

# COUNCIL REPORT

2nd Ordinary Council Meeting

<b>AGENDA ITEM:</b>	13.1.2
<b>REPORT TITLE:</b>	Local Government Priority Infrastructure Grant Update - Archer Transfer Station Upgrade
<b>MEETING DATE:</b>	Tuesday 15 November 2022
<b>AUTHOR:</b>	Director Finance and Governance, Wati Kerta
<b>APPROVER:</b>	Director Finance and Governance, Wati Kerta

## COMMUNITY PLAN

Governance: Council is trusted by the community and invests in things that the public value.

## PURPOSE

This Report seeks Council endorsement of the Local Government Priority Infrastructure Fund grant partial acquittal for Stage 1 upgrade of the Archer Waste Management Facility.

## KEY MESSAGES

- City of Palmerston (CoP) successfully applied for a grant of \$400,000 for the upgrade of the Archer Waste Transfer Facility (AWTF) under the 2020-2021 Local Government Priority Infrastructure Fund (PIF) administered by the NT Government.
- CoP requested an extension for the grant on 29 October 2021, which was approved on 16 November 2021, by the Northern Territory Government with revised dates for project completion of 31 August 2022 and funding acquittal of 30 September 2022.
- A further extension will be requested to revise the project completion to 30 September 2023 and the date for funding acquittal to 31 October 2023.
- Project progress includes various site preparatory works, completion of Preliminary Engineering Design, Engineering Surveys and progression of Detailed Design.

## RECOMMENDATION

1. THAT Report entitled Local Government Priority Infrastructure Grant Update - Archer Transfer Station Upgrade be received and noted.
2. THAT Council approve the partial acquittal report at **Attachment 13.1.2.1**, for expenditure up to 30 August 2022.

## BACKGROUND

City of Palmerston (CoP) successfully applied for a grant for the upgrade of the Archer Waste Transfer Facility (AWTF) under the 2020-2021 Local Government Priority Infrastructure Fund administered by the NT Government Department of The Chief Minister and Cabinet.

The project for Stage 1 upgrade of AWTF was estimated at \$1.1 million. The project budget comprised grant funding of \$400,000 and a financial contribution from Council of \$700,000, funded from the Waste Management Reserve. The project scope for Stage 1 includes: design, relocation of gate house, construction of recycling area (no roof), and construction of general waste push-pit area (with roof).

CoP was advised of the successful grant application on 20 April 2021. Acceptance of the grant was signed by CoP on 6 May 2021. Revised grant requirements included a project status report due 31 August 2021 and grant funding to be fully expended by 31 October 2021. Grant guidelines also required that all acquittals must be laid before a Council meeting for formal ratification and that a copy of the minutes must be provided with the acquittal.

CoP sought an extension to the grant on 29 October 2021 and this was approved on 16 November 2021. The extension was sought on the information that the original tender for the design and construction works received no responses, which necessitated Council to proceed with a public quotation to engage a suitably qualified consultant to complete the design portion of the project. The NT Government Department of The Chief Minister and Cabinet extended the date for project completion to 31 August 2022 and the date for funding acquittal to 30 September 2022.

## **DISCUSSION**

The project for Stage 1 upgrade of AWTF remains in progress and a further extension of the grant for both the completion date and the final acquittal due date is being requested. A letter to the Department has been written to seek further extension.

The project costs to date amount to \$167,521.80, as shown **Attachment 13.1.2.1** and **Attachment 13.1.2.2**.

Project delays are being experienced due to constraints of staffing, consultants and contractors being able to undertake works in a timely manner due to the wider skills shortage. The detailed design is currently underway and, when completed, will be used to develop a tender for construction which is planned to be undertaken in the 2023 dry season.

To allow enough time to complete the detailed design, undertake the tender process for construction and for construction to be undertaken in the 2023 dry season, an extension of the grant is required. To achieve this, an extension will be sought from the NT Government Department of The Chief Minister and Cabinet for project completion to 30 September 2023 and the date for funding acquittal to 31 October 2023.

Additionally, regular updates regarding the project are provided within the monthly Major Capital Projects Report and Infrastructure Quarterly Reports.

A partial acquittal in line with the approved 31 August 2022 extension was due by 30 September 2022 and is attached for endorsement for works completed to date. A request for extension for the project completion and final acquittal to the 31 October 2023 will also be made.

## **CONSULTATION PROCESS**

The following City of Palmerston staff were consulted in preparing this Report:

- City Sustainability Manager

There was no consultation with external parties required during the preparation of this Report.

## **POLICY IMPLICATIONS**

Council Policy *FIN04 Procurement Policy* recognises a minimum of 20% weighting to local content, and due to the grant conditions the NTG requires 30% weighting, however this can be accommodated.

## **BUDGET AND RESOURCE IMPLICATIONS**

There are no additional budget considerations in addition to those already included in the initial grant sought and approved.

## **RISK, LEGAL AND LEGISLATIVE IMPLICATIONS**

There is a risk that the extension may not be granted, and the Council would lose the opportunity for the financial support and improved outcomes.

This Report addresses the following City of Palmerston Strategic Risks:

**1 Fails to be trusted as a Council**

Context: Achieving credibility & trust with majority of those within and external to the City.

**5 Fails to make informed and timely decisions**

Context: Ensuring the City and Administration with decision making delegation have access to the right information, at the right time to make decisions on a timely basis.

## **ENVIRONMENT SUSTAINABILITY IMPLICATIONS**

At project completion the re-developed AWTF will feature a more appealing and functional waste recycling area that is expected to increase both recycling and resource recovery. A proportionate reduction in general waste disposed of to landfill is also expected to be achieved.

The new general waste push-pit design will also mitigate the fall from heights safety risk associated with current general waste disposal arrangement where members of the public dispose general waste into hook lift bins from an elevated tip face.

## **COUNCIL OFFICER CONFLICT OF INTEREST DECLARATION**

I the author and approving officer declare that I do not have a conflict of interest in relation to this matter.

## **ATTACHMENTS**

1. PIF Grant Accepted 2020-21 Archer - Acquittal [13.1.2.1 - 1 page]
2. Transactions summary\_-\_ Archer Upgrade 2022 [13.1.2.2 - 1 page]

# City of Palmerston

## Acquittal of Local Government Priority Infrastructure Fund 2020-21

File Number: LGR2014/00187

**Purpose of Grant:** Towards Stage 1 upgrade of the Archer Waste Management Facility. Works to include: design, relocation of gate house, construction of recycling area (no roof) and construction of general waste push-pit area (with roof).

Application Number: PIF2100028

Purchases were in accordance with the Northern Territory Buy Local Plan:  Yes  No  
(If no please provide an explanation with this acquittal)

### INCOME AND EXPENDITURE ACQUITTAL FOR THE PERIOD ENDING 31 OCTOBER 2021

Local Government Priority Infrastructure Fund	\$400,000 (ex GST)
Other income/council contribution	<u>\$700,000</u>
Total income	<u>\$1,100,000</u>
Expenditure (Specify accounts and attach copies of ledger entries) An 'administration fee' is not to be apportioned to the grant for acquittal purposes.	
	<u>\$167,521.80</u>
Total Expenditure	<u>\$167,521.80</u>
Surplus/(Deficit)	<u>\$ 932,478.20</u>

IS THE PROJECT COMPLETE:  Yes  No

We certify, in accordance with the conditions under which this grant was accepted, that the expenditure shown in this acquittal has been actually incurred and reports required to be submitted are in accordance with the stated purpose of this grant.

Acquittal prepared by: Wati Kerta 31 / 10 / 2022

Laid before the Council at a meeting held on 15 / 11 / 2022 Copy of minutes attached.

CEO or CFO: \_\_\_\_\_ \_\_\_\_/\_\_\_\_/\_\_\_\_

### DEPARTMENTAL USE ONLY

Grant amount correct:  Yes  No

Expenditure conforms to purpose:  Yes  No

Capital Works – Bought from Territory Enterprise:  Yes  No

Minutes checked:  Yes  No

Balance of funds to be acquitted: \_\_\_\_\_

Date next acquittal due: \_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_

ACQUITTAL ACCEPTED:  Yes  No

Acquittal checked by: \_\_\_\_\_ \_\_\_\_/\_\_\_\_/\_\_\_\_

Comments:

Donna Hadfield, Manager Grants Program \_\_\_\_\_ \_\_\_\_/\_\_\_\_/\_\_\_\_

# COUNCIL AGENDA Attachment 13.1.2.2

Posting Date	1/07/2019..30/06/2023
Project Code	PR110310
Department Code	*
Cost Centre Code	*
Account Number	4002_4003

Original Budget	\$
1st Review	\$
2nd Review	\$
3rd Review	\$
AD Hoc Review	\$
Revised Budget	\$

YTD Actuals	\$	167,521.80
Commitments (POs Raised)	\$	243,833.36
Total	\$	411,355.16

Department Code	Costcentre Code	G/L Account No.	Project Code	Posting Date	Doc. Date	Doc. No	PO No.	Amount	Description	Invoice No.	Vendor No.	Vendor Name	Purchaser	Invoice Description	Financial Year
TECH019	712	4002	PR110310	11/08/2021	11/08/2021	GI316255		\$ 10,010.40	Tender Documents Development AWMF PINV16116						2022
TECH019	712	4003	PR110310	29/10/2021	4/10/2021	PINV163192	PO132953	\$ 39,250.00	Consultant for Civil Design of AWMF Renewals	101019	V02009	Golder Associates Pty Ltd	KATIEO	Consultant for Civil Design of AWMF Renewals	2022
TECH019	712	4002	PR110310	8/12/2021	30/11/2021	PINV163971	PO136155	\$ 1,600.00	Install 34 Wheel Stops at Archer Waste Facility	2057	V01936	Arjays Sales & Services Pty Ltd	SIDG	Install 34 Wheel Stops at Archer Waste Facility	2022
TECH019	712	4002	PR110310	8/12/2021	30/11/2021	PINV163972	PO136039	\$ 25,147.80	Civil Works - Archer road widening for gatehouse	57130	V00773	Akron Group NT Pty Ltd	DAMIENS	Civil Works - Archer road widening for gatehouse	2022
TECH019	712	4002	PR110310	9/12/2021	30/11/2021	PINV164034	PO136155	\$ 1,945.00	Install 34 Wheel Stops at Archer Waste Facility	2057 BALANCE	V01936	Arjays Sales & Services Pty Ltd	SIDG	Install 34 Wheel Stops at Archer Waste Facility	2022
TECH019	712	4002	PR110310	18/02/2022	18/02/2022	GI316492		\$ 13,369.60	Tender Documents Dev AWMF PINV162248 - PO134631						2022
TECH019	712	4003	PR110310	24/03/2022	18/02/2022	PINV166359	PO135061	\$ 995.00	Surplus: Scope fo Works for Archer Redevelopment T	INV20270	4538	Byrne Consultants	PETERL	Phase 1 : preliminary Concept	2022
TECH019	712	4003	PR110310	24/03/2022	18/02/2022	PINV166359	PO135061	\$ 11,740.00	Scope fo Works for Archer Redevelopment Tender	INV20270	4538	Byrne Consultants	PETERL	Phase 1 : preliminary Concept	2022
TECH019	712	4002	PR110310	30/06/2022	18/03/2022	PINV169214	PO138919	\$ 21,193.00	Archer Waste Facility Transfer Station Upgrade Design	INV20298	4538	Byrne Consultants	MEGHAN	Archer Waste Facility Transfer Station Upgrade Design	2022
TECH019	712	4002	PR110310	30/09/2022	7/06/2022	PINV171373	PO139935	\$ 42,371.00	Detailed Design AWTF Renewals	INV20440	4538	Byrne Consultants	MEGHAN	Detailed Design AWTF Renewals	2023
<b>TOTAL</b>								<b>\$</b>	<b>167,521.80</b>						

Outstanding commitments	\$	243,833.36	Detailed Design AWTF Renewals
Total Actuals including commitments	\$	<u>411,355.16</u>	