



**TAMALA PARK**  
**Regional Council**

# Special Meeting of Council

## AGENDA

**Thursday 17 May 2012**  
**City of Vincent, 6.00pm**

TAMALA PARK  
REGIONAL COUNCIL  
(TPRC)  
COMPRISES THE  
FOLLOWING  
COUNCILS:

Town of Cambridge  
City of Joondalup  
City of Perth  
City of Stirling  
Town of Victoria Park  
City of Vincent  
City of Wanneroo

**Please note:** A Management Committee meeting is  
to be held at 5.00pm.

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**TAMALA PARK REGIONAL COUNCIL**

Councillors of the Tamala Park Regional Council are respectfully advised that the special meeting of Council will be held in the Council Chambers at the City of Vincent, 244 Vincent Street, Leederville at 6.00pm on Thursday 17 May 2012.

The business papers pertaining to the meeting follow.

Your attendance is requested.

Yours faithfully



**TONY ARIAS**  
Chief Executive Officer

**MEMBERSHIP**

<b>OWNER COUNCIL</b>	<b>MEMBER</b>	<b>ALTERNATE MEMBER</b>
Town of Cambridge	Cr Corinne MacRae	
City of Joondalup	Cr Geoff Amphlett Cr Tom McLean	
City of Perth	Cr Eleni Evangel	
City of Stirling	Cr Giovanni Italiano Cr David Michael Cr Terry Tyzack Cr Rod Willox	Cr Stephanie Proud
Town of Victoria Park	Mayor Trevor Vaughan	Cr David Ashton
City of Vincent	Mayor Alannah MacTiernan	
City of Wanneroo	Cr Frank Cvitan Cr Dianne Guise	Cr Bob Smithson Cr Stuart Mackenzie

NB: Although some Councils have nominated alternate members, it is a precursor to any alternate member acting that a Council carries a specific resolution for each occasion that the alternate member is to act, referencing Section 51 of the Interpretation Act. The current Local Government Act does not provide for the appointment of deputy or alternate members of Regional Councils. The DLGRD is preparing an amendment to rectify this situation.

**PRELIMINARIES**

**1. OFFICIAL OPENING**

**DISCLOSURE OF INTERESTS**

**2. PUBLIC STATEMENT/QUESTION TIME**

**3. APOLOGIES AND LEAVE OF ABSENCE**

**4. PETITIONS**

**5. CONFIRMATION OF MINUTES**

**5A. BUSINESS ARISING FROM THE MINUTES**

**6. ANNOUNCEMENTS BY CHAIRMAN (WITHOUT DISCUSSION)**

**7. MATTERS FOR WHICH MEETING MAY BE CLOSED**

**8. REPORTS OF COMMITTEES**

**9. ADMINISTRATION REPORTS AS PRESENTED (ITEMS 9.1)**

## **9.1 STAGE 3 CIVIL WORKS CONTRACT AWARD**

### **Recommendation**

That the Committee recommend that Council:

- 1. ACCEPT the Catalina Stage 3 Civil works pricing submitted by R J Vincent for the lump sum value of \$2,497,118.95 (excluding GST).**
- 2. AUTHORISE the Chairman and CEO to sign and affix the TPRC common seal to the Contract.**

### **Voting Requirements**

Simple Majority

### **Relevant Documents**

Appendix: Satterley Property Group letter dated 9<sup>th</sup> May 2012 - Stage 3 subdivision works contract award recommendation  
Available for viewing at the meeting: Lot Release Strategy Plan

### **Report Purpose**

To consider the award of a construction contract to undertake Stage 3 Subdivision Works.

### **Policy Reference**

N/A

### **Local Government Act/Regulation**

Local Government Act 1995: Sect 3.57 – Provision of goods and services.

### **Previous Minutes**

N/A

### **Financial/Budget Implications**

Expenditure under this matter will be incurred under item 99.2 Lot Production:

Budget Amount:	\$7,053,544
Spent to Date:	\$3,450,282
Balance:	\$3,603,262

Expenditure will be accommodated within this item.

### **Background**

At its June 2011 meeting, the Council resolved to accept the tender submitted by R J Vincent for a Bulk Earthworks (Stage 1-6) and Stage 1 Subdivisional Works and Neerabup Road intersection works, which included fixed rates for earthworks and

subdivision works for a period of two years until 30 June 2013.

The Council further resolved, that the award of further stages of works during the term of this contract will be at the absolute discretion of the TPRC and subject to;

1. Approval of lump sum contracts, in accordance with the tendered rates;
2. Market conditions and Sales Rates; and
3. Ongoing satisfactory performance of the contractor, during the execution of each separable portion of the contract.

Bulk earthworks for Stage 3 have been completed via the contract issued by the Council in June 2011.

At its August 2011 meeting the Council adopted the project budget and cashflow (July 2011), which incorporated a staging strategy. The budget includes the commencement of civil construction works for Stage 3, representing the creation of 43 residential lots within the 2011/12 financial year.

The adopted Project Budget and Cashflow (July 2011) incorporated Sales Triggers which are required to be met prior to commitment to construction works for Stage 3 onwards. The approved sales triggers required 50 lots to be sold prior to the commitment of Stage 3.

The lot release strategy approved by the Council in June 2011 identifies the location and extent of Stage 3, which were to comprise builder's allocation lots.

**Comment**

The TPRC has received a recommendation from the Satterley Property Group (attached as Appendix 9.1) to award a construction contract to RJ Vincent for Stage 3 Subdivisional Works to the value of \$2,497,118.95 (excluding GST).

SPG's recommendation follows a review of RJ Vincent's pricing by Cossill and Webley, project engineers, which has verified rates to be consistent with the approved tendered rates and quantities to be within normal industry tolerances (attached as Appendix 9.1).

With respect to the Council's resolution of August 2011 regarding the appointment of further stages of work, the following comments are provided:-

1. Cossill and Webley have verified RJ Vincent's pricing to be in accordance with the approved tendered rates;
2. In relation to Market conditions and Sales Rates the Development Manager has indicated that there is strong interest from builders for the Stage 3 allocation lots and is confident that these will be quickly taken up.

In terms of meeting the approved sales triggers of 50 lots the following lots have been sold;

Stage 1 (24 lots) ..... 22 lots

Stage 2 (Display Village - 24 lots) ..... 22 lots

*Note: 2 contracts awaiting purchaser execution.*

3. RJ Vincent is considered to have satisfactorily fulfilled performance requirements through the Bulk Earthworks and Stage 1 and Neerabup Road intersection works contract, which is ongoing.

In its assessment of RJ Vincent's pricing, Cossill and Webley have recommended it would be prudent to allow for a construction contingency sum of \$90,000.00 for a contract of this scale and nature. In this regard, the 5% contingency on development items accounted for by the project budget equates to an amount of \$120,355.95.

The proposed tender is consistent with the adopted Project Budget and Cashflow (July 2011), and the approved Lot Release Strategy approved by the Council in June 2011. The recommended contract amount is within budget and therefore recommended to be awarded.

It is noted the approved sales triggers of 50 lots to be sold on preceding stages prior to the commitment of construction to Stage 3 has not been met, however, it is anticipated that by the meeting the remaining builder's contract will have been executed. This will bring lots sold to date 46, which is slightly below approved trigger and supported.

This approval is required in order to maintain construction progress in accordance with the project program.

This matter is to be considered by the Management Committee at its meeting of 17 May 2012. An update on the considerations and recommendations will be provided at the meeting.

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# **APPENDICES**