

Section 221 of the *Local Government Regulation 2012* stipulates that a Significant Contracting Plan must be prepared prior to commencement of a contract that Council has identified as a Significant Contract. Council may, by resolution, amend a Significant Contracting Plan at any time before the end of the financial year to which the plan relates.

### 1. Key Information

Significant Contract Title: Construction - Nambour Resource Recovery Centre	
Group: Liveability and Natural Assets	Branch: Urban Projects
Contract Administrator: Kate Broadbent	Position: Project Officer
Procurement Specialist: Rachael Lock	
Contract/Project Description: Design and Construction of new Nambour Resource Recovery Centre	
Link to Procurement Plan: D2019/439911	

### 2. Council Resolutions

Previous Council resolutions:	NIL
This plan endorsed by Council:	

### 3. Background

*Construction of new Resource Recovery Centre (RRC) at Council's Nambour waste facility.*

*The new RRC will be located on Lot 3/ SP193049 to replace the existing RRC on Lot 1/ RP 208600 fronting Cooney Road, Bli Bli. The development location is to the west and adjacent to the Nambour Landfill and is proposed to provide the following:*

- 1. Self-haul waste management service at a new local facility for residents and small commercial vehicles;*
- 2. Ability to utilise similar equipment and operating standards to other Council transfer facilities;*
- 3. Ability to actively segregate recyclables;*
- 4. A 'trash & treasure shop' and;*
- 5. For residual waste transport to Nambour Landfill.*

### 4. Objectives

What are the objectives of this contract?
<p>To achieve value for money for Council for the construction of the RRC.</p> <p>Council have undertaken a review of its waste facilities across the region, in particular its Resource Recovery Centres (RRC), and as such have identified the need for an RRC at Nambour.</p> <p>The construction of this facility will assist Council with meeting its following objectives:</p> <ul style="list-style-type: none"> <li>• Target landfill diversion rate of 70%</li> <li>• Cater for the central region of the Sunshine Coast and cater for the needs of the catchment for the next 25 years</li> </ul>
How will objectives be achieved?

Undertaking a public tender to obtain competitive pricing
How will achievement of objectives be measured?
Analysis of multiple pricing from competing companies.
What are the alternative ways of achieving the objectives? Include reasons for not adopting alternative ways.
Due to the anticipated cost of the construction, the Procurement Thresholds govern that open tender is the only option available.

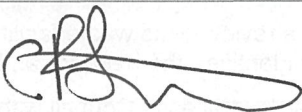

### 5. Proposed category and contractual arrangements

Which category does this contract fall within?
Capital Works
Which contractual arrangements should be applied to this contract, and why?
Construction (AS2124 Medium to Large Construction)
Adequately govern the outcomes required by Council to deliver the project

### 6. Market and Risk Assessment

Provide an assessment of the market in which the contract is to happen, including an assessment of any procurement risks. Refer to the Risk Assessment Calculator in the Procurement Plan.
Competitive building construction market. Risk that pricing will be greater than Council budgets
Proposed mitigations for identified risks:
Lump sum construction contract which will be delivered under structured Australian Standard Conditions of Contract.
Undertake an assessment of operational risks relating to the contract/project. Attach details.
<p>1. Key performance indicators (KPIs) will be developed and included with the tender document package. The Contract Administrator will be responsible for reviewing and enforcing the KPI</p> <p>2. Pricing variations are considered an ongoing risk, which are mitigated through the development of a lump sum pricing schedule. It will be the Contractor's responsibility to confirm quantities submitted are sufficient and correct to enable the completion of the works in accordance with the Specification. When submitting their lump sum price, the Respondent is obliged to price the entire works required for successful completion of this Contract. The Pricing Schedule will be used as a guide for progress payments and to calculate any required variations throughout the administration of the Contract. Variations where the Contractor has not accurately calculated quantities will not be accepted by Council.</p> <p>3. Workplace health and safety is considered an ongoing risk with is mitigated through legislative requirements which the contractor is required to adhere to</p>

### Approvals (prior to resolution)

Position	Name	Signature	Date
Manager, (of Branch seeking contract)	Chris Sturgess		28/5/19
Manager, Business & Innovation	Paul Skillen		31/05/2019