

# Agenda

**Unscheduled Council Meeting  
Tuesday 30 January 2024 at 11AM  
Gisborne Administration Centre  
40 Robertson Street, Gisborne**

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**1 ACKNOWLEDGEMENT OF COUNTRY**

Macedon Ranges Shire Council acknowledges the Dja Dja Wurrung, Taungurung and Wurundjeri Woi Wurrung Peoples as the Traditional Owners and Custodians of this land and waterways. Council recognises their living cultures and ongoing connection to Country and pays respect to their Elders past, and present.

Council also acknowledges local Aboriginal and/or Torres Strait Islander residents of Macedon Ranges for their ongoing contribution to the diverse culture of our community.

**2 RECORDING OF LIVE STREAMING OF THIS COUNCIL MEETING**

This meeting is being recorded and streamed live on the internet, in accordance with Council's 'Live Streaming and Publishing Recordings of Meetings' policy, which can be viewed on Council's website.

**3 PRESENT****4 APOLOGIES****5 CONFLICTS OF INTEREST**

**6 DIRECTOR ASSETS AND OPERATIONS REPORTS**

<b>AO.1</b>	<b>SPORTS PRECINCT - CAPITAL WORKS MONITORING</b>
<b>Officer:</b>	<b>Jeetendra Dahal, Manager Assets and Project Management Office</b>
<b>Council Plan relationship:</b>	<b>4. Delivering strong and reliable government</b>
<b>Attachments:</b>	<b>Nil</b>

**Summary**

This report clarifies cost escalations on infrastructure projects for Stage 1 of the Macedon Ranges Regional Sports Precinct (MRRSP). It seeks budget transfer across Stages 2 and 1 to balance the budget and deliver the full scope of both stages within the allocated budget. The report also details why this needs to be considered in an Unscheduled Council Meeting.

**Recommendation****That Council:**

- 1. Adopts the following changes to the Financial Year 2023/24 budget relating to the following projects:**
  - a) Macedon Ranges Regional Sports Precinct Stage 1: Increase the budget by \$700,000, transferring the budget from Stage 2**
  - b) Macedon Ranges Regional Sports Precinct Stage 2: Decrease the budget by \$700,000, transferring the budget to Stage 1**
- 2. Notes that recommendation 1 (above) does not impact the total budget allocation for the Macedon Ranges Regional Sports Precinct project.**

**Background**

The Macedon Ranges Regional Sports Precinct (MRRSP) is the largest project undertaken by Council. It is split into several stages to allow construction and early opportunity for community use instead of awaiting total budget allocations and construction. Stage One is on track to deliver the three-court Stadium in April 2024 and the single oval and pavilion in May 2024. The intersection upgrade is the one remaining component requiring construction.

Council successfully novated the construction contract for the two main components to Monaco Hickey when the Lloyd Group went into administration. The delivery of the intersection works is separate from the Monaco Hickey contract.

The intersection works were tendered in December 2023, and officers have identified a technical budget shortfall.

This report identifies how this shortfall can be addressed without impacting other projects and requires journaling the budget between stages one and two.

**Discussion**

Two items have resulted in additional costs to the project relating to the intersection works. These are unbudgeted utility works required for moving Telstra and NBN infrastructure. This has also resulted in increased consultant costs.

Additionally, as Stage 1 progressed, Stage 2 works were identified that should be paid for from the Stage 2 budget. The cost of these works is in the Stage 1 accounts.

Tendering of Stage 2 Design Consultation is under review. However, officers have identified that the amount set aside for the contract and contingencies is higher than needed. The Stage 2 budget can be reduced, and the Stage 1 budget can be increased, thereby balancing the budget.

The table below provides more detail:

<b>Infrastructure Project</b>	<b>Progress with Construction</b>	<b>Original budget 2023/24</b>	<b>Reason for Progression or Non-Progression</b>	<b>New Budget Amount 2023/24</b>
Macedon Ranges Regional Sports Precinct - Stage 1	Yes	\$18,443,840	<p>The intersection is one of the components required as part of external funding agreements.</p> <ul style="list-style-type: none"> <li>• Unbudgeted NBN and Telstra asset relocation and modification \$274,748.</li> <li>• This change resulted in additional consultancy / management costs of \$87,145.</li> <li>• \$309,006 of the Stage 1 contingency was used for Stage 2 preworks / futureproofing, resulting in overall project savings.</li> </ul> <p>The total cost of the above is \$670,899. Officers recommend adding \$700,000 to the stage 1 budget to allow a small amount for contingency.</p>	\$19,143,840
Macedon Ranges Regional Sports Precinct - Stage 2	Yes – noting that the project is currently in design procurement stage	\$1,500,000	<p>Stage 2 needs to progress as grant funding has been secured. Council’s overall commitment for stage 2 is \$2,000,000. Moving \$700,000 from Stage 2 to Stage 1 to cover additional costs and Stage 2 pre-works still, has Council contributing the required amount to achieve the outcomes needed.</p>	\$800,000

Infrastructure Project	Progress with Construction	Original budget 2023/24	Reason for Progression or Non-Progression	New Budget Amount 2023/24
			Officers advise that transferring these funds will leave enough funding to complete Stage 2 work including required contingencies.	
	<b>Net total in 2023/24 for Stages 1 and 2</b>	\$19,943,840	Zero net cost.	\$19,943,840

This recommendation results in a Stage 1 budget of \$19,143,840 and a Stage 2 budget of \$800,000 in the 2023/2024 Capital Works Program budget. These changes will have no impact on next year’s budget processes.

This report is separate from the standard *Capital Works Monitoring Report* and does not change any ongoing reconciliation of the Capital Works Program budget.

This report is presented in an Unscheduled Council Meeting due to the timing of the next Scheduled Council Meeting (28 February 2024) and the need to complete as much work as possible before mid-winter on the Macedon Ranges Regional Sports Precinct. The further into winter works are scheduled to finish, the higher the delay and financial risk is due to rain delays and inclement weather. Delays will result in increased costs and potentially impact the final quality of the work. They will also extend the user experience of people travelling through the area, as traffic impact will continue longer.

By considering this matter in an unscheduled meeting Council ensures the best quality finish for the construction, reduces the impact on road users and potentially saves money.

**Consultation and engagement**

This report is provided to ensure transparency on Council decisions.

**Collaboration**

The details of this report do not require collaboration with other councils or agencies.

**Innovation and continuous improvement**

Not applicable.

**Relevant law**

There is no specific law relating to the information provided within this report.

In accordance with the *Gender Equality Act 2020*, a Gender Impact Assessment was not required in relation to the subject matter of this report. Officers have noted gender impact within each business case for infrastructure projects and referred to these regarding determining recommendations for infrastructure project tenders over budget.

**Relevant regional, state and national plans and policies**

The Council plan pertinent to this report is delivering strong and reliable government. Transparently providing timely information for the community should give confidence in how Council adapts its infrastructure project delivery within budget.

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**Financial viability**

The processes described in this report detail how Council adapts its infrastructure project delivery to ensure it is within budget.

**Sustainability implications**

There are no direct sustainability impacts resulting from this report.

**Officer declaration of conflicts of interest**

All officers involved in preparing this report have declared that they do not have a conflict of interest in relation to the subject matter.