

19.1 PURCHASE OF PROPERTY - STATE EMERGENCY SERVICES REDLAND BAY

Objective Reference:

Authorising Officer: John Oberhardt, General Manager Organisational Services

Responsible Officer: Tony Beynon, Group Manager Corporate Governance

Report Author: Clare Barker, SES Local Controller and Community Resilience Coordinator

Attachments: 1. State Emergency Services Redland Bay - Option to Purchase

The Council is satisfied that, pursuant to Section 275(1) of the *Local Government Regulation 2012*, the information to be received, discussed or considered in relation to this agenda item is:

(e) *contracts proposed to be made by it.*

PURPOSE

To consider the purchase of property at 292 Jardine Drive (Carndale Pty Ltd and HG Associates Pty Ltd), Redland Bay Business Park, Redland Bay for the purpose of a dedicated and 'fit for purpose' facility for the State Emergency Services (SES) Redland Bay Group. This facility will also provide a multi-agency incident management and staging area for large scale operations in the southern end of the City and on the Southern Moreton Bay Islands (SMBI).

BACKGROUND

The current SES Redland Bay facility is part of the Weinam Creek PDA – Stage 1 Master Plan and will require relocation of the facility before October 2020. The SES need to maintain an operational presence at the southern end of Redland City to meet future growth demands and support a SMBI emergency response.

ISSUES

The existing facility is inadequate to service the needs of the growing community. The highest growth areas in the last census were identified as Mt Cotton, Redland Bay, Thornlands and SMBI. New developments proposed for the southern region include: Shoreline (10,000 homes), southern Redland Bay (3,000 homes), Double-Jump Rd (1,400 homes) – totalling 14,400 homes.

SES fleet assets that are owned and maintained by Council are currently located between Council's South Street Depot and Coast Guard Redland Bay and stored outside in the weather. These assets suffer from weather exposure and advanced deterioration resulting in higher on-going maintenance costs for Council. The preferred option for a new facility, provides an opportunity to house the fleet assets inside the building, resulting in reduced maintenance costs, increased security and longevity of the asset.

The requirement to relocate the current SES Redland Bay Group will 'future-proof' current capabilities and resources for emergency and disaster events for the southern end of the city, including the SMBI for the next 40 - 50 years.

Concept/preliminary plans for the internal fit out of the proposed building takes into account future operational needs of the SES, is a staged approach to ensure usability and allows for growth in future years. Stage 1 of the fit out is required to make the facility functional, is costed at approximately \$406,000 and anticipated to take 4-5 months to complete.

The purchase and Stage 1 fit out would allow the Redland Bay SES to move from a storage facility to a 'fit for purpose' operational and training facility, with:

- increased holdings for storm, land search and general operational equipment
- enclosed housing of council assets currently exposed to the elements/weather
- areas for incident management (single or multi-agency)
- a staging area for large inter-agency operations when required.

Future stages include installation of generator, palette racking and an outside courtyard. (Stage 2 – generator estimated cost \$30,000 plus pallet racking estimated cost \$5,000 and Stage 3 – courtyard/bbq area estimated \$20,000 will require approval of budget through Capital prioritisation process.

As well as being large enough to house the SES Fleet (vehicles, boats, trailers, chainsaws, communication and general and consumable equipment sandbags), this proposed facility will provide; a reception area, office area that can be used as an Incident Control Centre; training room, staging area, kitchen and amenities facilities, store room, communications/radio room and parking for up to 30 vehicles.

It also provides redundancy for the SES and Council in the event of damage/shutdown of the Cleveland SES facility as all mainland groups currently operate out of Cleveland. This adds 40 – 50 minutes turnaround time for crews working in the southern end of the city during operations and to attend training.

The SES must be relocated before October 2020, so they are not disrupted operationally during storm season and prior to December 2020, before commencement of development. Consultation with Redland Investment Corporation (RIC) clearly indicate these time frames are non-negotiable.

Council has explored the option of co-locating a new SES facility with the existing Redland Bay Fire Station. However, the Council land identified (Redland Bay Cemetery), has significant environmental constraints, earthworks and services requirements. The estimated cost of this option is \$2.376 million – (Build cost: \$1.97m plus Internal Fit out: \$406,000).

The option to purchase a newly built concrete panel warehouse located in the Redlands Business Park – Property advertisement attached at Appendix 1 is an estimated cost of \$1.61 million – (Purchase cost: \$1.135m and Internal Fit out: \$406,000, Stamp Duty: \$69,000 approx.).

In the event that the building is sold prior to Council's purchase, an offer has been made to buy land and build the same specified warehouse, for the same price by the sellers.

Funding for this project will be offset by the sale of land on which the current SES Redland Bay facility resides, resulting in a nil cost to Council (**cost neutral**).

A grant application has been made to Queensland Fire and Emergency Services (QFES) for \$75,000 toward the internal fit out. Council is expecting to receive written confirmation of the outcome of this application in March 2020, following assessment in late January/early February. Council Officers have met and discussed the proposal with Assistant Commissioner Andrew Short and Acting Area Director Mark Dole.

STRATEGIC IMPLICATIONS

Legislative Requirements

Council and SES have a legislated responsibility to provide a response capability for local emergency and disaster events as set out in the *QLD Disaster Management Act 2003, Local Government Section 4(a) and State Emergency Service, Chapter 4 (130)*.

Non purchase of this property will negatively impact the SES and Council's capability to respond to future disaster and emergency events which occur in the southern end of the city including SMBIs.

Council officers are obtaining a land valuation and cost estimates to bench mark the purchase and building fit out costs to ensure the contracting arrangements are consistent with the sound contracting principles under s104 of the *Local Government Act 2009*, namely value for money. To assist the negotiation, Council officers are attempting to negotiate a better purchase price and seamless transition by bundling the purchase and fit out costs together. Consequently officers are seeking a specialised supplier resolution under section 235 (b) of the *Local Government Regulation 2012*, as the land owner is in the unique and specialised position to negotiate a bundled price for the building and fit out costs.

Risk Management

The risk of not providing an alternate site for the SES facility at Redland Bay is the provision of State Emergency Services and resourcing to the growing southern community and SBMI will be compromised during disaster events.

Financial

Two options have been identified;

- a) Option One - to purchase the building in Redland Bay Business Park at \$1.61 million (Purchase cost: \$1.135m and Internal Fit out: \$406,000, Stamp Duty: \$69,000 approx.). The \$1.61 million required for this option has already been approved in the 2019/2020 budget review.
- b) Option Two - co-locate and build a facility with existing Redland Bay Fire Station with significant constraints, estimated at \$2.376 million – (Build cost: \$1.97m plus Internal Fit out: \$406,000).

People

Works for fit out will be conducted by a contractor as per council's current procurement policy. SES facilities are Council assets and ongoing facility management is under existing contracts.

Environmental

Nil environmental issues identified. The proposed facility is located in a gated (secured) industrial area with increased security after hours and no noise implications to residential areas.

Social

The benefits of having a dedicated SES facility in Redland Bay not only improves emergency response times during emergency and disasters to the growing population in the southern end of the City but also increases community safety.

Human Rights

There are no human rights implications with this report.

Alignment with Council's Policy and Plans

This proposal aligns with Council's Corporate Plan 2018 – 2023 recommendations and vision outcome areas:

3. Embracing the bay (3.2, 3.3 and 3.5)
5. Wise Planning and Design (5.1)
7. Strong and Connected Communities (7.5)

CONSULTATION

Consulted	Consultation Date	Comments/Actions
QFES – Assistant Commissioner Andrew Short, Regional Manager Mark Dole, A/Area Controller Benay Patterson	June 2019 – to present	Support for improved facility (option1) and awareness of requirements for grant application
SES Members; Local Controller Clare Barker, Group Leader Redland Bay, Daniel Tuckwood & senior leadership members	June 2019 – to present	Support and input to location and fit out, ensuring suitable design and function
Financial Services	June 2019 – to present	Advice on funding sources/to review report
Fleet Services	June 2019 – to present	Support proposal for protection of assets
Facilities Services	June 2019 – to present	Support for proposal/ fit out and ongoing maintenance
General Counsel	June 2019 – to present	Advice on land and building purchase
Project Delivery Group	June 2019 – to present	Negotiate purchase contract, sale contract includes fit out
Environment & Regulation	June 2019 – to present	Negotiate contract for sale
Mayor	June 2019 – to present	Supports proposal for improved emergency service provision during disasters as chair of Local Disaster Management Group
Councillors Division 1, 5 and 6	June 2019 – to present	Supports proposal for improved emergency service provision during disasters as chair of Local Disaster Management Group

OPTIONS

Option One

That the Council resolves as follows:

1. To purchase a newly built concrete panel warehouse located in the Redlands Business Park – Property advertisement attached at Attachment 1.
2. In the event at point of sale option 1 is no longer available, Council approves the purchase of land and builds a concrete panel warehouse located in the Redlands Business Park – Property advertisement attached at Attachment 1.
3. It is satisfied under section 235 (b) of the *Local Government Regulation 2012* that the land owner can provide the specialised services of land and building fit out services as a bundled packaged price which would be reasonably impractical or disadvantageous for the local government to invite quotes or tenders.

4. To delegate authority to the Chief Executive Officer under Section 257(1)(b) of the *Local Government Act 2009*, to negotiate, make, vary and discharge all documents relevant to this decision.
5. That the report and attachments remain confidential as required by any legal and statutory obligation, subject to maintaining confidentiality of legally privileged, private and commercial in confidence information until such time as the purchase is finalised.

Option Two

That the Council resolves as follows:

1. To not purchase the land or a building for the purpose of rehousing Redland Bay State Emergency Services.
2. That the report and attachments remain confidential as required by any legal and statutory obligation, subject to maintaining confidentiality of legally privileged, private and commercial in confidence information until such time as the acquisition is finalised.

OFFICER'S RECOMMENDATION

That the Council resolves as follows:

1. **To purchase a newly built concrete panel warehouse located in the Redlands Business Park – Property advertisement attached at Attachment 1.**
2. **In the event at point of sale option 1 is no longer available, Council approves the purchase of land and builds a concrete panel warehouse located in the Redlands Business Park – Property advertisement attached at Attachment 1.**
3. **It is satisfied under section 235 (b) of the *Local Government Regulation 2012* that the land owner can provide the specialised services of land and building fit out services as a bundled packaged price which would be reasonably impractical or disadvantageous for the local government to invite quotes or tenders.**
4. **To delegate authority to the Chief Executive Officer under Section 257(1)(b) of the *Local Government Act 2009*, to negotiate, make, vary and discharge all documents relevant to this decision.**
5. **That the report and attachments remain confidential as required by any legal and statutory obligation, subject to maintaining confidentiality of legally privileged, private and commercial in confidence information until such time as the acquisition is finalised.**



**BRAND
NEW**

FOR SALE

Lot 292 Jardine Drive
Redland Bay

\$1,135,000+gst

Land 1250m²
Building 512m²
Available Now

Modern brand new industrial building – turn key package.

Redlands Business Park is a fully integrated industrial park located in the fastest growing area of Redland City.

Take advantage of this TURN KEY PACKAGE today for the opportunity to Live, Work and Play in the growth corridor of the Redlands!

- ▶ Concrete tilt panel
- ▶ Quality neighbours
- ▶ Daily courier services to park
- ▶ Container height electric roller doors
- ▶ Kitchenette and disabled amenities
- ▶ Zoned general industry
- ▶ Wide roads accessible to all vehicle types & drive through access entry & exit
- ▶ Ample customer & staff parking
- ▶ NBN NOW AVAILABLE

Redlands
BUSINESS PARK

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