16. Major Projects

Item 16.1 CDG1174 King Island Hub - August 2023

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

SUMMARY:
This report provides an update on activity on the King Island Hub through August 2023. This includes:

- Procurement of construction packages for Lighthouse Street site
- Revised date for breaking ground at Lighthouse Street site
- Stakeholder conversations around access to and features of the Lighthouse Street site
- Finalisation of permits for Lighthouse Street site
- Update on program and budget for George Street works

DISCUSSION:

Procurement
Following engagement of the Managing Contractor, the project team are now finalising packages for tender to subcontractors. Requests for Tender and Quote will be coordinated by the Managing Contractor in collaboration with the project team, except for those packages which the Managing Contractor intends to tender for directly. All procurement packages will be issued and reported in accordance with Council's Code for Tenders and Contracts.
Where efficiencies can be achieved, procurement of materials and works packages will be combined for the Lighthouse Street and George Street sites. For example, early consideration is being given purchase to glazing and operable walls.

Lighthouse Street
A review of parliamentary sitting dates at a Federal and State level resulted in a need to change the proposed date for the sod turning ceremony at Lighthouse Street. This is now tentatively scheduled for Monday 30 October, subject to agreement from the Minister's office, expected later in September.
The project team's electrical engineer has continued consideration of the best route for connection of the Hub to the grid and determined that the link into existing services at the Currie Harbour is the most efficient and cost effective to pursue. The detail of how this will best be achieved is now being developed in consultation with Tas Hydro.
A Minor Amendment to the DA approved in April 2023 was submitted in August covering the changes to the site design. A decision on this request is expected in September 2023 and will be required before a building permit can be provided.
The Lions Club of King Island has approached Council with a request to site their proposed Seafarer's Memorial sculpture within the Hub precinct. The project team are now exploring potential locations within the precinct that will best compliment the

objectives of both projects and expect to progress this conversation with Lions over September and October 2023.
It is expected that the pathway immediately in front of the new Hub building will not be accessible while groundworks and construction are underway. Conversations with relevant stakeholders, including Parks & Wildlife Services, King Island Historical Society and King Island Landcare around how to best manage this will be taking place during September and into October, in advance of works commencing on site.
Simmons Wolfhagen are progressing the creation of a Part 5 Agreement to facilitate effective bushfire management at the site. This is expected in September 2023 and will be provided to the Building Surveyor in advance of a building permit being issued.
The project team and Simmons Wolfhagen are still waiting a response from Crown Land Services regarding the removal of the covenant from the title at 38 Lighthouse Street. This is not expected to delay provision of any permits or completion of works.

George Street
The unplanned absence of key staff from the project team during August has meant the review of the budget and program for the George Street works have not yet been completed. These are expected to be provided to the team in September and discussed in more detail at the next PCG, scheduled for 20 September.

Grant acquittal
Council received confirmation of an extension to the program for the King Island Hub from the grant administrators in early August. Confirmation of the variation included acceptance of Milestone Report #1 and approval of the first progress payment of $300,000 ex GST. This payment is now being processed by the Commonwealth and is expected to be received in September 2023.
Progress Report 2 is due on 4 October 2024 and underway with a further $1M payment from the grant administrators expected shortly after that report is accepted.

Operations of King Island Hub
A visit to the Island from Study Hub West Coast during August included discussion about uses of the Hub and Annexe to better support post-secondary education and training on King Island. Further consideration will be given to how such use compliments the purpose of the Hub facility before a decision is made.
Development of an indicative operating budget for the Hub at Lighthouse Street was initiated over August. This will be subject to change as conversation with key stakeholders continues, with an expectation that Councillors will be able to review a draft in advance of preparing Council's FY2024-25 budget.

Quarterly Progress Report
The latest quarterly progress report from the Project Team is attached for information.

FINANCIAL IMPLICATIONS:
The activities detailed above are included within approved budgets, except where indicated otherwise.

ATTACHMENTS:

- Quarterly Project Report – September 2023

Recommendation:

That the King Island Hub Project Report for August 2023 be received and noted.

Moved Cr V Philbey
Cr D McFie

That the King Island Hub Project Report for August 2023 be received and noted.

CARRIED unanimously

189/23

New Insights Australia

KING ISLAND COUNCIL

HUB PROJECT

CLIENT REPORT

September 2023

Prepared for the King Island Council by New Insights Australia

Purpose of this document

The purpose of this document is to report to the King Island Council, Councillor Working Group on the progress of the Hub project.

We have had a busy month managing the consultant team as they gear up for the completion of construction drawings, a building permit and finalisation of the selection of a Managing Contractor.

The format below is as set out to best describe the stages of the project

Milestones and Deliverables update

Project Status

The Council adopted the Project Plan – as shown in the table (below). We are currently progressing work in stage 8. Green indicates progressing as planned, yellow indicates some issues with progress and Red indicates material issues with progress. Traffic light system also takes account of progress against the Project Program/timeline and involves all current activities underway.

Project Stages – 38 Lighthouse St	Project Status
1. Siting of new building	Completed
2. Appointment of consultants	Completed
3. New Hub - concept	Completed
4. Building Design for DA lodgement	Completed
5. Pre-planning & approval process - King Island Council - External planning assessor - Preparing the necessary technical studies to ensure compliance with all regulatory and planning requirements (external technical) - Lodgement/assessment	 Completed Completed Completed Completed for DA

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6. Building Design for Building Permit lodgement	Ongoing Building and Plumbing Approval documents are being finalised for submission to building surveyor this month. Council are processing a DA Minor Amendment. Tas Water approvals are in place. Landscape design is progressing well. Early trade packages (e.g. concrete) have been issued to the Project Manager for Tender, and the programme is being augmented to show other tender package details
7. Titles - King Island Council to request removal of covenant after DA approval	In progress
8. Construction - Appointment of a Managing Contractor	Ongoing King Island Council appointed Evolve Commercial as the Managing Contractor in July, as Tender Summary Report for KIC by Helen Thomas (issued with June report). Larry of EC is now involved in all pre-construction meetings. At time of writing, the Sod-turning ceremony is expected to be 30th October,2023
9. Budget - Value management principles applied to construction budget, projected expenditure still within approved budget including contingency. Forecast will continue to be updated as quotes for subcontractor packages are received.	Ongoing
Project Stages – 10 George St	**Project Status**
1. Appointment of consultants	Completed
2. Stage 1 layout of new works in Town Hall	Completed
3. Costing of new works in Town Hall	Managing Contractor currently pricing
4. Approvals for works	DA for works and owners consent underway

5. Budget	Ongoing
Project Management (across both buildings)	**Project Status**
1. Community consultation - Manage the formal and informal consultative and engagement processes in conjunction with the CEO across all stakeholder groups - Advocate to the internal and external stakeholders	Ongoing Continued discussion with various KI organisations.
2. Funding Agreements - King Island Council to request extension to Grant Deed timeline	Completed
3. Stakeholders - Liaison with Libraries Tas to gauge their interest - Discussions with Lions to sculpture location	Ongoing

The focus for the team, now we have planning approval, is;

- With the assistance of the Managing Contractor (Early Contractor Involvement) complete the design and documentation to 100%
- Obtain a Building Permit
- With the Managing Contractor, obtain competitive pricing from selected sub-contractors for various works packages (concrete package being the priority)
- Update the budget to reflect subbies pricing
- Assist the Managing Contractor on costing and securing all materials for the build
- Progress the removal of the historic covenant
- Do all things necessary to enable the commencement of construction on site
- Continue regular Project Control Group meetings