

## 8.0 CHIEF EXECUTIVE OFFICER'S LATE REPORT

### 8.1 VARIATION TO CONTRACT FOR BEAUCHAMP PARK COURT RENEWAL

<b>ATTACHMENTS:</b>	<b>1. IMPLICATIONS</b>
<b>RESPONSIBLE OFFICER:</b>	<b>MELANIE SMITH – COMMUNITY, CULTURE &amp; LEISURE DIRECTOR</b>
<b>AUTHOR:</b>	<b>AMY BARNES – OPEN SPACE PROJECTS OFFICER</b>
<b>CITY STRATEGY OUTCOME:</b>	<b>3.2 – CREATE RECREATION SPACES FOR ALL</b>
<b>MEETING DATE:</b>	<b>8 MARCH 2021</b>

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#### 1. PURPOSE OF REPORT

To seek approval of the variation to the contract sum for J&M Schembri Pty Ltd for court renewal works at Beauchamp Park.

#### 2. OFFICER'S RECOMMENDATION

**That Council approve the variations of \$126,457 ex GST to the contract sum for J&M Schembri Pty Ltd for court renewal works at Beauchamp Park to rectify latent conditions namely the poor quality sub base.**

#### 3. BACKGROUND

Council is the approving authority for a 'variation of contract sum over budget for amounts greater than \$5,000 or 10 per cent of the contract sum (whichever is greater).'

The endorsed project budget for the Beauchamp Park upgrade to the sports court and car park is \$291K and the variation being sought is in excess of 10% due to latent conditions discovered when work commenced on site.

This report seeks Council's approval for that variation.

#### 4. DISCUSSION

The Beauchamp Park sports court is a very popular facility, with high usage for informal basketball games. The adjoining car park provides a valuable amenity for informal users of the oval as well as sports hirers.

On 27 July 2020, Council adopted the *Operational Plan 2020-21*, including a budget of \$120K for the renewal of the sports court surface at Beauchamp Park. On 11 November 2020, as part of the September quarterly budget review; Council approved \$125K for upgrades to the car park that adjoins the Beauchamp Park sports court. The project budget also includes carryover funds of \$46K from 2019/20 PCW giving a total endorsed budget of \$291K.

Of the total endorsed budget of \$291K, \$28k has been spent on related works and services, leaving \$263K available for the contract for the car park and court renewal works. A contract

totalling \$218,254 (ex. GST) was awarded to J&M Schembri Pty Ltd on the 12 January 2021. Variations totalling \$126,457 ex GST are needed, representing 58% of the contract sum.

J&M Schembri Pty Ltd are the listed contractor for asphaltting works on Council's tender panel for 'Civil Works for Roads, Drainage and Footpaths'.

Works commenced on site on the 8 February 2021. After the contractors removed the asphalt surface, it was evident the court had not been well constructed - the sub base is not sound. On 3 March, a trial patch was undertaken which determined substantial works are needed to remediate the base before the asphalt can be re-laid. There was also significant water ponding under the court due to a crack in a pit or pipe upstream.

The variations required are included in Figure 1. The installation of an additional bubbler is in response to a request from Chatswood Junior Rugby Club.

**Figure 1: Beauchamp Park Contract Variations**

Variation	Works	Cost (ex. GST)
1	Removal of 700mm of road base, top soil and clay. Supply and install sandstone boulders to 500mm and compact. Supply and compact 200mm DGB20.	\$107,350
2	Install two additional pits and 20m of 225mm concrete pipe to replace cracked pit and pipe and 60m subsoil drainage.	\$12,537
3	Increase height of wall to retain lawn around court	\$3,470
4	Installation of additional bubbler (not related to the court works)	\$3,100
<b>TOTAL</b>		<b>\$126,457</b>

The contractor is currently on site; however, work has stopped pending the approval of the variations. If the variations are not approved, the resurfacing of the court will have to be abandoned. As the asphalt surface has already been removed, the space is unusable as a court. The works were programmed for completion prior to the start of the Winter sports season in April 2021.

There are spare funds available within the project budget, however an additional \$90K is required to cover the cost of the variations. The additional funds of \$90K are available from savings within the PCW 20/21 program. The transfer of funds will be done at QBR3.

## 5. CONCLUSION

Given the works are already underway it is recommended that the variation of \$126,457 (ex. GST) be approved, increasing the contract sum for J&M Schembri to a total of \$344,711 (ex. GST).

<b>IMPLICATIONS</b>	<b>COMMENT</b>
<b>City Strategy Outcome</b>	3.2 – Create recreation spaces for all
<b>Business Plan Objectives, Outcomes / Services</b>	Forms Part of the 2020-2021 Operational Plan: Open Space Sport.
<b>Policy</b>	Councils <i>Procurement Policy 2019</i>
<b>Consultation</b>	The Operational Plan 2020-21, which included the Beauchamp sports court resurfacing project was publicly exhibited for 28 days from Thursday 11 June to Thursday 9 July.
<b>Resource</b>	Internal staff resources will be used to manage the implementation of the contract variations.
<b>Risk</b>	If the variations are not approved, the resurfacing of the court will have to be abandoned. As the asphalt surface has already been removed, the space is unusable as a court. To avoid this scenario in future, geotech investigations will be undertaken in the planning phase of projects if the sites are on fill, or if there is visible cracking, no matter how fine, which cannot be explained. Geotech investigations typically cost between \$10 – 15k and there is no guarantee that all sub base issues are uncovered through such tests.
<b>Legal</b>	There are no legal implications applicable to this report.
<b>Legislation</b>	There is no legislation applicable to this report.
<b>Budget/Financial</b>	There are spare funds available within the project, however an additional \$90K is required to cover the cost of the variations. The additional funds of \$90K are available from savings within the PCW 20/21 program. The transfer of funds will be done at QBR3.