

Capital Works Monthly Project Update - October 2024

Tuesday, 19 November 2024

**Infrastructure and Public
Works Committee**

Strategic Alignment - Our Corporation

Program Contact:

Mark Goudge, Associate Director
Infrastructure

Public

Approving Officer:

Tom McCready, Director City
Services

This report provides a summary view of the Capital Works Program delivery and financial performance as of 31 October 2024 including a snapshot of headline projects either complete or in progress, future procurement activities and upcoming community consultation and engagement activities.

The Infrastructure Program will present a monthly report to the Infrastructure and Public Works Committee reflecting the previous monthly performance.

RECOMMENDATION

THAT THE INFRASTRUCTURE AND PUBLIC WORKS COMMITTEE RECOMMENDS TO COUNCIL

THAT COUNCIL:

1. Notes the Capital Works Program Update for October 2024 as contained within this report and Attachment A to Item 7.4 on the Agenda for the meeting of the Infrastructure and Public Works Committee held on 19 November 2024.
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IMPLICATIONS AND FINANCIALS

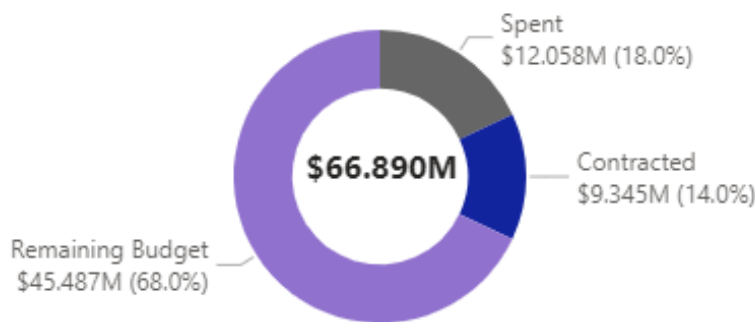
City of Adelaide 2024-2028 Strategic Plan	Strategic Alignment – Our Corporation Strategy, Value and Efficiency - Strategic and Capital Projects are delivered on time and on budget (target 75%)
Policy	Not as a result of this report.
Consultation	Consultation and / or engagement to various levels as required for the delivery of each project has or will be undertaken.
Resource	Projects delivered through a combination of Council resources, contract staff and external contractors and suppliers.
Risk / Legal / Legislative	Not as a result of this report.
Opportunities	Not as a result of this report.
24/25 Budget Allocation	This report tracks capital works performance against the 2024/25 Capital Works budget of \$122.908m. (subject to Council's consideration and endorsement of the Quarter 1 budget reconsideration).
Proposed 25/26 Budget Allocation	Not as a result of this report.
Life of Project, Service, Initiative or (Expectancy of) Asset	Life expectancy of assets varies by asset class.
24/25 Budget Reconsideration (if applicable)	Not as a result of this report.
Ongoing Costs (eg maintenance cost)	Ongoing costs for the maintenance of new and / or renewed assets will be factored into future Asset Management and Maintenance Plans, Business Plans and Budgets.
Other Funding Sources	Projects reported on are primarily funded from Council's Capital Budget, however various State and Federal grant funding opportunities have been leveraged against a number of projects.

DISCUSSION

1. The total revised Capital Expenditure Budget for 2024/25 approved by Council is \$122.912m (subject to Council's consideration and endorsement of the Quarter 1 budget reconsideration).
2. The Capital Works Program is itemised as follows.
 - 2.1. New and Upgrade Projects are identified through Strategies, Plans and decisions, and defined as complex in nature, installation of new infrastructure and upgrades to existing infrastructure. The funding allocated within the 2024/25 financial period totals \$66.890m.
 - 2.2. Renewal Projects are grouped against multiple asset categories and are directly aligned to maintenance service levels contained within Council's Asset Management Plans. The funding allocated within 2024/25 financial period totals \$56.022m.
3. The monthly Capital Works Update provides the status of these two capital programs as at the end of each calendar month.

New and Upgrade

4. New and Upgrade Projects as of 2024 reflects \$12.058m in spend and a further \$9.345m in contracted works.



5. New and Upgrade Summary:
 - 5.1. The new and upgrade program is progressing well, with design and delivery of smaller streetscapes as well as improvements to pedestrian and cycling infrastructure.
 - 5.2. The following New and Upgrade projects have reached practical completion in October 2024.
 - 5.2.1. Light Square Electrical Infrastructure Upgrade
 - 5.2.2. Pitt Street Improvements (Construction).
6. Examples of New and Upgrade Projects within this category are:
 - 6.1. Vincent Street and Vincent Place improvements. The works will include road rehabilitation, kerb and water table renewals, footpath, and stormwater. Public lighting improvements, greening, pedestrian and cycling improvements will also be enhanced. The project is now out to market with intention to engage a contractor prior to Christmas and commence works in mid-February 2025. Lighting along Vincent Street and Vincent Place will be upgraded under this project and South Australian Power Networks (SAPN) has been engaged for this purpose. Notification updating stakeholders on the program was distributed in October 2024. Expected completion timeframe is four months from commencement of works.
 - 6.2. Charles Street streetscape upgrade is progressing well with Stage 1 (Rundle Mall end) anticipated to be substantially complete by early November 2024. Practical completion of the full scope is on schedule for February 2025. The project team are looking to accelerate works to reach Practical Completion prior to major events activities. Department for Infrastructure and Transport (DIT) has recently committed \$1m to support the project. Community engagement is ongoing with traders around impactful works. Regular meetings are occurring with impacted traders to understand their

issues and to discuss where support might be offered. Impacted traders are being supported by Adelaide Economic Development Agency (AEDA) and Council with temporary directional signage to improve trader visibility and a voucher scheme to assist in business promotion.

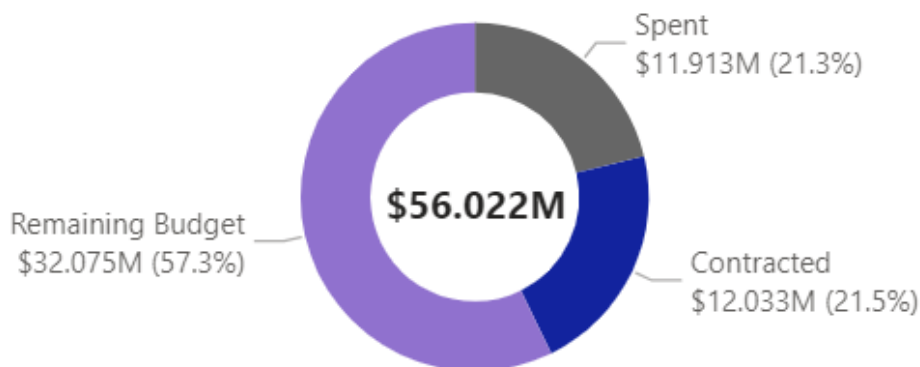
- 6.3. The North-South Bikeway along Frome Street and Frome Road has progressed from its most challenging phase (Southern end) into the Frome Road Northern end. The project is nearing completion despite several challenges encountered on site, including latent conditions, aged third-party infrastructure, and a portion of re-design. Revised program dates are:
- Rundle Street- North Terrace - completion anticipated mid-November
 - North Terrace- Victoria Drive - completion date is late November
 - Victoria Drive- North Terrace - completion date is late November

The project team have worked closely with traders at the Southern end of the bikeway between North Terrace and Rundle Street and are now focussed on the Northern end of the area of works with excavation completed and new pathway ready to be laid. The project team are negotiating acceleration of the works with the contractor. Regular updates are being provided to stakeholders.

- 6.4. School safety implementation program. Detailed design for road safety improvements adjacent to St Aloysius College is forecast to commence late 2024 with delivery to occur in early 2025. The project team held a meeting on this project recently and aims to finalise the design and liaise with community to ensure the desired outcome is achieved. The project team is intending to construct most of the works over the April 2025 school holidays and is working to obtain DIT sign off on the Traffic Impact Statement (TIS) to implement a reduced speed limit zone over the Christmas school holidays.
- 6.5. Greening Program is accelerating with location mapping, design, and delivery of street trees. Some 635 locations have passed a preliminary assessment for tree installation and 112 of these progressed to detailed design phase. We have now planted 14 trees with another 14 in construction. The project team is expanding delivery resources, including a dedicated project manager, and streamlining a procurement framework to expedite getting 'trees in ground'. To date the project team has been actioning quick wins, whilst undertaking higher level planning around locations that are problematic or stakeholder sensitive, for example those with a high concentration of services or parking impacts. With significant location planning undertaken, the second half of the 2024/25 financial year will be an intensive period of community engagement and planting.

Renewal Projects

7. Renewal Projects as of 31 October 2024 reflect \$11.913m in spend and a further \$12.033m in contracted works.



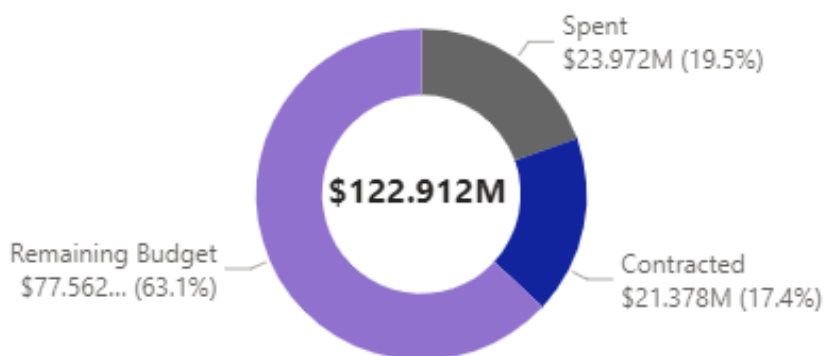
8. Renewal Project Summary:

- 8.1. Renewals are tracking well, with approximately 43% of works spent and committed. Expenditure will increase over the 2024/25 financial year forward months as contracted works progress. A sizeable portion of renewal work is undertaken with New and Upgrade projects across the Main Streets program, stormwater upgrades and streetscapes.
- 8.2. The following Renewal projects have reached practical completion in October 2024.
- 8.2.1. 2023/24 Footpath and Lighting Renewal – Wellington Square internal paths.

9. Examples of Renewal Projects within this category:
 - 9.1. Stormwater Culvert Renewal project Unley Road is out to market. Construction will be timed to allow the contractor to procure prefabricated culverts and undertake works in the historically drier months of March and April 2025. This project will deliver a much-needed infrastructure renewal and assist stormwater transfer across Unley Road, into the stormwater network. The stormwater tender was released on the 9 October 2024, with review and award in November 2024.
 - 9.2. Hutt Street and South Terrace stormwater improvements has progressed, and contract execution is pending. The stormwater upgrade will offer the localised benefit of reducing water inundation at the intersection and directing stormwater away from properties at the intersection; primarily offsetting risk to commercial buildings. Works are anticipated to commence on site prior to the end of the 2024 calendar year and be completed first quarter of 2025.
 - 9.3. Footpath renewals at Grenfell Street will remove defective flagstone pavers and reinstate the footpath with tooled in-situ concrete. The project will also bring non-compliant access ramps up to City of Adelaide (CoA) compliance standards, renew bus stop tactiles and include works to the intersection of Gawler Place to improve pedestrian movement. The project is currently out to tender with contract award anticipated by mid November 2024.
 - 9.4. Royal Avenue design is finalised, and procurement will be undertaken shortly, with construction forecast to occur in early 2025. Community engagement in the street commenced earlier this year. A street meeting with residents to consider the design is scheduled towards the end of November 2024. Shortly after this, the works design package will be presented for procurement. The street upgrade will be delivered in 2024/25 financial year.
 - 9.5. Irrigation renewal project in Rymill Park will deliver much needed Park 14 Irrigation improvements. Detailed design is well progressed and enabling works to link into the Lake works is commencing in the coming months. Construction of the works throughout Rymill Park over the remainder of 2024/25 financial year is challenging due to access limitations to accommodate upcoming festive events.
 - 9.6. Progress continues with our roads resurfacing program. The scheduled North Adelaide segments have been completed including Priory Lane and Mills Terrace in addition to Light Square. The project achieved close to \$800,000 of renewals expenditure for the month. With several reseals brought back into the 2024/25 financial year program (~10 road segments), significant planning will be undertaken in November 2024 to ensure all works are completed within the Financial Year.

Capital Works Program

10. There are 420 projects within the approved program in the 2024/25 financial year.
11. Within the 2024/25 Capital Works Program there are currently 173 projects within the Initiate, Concept and Design phase.
12. The total value of projects within the Initiate, Concept and Design Phase is \$7.818m.
13. There are 247 projects in the Delivery Phase with a total value of \$115.094m.
14. The total expenditure against the Capital Works Program to the end of October 2024 is \$23.972m spent with a further \$21.378m contracted, totalling \$45.350m in the first four months.

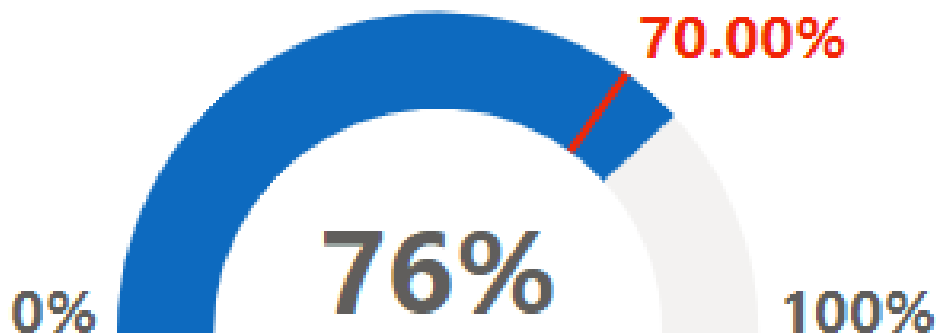


Summary of commitments and expenditure by asset class for October 2024

Capital Works	No. of Projects	Approved Budget	Commitments	Expenditure	Remaining Budget
Asset Renewals	263	\$56.022M	\$12.033M	\$11.913M	\$32.075M
Corporate Overhead		\$5.665M	\$0.030M	\$1.894M	\$3.741M
Bridges	4	\$0.350M	\$0.079M	\$0.056M	\$0.214M
Buildings	38	\$11.325M	\$3.327M	\$3.114M	\$4.884M
ICT Renewals	8	\$1.591M	\$0.250M	\$1.060M	\$0.281M
Light'g & Electrical	31	\$1.985M	\$1.513M	\$0.475M	(\$0.004M)
Park Lands Assets	19	\$2.174M	\$0.381M	\$0.286M	\$1.507M
Plant and Fleet	9	\$1.689M	\$0.721M	\$0.191M	\$0.778M
Traffic Signal	11	\$2.937M	\$2.005M	\$0.189M	\$0.743M
Transport	79	\$17.370M	\$2.988M	\$3.387M	\$10.995M
Urban Elements	54	\$2.944M	\$0.410M	\$0.545M	\$1.988M
Water Infrastructure	10	\$7.992M	\$0.330M	\$0.715M	\$6.947M
New/Upgrade Projects	177	\$66.890M	\$9.345M	\$12.058M	\$45.487M
Total	420	\$122.912M	\$21.378M	\$23.972M	\$77.562M

15. Examples of those works completed or in progress are reflected in **Attachment A** - Capital Works.
16. Works in Progress (WIP) is the capitalisation of projects within 10 weeks following Practical Completion. WIP currently sits at 76%. WIP KPI - 70%.

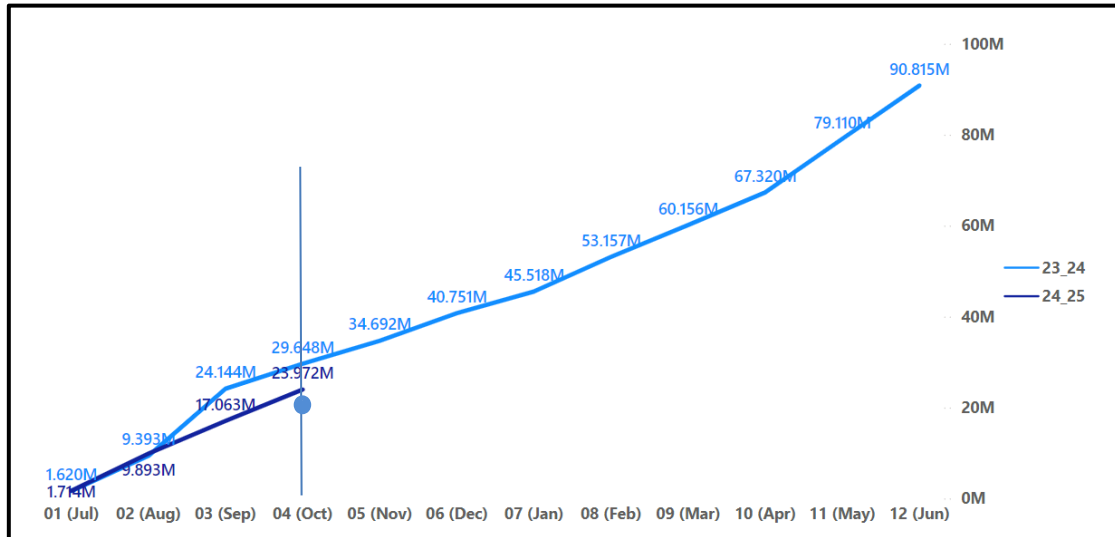
Works in Progress KPI



Capital Works Year on Year Spend Profile

17. The spend profile for October 2024 reflects a capital spend of \$23.972m year to date, compared to \$29.648m in October 2023. This represents a 19% decrease on the same period last year.
18. Note, the spend represented last year at this point in time included the purchase of 218-232 Flinders Street at \$8.3m. With this purchase excluded, our capital spend represents a 12% increase compared to the same time last year.

Capital Works year-on-year spend comparison 2023 vs 2024.



- 23/24 October comparative spend (\$21.348M) excluding Flinders St building purchase.

Future Procurement Activities

19. The following procurement activities are currently in progress, or due to commence shortly:
 - 19.1. South Terrace / Hutt Road Stormwater upgrade – Award stage
 - 19.2. Project Management service – Greening Program – Tender review
 - 19.3. Grenfell Street – Out to tender
 - 19.4. Unley Road Culvert upgrade – Preferred supplier.

Future Community Consultation and Engagement Activities

20. The following are community consultation activities and engagements that are ongoing or planned:
 - 20.1. Royal Avenue Upgrade – Community awareness session scheduled 22/11
 - 20.2. Vincent Street Improvements – Information bulletin distribution
 - 20.3. Melbourne Street – Decorative lighting expressions of interest (current)
 - 20.4. Bikeways North South – Stakeholder progress update distributed.

Funding Contributions

21. The following funding contributions have been confirmed:
 - 21.1. Charles Street – Government of South Australia funding towards Charles Street project of \$1.0m for construction plus \$350,000 for design.
 - 21.2. James Place – Government of South Australia funding towards James Place of \$500,000. Seeking additional third-party funding.
22. The information provided reflects the first four months of the 2024/25 fiscal year. For further details on the 2024/25 Capital Program, the Council Member Corporate Dashboard has a dedicated Capital Works section.

ATTACHMENTS

Attachment A – Capital Works Projects in Focus – October 2024

- END OF REPORT -