

## Item 14.6 King Island Hub – Project Update

**Reporting:** Growth & Strategy Manager – Helen Thomas

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### **SUMMARY:**

This report provides an update on the King Island Hub project.

### **DISCUSSION:**

#### Development Application – 38 Lighthouse Street

After a lengthy internal review process and subsequent public exhibition, the development application for 38 Lighthouse Street was considered and approved by Council as the Planning Authority on 6 April 2023. Release of the permit was deferred until Wednesday 12 April to account for the Easter break, with representors afforded the opportunity to lodge any appeal with the Tasmanian Planning Commission within 14 days of the permit being released. No appeals or further representations were submitted meaning the permit stands as issued.

#### Grant acquittal

As reported in October 2022, Council have been working on a variation to the grant deed with the Commonwealth relating to the timing of expenditure for the King Island Hub project. The scope and budget of the project are unchanged, but the timing of expenditure has shifted due to a decision to defer construction works at 10 George Street to align with the construction of the new building at 38 Lighthouse Street.

Approval of the development application for 38 Lighthouse Street and positive progress on identifying a managing contractor for the project means that the project schedule is now close to being confirmed. May will see the forward program, including expenditure, confirmed with the Commonwealth and a variation executed before the end of the financial year.

#### Project Timeframe

Confirmation of the planning approval for 38 Lighthouse St has prompted a review of the project timetable. In assessing the works to be completed, practical completion is anticipated in May / June 2024, with the facilities fully operational and the grant acquitted in full by the end of that calendar year.

#### Project Budget

As at the end of April 2023, a total of \$335k had been spent on the development of the King Island Hub project. This expenditure includes the full suite of consultants required to develop the concept design and inform the development application, as well as a significant portion of the detailed design at 38 Lighthouse Street, as well as the ongoing project management costs. All these expenses have been within the budget allocated for these tasks.

A cost estimate for the works at 38 Lighthouse Street has confirmed that the full scope of works can be completed within the allocated budget.

In reviewing the works planned for 10 George Street, the scope required to comply with the grant deed can be delivered within the approved budget. However, performing this works has some subsequent impacts to the council offices and storage, which need to be addressed, and additional works have been identified which would significantly improve the functionality of the building for various community uses. These additional elements are being examined in some detail and will be discussed further with Council management and the Councillor Working Group before a discussion paper and recommendations are made to Council.

### Procurement

In March, Council invited Expressions of Interest (EOI) for the role of managing contractor on the King Island Hub. This opportunity was advertised in The Mercury, The Age and The Advocate for two consecutive weeks, and online via Council's eProcurement portal, Tenderlink.

Further to this EOI, tenders will be invited in early May with a recommendation for engagement anticipated to be presented to a closed meeting of Council in June 2023. Presenting this recommendation to a closed meeting protects commercial in confidence information of the tenderers. The detail of the successful contractor will be reported in the following month's open agenda within the procurement report.

### **FINANCIAL IMPLICATIONS:**

The project is proceeding within the approved budget, fully funded by the Commonwealth.

### **Recommendation:**

**That Council receive and note the project update report for King Island Hub.**

Moved            Cr D McFie  
                     Cr V Philbey

That Council receive and note the project update report for King Island Hub.

**CARRIED unanimously**

93/23

