

3.1 NORWOOD OVAL ELECTRICAL TRANSFORMER UPGRADE PROJECT

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FILE REFERENCE:	qA126150
ATTACHMENTS:	Nil

PURPOSE OF REPORT

The purpose of the report is to present for the Council's consideration, information regarding the upgrade and costs associated with the Norwood Oval Electrical Transformer Project.

BACKGROUND

In April 2023, the Norwood Oval was the only metropolitan Council to host two (2) matches as part of the inaugural Australian Football League (AFL) Gather Round. In order to secure Norwood Oval as a venue, a number of improvements to the facilities at the Norwood Oval were undertaken by the Council (ie. new food outlet/kiosk, kitchen, coaches' boxes and media boxes).

Based on the success of the 2023 AFL Gather Round held at the Norwood Oval, the Council at its meeting held in May 2023, resolved to express an interest to the AFL and the State Government to be involved in the 2024 Gather Round.

Following the completion of the re-development of the Norwood Oval and the additional upgrades undertaken for the 2023 Gather Round, an assessment of the existing electrical infrastructure at the Norwood Oval was undertaken. The assessment identified that the electrical supply to the facility is not adequate to operate the oval at full capacity. The existing transformer is limited to 667A and the metering results indicate a site peak demand between 730A-800A. As a result, it was necessary for the Council and AFL to hire and use generators as backup for the 2023 Gather Round games played at the Norwood Oval.

An allocation of \$250,000 was therefore included as part of the 2023-2024 Annual Business Plan & Budget for the upgrade of the transformer to ensure the Oval can operate at full capacity without the need to hire back-up generators. The Project includes the design and installation of a new transformer and upgrade of the main switchboard and cabling.

RELEVANT STRATEGIC DIRECTIONS & POLICIES

CityPlan 2030: Shaping Our Future

The Outcomes, Objectives and Strategies of the Council's *CityPlan2030: Shaping Our Future – Mid Term Review 2020* that are relevant to this Project are provided below:

Outcome 1: Social Equity

Objective 1.1: Convenient and accessible services, information and facilities.

Strategy 1.1.2 Maximise access to services, facilities, information and activities.

Outcome 2: Cultural Vitality

Objective 2.1: An artistic, creative, cultural and visually interesting City.

Strategy 2.1.2 Provide opportunities and places for creative expression for all people.

Strategy 2.1.3 Attract and support cultural and creative organisations, businesses and individuals.

Objective 2.2: A community embracing and celebrating its social and cultural diversity.

Strategy 2.2.2 Facilitate opportunities for cultural expression, celebration and interaction between different cultural and demographic groups.

Objective 2.5: Dynamic community life in public spaces and precincts.

Strategy 2.5.3 Host and facilitate community events and activities.

Outcome 3: Economic Prosperity

Objective 3.2 *Cosmopolitan business precincts contributing to the prosperity of the City.*

Strategy 3.2.1: Retain, enhance and promote the unique character of all our City's business precincts.

Strategy 3.2.3: Promote the City as a visitor destination.

Objective 3.5 *A local economy supporting and supported by its community.*

Strategy 3.5.1: Support opportunities for people to collaborate and interact in business precincts.

Strategy 3.5.5: Encourage community support for and promote awareness of all businesses in our City.

FINANCIAL AND BUDGET IMPLICATIONS

The Council's 2023 - 2024 Annual Business Plan & Budget includes \$250,000 for the Norwood Oval Transformer Upgrade Project (the Project). The concept and detailed designs for the project has identified significant additional works which are required as part of the Project including:

- design for electrical services;
- ancillary works (conduit, cabling, switchboard);
- demolition of the Gate 4 structure;
- architectural services; and
- fencing and security.

In addition to the above, SA Power Networks (SAPN) have advised that the costs associated with the non-contestable works (works that can only be undertaken by SAPN), are \$328,230 + GST, which exceeds the allocated budget of \$ 250,000.

Details of the various components of the Project and the associated costs are set out in Table 1 below.

TABLE 1: NORWOOD OVAL TRANSFORMER UPGRADE PROJECT WORKS & COSTS

Supplier	Actual/ Estimate	Cost Not including GST
BCA Engineer – Professional Service	Actual	\$42,000
SA Power Networks - Firm Offer Fee	Actual	\$2,090
SA Power Networks – Non-Contestable Works (Transformer)	Actual	\$328,230
BB Architects – Architectural Service	Estimate	\$40,000
Temporary Fencing to Secure Site	Estimate	\$5,000
Demolition of Gate 4 Structure and Installation of new ticket office <i>This site is a local heritage site and therefore, require heritage advisory service</i>	Estimate	\$100,000
Temporary Generators	Estimate	\$40,000 <i>This cost is dependent on the duration of the work</i>
CITB Levy	Estimate	\$2,605 <i>Subject to change depending on the construction value but CITB collects a levy of 0.25% of the value of Building and Construction work</i>
Relevant Authority Permit Access Fees	Estimate	\$2,000

Supplier	Actual/ Estimate	Cost Not including GST
Rawsons Electrical Pty Ltd – Electrical Services	Estimate	\$500,000 <i>Estimate was provided by Rawsons Electrical Pty Ltd on 4 October 2023</i>
TOTAL	Estimate	\$1,061,925
APPROVED BUDGET		\$250,000
Additional Funding Required	Estimate	\$811,925

As set out in Table 1 above, the current budget of \$ 250,000 is not sufficient in terms of the requirements of the Project.

As set out in Table 1, the largest component of the Project in terms of costs is the electrical services works to connect the new transformer. As indicated in Table 1, Rawsons Electrical Pty Ltd have provided an estimate only at this stage. Notwithstanding, this, alternative estimates will be sourced for this component of the work which may result in a lower cost.

It is important to note however that the timing constraints associated with the Project may impact on the Council's ability to source alternative suppliers for this component of the work.

EXTERNAL ECONOMIC IMPLICATIONS

As a result of the Council's significant investment in the Norwood Oval, the facilities are at a standard to host future AFL matches.

In respect to the economic impact of the two (2) matches which were played at Norwood Oval on 14 April 2023 and 16 April 2023 for the City of Norwood Payneham & St Peters, data provided by Spendmapp by Geografia indicates that the combined expenditure associated with the Gather Round matches (over the Friday, Saturday and Sunday) was in excess of over \$2 million, which represented the largest combined weekend expenditure in the 'Dining & Entertainment' sector in the suburb of Norwood.

With the 2023 Gather Round being successful from a Match Day and spectator experience, the impact on both the State and Local economy cannot be underestimated. It is therefore important that the basic service needs at the Norwood Oval are at a standard commensurate with the requirements of future events at the Oval and do not present as an issue when securing future events such as the AFL Gather Round.

SOCIAL ISSUES

Not Applicable.

CULTURAL ISSUES

Not Applicable.

ENVIRONMENTAL ISSUES

Not Applicable.

RESOURCE ISSUES

The Project will be managed by Council Staff.

RISK MANAGEMENT

The primary risk for the Council is reputational damage caused as a result of circuit breaker failures during a public event at the Norwood Oval.

Risks associated with the delivery of the project are significant, with a commitment required from SAPN to fast track the manufacturing of the transformer, delivery and installation required to ensure the transformer can be installed prior to the 2024 AFL Gather Round in the event the Council is successful it is bid to host games at the Norwood Oval.

In addition, there are risks associated with the timely completion of the ancillary works as staff have been advised that conduit and cabling are imported items with an approximate five (5) month delivery timeframe.

To mitigate these risks, a deposit has been paid to SAPN to secure the procurement of the transformer and gain some certainty in terms of the timeframes associated with the Project.

Staff are also expediting procurement of the electrical services to mitigate the long lead times for the imported items.

TABLE 2: RISK CATEGORY

Risk Event	Risk Event	Risk Impact Category	Risk Rating	Primary Mitigation	Impact Category	Residual Rating
1	Blackout During Games	Reputation	Extreme 2	<ul style="list-style-type: none"> Upgrade Transformer 	Reputation	High 6
2	Transformer not delivered in time for Gather Round 2024	Reputation	Extreme 2	<ul style="list-style-type: none"> Pay Deposit Negotiate with SAPN Hire of temporary generators 	Reputation	Extreme 3
3	Ancillary Works not complete	Reputation	Extreme 2	<ul style="list-style-type: none"> Fast Track procurement Hire temporary generators 	Reputation	Extreme 3

CONSULTATION

- Elected Members**
 Elected Members were advised of and subsequently approved the Norwood Oval Transformer Upgrade Project as part of the 2023-2024 Annual Business Plan & Budget.
- Community**
 Not Applicable.
- Staff**
 Chief Executive Officer
 General Manager, Infrastructure and Major Projects
 Manager, City Projects
 Project Manager
 Urban Planner

- **Other Agencies**
SA Power Networks
Rawsons Electrical Pty Ltd
BCA Engineers
BB Architects

DISCUSSION

As part of the 2023-2024 Annual Business Plan & Budget, the Council has allocated \$250,000 as part of the Capital Works Building Program to upgrade the existing transformer at Norwood Oval to meet the Norwood Oval's current electrical demands.

A consultant was engaged in July 2023 for the concept design, documentation, tender review and construction administration services.

Following an initial investigation by the consultant, three (3) locations as highlighted in Photograph 1 below, were proposed as potential locations for the transformer.

Following an assessment of the locations, Option (1) was approved by SAPN as this location meets the operating area and crane turning path requirements when installing the new transformer.

In August 2023, Council Staff met with SAPN to determine the construction and positioning requirements for the transformer.

To facilitate construction in the approved location, the Gate 4 ticket office as highlighted in Photograph 2 below, requires demolition.

PHOTOGRAPH 1: TRANSFORMER PROPOSED LOCATIONS



PHOTORAPH 2: EXISTING GATE 4 TICKET OFFICE TO BE DEMOLISHED



In September 2023, following confirmation of the proposed transformer location, design documentation was prepared.

In September 2023, SAPN advised that the current timeframe for building and installing a new transformer is approximately 14 months. Further discussions regarding the timeframe and urgency of this work has resulted in the potential for early delivery of the transformer, however timeframes are extraordinarily tight in terms of the manufacture of the transformer and the associated delivery and installation, in addition to the required approvals, demolition and electrical works.

In order to expedite the process, SAPN has been engaged through the payment of the required 20% deposit. Payment of the deposit secures a place in the queue, allowing SAPN to confirm delivery time of the transformer. In parallel, all other works need to be progressed immediately to prepare the site should SAPN confirm the delivery and installation works can occur in time for the 2024 Gather Round.

OPTIONS

The Council has resolved to upgrade the transformer at Norwood Oval and therefore it is now up to the Council to consider this Project in terms of the additional costs associated with the Project to ensure the Norwood Oval can operate at full capacity.

CONCLUSION

The upgrade of the transformer at Norwood Oval is required following the re-development of the Club Rooms, upgrades to the lighting and the installation of ribbon around the perimeter of the oval.

COMMENTS

Nil.

RECOMMENDATION 1

That pursuant to Section 90(2) and (3) of the *Local Government Act 1999* the Council orders that the public, with the exception of the Council staff present, be excluded from the meeting on the basis that the Council will receive, discuss and consider:

- (d) commercial information of a confidential nature (not being a trade secret) the disclosure of which –
 - (i) could reasonably be expected to prejudice the commercial position of the person who supplied the information; and
 - (ii) would, on balance, be contrary to the public interest;

and the Council is satisfied that, the principle that the meeting should be conducted in a place open to the public, has been outweighed by the need to keep the receipt/discussion/consideration of the information confidential.

RECOMMENDATION 2

1. That an additional \$811,925 be allocated as part of the 2023-2024 Budget to undertake the Norwood Oval Transformer Upgrade Project.
2. That the 2023-2024 Budget be amended accordingly.

RECOMMENDATION 3

Under Section 91(7) and (9) of the *Local Government Act 1999* the Council orders that the report, minutes and discussion be kept confidential for a period not exceeding 12 months, after which time the order will be reviewed.

Cr Duke moved:

That pursuant to Section 90(2) and (3) of the Local Government Act 1999 the Council orders that the public, with the exception of the Council staff present [Chief Executive Officer, General Manager Governance & Civic Affairs, General Manager, Infrastructure & Major Projects, Chief Financial Officer, Executive Assistant, Governance & Civic Affairs], be excluded from the meeting on the basis that the Council will receive, discuss and consider:

- (d) commercial information of a confidential nature (not being a trade secret) the disclosure of which –*
 - (i) could reasonably be expected to prejudice the commercial position of the person who supplied the information; and*
 - (ii) would, on balance, be contrary to the public interest;*

and the Council is satisfied that, the principle that the meeting should be conducted in a place open to the public, has been outweighed by the need to keep the receipt/discussion/consideration of the information confidential.

Seconded by Cr Knoblauch and carried unanimously.

Cr Sims moved:

- 1. That an additional \$811,925 be allocated as part of the 2023-2024 Budget to undertake the Norwood Oval Transformer Upgrade Project.*
- 2. That the 2023-2024 Budget be amended accordingly.*
- 3. In the event that the Norwood Oval does not host a game as part of the 2024 Gather Round a report regarding the status and timing of the Project be presented to Council for consideration.*

Seconded by Cr Duke and carried.

Cr Callisto moved:

Under Section 91(7) and (9) of the Local Government Act 1999 the Council orders that the report, minutes and discussion be kept confidential for a period not exceeding 12 months, after which time the order will be reviewed.

Seconded by Cr Knoblauch and carried unanimously.

Released

Released