

OFFICERS' REPORT**6.3a JACK EDWARDS RESERVE TURF PITCH – ELECTRONIC SCOREBOARD INSTALLATION**

Submitting Councillor: Cr Stuart James

MOTION

That Council agree to waive project management fees, electrical and geo-technical costs estimated to be \$12,700 in lieu of the club's \$15,000 capital contribution associated with the delivery of a new electronic scoreboard at Jack Edwards Reserve, West Turf Oval.

BUDGET IMPLICATIONS

Oakleigh Cannons Football Club received a \$50,000 grant from the Department of Sport and Recreation to install an electronic scoreboard at Jack Edwards Reserve. Oakleigh Cannons Football Club has advised that they will be supplying all steel required for the electronic scoreboard installation estimated at to cost approximately \$15,000 as their total contribution toward the cost of the project and requested that Council fund the remaining costs associated with the project.

The expected total cost of the project is outlined below:

Scoreboard	\$50,000
Steelwork	\$15,000
Electrical	\$ 8,000
Geo-tech	\$ 1,000
Total Construction cost	\$74,000
Project Management Fee	\$ 3,700
Contingency	\$ 7,400
Total Project Cost:	\$85,100

Project management costs are required to cover the cost of Council resources required to oversee the planning, design and construction of projects. Costs are applied at a flat rate of 5% of all club initiated projects on the basis that clubs have already completed all pre-planning and design work.

Under Council guidelines, clubs are responsible to pay for all costs for the installation of electronic scoreboards, including a 5% project management fee and 10% contingency fee payable to Council. Clubs receive any unspent contingency funds at the end of the project. All clubs are required to sign an Electronic Scoreboard Agreement that sets out the terms and conditions of the installation and ongoing maintenance.

On this basis, the club has sought Council support to fund all costs of the project beyond the actual scoreboard and steelwork. The additional costs for the project total \$20,100 and comprise of:

- Electrical and Geo-tech \$9,000
- 5% project management \$3,700
- 10% Contingency \$7,400

IMPACT ON INTERNAL RESOURCES

Project management is a specialist resource that oversees the appropriate planning, design, and construction of a project including permits and commissioning. It is an essential element of every project that protects the integrity and safety of all involved. Project management services within Council are costed directly back to the delivery of capital works.

COUNCIL PLAN AND COUNCIL POLICIES

In accordance with Council guidelines and its Facility Development Program, clubs are responsible to pay for all costs for the installation of electronic scoreboards, including a 5% project management fee and 10% contingency to Council. Clubs receive any unspent contingency funds at the end of the project.

As part of the program, all clubs are required to sign an Electronic Scoreboard Agreement to allow the structure to be erected on Council land. The Agreement sets out the terms and conditions of the funding, installation, ongoing maintenance and renewal.

Council has received more than \$86,000 in project management fees from fourteen projects delivered in partnership with clubs as part of the Facility Development Program within the current term of this Council. A decision to support the Oakleigh Cannons Football Club's request is likely to prejudice past and future decisions and Council's ability to recover project management costs for club initiated projects that may or may not be a priority of Council.

RELEVANCE TO WORK ALREADY UNDERTAKEN BY OFFICERS OR COMMITTEES

Appropriate project management resourcing is required to ensure all projects are completed in a timely and responsible manner and in the interests of Council and the community.