

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: Kawana Waters Regional Aquatic Centre	
Group: Liveability and Natural Assets	Branch: Project Delivery
Contract Administrator: Brian Dale	Position: Project Officer
Procurement Specialist: Ben Vandenberg	
Contract/Project Description: Upgrade of the Kawana Aquatic Centre to a regional standard aquatic centre for the Sunshine Coast as per the Kawana Regional Aquatic Centre Master Plan and as endorsed in the Sunshine Coast Aquatic Plan.	
Link to Procurement Plan:	

2. Council Resolutions	
Previous Council resolutions:	16 June 2016 (OM16/100)
This plan endorsed by Council:	

3. Background
<p>The Kawana Aquatic Centre forms part of the Kawana Sporting Precinct, which incorporates a range of important sporting, community and performance facilities for the region, including the Sunshine Coast Stadium.</p> <p>The Sunshine Coast Aquatic Plan 2011-2026 recommended the development of the Kawana Aquatic Centre to a regional standard facility with the capacity to feature high level events, competition and associated training.</p> <p>In 2018 the Kawana Aquatic Centre Master Plan was developed to provide Council with a clear strategy for redevelopment with due consideration of staging, costs, land use planning, design and functional mix, serviceability, and future expansion / growth potential. The Master Plan provides for a staged approach to the development as follows:</p> <ol style="list-style-type: none"> 1. Stage 1 – Indoor Programme Pool & Grandstand 2. Stage 2 – Leisure Pool 3. Stage 3 – 50m Outdoor Pool 4. Stage 4 – Main Building <p>The staging and construction priorities will be confirmed and detailed design completed during FY21/22, with construction to follow completion of detailed design.</p>

4. Objectives
What are the objectives of this contract?
Enable implementation of the Kawana Regional Aquatic Centre Master Plan to develop the Kawana Aquatic Centre to a regional level facility to form part of the Kawana Waters Regional Sport and Wellness Precinct.
How will objectives be achieved?
<ul style="list-style-type: none"> • Engagement of a construction contractor, through a public tender process, to develop the Kawana Aquatic Centre in accordance with Council’s detailed design.

- Council will complete the detailed design during FY21/22 via a separate process.

How will achievement of objectives be measured?

The delivery of the project in full compliance with agreed design, within budget and within expected timeframes.

Contract will also contain Key Performance Indicators (KPI's) to track achievement of specific objectives. Performance against KPI's will be tracked by Council and its Project Manager, and outcomes discussed with the successful contractor.

What are the alternative ways of achieving the objectives? Include reasons for not adopting alternative ways.

Due to the likely value of each stage a public tender is likely the only option available to Council.

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)

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.

Over the past couple of years Council has received varying numbers of responses to procurements relating to aquatic centre works. These works predominately relate to pool resurfacing and plant replacements rather than significant redevelopment work. Recent exceptions to this include \$2m - \$3m upgrades at Beerwah and Nambour Aquatic Centres. There have been projects undertaken by others on the Sunshine Coast involving the construction of major aquatic complexes (eg Sunshine Coast Grammar School and St Andrews Anglican College) which have been successfully completed.

Risks:

- **Limited submissions** - The high amount of construction activity being undertaken may prevent some companies from responding.
- **Program** - Contract can't be executed in time to allow completion of works within the proposed timeframes.
- **Budget** - Responses provided by respondents may be greater than Council's budget for this work.
- **Probity** - Significant public interest will increase the likelihood of requests for information / discussions outside of the normal procurement channels.

Proposed mitigations for identified risks:

- **Limited submissions** – public tender process. The size and profile of the project will be attractive to many in the market.
- **Program** – a realistic staged program for the works will be developed.
- **Probity** – All persons involved in the completion of the project will be required to sign a probity declaration.

Undertake an assessment of operational risks relating to the contract/project. Attach details.

1. Pricing variations are considered an ongoing risk and will be mitigated through use of a lump sum contract to deliver the agreed design.
2. The staging of the works may see works being completed whilst the aquatic centre remains open and in use. This creates potential workplace health and safety risks and risks to schedule. WH & S risks will be mitigated by assessing WH & S credentials and performance as part of the tender evaluation process, and through legislative requirements which the contractor will be required to adhere to.

Approvals (prior to resolution)

Position	Name	Signature	Date
Manager Project Delivery	Chris Sturgess		
Manager Business and Innovation	Paul Skillen		