

# MINUTES

for the Special Meeting of Council held in the COUNCIL CHAMBER - 104 HOVELL STREET WODONGA, VIC on MONDAY, 6 SEPTEMBER 2010

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## Present

Cr M Byatt (Mayor)

Cr E Foulston (Deputy Mayor)

Cr A Collins

Cr C Ferguson

Cr R Wangman

## In Attendance

Mr G Cator

Chief Executive Officer

Mr T Ierino

Director Business Services

Ms P Harrington

Director Community Development

Mr J Louw

Director Sustainable Development



**LIVE  
WORK  
INVEST**

**1. Calling To Order**

The Chief Executive Officer called the meeting to order at 9.00 AM and introduced the Mayor, Cr Mark Byatt.

**2. Statement Of Acknowledgement**

The Mayor read the following:

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

**3. Apologies And Requests For Leave Of Absence**

An apology was received from Cr Lisa Mahood and Cr Anna Speedie.

**4. Declaration Under Acts, Regulations, Codes Or Local Laws**

Nil.

**5. Declaration By Councillors Of Any Conflict Of Interest**

There were none.

**6. Officer Reports For Determination**

6.1 THE WODONGA ARTS COMMUNITY AND ENTERTAINMENT CENTRE 3

**7. Confidential Business**

Nil.

**8. Close Of Meeting**

There being no further business the meeting closed at 9.03 AM.

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**Chairperson**

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**Date**

**THE WODONGA ARTS COMMUNITY AND ENTERTAINMENT CENTRE****PURPOSE OF REPORT**

To seek Council's determination in awarding the tender for the design consultancy services for the Wodonga Arts, Community and Entertainment Centre (WACEC).

**BACKGROUND**

There is considerable history behind the re-development of the existing Wodonga Civic Centre (WCC) which is not revisited within this report. It is however necessary to discuss the processes leading up to the advertisement for these works.

A fundamental need to redevelop the WCC or develop a new WACEC has been identified. The current condition of the venue reveals obsolescent plant, unsafe and unsuitable lighting/audio and furniture, insufficient storage, backstage areas that are too small or non-existent, and inadequate facilities to hold or host major conferences, performances, exhibitions and functions. From an asset management perspective the re-development is an absolute requirement.

The intent to undertake a cosmetic refurbishment of the building in late 2006 was reassessed after extensive consultations and a scoping study revealed that a major upgrade of services to the facility was required to address some of the fundamental shortcomings of the venue. The base refurbishment was estimated to cost \$8.2M and covered reconfigurations required to accommodate the cinema redevelopment, disabled stage access, toilet changes, cross over facilities and base mechanical/electrical/hydraulic/fire service works. It did not include upgrade of the hall facility, foyer, boiler, air conditioning, heating, stage acoustics, rigging, lighting or full electrical works required across the entire building.

Council commissioned Williams Ross Architects together with BRT Consulting Engineers and Wilde & Woollard Quantity Surveyors to originally advise on options for the re-development of the WCC.

The proposed development of the WACEC will:

- Address the fact that Wodonga is the only regional city in Victoria without a Performing Arts Centre;
- Position Wodonga as a destination in its own right through the delivery of a program of diverse and valued performing arts, community activities and commercial events;
- Significantly improve public infrastructure in the heart of the Wodonga CBD, and in turn create a new identity for the city and act as an attractor to future potential businesses;
- Foster and attract new arts activity in the region;
- Provide opportunities for the city to secure additional major events and conferences that can take advantage of the new facility that offers flexible flat floor adaptation.

More recently, in late 2009, Thinc Projects were contracted as the project managers to manage the design and costing phase of the project. Williams Ross Architects were also appointed as the design-phase architects. In addition, Maakan Consulting were contracted to revise the existing business plan and develop the business case for the venue. The business case was presented to Council at a councillor briefing in March 2010.

In January 2010 Council submitted a funding application to the federal Regional and Local Community Infrastructure Program (RLCIP) and has subsequently secured \$3M for the project.

**THE WODONGA ARTS COMMUNITY AND ENTERTAINMENT CENTRE (cont'd)**

The funding comes with a condition that construction works must commence by December 2010, and that the funding of \$3M must be spent by 30 June 2011.

Regional Development Victoria (RDV) has also confirmed an additional grant of \$4M.

The WACEC concept designs from Williams Ross Architects feature a multi-purpose flat floor venue with retractable seating for 295 patrons and a 1<sup>st</sup> floor gallery seating 70.

The proposed development will provide a unique venue in the region with:

- A two story height that can accommodate both physical theatre and circus rigging;
- A flat floor auditorium to accommodate music concerts and gigs for up to 1000 people;
- Also featured in the new design is a cafe with frontage onto the courtyard;
- Community lounge area in the foyer;
- Significantly improved dressing rooms and back of house facilities;
- A flexible external wall opening to the courtyard that will allow the stage to address both indoor audiences and audiences located in the courtyard outside;
- Gallery level seating and technical access;
- Iconic building design with street frontage

Tenders for the design consultancy services for the Wodonga Arts, Community and Entertainment Centre (WACEC) were placed on council's electronic tender board, *Tenderlink*, on Friday July 23, 2010 and in the Border Mail, on Saturday, July 24, 2010. Tenders closed at 2.00 p.m. on Wednesday, 11 August 2010, and called for the design consultancy services to enable the successful delivery of the WACEC through the following stages:

- Detailed design and documentation
- Procurement
- Construction
- Defects Liability Period

### **Response**

Fifteen (15) tender documents were received by the closing date and time. It has become apparent that one tenderer's submission was terminated while in the process of being sent, as the electronic tender system closed the tender at 2 PM. This is normal practice, and the tender must be considered as not having been received.

A tender supplied by Schreiber Hamilton Architecture was considered non-responsive when the commercial offers were considered. This tenderer did not include costs associated with the required supporting professional services consultants, and could thus not be evaluated for Value for Money.

### **Tenders received**

1.	Williams Ross Architects	9.	HBO + EMTB
2.	Whitfield McQueen Irwin Alsop	10.	Haskell Architects
3.	TomkinsMDA Architects	11.	Group GSA
4.	Suters Architects Pty Ltd	12.	Greenway Hirst Page Pty Ltd
5.	Schreiber Hamilton Architects	13.	Garner Davis Architects
6.	OSA Architects Pty Ltd	14.	Baenziger Coles Pty Ltd
7.	Mode Design Corp. Pty Ltd	15.	Ardent Architects Pty Ltd
8.	K20 Architecture		

**THE WODONGA ARTS COMMUNITY AND ENTERTAINMENT CENTRE (cont'd)**

The lowest tender was \$445,953 and the highest tender was \$762,300. The average tender sum was \$623,033, with seven tenderers submitting tenders in excess of this value.

It should be noted for this report that the dollar value of each tender has not been provided for commercial-in-confidence reasons. Separately, councillors have received a detailed report of all tenders, including individual tender prices.

An evaluation panel comprising Ian Rogers, Manager Local Partnerships – Arts Victoria DPC, Grellan Symes, Thinc Projects (Project Manager), Simone Hogg, Manager Culture, Events & Youth Services, and Leon Schultz, Manager Engineering & Parks Services (Chair) evaluated the tenders utilising the Value for Money analysis method.

The following selection criteria were used as advertised in the tender document.

Criteria	Weighting
Methodology and Approach	30%
Relevant Experience/Qualifications	40%
Resources/Ability to meet timeframes	30%
Total	100 %
Price	

The tendered sum, as provided by the tenderers was then divided by the average scores from the technical/quality analysis to provide the value for money indicator.

**The process**

The tender evaluation process commenced on Thursday, 12 August 2010 and was conducted independently by the Evaluation Panel members. Stage one of the process was to evaluate the technical competency of the tenders received.

This process concluded with a phone conference call between the members of the Evaluation Panel.

Stage two of the process was the independent assessment of the commercial offers. This again was undertaken independently and a phone conference held between evaluation panel members.

Stage three of the process was the closer assessment of those tenders that provided either a high technical analysis and low value for money, or low technical analysis and high value for money. This was to ensure that the rankings as previously provided in each area were correct.

Value for money does not mean that Council is obliged to accept the lowest price. It is centred on obtaining the best quality and value for the price and that the quality of the goods and services meets council’s criteria with regard to policy, performance, risk, and cost constraints.

The value for money indicator for each tender is shown below:

**THE WODONGA ARTS COMMUNITY AND ENTERTAINMENT CENTRE (cont'd)**

NAME/COMPANY	Value for money
1. Williams Ross Architects	6511
2. Whitfield McQueen Irwin Alsop	8454
3. TomkinsMDA Architects	11187
4. Suters Architects Pty Ltd	10153
5. Schreiber Hamilton Architects	Non-responsive
6. OSA Architects Pty Ltd	22847
7. Mode Design Corp. Pty Ltd	11722
8. K20 Architecture	12343
9. HBO + EMTB	15799
10. Haskell Architects	10217
11. Group GSA	10861
12. Greenway Hirst Page Pty Ltd	13092
13. Garner Davis Architects	9885
14. Baenziger Coles Pty Ltd	11214
15. Ardent Architects Pty Ltd	16405

Stage four of the process involved interviews with the three firms who ranked highest.

All three firms (with their selected project team members) presented well and proved to be capable architects and contract managers. However, it became clear at the conclusion of this process that Williams Ross Architects was best suited to this particular project, having considerable experience in the design and contract management of performing arts theatres and community facilities. Their engagement would be a most satisfactory outcome for council.

The other two firms, while capable in essentially delivering “community” type projects, lack the experience required to successfully execute a project of this complexity.

The evaluation process concluded with agreement amongst the Evaluation Panel that Williams Ross Architects be recommended to be appointed to provide design consultancy services for the Wodonga Arts, Community and Entertainment Centre.

**COUNCIL PLAN / KEY STRATEGIC ACTIVITY**

Pillar	Outcome	Strategic Action
Pillar One Vibrant people, communities and neighbourhoods	A city built around vibrant community places	Plan for and provide cultural facilities that are accessible hubs of creative production, presentation and engagement.
	A city that recognises the valuable contribution our older residents make	Promote and support the inclusion of older people in our community

**THE WODONGA ARTS COMMUNITY AND ENTERTAINMENT CENTRE (cont'd)**

Pillar	Outcome	Strategic Action
	<p>to our community</p> <p>A city that supports, embraces and prepares its young people</p> <p>String, resilient, safe and liveable cities</p> <p>Positive health, wellbeing and independence for the residents of the city</p>	<p>Promote and support the inclusion of young people in our community</p> <p>Work with key agencies to develop a culture and networks that promote lifelong learning opportunities and development programs</p> <p>Develop approaches and actions to address key social issues in the community</p>
<p>Pillar Four</p> <p>An inclusive and culturally rich city</p>	<p>An inclusive city that provides opportunities for all to participate in Wodonga's activities</p> <p>A strong, vibrant and family friendly CBD with signature buildings offering range of retail, commercial and social networking opportunities</p> <p>A diverse range of celebrations and events bringing our community together that are inclusive and encourage a range of diverse art and cultural experiences</p> <p>A strong sense of community pride</p>	<p>Provide residents of all abilities the opportunity to fully participate in and contribute to the social, economic and cultural life of the city.</p> <p>Support cultural events and opportunities within the CBD</p> <p>Foster community capacity to design and deliver, create initiatives and public events AND Deliver a mix of events and public art pieces that appeal to a diverse range of people within the community</p> <p>Promote the development of public infrastructure to enhance Wodonga's cultural liveability</p>
<p>Pillar Five</p> <p>A democratic and engaged community</p>	<p>A city where real power exists at the neighbourhood level for planning, priority setting and decision making</p> <p>A community that has many avenues for expression, dialogue and interaction with its council</p>	<p>Support community based programs that promote a greater community involvement</p> <p>Actively engage with the community utilising the most appropriate communication mediums</p>

**COUNCIL POLICY / STRATEGY IMPLICATIONS**

The existing Wodonga Civic Centre is presently operated in accordance with the Wodonga Civic Centre Operational Directive, and refers to the Memorandum of Understanding (MOU) with the State Government through Arts Victoria. The State MOU provides funding for the programs presented in the venue. It is anticipated that a similar model will guide the operations of the WACEC.

Council's procurement policy was utilised to advertise, evaluate and report on this matter.

**THE WODONGA ARTS COMMUNITY AND ENTERTAINMENT CENTRE (cont'd)****RISK MANAGEMENT IMPLICATIONS**

Very few risks are associated with this aspect of the proposed works.

From the design team's point of view, a wealth of skills and experience are evidenced through their tender submission and all hold current Public Liability and Professional Indemnity insurances.

The financial standing of the preferred tenderer has previously been assessed by council's finance officers, and deemed to be satisfactory.

Risks	Likelihood	Consequence	Rating	Mitigation Action
Architects or design team losing project staff or closing due to financial hardship	E Highly Unlikely Or D Unlikely	3 Moderate Or 2 Low	Low or Moderate	An alternate architectural firm or consultant could be appointed to continue
Design team not meeting deadlines	D Unlikely	2 Low	Low	Ensure design schedules are maintained & reported against
Discontinuity of council staff	C Possible	3 Moderate	Moderate	Ensure decision documentation is kept and subordinate staff remain informed

The preferred architect and some members of the professional team have been recommended for the appointment as the professional service provider for the Wodonga Aquatic Centre, to be awarded to run in parallel with the design and construction of the WACEC.

The staffing resources of the preferred architect was queried during earlier interviews and it was confirmed that no conflict or resource scarcity would exist. It has since been confirmed that additional resources have become available with current projects being completed.

**FINANCIAL IMPLICATIONS**

The allocated budget for 2010/2011 for the Community Arts and Entertainment Centre is \$3,050,000, of which \$3M is Grant funding.

The recommendation signed-off by the Evaluation Panel is to appoint Williams Ross Architects in the tendered sum of \$582,750 excluding GST.

Further costs, including all activities associated with the construction of the WACEC will be funded as the project progresses.

	10/11 Approved Budget \$	This Proposal \$	Variance to Approved Budget \$	Comments
<b>Revenue</b>	3,000,000			Grant funding
<b>Expense</b>	3,050,000	582,750		Award of Tender 201032
<b>Cost to Council</b>	(50,000)	582,750		



**THE WODONGA ARTS COMMUNITY AND ENTERTAINMENT CENTRE (cont'd)**

**Lifetime Financial Planning (as per the 2010/2011 Strategic Resource Plan)**

	09/10 Actual \$	10/11 Budget \$	11/12 Forecast \$	Total Project Life \$
<b>Revenue</b>		3,000,000	4,500,000	7,500,000
<b>Expense</b>		3,050,000	6,750,000	9,800,000
<b>Nett Cost to Council</b>		(50,000)	(2,250,000)	(2,300,000)

**Lifetime Financial Planning (Revised Forecast)**

	09/10 Actual \$	10/11 Forecast \$	11/12 Forecast \$	Total Project Life \$
<b>Revenue</b>	1,500,000	1,500,000	4,000,000	7,000,000
<b>Expense</b>	-	5,500,000	4,300,000	9,800,000
<b>Nett Cost to Council</b>	1,500,000	(4,000,000)	300,000	(2,800,000)

The 2010/2011 Strategic Resource Plan assumes that \$2.5M will be borrowed in 2011/2012 to align with the completion of WACEC.

Although only to be finalised once a construction contractor has been appointed, an anticipated works program is shown below.

Activity	2010					2011												
	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	
Award of design tender																		
Preliminary and final designs																		
Construction tender documentation																		
Demolition of Civic Centre																		
Construction tender process																		
Award of Construction tender																		
Construction period																		
Commissioning and handover																		

**THE WODONGA ARTS COMMUNITY AND ENTERTAINMENT CENTRE (cont'd)**
**ENVIRONMENTAL IMPLICATIONS**

No environmental implications are anticipated during the design and documentation phase associated with this award.

Any environmental implications will be discussed once the tenders for construction are compiled and evaluated. Naturally, Environmentally Sustainable Design (ESD) opportunities will be investigated and included with design elements of the project.

**SOCIAL/CULTURAL IMPLICATIONS**

The award of the tender for the design of the WACEC has no social or cultural implications.

Any social/cultural implications which become evident as a result of the design phase will be considered and reported upon and taken into account when the head construction tender is compiled and let.

**LEGISLATIVE IMPLICATIONS**

All and any legislative requirements pertaining to the design of community entertainment centres and public meeting spaces will be taken into account and adhered to.

It is foreseen that aspects such as disability access, occupational health and safety, applicable building regulations and building codes will all be incorporated into the design and documentation of the facilities.

**CONSULTATION PROPOSED / UNDERTAKEN**

Public and user group consultation has been a hallmark of this project to date, with extensive community engagement undertaken.

However, in order to accommodate most reasonable community expectations, more targeted engagement is occurring during the design phase which will inform some of the decisions still to be made.

Level of public participation	Select ✓	Promises to the public/stakeholders	Example of techniques to use
Consult	✓	Inform, listen, acknowledge	<ul style="list-style-type: none"> <li>User groups</li> <li>Site visits</li> </ul>
Involve	✓	Work together. Feedback is an input into decision- making	<ul style="list-style-type: none"> <li>Workshops</li> <li>Design team meetings</li> </ul>
Collaborate	✓	Feedback will be incorporated into decisions to the maximum level possible	<ul style="list-style-type: none"> <li>Project Control Group meetings</li> <li>Design Team meetings</li> </ul>

**THE WODONGA ARTS COMMUNITY AND ENTERTAINMENT CENTRE (cont'd)**

It is further envisaged that the Project Control Group (PCG) will report back to council on a regular basis ensuring that all decisions are ratified/accepted.

**OPTIONS FOR CONSIDERATION**

Two options are currently available to council.

**Option 1** is do nothing and return all Grant funding already received. This is not the preferred option.

**Option 2** is proceed with the appointment of the architect in terms of the requirements of Tender 201032, and progress the concept designs for the proposed Wodonga Arts, Community and Entertainment Centre. This option is to further proceed with the letting of a contract to effect the demolition of the existing Wodonga Civic Centre (Early Works Package), complete final designs, specifications, drawings and tender documentation, and to call for construction tenders early in January 2011.

**CONCLUSION**

The Evaluation Panel has undertaken an intense evaluation of the 15 submissions for the design consultancy services for the Wodonga Arts, Community and Entertainment Centre. This process has culminated in a recommendation which proposes that Williams Ross Architects be appointed to carry out these professional services, which include:-

- Stakeholder consultation;
- Cost management (with Quantity Surveyor);
- Attend project meetings;
- Design development;
- Contract documentation;
- Tender process Construction stage services

However, should the project be halted for any reason, it may be necessary to include a condition to curtail the services of Williams Ross Architects to only the pre-construction tender professional services (up to and including their Stage 3 in the tender submission) in the sum of \$385,700 excluding GST.

**DECLARATION OF CONFLICT OF INTERESTS**

Under section 80C of the *Local Government Act* 1989 officers providing advice to Council must disclose any interests, including the type of interest.

Director Infrastructure, Sustainability & Environment - Johan Louw  
In providing this advice as Director, I have no interests to disclose in this report.

Manager Engineering & Parks - Leon Schultz  
In providing this advice as the report author, I have no interests to disclose in this report.

ITEM NO: 6.1 - OFFICER REPORTS FOR DETERMINATION

INFRASTRUCTURE,  
SUSTAINABILITY & ENVIRONMENT

**THE WODONGA ARTS COMMUNITY AND ENTERTAINMENT CENTRE (cont'd)**

**RECOMMENDATION**

That Council resolves to:

1. Appoint Williams Ross Architects to carry out the full professional design consultancy services associated with the design and construction of the Wodonga Arts, Community and Entertainment Centre in the tendered sum of \$582,750 excluding GST;
2. As a condition, limit the appointment to only the pre-construction tender professional services (Stage 3) in the sum of \$385,700 excluding GST should the project be halted for any reason before construction tenders are called.

**MOTION**

CRS. RODNEY WANGMAN / EDWARD FOULSTON

That the recommendation be adopted.

(CARRIED)