

# Gallans Road – Project Update – as at March 2025

*Responsible Officer: General Manager (Phillip Rudd)*

*Report Contributor: Project Manager – Relocation and Properties (Guy Bezrouchko)*

## Recommendation

That Council receive and the note the report.

## Key points

1. Project update in accordance with Section 23A Capital Expenditure Guidelines
2. Design documentation “Issued for Construction”
3. Construction Certificate 1 Early Works issued on 26 February 2025

## Background

Council resolved to acquire the Gallans Road Property to consolidate workplaces as set out in the confidential report presented on 16 June 2021.

Since that original decision, Council has considered two further reports which have specifically addressed matters of procurement and budget allocation.

Additionally, the resolution included that Council receive quarterly project updates as per the project probity plan and Section 23A Capital Expenditure guidelines.

This report is prepared in accordance with the Section 23A Capital Expenditure guidelines as at 31 March 2025.

## Project Update - March 2025

### Reporting Requirements – Capital Expenditure Guidelines

The Probity Plan identifies Rous’ reporting requirements for the project and are identified in the Office of Local Government Capital Expenditure Guidelines, Section 12.

These reporting requirements are:

#### a) Quarterly reporting to the council on the progress of the project.

Rous, Alder and project consultants have continued to progress the project consistent with the DA approval, the construction contract and regulatory certification.

Key achievements this quarter are: -

- Design documentation has been “Issued for Construction”.
- Construction certificate #1 – ‘Early works’ was issued 26 February 2025.
  - Construction activity has commenced with progress achieved on the critical path for Building A retaining wall, Area C2 bulk earthworks, Building A re-roof and Building B roof modifications.

- Construction certificate #2 is being finalised with some minor adjustments needed for construction materials to Building C (fleet storage shed) to comply with bushfire regulations.
- Tropical cyclone Alfred impacted work on site which resulted in a 6-day delay. The revised date for practical completion is 3 March 2026.

*b) Quarterly reporting to the council on the costs and budget variances regarding the project.*

In October 2023 Council approved a total budget of \$24,886,300 to complete Gallans Road total project.

This budget allocation accounts for all costs from 1 July 2023 onwards:

	Approved budget (adjusted)	Actual expenditure 1/7/23..30/6/24	Actual expenditure 1/7/24..28/02/25	Committed (via PO or Sal)	Budget remaining 31/3/25
Building A & B, Area C and Carparking	20,773,800	199,338	2,956,621	17,617,900	0
Furniture, Fixtures and fittings	788,100	10,434	0	777,700	0
BSC - Fees and contributions	500,000	34,468	197,376	19,880	248,200
Electricity Upgrade	750,000	0	0	0	750,000
Project Management - internal costs	300,000	107,687	92,045	100,300	0
Project Management - external costs	357,400	243,728	113,688	0	0
Private certifier, QS, Town Planner, Architect, Legal, Electrical advice, PMO, Terania, OCM	915,400	715,436	89,929	83,738	26,300
Contingency - Other, Vacate Gallans Road	501,600	107,892	0	0	393,700
	<b>24,886,300</b>	<b>1,418,983</b>	<b>3,449,659</b>	<b>18,599,518</b>	<b>1,418,200</b>

Approved variations to the contract amount:

Variation	Description	Amount \$
	Contract amount	21,072,584
# 2	Include toilet Area C shed	15,814
# 3	Building A – Fire System	2,310
# 4	Additional asphalt – Area C – DA condition	51,700
# 5	Time lapse cameras	19,899
# 6	Various design changes	(3,424)
# 7	Building A - topping slab	178,117
# 8	Building B – Floor finishes	43,392
# 9	Building B – Gable roof modifications	20,000
# 10	Extension of Time - delays	150,000
# 11	Building A – Toilet and shower partitions	11,527
		<b>21,561,919</b>

- c) *Any issue that may have an adverse impact on the project (this may include monetary and non-monetary inputs and outcomes).*

There are no major issues at this time which will unduly affect the project.

- d) *Reporting capital works projects in council's annual report.*

To be complied with.

### **Finance**

Project expenditure is within the allocated budget.

### **Legal**

Nil.

### **Consultation**

Not applicable.

### **Conclusion**

This report has been prepared in compliance with Section 23A Capital Expenditure guidelines. The project has progressed through the design and regulatory phases and is now following the construction program.







Rous County Council Meeting 16 April 2025



