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**I hereby give notice that a Confidential Special Council Meeting will be held on:**

**Date: Monday, 3 June 2019**  
**Time: 5.30 p.m.**  
**Location: Council Chamber**  
**Civic Centre**  
**10 Watson Terrace**  
**Mount Gambier**

# **AGENDA**

## **Confidential Special Council Meeting** **3 June 2019**

**Andrew Meddle**  
**Chief Executive Officer**

**31 May 2019**

## 4 NEW CONFIDENTIAL ITEMS

### 4.1 COMMUNITY AND RECREATION HUB - MECHANICAL PLANT FEASIBILITY STUDY – REPORT NO. AR19/27041

#### CONSIDERATION FOR EXCLUSION OF THE PUBLIC

Pursuant to section 90(2) of the *Local Government Act 1999* the Council orders that all members of the public, except Mayor L Martin, Councillors K Amoroso, M Bruins, B Hood, P Jenner, C Greco, S Mezinac, F Morello and S Perryman and Council Officers A Meddle, B Cernovskis, P Lee, N Serle, S McLean, H Gajic and A Lavia be excluded from attendance at the meeting for the receipt, discussion and consideration in confidence of Agenda Item 4.1 AR19/27041 Community and Recreation Hub - Mechanical Plant Feasibility Study.

The Council is satisfied that, pursuant to section 90(3) (b) and (k) of the Act, the information to be received, discussed or considered in relation to the Agenda Item is:

- information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the Council is
  - conducting business; or
  - proposing to conduct business; or
  - to prejudice the commercial position of the Council
- tenders for the:
  - supply of goods, or
  - the provision of services, or
  - the carrying out of works

The Council is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because the information contained in the report and to be discussed includes detailed costings and other information relevant to the specification and assessment of a tender submission which, if disclosed, is considered to reasonably confer an advantage on tender respondents and accordingly prejudice the commercial position of Council and therefore not be in the public interest as tender submissions may be unduly influenced and detrimental to achieving best value for the community.



**4.1 COMMUNITY AND RECREATION HUB - MECHANICAL PLANT FEASIBILITY STUDY  
– REPORT NO. AR19/27041**

<b>Committee:</b>	<b>Council</b>
<b>Meeting Date:</b>	<b>3 June 2019</b>
<b>Report No.:</b>	<b>AR19/27041</b>
<b>CM9 Reference:</b>	<b>AF13/64</b>
<b>Author:</b>	<b>Heidi Gajic, Community Development and Engagement Officer</b>
<b>Authoriser:</b>	<b>Barbara Cernovskis, General Manager Community Wellbeing</b>
<b>Summary:</b>	<b>Recommendation for preferred mechanical plant to be included in the detailed design of the Community and Recreation Hub presented for Council consideration.</b>
<b>Community Plan Reference:</b>	<b>Goal 1: Our People</b> <b>Goal 3: Our Diverse Economy</b> <b>Goal 4: Our Climate, Natural Resources, Arts, Culture and Heritage</b>

The Council is satisfied that, pursuant to Section 90(2) & (3) of the *Local Government Act 1999*, the information to be received, discussed or considered in relation to this agenda item is:

- (b) information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the Council is conducting business; or proposing to conduct business; or to prejudice the commercial position of the Council
- (k) tenders for the: supply of goods, or the provision of services, or the carrying out of works.

**REPORT RECOMMENDATION**

1. That Council Report No. AR19/27041 titled 'Community and Recreation Hub - Mechanical Plant Feasibility Study' as presented on 03 June 2019 be noted.
2. That Council accept the recommendation presented in the report and endorse Option 5 (Heat recovery chillers, CHW/HHW AHUs) and the Hydronic Floor Heating system as the mechanical plant to be included in the detailed design of the Community and Recreation Hub.



## BACKGROUND

In preparation for completion of the detailed design for the Community and Recreation Hub the architects, DesignInc and Co-Op Studios have engaged specialised consultants to undertake site investigations and feasibility studies into various elements of the facility.

Rudds Consulting Engineers have been contracted to complete a Mechanical Plant Feasibility Study for the new facility.

## DISCUSSION

Rudds Consulting Engineers reviewed the various options available for the heating/cooling plant to service the Community and Recreation Hub considering the following factors:

- Capital Cost
- Spatial provisions for plant installations
- Infrastructure requirements
- Operating and maintenance costs
- Whole of life analysis based on 25 years

The following five options are presented for consideration:

- Option 1: Gas Fired Boilers, HHW AHU's for aquatic centre, DX air conditioning remainder facility
- Option 2: Heat Pump Chillers, HHW AHU's for aquatic centre, DX air conditioning remainder facility
- Option 3: Wood Fire Pellet Boilers, HHW AHU's for aquatic centre, DX air conditioning remainder facility
- Option 4: Geothermal, Heat Recovery Chillers, CHW/HHW AHU's
- Option 5: Heat Recovery Chillers, CHW and HHW AHU's

	Option 1	Option 2	Option 3	Option 4	Option 5
<b>Initial Capital Cost</b>	\$1,653,000	\$1,844,000	\$1,950,000	\$3,960,000	\$1,713,000
<b>Midlife Maintenance Upgrade / Replacement</b>	\$537,000	\$567,000	\$537,000	\$135,000	\$135,000
<b>Annual Operating Costs</b>	\$109,100	\$82,400	\$170,565	\$58,000	\$74,000
<b>Annual Maintenance Costs</b>	\$24,300	\$15,600	\$13,600	\$18,400	\$15,600
<b>NPV Factor</b>	4%	4%	4%	4%	4%
<b>25-year Life Cycle Cost NPV</b>	\$5,525,000	\$7,091,140	\$6,005,000	\$6,005,000	\$4,088,000

After analysis of the above mentioned options, Rudds Consulting Engineers recommendation is Option 5 (Heat recovery chillers, CHW/HHW AHUs), based on the annual operating costs and 25 year life cycle cost. This option offers an all-electric solution for the building which can benefit from the solar PV system proposed in the future and won't be influenced by escalating gas prices.

A significant benefit of utilising a heat recovery chiller (which provides simultaneous heating and cooling) is that the air handling systems serving the pool area can incorporate dehumidification. Dehumidification of air will assist to maintain healthy and comfortable humidity levels in the space,



reducing the likelihood of mould, mildew and bacteria. Another additional benefit of dehumidification is the prevention of interior damage by removing the excess moisture, avoiding standing water on floors, walls and ceilings, and preventing corrosion of metal, wood and paint.

The feasibility study also recommends consideration be given to the inclusion of a Hydronic Floor Heating System in the facility at a cost of \$108,500.00. This system will ensure the pool concourse and change room floors remain dry reducing ongoing maintenance, potential slip hazards and contribute to ongoing efficiencies with cleaning, maintenance costs over the life of the facility that do not compromise public health.

## **CONCLUSION**

Whilst it is acknowledged that Option 5 (Heat recovery chillers, CHW/HHW AHUs) and the inclusion of a Hydronic Floor Heating system will attract additional capital costs in the vicinity of \$168,500, Council Administration consider that the public health benefits and ongoing efficiencies with operational costs make this the best option from a whole of life perspective.

## **ATTACHMENTS**

1. Council Report - Community and Recreation Hub - Mechanical Plant Feasibility Study 03/06/2019 Special Confidential [↓](#)



**CONSIDERATION FOR KEEPING ITEMS CONFIDENTIAL**

1. In accordance with Sections 91(7) and 91(9) of the *Local Government Act 1999* the Council orders that the report 4.1 AR19/27041 Community and Recreation Hub - Mechanical Plant Feasibility Study and its attachments, the discussion and the resolution/s and minutes arising from the report, having been considered by the Council in confidence under Section 90(2) & (3) (b) and (k) be kept confidential and not available for public inspection until a contract has been executed in relation to the matter.
2. Further that Council delegates the power of review revoke, but not the extension, of the confidential order to the Chief Executive Officer on a monthly basis in accordance with the provisions of Section 91(9)(c) of the *Local Government Act 1999*.

CONFIDENTIAL

**MINUTES OF CONFIDENTIAL SPECIAL COUNCIL MEETING  
HELD AT THE COUNCIL CHAMBER, CIVIC CENTRE,  
10 WATSON TERRACE, MOUNT GAMBIER  
ON MONDAY, 3 JUNE 2019 AT 5.35 P.M.**

**PRESENT:** Mayor Lynette Martin (OAM), Cr Kate Amoroso, Cr Max Bruins, Cr Ben Hood (arrived at 5:52 pm), Cr Sonya Meziniec, Cr Frank Morello, Cr Steven Perryman (arrived at 5:39 pm)

**OFFICERS  
IN ATTENDANCE:**

Chief Executive Officer	-	Mr A Meddle
General Manager Community Wellbeing	-	Ms B Cernovskis
General Manager Council Business Services	-	Mrs P Lee
General Manager City Infrastructure	-	Mr N Serle
Manager Executive Administration	-	Mr M McCarthy
Community Development and Engagement Officer	-	Mrs H Gajic
Executive Administration Officer	-	Ms A Lavia

**4 NEW CONFIDENTIAL ITEMS**

**4.1 COMMUNITY AND RECREATION HUB - MECHANICAL PLANT FEASIBILITY STUDY  
- REPORT NO. AR19/27041**

**RESOLUTION 2019/125**

Moved: Cr Max Bruins  
Seconded: Cr Kate Amoroso

**CONSIDERATION FOR EXCLUSION OF THE PUBLIC**

Pursuant to section 90(2) of the *Local Government Act 1999* the Council orders that all members of the public, except Mayor L Martin, Councillors K Amoroso, M Bruins, S Meziniec, F Morello and S Perryman and Council Officers A Meddle, B Cernovskis, P Lee, N Serle, H Gajic, M McCarthy and A Lavia be excluded from attendance at the meeting for the receipt, discussion and consideration in confidence of Agenda Item 4.1 AR19/27041 Community and Recreation Hub - Mechanical Plant Feasibility Study.

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The Council is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because the information contained in the report and to be discussed includes detailed costings and other information relevant to the specification and assessment of a tender submission which, if disclosed, is considered to reasonably confer an advantage on tender respondents and accordingly prejudice the commercial position of Council and therefore not be in the public interest as tender submissions may be unduly influenced and detrimental to achieving best value for the community.

**CARRIED**

**RESOLUTION 2019/126**

Moved: Cr Max Bruins

Seconded: Cr Sonya Mezinec

1. That Council Report No. AR19/27041 titled 'Community and Recreation Hub - Mechanical Plant Feasibility Study' as presented on 03 June 2019 be noted.
2. That Council accept the recommendation presented in the report and endorse Option 5 (Heat recovery chillers, CHW/HHW AHUs) and the Hydronic Floor Heating system as the mechanical plant to be included in the detailed design of the Community and Recreation Hub.

**CARRIED**

Cr Steven Perryman entered the meeting at 5:39 pm

**RESOLUTION 2019/127**

Moved: Mayor Lynette Martin

Seconded: Cr Sonya Mezinec

**CONSIDERATION FOR KEEPING ITEMS CONFIDENTIAL**

1. In accordance with Sections 91(7) and 91(9) of the *Local Government Act 1999* the Council orders that the report 4.1 AR19/27041 Community and Recreation Hub - Mechanical Plant Feasibility Study and its attachments, the discussion and the resolution/s and minutes arising from the report, having been considered by the Council in confidence under Section 90(2) & (3) (b) and (k) be kept confidential and not available for public inspection until a contract has been executed in relation to the matter.
2. Further that Council delegates the power of review revoke, but not the extension, of the confidential order to the Chief Executive Officer on a monthly basis in accordance with the provisions of Section 91(9)(c) of the *Local Government Act 1999*.

**CARRIED**

