

### 10.5 BROADVIEW COMMUNITY AND SPORTS HUB - PROJECT UPDATE

**File Number:** IC23/101

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#### EXECUTIVE SUMMARY

The purpose of this report is to provide Council with an update for the Broadview Community and Sports Hub project as the halfway mark of the building works approaches. Whilst there has been strong progress on the site, the program has slipped and it is estimated the builder is currently 6 weeks behind their original contract program.

Council Administration has worked hard to manage and mitigate risks on the project, noting the environmental management methodology (ie contamination approach) employed for the project has been very successful. The transformer procurement via SA Power Networks which was recognised early as a high risk has been managed and will be delivered on time in late June/early July 2023.

There continues to be pressure on the budget, noting that with the additional funds sought in the 2023/24 financial year, a slender contingency will remain to support the completion of the final half of the project (ie 2.6%). The cashflow is tracking consistently with the forecasted targets.

A working group between Council Administration and the Broadview Football Club [BFC] has been established with the objective of working through the key requirements of managing and operating the new facility. This includes the BFC drafting a Business Plan for the key operating requirements of the new building, working through a new Lease, and conditions upon which the BFC will occupy the building. The intent is to have this finalised by August 2023.

The Community Reference Group [CRG] and key stakeholders have held facilitated discussions regarding this project, most recently on 7 June 2023. A key aspect of recent discussions is to work through the naming of the building and the function rooms. The stakeholders' view is that there should be a Kurna name followed by a reference to the English words 'at Broadview' to assist placemaking. Guidance has been sought from Kurna Yerta Aboriginal Corporation [KYAC] to inform the Kurna name based on guiding themes presented to them.

Once finalised a name will be presented to Council for its consideration.

#### RECOMMENDATION

**That Council:**

1. Having considered Item 10.5 Broadview Community and Sports Hub - Project Update receives and notes the report.
2. Supports in principle the recognition of the ongoing broader community benefit associated with access to the functions rooms in the Broadview Community and Sports Hub at discounted rates similar to the Council's other community facilities.
3. Supports in principle that to assist facilitate this discounted community access, and to ensure the appropriate management of high-risk maintenance works, the Council oversee maintenance contracts and are responsible for costs associated with the vertical lift and essential safety provisions (ie exit and emergency light, fire management) which is currently estimated at approximately \$7,000 ex GST per annum.
4. Support maintaining the existing annual Lease rental of \$7,441.46 ex GST (to be adjusted by CPI for 2023/24) to allow Broadview Football Club an adjustment period within the new operating model until 30 June 2024.
5. That the lease includes a rent review adjustment at 30 June 2024 in accordance with actual operating revenue and expenses against those forecasted.

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6. Supports the use of Jack Tredrea MM as the formal name for both Function Rooms A and B (Jack Tredrea MM Room A and Jack Tredrea MM Room B).
7. Notes further information related to the Kaurua building naming, lease, financial due diligence review and artwork will be presented to Council for its consideration in due course.

## DISCUSSION

### Construction Report

The construction works commenced in earnest in January 2023 with the site being established, site fencing and public protection measures implemented, site accommodation installed as well as the walking track modified to maintain 24/7 access for the community to the perimeter of the oval.

The demolition works were completed with minimal disturbance in the existing carpark area and the footprint for the new Hub formed with removal of the asphalt and completion of site earthworks. Excess spoil has been stockpiled on the vacant former croquet club grounds for use in Stage 2 civil works (ie after demolition of the existing clubrooms occurs).

Substructure works including piling, the lift overrun pit, raft footings and the concrete slab have been constructed allowing for the lift shaft and structural steel erection to occur. Once the structural steel was erected metal formwork was placed for the suspended concrete slabs to be poured on level 1. All in ground service infrastructure for the new building has been installed including the grease arrestor, consumer mains power conduits, sewer and stormwater pipework.

Offsite procurement is well advanced with key elements the mechanical shop drawings approved and the lift due in August. The prototype masonry walls have been built and approved, floor and wall samples are approved and ordered, sanitaryware procurement is also underway.

Project images of site progress are provided below as at early June 2023.

### IMAGE 1: SOD TURNING EVENT HELD ON 10 DECEMBER 2023 AT BROADVIEW OVAL/ YARNTA TUTU YARTA





**IMAGE 2: SUPER STRUCTURE PROGRESSION WITH SUSPENDED SLAB PROPPING SHOWN**



**IMAGE 3: SUPERSTRUCTURE FACING EAST WITH LIFT SHAFT VISIBLE & TEMPORARY GRAVEL WALKWAY**

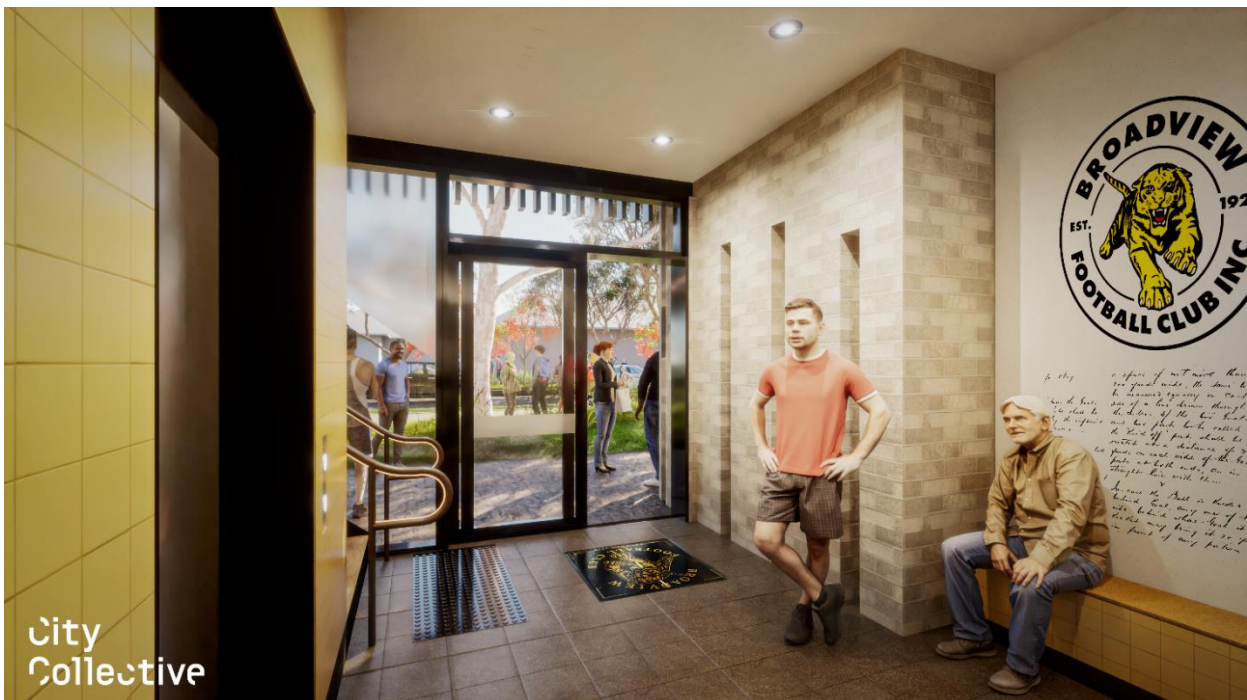




IMAGE 4: FOYER STAIRCASE TO LEVEL 1 AND LIFT SHAFT



IMAGE 5: INDICATIVE MAIN ENTRY FOYER RENDER



### Environmental

To manage the environmental conditions and mitigate potential risks with soil contaminants Council implemented a peer review of the original environmental report by LBW Co and implemented a methodology to manage the site spoil. The surplus spoil was stockpiled on the former croquet club for testing and classification to confirm the material is safe for re-use under the new southern carpark

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and within future landscaping areas. The re-classification also allows for any surplus spoil to be disposed of offsite as Intermediate Waste Fill.

The stockpile assessment undertaken did not identify soil impacts that would pose an unacceptable risk to future human or ecological receptors with the proposed recreational land use. The peer review and methodology has provided a structured approach to managing the spoil, saving costs by storing the spoil and further mitigating a potential cost and program risk allowing the material to be re-used minimising any off-site disposal.

### Programme Update

The Contract program allowed for works to commence in December 2022 allowing for Stage 1 (main building) to be completed by mid-September 2023 and with the Stage 2 (carpark) to be completed by December 2023.

Sarah Constructions [Sarah] commenced on site in late January 2023 to avoid starting some earthworks over the holiday period which could have potentially resulted in dust issues for the residents. In addition, they have lost time through structural steel procurement and their sequencing of the works.

The current analysis identifies the works are 6 weeks behind the Contract program. Sarah's have set a target program to push the works in the final half of the program to attempt to recover lost time. To this end they have split suspended slab concrete pours to provide for earlier access to remove propping and access the ground floor for other trades. Whilst any delay to the project program would result in a slightly later date for Broadview Football Club to access the building, it won't materially impact on their operations given it occurs over the football off-season.

### Project Progress

- Ground floor slab installed.
- Grease arrestor placed.
- Structural steel erection completed.
- Internal concrete stair poured
- South section of the level 1 suspended slab poured.
- South portion of the roof mesh installed.
- Box gutters installed.

### Works to occur in June 2023

- Pour North section of the level suspended slab
- Pour North external concrete stair
- Continue to place roof mesh and box gutters on northern section
- Commence 1<sup>st</sup> fix service to the ground floor.

### SA Power Networks Transformer

The SA Power Networks transformer procurement was identified as 24–30-week lead time for delivery. The project building works tender allowed for the transformer to be installed and completed by July 2023 allowing permanent power supplies for the building to be provided.

This component is being procured directly by the Council and is on target to be installed in late June early July 2023. This item was a potential program risk which has now been mitigated thus ensuring no delays (or delay costs) associated with the delivery of the new building from this key utility infrastructure.

### Risk Management - Construction Risks and Opportunities

Council staff are actively and continually reviewing risks and opportunities for the project to mitigate cost and risks. An updated risk assessment register is attached to this report (**Attachment 1**).

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The construction risks and associated opportunities can be summarised as follows:

Project risks:

- Design and documentation discrepancies – these typical discrepancies evolve as construction progresses and have led to variations for various interfaces.
- Program risks – as outlined in the program the project is currently 6 weeks behind the contract program.

Opportunities:

- Savings in the design have been generated by reviewing opportunities to reduce costs such as re-using good quality toilet / shower partitions from the existing clubrooms for the future Umpires changeroom as well as further value management through substitution for like products (ie Roof Safety System, Sanitaryware, Lighting).

### Design Items

Council staff have briefed the project architects City Collective on the Wayfinding Signage requirements for the new building. This suite of signage proposed will complement the documented regulatory signage within and exterior to the building and specifically addresses accessibility and wayfinding by external perimeter signs, internal information and directional signage.

The wayfinding signage will be presented to Council's Accessibility and Inclusion Group and then the Community Reference Group for feedback in its development. Once agreed the wayfinding signage will be integrated into the project works, funded via the project contingency.

### Building Name and Indigenous Artwork

An action arising from the Community Reference Group was the allocation of a building name, as is within their terms of reference as being able to influence. Whilst Council's civic building, Payinthe, adopted a standalone Kurna name, consensus within the CRG group identified that a Kurna name be supported for the facility, followed by the English name 'Broadview' for general community placemaking.

The options presented were:

- at Broadview
- /Broadview Oval
- /Broadview Oval Precinct
- /Broadview Precinct
- /Broadview Sports Pavilion
- /Broadview Sports Hub

The above is in addition to the Kurna word for either 'Broadview', 'sporting community' or 'teamwork'. City of Prospect has sought guidance from Kurna Yerta Aboriginal Corporation [KYAC] to inform the Kurna name and then adding 'at Broadview' to it. So, the name would be similar to **[insert Kurna word] at Broadview.**

Naming of the two functions rooms (currently Function Room A & B) within the building was also discussed at the CRG meeting and the group requested to provide guidance. Subsequently a 'Naming Lodgement Form' was issued to the CRG members for their consideration and submission to Council. Staff received 2 responses, and one affirmation of the BFC response which were collated. These responses were as follows:

1. Response 1 – Suggestion of Broadview Hub for the building name and Galway Room 1 and Galway Room 2 for the Function Rooms.
2. Response 2 – Suggested a dual Aboriginal and English building name with Broadview included in the name and naming Function Room A the Jack Tredrea MM room and Function room B as the Allen Harris room.

### 3. Response 3 – Supported BFC stated position i.e. Response two (2)

The Broadview Football Club have provided a very detailed overview of an influential past president who also was a decorated returned serviceman Mr Jack Tredrea MM (**Attachment 2**).

There are many options open to the Council in selecting a name for the function rooms, or not, and staff are seeking guidance accordingly. Given the remit of the CRG in their core purpose to assist in the naming of the facility it is not intended that broader consultation occur outside this community representative group.

After internal staff consideration of the options proposed, support for the use of Jack Tredrea MM (Military Medal) to be included as the formal name for both Function Rooms A and B (Jack Tredrea MM Room A and Jack Tredrea MM Room B).

The rationale supporting this recommendation relates to the posthumous nomination of Mr Jack Tredrea MM and future clarity associated with the use of both rooms for large functions concurrently and BFC's ongoing club use of these areas during the football season.

Other naming items which are required to be finalised include:

1. Gymnasium/Fitness Centre – to be named by the future operator reflecting their commercial enterprise (proposed to be shown as Fitness Centre on wayfinding signage)
2. Restaurant – The name to be confirmed by Broadview Football Club reflecting the future commercial enterprise. Broadview Football Club advice sought as to reference as Restaurant / Bistro / Café / Eatery / or similar on wayfinding signage.

There has been discussion within the CRG around inclusion of an Indigenous artwork external to the building near the entry or suspended from a western facing external wall. Separate funding options are being considered as well as grant funding options for this piece. It will likely be a sculpture of some description however the timing and costs are still to be determined. The costs for this artwork will be funded through Council's annual budget allocation to artwork establishment in the City.

Further information on this aspect will be presented to Council in due course.

### **Memorandum of Understanding (MOU) Working Group**

Under the Memorandum of Understanding (MOU) between City of Prospect [CoP] and the Broadview Football Club [BFC] there was a provision for a MOU working group to be established. The objective was to establish a working group to promote and progress the development and to finalise the future Lease, future management of the premises and management agreement.

The MOU group has been working to address the following key elements of the MOU, these include:

#### *1. Facility Working Model:*

A key requirement of the project's Prudential report was to ensure a financial due diligence is undertaken to ensure the financial viability of the new facility. This includes the revenue generating opportunities and operating costs. As part of this due diligence assessment, the working group has broken down the components into the following categories:

- a. Revenue Generating Operations – Currently working through revenue generating components which include food and beverage, gymnasium sub-lease fees and hire fees for functions. The BFC has outlined their forecast for these revenues which will be reviewed by a club affiliated accounting firm Perks Financial Management, who also assist with the North Adelaide Football Club operations.
- b. Maintenance Costs – Council administration has collated via industry costings the annual maintenance costs for the building which will be included within the financial model. To contribute as part of community use for the function rooms Council staff propose the allocation of approx. \$7,000 (ex GST) per year by the Council to cover the essential safety provisions for this site. This recognises the inherent risk associated with these elements of maintenance as well as benefit the community by allowing access to the new function room B at discounted rates (similar to Council's

other facilities). These maintenance elements include the lift, exit and emergency lighting and fire systems (extinguisher and fire hose reels).

- c. Cleaning costs – Industry assessment of the building cleaning and forecast of these costs as part of the financial assessment.
- d. Consumption Costs – Council Administration has engaged with the building services engineers Lucid Engineers to assess the consumption costs for power, water sewer and gas to ensure these costs are as accurate as possible (based on predicated usage) and included within the financial modelling.
- e. Restaurant and Gymnasium operators - BFC have outlined their intent to include a sub-lease for:
  - i. the Kiosk and Restaurant; and
  - ii. the Gymnasium.

BFC is actively seeking registration of interests for operators to lodge their interest and proposals to manage these areas.

### 2. *BFC Business Plan:*

The above items will be included within the BFC's Business Plan to operate the new facility. The business plan will outline the forward planning and level of financial due diligence assessed to ensure the facility, and primary tenant [BFC], are financially successful. The business plan will also include:

- a. Confirmation of the third-party operator for the restaurant and kiosk.
- b. Operating, consumption and cleaning cost forecasts.
- c. Marketing – Approach to sales and marketing for the building to attract patrons into the new building and ensure they are return customers.
- d. Review and Assessment – Inclusion for the frequency of review and assessment of the actual financial performance against the forecasted performance.

The Business Plan development and refinement has been a key focus of the Working Group. Once finalised it will be provided to Dean Newberry and Associates to undertake a Financial Due Diligence Review. The results of this review will be presented to the Council in due course.

### 3. *Lease*

A draft Lease for the new facility has been prepared which is currently under internal review. The focus of the review will include:

- a. The annual lease costs are suggested to be balanced between a fair commercial rate and a cost which is manageable by the club. It is proposed that a honeymoon period be included to maintain the current rate forecast for 2023/24 from the time Broadview Football club take possession (ie likely October 2023) until 30 June 2024.
- b. Substantive Rent Review prior to 30 June 2024 and adjustment made.
- c. Annual Consumer Price Index review of the lease rate and an auditing process for financial performance reporting established.
- d. KPI assessment of the facility performance both financial and non-financial (i.e. community use).
- e. Recognition that community use is a pivotal component of the facility operation.
- f. The building maintenance responsibilities.
- g. A Code of Conduct will also be included outlining patron and operator responsibilities to ensure the community asset and locality is appropriately respected (including required Development Approval conditions embedded).



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Once the terms of the lease have been without prejudice resolved by the working group it will be presented to the Council for its consideration. It is imperative that this occurs prior to occupation of the new facility by the BFC (ie October 2023) and remains a critical path item for finalisation.

### Implications, Related Questions and Further Information

#### Financial Update

The fourth progress claim has been received and approved for payment. The value of works claimed, assessed, certified and completed to 30 May 2023 are \$1,337,435 (ex GST).

Project contingency continues to be closely managed with a remaining balance of 2.6% with the inclusion of funding allocated in the 2023/2024 Annual Business Plan.

**TABLE 1: FINANCIAL SUMMARY OVERVIEW**

| <b>30 May 2023</b>              | <b>Current Costs (excl GST)</b> |
|---------------------------------|---------------------------------|
| Consultant Fees                 | \$529,585.96                    |
| Construction Costs              | \$1,337,435                     |
| Approved Variations             | \$2,700                         |
| Submitted Variations            | \$46,092                        |
| <b>Total ex GST</b>             | <b>1,915,812.96</b>             |
| Remaining Contingency           | 2.6%                            |
| Percentage Complete (Financial) | 28%                             |
| Percentage Complete (Time)      | 46%                             |

*(The specific financial figures associated with project including variation adjustments and contingency are 'in confidence' and should not be disclosed publicly as it relates to the Council's commercial sensitivities of this information).*

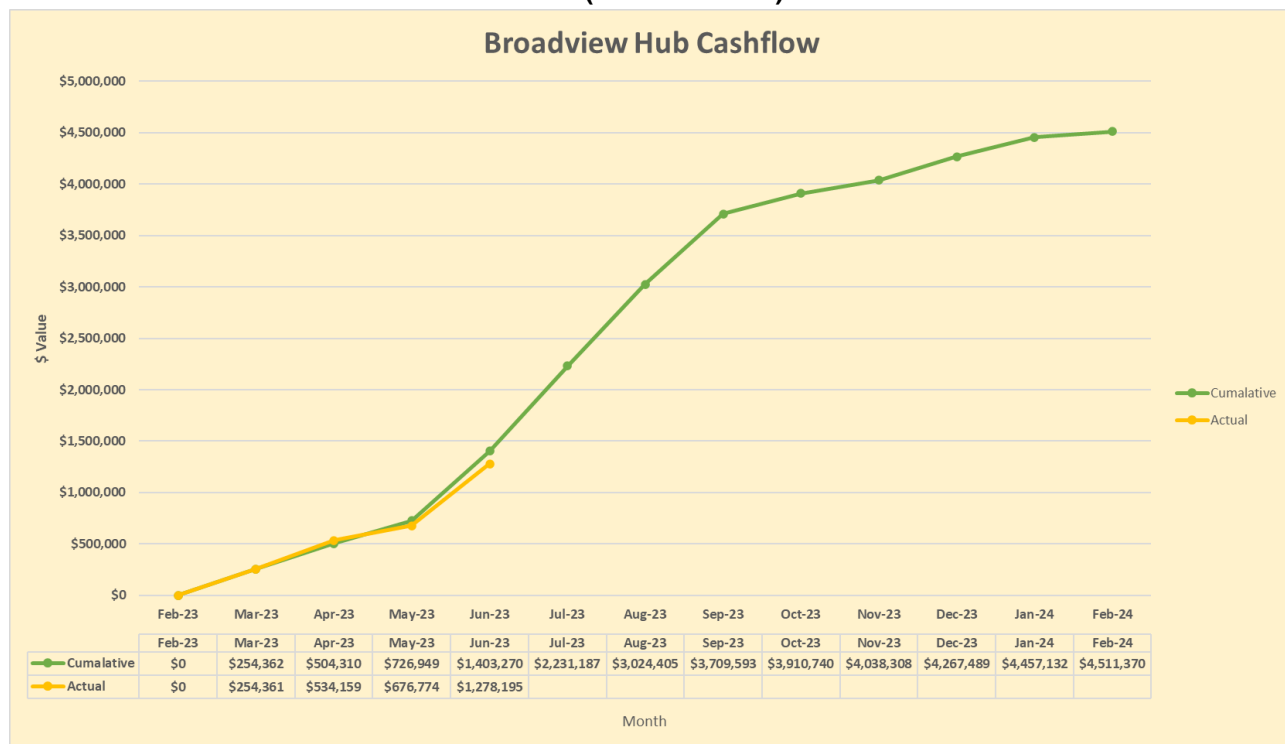
The Broadview Football Club contribution to the project, which equates to approximately \$250,000 (ex GST), has been spilt into two components. The direct financial contribution of \$107,000 which will be invoiced by and paid to City of Prospect by 30 June 2023. The balance of their contribution will be direct procurement and fit out of specific areas such as the Kiosk, Kitchen, Gym and function areas. This has been formalised by way of an executed 'Capital Works Contribution Agreement' between the Broadview Football Club and City of Prospect.

Some adjustment to the cash contribution is likely based on 'carve out' scope which the BFC are likely to manage themselves via third party providers. There will no financial impact to the Council by way of these carve out scope items.

#### Project Cashflow

The actual progress claim values for the project is tracking within reasonable variance of the forecast values. We have presented this in the below cashflow graph.

**FIGURE 1: PROJECTED CASHFLOW GRAPH (GST exclusive)**



## Relevance to Core Strategies / Policy

### Community Plan: Towards 2040

#### Connected & Caring

##### FY 20/21 Measures

CC1.7 Foster new connections through community programs to support the community to recover from COVID-19

##### 2 to 5 year timeline

CC2.2 Facilitate new bars, cafes, restaurants and other businesses which diversify our local offerings

CC2.4 Ensure greater recognition and support of precincts and neighbourhood gathering places such as Collinswood Precinct, Broadview Sports and Recreation Precinct / Yarrta Tutu yarta, Nailsworth Hall, Charles Cane / Parndo yerta Reserve, Howard Street precinct across the City:

CC2.4.1 Make these great places and create promotional campaigns

CC2.4.2 Install wayfinding signage (and 'digital trails') in key locations to highlight important and historic sites, as well as shopping and recreational opportunities in those neighbourhoods

CC2.4.3 Develop new place-making and urban renewal initiatives in those neighbourhoods

CC2.4.4 Facilitate the attraction of a key 'anchor' or 'hero' business to each of those key locations

#### Active & Engaged

##### FY 20/21 Measures

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- AE1.2 Develop model governance frameworks for sporting and community groups to facilitate greater opportunities for involvement and access by residents to their facilities across the city

### **► Creative & Innovative**

#### **FY 20/21 Measures**

- CI1.1 Deliver a Public Art Program (including through grants) to improve key public areas throughout the city for Prospect residents, businesses and visitors

#### **2 to 5 year timeline**

- CI2.1 Attract an anchor business to enhance the innovation brand of our City

## **ATTACHMENTS**

1. **Project Risk Register**
2. **Overview - Mr Jack Tredrea MM**