



Minutes

Operations Committee

9th April 2018

5.00pm

Operations Committee	
Item Number	Agenda
1	Welcome/Present/Apologies
2	Confirmation of Minutes
3	Declaration of Interests
4	Business Arising From The Minutes
5	Cullen Bullen Sewerage Scheme – Update
6	CBD Revitalisation Project - Update
7	South Bowenfels Infrastructure Study
8	Portland STP - Update
9	General Business
10	Next Meeting

ITEM: 1 PRESENT AND APOLOGIES

PRESENT: Cr R Thompson, Cr S Ring, Cr S Lesslie, Cr W McAndrew, G Faulkner

APOLOGIES:

OFFICERS: I Stewart, J Edgecombe, R Brownlow, E Trudgett

ITEM: 2 CONFIRMATION OF MINUTES FROM THE PREVIOUS MEETING

The minutes were presented to Council on 26th March 2018.

ACTION

THAT the Committee note the Minutes of the meeting of 5th March 2018.

MOVED: Cr R Thompson

SECONDED: Cr S Ring

ITEM: 3 DECLARATION OF INTERESTS

NIL

ITEM: 4 BUSINESS ARISING FROM THE MINUTES

NIL

ITEM: 5 CULLEN BULLEN SEWERAGE SCHEME - UPDATE

SUMMARY

Cullen Bullen Sewerage Scheme is underway as per the funding deed which has been distributed to Councillors. The first stages will be to complete an EOI for a concept design of the Treatment Plant which will be followed by selective tendering for the concept design. Subsequently, Council can begin the acquisition of land for the Plant and other infrastructure as needed in the design before proceeding to the detailed design and construction phase.

FINANCIAL IMPLICATIONS

- **Budget approved - Yes**
- **Cost centre - 300034**
- **Expended to date - Nil**

- **Future potential impact** - This project will service the Cullen Bullen community through a reticulated sewerage network

ACTION/RECOMMENDATION

THAT Council note the update of the Cullen Bullen Sewerage Scheme.

MOVED: Cr S Ring

SECONDED: Cr R Thompson

ITEM: 6 CBD REVITALISATION PROJECT - UPDATE

SUMMARY

This report is to provide an update regarding variations to date and into the future, as well as the state of project contingency for the Main Street Revitalisation Stage 1 project.

Please see attached report for further information.

FINANCIAL IMPLICATIONS

- **Budget approved** - \$2,899,000.00
- **Cost centre** – PJ100007
- **Expended to date** - \$817,064.00
- **Future potential impact** – Proposed Variation COST: \$506,710.79, Proposed Variation SAVING: \$411,000.00, Net COST: \$95,000.00

ACTION/RECOMMENDATION

THAT Council note the report on variations effected to date and future proposed variations.

MOVED: Cr R Thompson

SECONDED: Cr S Ring

ITEM: 7 SOUTH BOWENFELS INFRASTRUCTURE STUDY

SUMMARY

Stantec have been appointed as the winning consultant for the South Bowenfels Infrastructure study and will begin immediately on the concept design of 3 Sewerage Pumping Stations and the augmentation of 1. The aim of the study is to identify the best position and construction of SPS and rising mains to service the South Bowenfels area. The study is expected to take approximately 12 weeks.

FINANCIAL IMPLICATIONS

- **Budget approved** - Yes
- **Cost centre** - 300039
- **Expended to date** - \$64,682.00

- **Future potential impact** - This study will determine the future costings and work to be undertaken on the sewerage reticulation in the South West Bowenfels area

ACTION/RECOMMENDATION

THAT Council

1. Note the progress on the South Bowenfels Infrastructure Study; and
2. Request the consultant to nominate a specific result date and provide a timeline; and
3. Council staff notify all perspective developers of progress.

MOVED: Cr R Thompson

SECONDED: Cr S Ring

ITEM: 8 PORTLAND STP - UPDATE

SUMMARY

Portland STP has now reached the completion of Milestones 2, 3 and 4 and the new plant is operating. The old plant is now being decommissioned and the remaining works including work as executed drawings and operation and maintenance manuals are being reviewed and finalized. The completion of the project has been extended due to demonstration of items following construction and some weather issues, the plant should now be completed at the end of July 2018 however, that may be brought forward dependent upon how quickly Milestone 5 is achieved by the contractor.

FINANCIAL IMPLICATIONS

- **Budget approved** - Yes
- **Cost centre** - 300014
- **Expended to date** - \$8,540,000.00
- **Future potential impact** - This will improve the treatment process to a tertiary level in the Portland sewer scheme.

ACTION/RECOMMENDATION

THAT Council

1. Note the update regarding the Portland STP; and
2. Council staff draft a media release for INSW approval to update Portland residents

MOVED: Cr S Lesslie

SECONDED: Cr S Ring

ITEM 9: GENERAL BUSINESS

SUMMARY

Blast Furnace Park – Vandalism

Solutions to the vandalism by ‘hoons’ at the Blast Furnace Park was discussed with speed bumps to be installed throughout the carpark area and along Blast Furnace

Park Road to help deter vandals. The installation of CCTV will be looked into further following the outcome of speed bumps.

ACTION

THAT Council

1. Note the advise concerning vandals; and
2. Council staff advise concerned residents of the options to deter vandals at Blast Furnace Park

Damaged Footpath Assets

Council is currently seeking quotes for the removal of problem trees at Lake Wallace, Wallerawang. The quotes will be for the removal of the existing trees along Barton Avenue and their replacement by trees with non-intrusive root systems. Other assets damaged by problem tree will be collated and investigated on a case by case basis.

ACTION

THAT Council

1. Note the update of progress on Damaged Footpath Assets; and
2. Council staff draft an informative media release on the process of removal and replacement of problem trees at Lake Wallace, Wallerawang.

ACTION/RECOMMENDATION

THAT appropriate actions and reporting be undertaken in relation to the items raised during general business

MOVED: Cr S Ring

SECONDED: Cr S Lesslie

ITEM 10: NEXT MEETING:

Next Meeting: Monday, 7th May 2018 at 5:00pm
Committee Room, Administration Building,
180 Mort Street LITHGOW NSW 2790

There being no further business the meeting closed at 5.55pm

ITEM OPER – 09/04/18 – MAIN STREET REVITALISATION VARIATIONS

REPORT BY: EXECUTIVE MANAGER OPERATIONS

SUMMARY

This report is to provide an update regarding variations to date and into the future, as well as the state of project contingency for the Main Street Revitalisation Stage 1 project.

COMMENTARY

To date, two variations have been approved for the Main Street Revitalisation project as follows.

Variation 1: \$39,704.00 excl. GST

Due to design issues that have arisen during construction the original design team have been engaged by CA&I for construction phase design input. In particular the following design issues have been addressed:

- Any modifications to signalised intersections require approval from the RMS. On reviewing the proposed designs for the intersection the RMS would not support a raised threshold through a signalised intersection. To obtain RMS approval for the intersection a slight redesign was needed: removed raised threshold, added kerb ramps, changed position of traffic light mast, and redesign of stormwater.
- Due to concerns raised by the Post Office regarding existing stormwater issues at the South end of Cook Street and the potential for these works to increase these problems, extra stormwater infrastructure needed to be designed at this location.

Variation 2: \$16,128.00 excl. GST

Irrigation removed from scope during the revision of design at tender stage. This was added back into the scope for the Cook Street Plaza to maintain greenery.

With the two variations approved above and the costs incurred for project management, consultation and construction to date, the remaining contingency is \$317,294 of the total \$2,899,000.00 budget.

However, some project forecasting has shown that additional variations have been discussed with the contractor and other agencies, causing concern with regard to the overall project balance. The additional costs not yet approved and not included in the cost summary above are as follows.

Variation 3: \$152,344.64 incl. GST

Eskbank Street Design Changes

As detailed in Variation 1 design changes were required at the Eskbank St intersection to obtain RMS approval. The RMS required the removal of the raised threshold from the design which in turn required modifications to the stormwater layout. Variation 3 includes the changes in cost associated with these design changes. The net impact of the Eskbank Street redesign resulted in a net reduction in cost of \$2,856.00. Broken down this included the following cost items:

- \$176,331.00 saved due to a reduction in requirements for bollards and tactile indicators
- \$102,599.00 in additional demolition and earthwork costs due to the need to remove the existing surface (rather than constructing over the top of the existing slab).
- \$70,876.00 in additional costs associated with changes to pavements (additional jointing, pram ramps, change in pavement thickness)

As this was a forced change by the RMS, and was practically cost neutral, work on Eskbank Street was allowed to continue while the design changes were finalised to minimise project delays and the associated cost of the delay.

Cook Street Plaza Design Changes

As detailed in Variation 1, additional stormwater capacity has been designed to mitigate flooding issues in Cook Street and at the southern end of Cook Street plaza. Additionally some inconsistencies between the For Tender drawings, Bill of Quantities and actual work required have resulted in some additional costs. The net impact of the Cook St Plaza Design changes resulted in an additional cost of \$138,878.00. Broken down this includes the following cost items:

- \$25,300.00 in additional demolition and earthworks costs in Main Street due to inconsistencies between Bill of Quantities and work required to be undertaken (CA&I quoted for scabbling existing concrete at the raised threshold crossing on Main Street when removal of the existing slab was required.)
- \$59,363.00 in additional stormwater infrastructure to ensure capacity at southern end of plaza. This includes additional stormwater pits in the laneway and an additional ACO drain at the rear of the plaza.
- \$54,215.00 in additional costs associated with changes to pavements (additional jointing, change in pavement thickness).

The net impact of Variation 3 (which covers both Eskbank Street and Cook Street changes) is \$136,022.00 + CA&I margins and overheads (12%) = \$152,344.64.

Catenary Lighting System: \$103,000.00 incl. GST.

This scope was originally removed from the tender documentation in an attempt to reduce cost. At some stage, this was re-added. The following scope is included.

- | | |
|---|-------------|
| • Removal of existing Endeavour Light Posts | \$16,000.00 |
| • Contract with Ronstan for Catenary installation | \$38,000.00 |
| • Electrical and lighting design works | \$7,000.00 |
| • Footing design | \$5,000.00 |
| • Electrical and lighting supply and installation | \$25,000.00 |

This variation can be removed.

Moveable Furniture and Planters: \$61,393.20 incl. GST.

Scope for 10 moveable planter boxes and associated platform bench seating. This variation can be removed.

Application to Endeavour Energy for Additional Power Facilities at Eskbank Street for Event Management: \$16,000.00

Scope to add additional power utilities to simplify the facilitation of future events and event management. This cost includes application, design, switchboard and connection fees.

Relocation and Reconstruction of Telstra Assets: \$120,972.95

At some stage in the distant past, Council commissioned work on the Main Street of Lithgow and in line with the scope of this work, some Telstra pits were modified and non-standard pits and lids were installed. This work cannot be performed by CA&I and was not able to be identified prior to commencing construction. This relocation and reconstruction will restore the infrastructure to a compliant state.

Variations based on latent site conditions: \$53,000.00 incl. GST.

This variation is yet to be formalised but includes scope for the following works:

- | | |
|--|-------------|
| • Defective pavement at Eskbank and Cook Street | \$10,000.00 |
| • Replacement of pit lids and reconstruction of non-compliant pits | \$30,000.00 |
| • Additional stormwater works at Eskbank Street | \$5,000.00 |
| • Additional required brickwork not covered in design | \$8,000.00 |

While the above report does seem daunting, Council officers have extensively worked to mitigate cost to ensure minimal budget impact. This cost mitigation has been achieved by the following methods.

Removal of Unique and Built-to-Order Seating: (Saving) \$55,000.00

This seating was set to cost Council \$70,000.00 as a result of the unique shape and design and the expense of the steel materials to provide feature seating around a tree. This seating has been re-designed to make use of surplus bricks from the paving of Cook Street Plaza to allow the mounting of a standard timber seating. This has allowed a total saving of \$55,000.00

Removal of the Raised Threshold in Burns Lane: (Saving) \$95,000.00

The original scope for this project included the construction of a raised threshold in Burns Lane, similar to that within the road carriageway of Cook Street Plaza / Main Street. This work was to be completed at a cost of \$95,000.00. It is not expected that this work would provide sufficient benefit given the cost required for construction. The decision was made to remove the Burns Lane raised threshold to minimise cost and further minimise the construction period and disruption to business.

Negotiation for Variation 3: (Saving) \$15,000.00

Negotiations were held with CA&I regarding the content of Variation 3. A reduction in the proposed variation of \$15,000.00 was agreed as a result of CA&I's misinterpretation of the design drawings regarding the jointing of the new concrete surfacing.

Application to the Tourism Demand Infrastructure Program for Additional Funding: (Saving) \$246,000.00

A rapid, limited application round for the Tourism Demand Driver Infrastructure Program has been opened up to selected Local Government Organisations, including Lithgow Council. Notification was received Friday 06 April 2018 for application to be made by Monday 09 April 2018. This funding was made available as a result of previous applications being withdrawn, hence the urgency. \$246,000.00 is available. While this is a dollar-for-dollar funding program, Council can utilise the *existing* \$2,899,000.00 project budget as its own contribution source.

Council officers will be submitting an application to cover the catenary lighting system, green trellis walls and moveable furniture and planters to meet the \$246,000.00 available.

At this stage, due to the urgency of the application process and the fact that Council has funds available with significant accompanying concept and design documentation for each aspect of the application, we believe we stand a good chance.

The above information can be summarised using the following table.

Scope Description	Variation Cost	Variation Saving
Variation 3	-\$152,344.64	
Catenary Lighting	-\$103,000.00	
Moveable Furniture and Planters	-\$61,393.20	
Endeavour Energy Power	-\$16,000.00	
Telstra Relocation and Reconstruction	-\$120,972.95	
Variation: Latent Conditions	-\$53,000.00	
Removal of Seating		+\$55,000.00
Removal of Raised Threshold		+\$95,000.00
Negotiation of Variation 3		+\$15,000.00
Application for Funding		+\$246,000.00
TOTAL	\$506,710.79	+\$411,000.00

Conclusion

Based on the above table, the net position of all the variations listed above is a cost to the project of \$95,000.00. This can be absorbed by the existing contingency of \$317,294.00. This will leave a remaining contingency of \$222,294.00. This figure is expected to be sufficient considering a completion date of mid-June 2018.

POLICY IMPLICATIONS

NIL

FINANCIAL IMPLICATIONS

- Budget approved - \$2,899,000.00
- Cost centre – PJ100007
- Expended to date - \$817,064.00
- Future potential impact – Proposed Variation COST: \$506,710.79. Proposed Variation SAVING: \$411,000.00. Net COST: \$95,000.00

LEGAL IMPLICATIONS

NIL

RECOMMENDATION

THAT the Committee:

1. Note the report on variations effected to date and future proposed variations.