility that hasn't been maintained, properly serviced and upgraded.*

*I am not happy with this contract and I will be making an official complaint to the Crime and Corruption Commission for a full investigation and, if this process tonight is not in compliance with the Act, then think very seriously about what you are doing.*

The Mayor closed Public Statement Time at 5:50pm.

---

## **Item 6 Questions from Members without Notice**

---

### **6.1 Councillor Troy Melville**

Deputy Mayor Melville declared that he is a candidate in the upcoming [Local Government] election.

### **6.2 Councillor Jan Gillingham**

Councillor Gillingham declared that she is a candidate in the upcoming [Local Government] election.

### **6.3 Councillor David Hooper**

Councillor Hooper declared he is a candidate in the upcoming [Local Government] election.

### **6.4 Councillor Louise Newbery**

Councillor Newbery declared she is a candidate in the upcoming [Local Government] election.

*I believe from reading an agenda item from the Ordinary Council Meeting in May 2017 that the pool has a five year life span, could I please have the engineering report?*

The Mayor advised that the report she referred to mentioned the life span of the pool liner and not the pool itself.

*Councillor Newbery requested to ask questions regarding the confidential evaluation report for the Award of Tender 2017–18 South Hedland Aquatic Centre – Renewal Works.*

**CM201718/051 COUNCIL DECISION****MOVED: CR WHITWELL****SECONDED: CR HOOPER**

**That with respect to item 8.1.1 ‘Award of Tender 2017–18 South Hedland Aquatic Centre – Renewal Works’, Council closes the meeting to members of the public as prescribed in section 5.23(2) of the Local Government Act 1995.**

**CARRIED 8/0**

5:53pm The Mayor advised the meeting is now closed to the public.

**CM201718/052 COUNCIL DECISION****MOVED: CR TAVO****SECONDED: CR MELVILLE**

**That Council suspend sections 9.4, 9.5 and 9.9 of the Town of Port Hedland Standing Orders Local Law 2014 in accordance with section 18.2 ‘Suspension for Standing Orders’ to discuss item 8.1.1 ‘Award of Tender 2017–18 South Hedland Aquatic Centre – Renewal Works’.**

**CARRIED 8/0**

5.54pm The Mayor advised that sections 9.4, 9.5 and 9.9 of the Town of Port Hedland Standing Orders Local Law 2014 are now suspended.

**CM201718/053 COUNCIL DECISION****MOVED: CR TAVO****SECONDED: CR MELVILLE**

**That Council resume sections 9.4, 9.5 and 9.9 of the Town of Port Hedland Standing Orders Local Law 2014.**

**CARRIED 8/0**

6.02pm The Mayor advised that sections 9.4, 9.5 and 9.9 of the Town of Port Hedland Standing Orders Local Law 2014 are now resumed.

**CM201718/054 COUNCIL DECISION****MOVED: CR TAVO****SECONDED: CR ARIF****That Council open the meeting to members of the public.****CARRIED 8/0**

6.03pm The Mayor advised the meeting is now open to the public.

### 6.5 Councillor Richard Whitwell

*Council have set a budget for tenders and I am questioning why the budget requires to be amended for the tender in question tonight? The agenda for tonight reflects financial amendments with the figure of \$350,000 been crossed out and replaced with a figure of \$500,000 (excluding GST). It also mentions a roll over amount of \$150,000 from 2016/17, which has been allocated for the external upgrade at SHAC. The report then says an additional \$500,000 (excluding GST) will be required to complete the works and to be funded from the reserve funds. This brings the total budget up to \$1m dollars. These financial amendments were made on the agenda over an approximate period of four days. I question why we were so uncertain about what it was that we needed to budget for?*

The Director of Infrastructure and Town Services advised that the original budget for 2016/17 had allocated \$150,000 for external works at SHAC, which included for example the water tower, slide renewals, pergola renewal, paving, electrical renewals and plumbing renewals. That money was not spent in 2016/17, which was then rolled over to 2017/18. At budget time, the Town were still only at the investigative stage as to what needed to be done at SHAC to get it to the condition to be re-opened. At that time, the Executive proposed we put \$350,000 into the budget until a full design and cost estimate has been completed.

Approximately two months ago, all Councillors were invited to attend SHAC for a discussion on the works to be undertaken. This was after the designs were completed and the budget estimate had been completed. At that meeting, it was made clear to all Councillors what repairs needed to take place in order to get this facility fully functioning and open to the public. It was also made very clear to Councillors that the costs to undertake the works would be in the region of \$750,000 and that an amendment to the budget would be required.

### 6.6 Councillor Tavo

*What is the completion date for the renewal works at SHAC?*

The Director of Infrastructure and Town Services advised the current projected completion date, with everything going according to plan, is 23 December 2017. That is subject to SHAC getting its water test back on time. This date was listed in tender documentation received from two of the three tenderers.

---

**Item 7    Declarations of All Members to Have Given Due Consideration to All Matters Contained in the Business Paper before the Meeting**

---

The following Elected Members declared that they had given due consideration to all matters contained in the agenda:

- Mayor Camilo Blanco
- Deputy Mayor Troy Melville
- Councillor Jan Gillingham
- Councillor David Hooper
- Councillor Julie Arif
- Councillor Louise Newbery
- Councillor Richard Whitwell
- Councillor Lincoln Tavo

*Disclaimer*

*Members of the public are cautioned against taking any action on Council decisions, on items on this evening's Agenda in which they may have an interest, until formal notification in writing by the Town has been received. Decisions made at this meeting can be revoked, pursuant to the Local Government Act 1995.*

---

**Item 8 Reports of Officers**


---

**8.1 Infrastructure and Town Services****8.1.1 Award of Tender 2017–18 South Hedland Aquatic Centre – Renewal Works**

File No: 26/13/0033  
 Applicant/ Proponent: N/A  
 Subject Land/ Locality: N/A  
 Date: 23 September 2017  
 Author: ShiFee Ajaran, Project Support Officer  
 Authorising Officer: Gerard Sherlock, Director Infrastructure & Town Services  
 Disclosure of Interest from Author: Nil  
 Authority/Discretion:  Executive – the substantial direction setting and oversight role of the Council. E.g. adopting plans and reports, accepting tenders, directing the Chief Executive Officer, setting and amending budgets.

## Attachments:

1. Evaluation Report (Confidential – Under Separate Cover)
- 

*Caretaker Statement: The recommended decision is considered a 'Major Policy Decision' within the context of Council Policy 4/006 'Elections – Caretaker Period Policy' however; an exemption should be made due to the level of community interest and in an endeavour to have the facility operational as soon as practical.*

**CM201718/055 AMENDED RECOMMENDATION 1/ COUNCIL DECISION****MOVED: CR TAVO****SECONDED: CR GILLINGHAM**

**That with respect to Request for Tender (RFT) 2017–18 South Hedland Aquatic Centre – Renewal Works, that Council amend the 2017/18 Budget at the annual budget review for GL C1105101 (South Hedland Aquatic Centre – Work to Renew and Upgrade to Working Condition) and increase the amount allocated to this project by an additional \$500,000.00 excluding GST to \$1,000,000.00 excluding GST (inclusive of an approximate 10% contingency).**

**CARRIED BY ABSOLUTE MAJORITY 8/0****CM201718/056 AMENDED RECOMMENDATION 2/ COUNCIL DECISION****MOVED: CR TAVO****SECONDED: CR WHITWELL**

**That Council award Tender 2017–18 'South Hedland Aquatic Centre – Renewal Works' to Dynamic Pools Australia Pty Ltd to the value of \$698,000 (excluding GST) as per recommendation of the evaluation panel.**

**CARRIED 8/0**

## EXECUTIVE SUMMARY

The purpose of this report is to provide a summary of the assessment of submissions received for the Request for Tender (RFT) 2017–18 South Hedland Aquatic Centre – Renewal Works and to award the contract to the preferred tenderer.

## DETAIL

In 2011, a major facility upgrade commenced at the South Hedland Aquatic Centre (SHAC), inclusive of Pool retrofit, Plant and Filtration, Pipework, Heating and Plant building. The pool experienced considerable issues after the upgrade which resulted in regular closures and shut downs as the facility was not able to maintain its compliance.

In September 2016, due to a major water quality non-compliance issues and corresponding Public safety risks, the SHAC was closed to allow for the review and upgrade of the pool filtration, water treat and mechanical services systems.

In November 2016, The Town engaged Geoff Ninnis Fong and Partners (GNFP) to provide a full review and scoping of the technical requirements, and design for the Filtration, Water Treatment (FWT) and Mechanical Services Plant Upgrade for the SHAC.

The documentation for RFT 2017–03 South Hedland Aquatic Centre Filtration & Water Treatment Plant and Pool Heating Upgrade was released on Wednesday 18 January 2017. A mandatory tender briefing and site inspection was conducted at 1.00pm (WST) 25 January 2017. Companies that did not attend the mandatory tender briefing and site inspection were deemed ineligible to submit a tender.

When the Tender submissions closed at 2.00pm (WST) Thursday 9 February 2017, two (2) submissions were received with one of the tenderers also submitting a non-confirming bid.

Based on the tender evaluation undertaken, all submissions exceeded the Town of Port Hedland's (ToPH or Town) 16/17 budget allocation with an average bid of \$2,363,236.60. In accordance with delegation 1.8 'Expression of Interests and Tenders' the Chief Executive Officer formally rejected all tenders.

The Towns Manager Technology and his team undertook an extensive review of the original scope of works and liaised with key stakeholders and consultants to come up with an alternative solution to the issues at the SHAC. After reworking the scope and preparing a revised design with refined priorities, the Town invited submissions from suitably qualified contractors for the upgrade of the existing plant room and piping works.

The purpose of this tender is to rectify all the identified issues with the piping, filtration and pumps in order to comply with public safety and the general performance of the mechanical equipment.

### *Request for Tender*

The documentation for RFT 2017–18 South Hedland Aquatic Centre – Renewal Works was released on Saturday 2 September 2017. A mandatory tender briefing and site inspection was conducted at 10.00am (WST) Friday 15 September 2017. Companies that did not attend the mandatory tender briefing and site inspection were deemed ineligible to submit a tender.

The following companies were in attendance:

- TEC Services Group
- Mechanical Project Services
- Aquatic Services WA
- Safeway Aquatics
- Goodline
- Trisley's Hydraulic Services Pty Ltd
- Dynamic Pools Australia Pty Ltd
- Shenton Aquatic Division

When the Tender submissions closed at 12.00pm on Friday 22 September 2017, three (3) submissions were received.

Submissions were received from the companies listed below:

Company name	Registered Address
Dynamic Pools Australia Pty Ltd	333 Hamilton Road, Coogee WA 6166
Safeway Aquatics	Unit 1/63 Gordon Road, Mandurah 6210
TEC Services Group	Lot 2 Hardie Street, Port Hedland WA 6721

#### *Tender Assessment*

All compliant tender submissions have been evaluated by a panel of two (2) Town employees and the Aquatic Division and Technical Manager from Shenton Aquatic Division whose main objectives were:

- (a) Make a recommendation to the CEO, as to the Tenderer that best represents value for money;
- (b) Ensure the tender submissions are assessed fairly in accordance with a predetermined weighting schedule;
- (c) Ensure adherence to Local Government policies and legislation; and
- (d) Ensure that the requirements specified in the Request are evaluated in a way that can be measured and documented.

Evaluation Panel consisted of:

- Project Manager, Voting Member
- Director Infrastructure & Town Services, Voting Member
- Aquatic Division and Technical Manager, Voting Member
- Governance Administration Officer, Non-Voting Member

All three (3) submissions, were deemed compliant and assessed against the tender assessment criteria of; price (inclusive of application of Regional Preference Policy); relevant experience; tenderers resources, key personnel, skills and experience; and demonstrated understanding. The approved weighting for the qualitative criteria is shown in the table below:

Criteria	Weighting
Price, inclusive of application of Regional Preference Policy	30%
Relevant Experience	30%
Tenderers Resources, Key Personnel, Skills and Experience	20%
Demonstrated Understanding	20%

A summary of the assessment results of submissions received for RFT 2017–18 is included in the confidential attachment.

## BASIS FOR PANELS DECISION

### *Quality*

The preferred tenderer is a highly experienced commercial pool contractor. They have undertaken several large new constructions as well as refurbishment projects on commercial pools. They have a very clear understanding of the works to be undertaken and have made several recommendations in their submission which will be beneficial for the Town and the SHAC facility going forward.

Their nominated partners and subcontractors are all highly respected in the aquatics industry and they have also engaged local suppliers where appropriate.

### *Price*

Their submitted price was in line with what was expected and was second of the three (3) prices submitted. In this instance price was weighted at 30% as the Town wanted to place more of an emphasis on the tenderers knowledge, relevant experience and their understanding of the works to be undertaken and the Towns desired outcomes. The preferred tenderer were not the cheapest; however, the cheapest tenderer clearly stated that they had omitted all the works associated with the chemical controller and other areas as detailed above. The preferred tenderers submitted price encompasses the entire scope of works listed and is in the panel's opinion the best value for money for the Town.

### *Engagement and Communications*

Internal and external consultation has taken place with reference to the development of the RFT.

Discussions have also taken place with Governance and Risk in relation to compliance and non-compliance related matters.

## LEGISLATION AND POLICY IMPLICATIONS

The Local Government Act and Town of Port Hedland's Procurement Policy were observed when preparing and awarding this tender.

The *Local Government Act (1995)* section 3.57 and the *Local Government (Functions and General) Regulations 1996* part 4, division 2 provide statutory requirements for the release, assessment, and award of tenders.

RFT 2017–12 was conducted in accordance with the following policies: The Town of Port Hedland's Procurement Policy 2/007, Tender Policy 2/011, and Regional Price Preference Policy 2/016.

Regulation 33A of the *Local Government (Financial Management) Regulations 1996* applies, as it details the provisions for the annual review of a local government's budget.

Sections of this report pertaining to price submissions from tenderers have been deemed confidential in accordance with the *Local Government Act (1995)* section 5.23 part 2(e) (iii).

## FINANCIAL IMPLICATIONS

All costs associated with this RFT will be allocated to GL C1105101 South Hedland Aquatic Centre – Work to Renew and Upgrade to Working Condition. An initial budget of \$500,000.00 excluding GST was allocated; however, at the time the budget was allocated the Town did not have a full understanding of the scope of works to be undertaken to restore the facility to working condition. The \$500,000 budget included a roll over amount of \$150,000 from 2016-2017 which has been allocated for external upgrade works at SHAC (water tower and slide renewals, pergola renewal, paving, electrical renewals, plumbing renewals, shade renewals). An additional \$500,000.00 excluding GST (inclusive of 10% contingency) will be required to complete the works and is proposed to be funded from reserve funds. This brings the total budget for the works to \$1,000,000.00 excluding GST.

## STRATEGIC AND RISK IMPLICATIONS

### *Environmental*

There are no significant identifiable environmental impacts arising from adoption of the officer's recommendation.

### *Economic*

There are no significant identifiable economic impacts arising from adoption of the officer's recommendation.

### *Social*

The social risks associated with this item is that residents have not been able to access the SHAC for recreation purposes, competitions or events.

### *Financial*

The financial risks associated with this item has been the loss of revenue with the SHAC not being operational for an extended period of time.

### *Strategic*

As part of the Strategic Community Plan 2014-2024, section 1.2 A vibrant community rich in diverse cultures states the need for Port Hedland to deliver and support programs, events, facilities and services which attract and retain residents to increase our permanent population. One (1) of the success indicators is to improve community satisfaction with access to services, events and facilities.

### *Risk*

There is a risk rating of High (12) assigned to the reputational risk associated with the inability to return SHAC to working condition and the necessary timeframe required for the development of the Master Plan for the South Hedland Sports Precinct.

## OPTIONS

*Option 1 - Adopt Officers Recommendation*

*Option 2 - Amended Officers Recommendation*

*Option 3 – Do not adopt Officers Recommendation*

That the Council does not award the contract to the preferred tenderer and instead opts to wait for the development of the Master Plan for the South Hedland Sports Precinct.

This option is not supported by Officers due to both the social and financial risk associated in prolonging the works necessary to restore functionality for the SHAC. The outcomes of the master planning process and development is still some years away.

## **CONCLUSION**

Town Officers recommend the awarding of RFT 2017–18 to the preferred tenderer indicated in the Tender Evaluation Report. They have met and exceeded all selection criteria requirements and also represent best value for money for the Town. Town Officers also request the amendment of 2017/18 Budget at the annual budget review for GL C1105101 (South Hedland Aquatic Centre – Work to Renew and Upgrade to Working Condition) and increase the amount allocated to this project by an additional \$500,000.00 excluding GST, which is proposed to be funded from reserve funds, to \$1,000,000.00 excluding GST (inclusive of an approximate 10% contingency).

---

## **Item 9 Matters for Which Meeting May Be Closed (Confidential Matters)**

---

Nil

---

## **Item 10 Closure**

---

### **10.1 Date of Next Meeting**

The next Ordinary Meeting of Council will be held on Wednesday 1 November, commencing at 5:30pm.

### **10.2 Closure**

There being no further business, the Mayor declared the meeting closed at 6:34pm.