

5.7 DRAINAGE IMPROVEMENT WORKS - BROWNS ROAD & DANDENONG ROAD, CLAYTON

(FBG:CF2008168)

Ward: Oakleigh

Responsible Director: Don Cameron

RECOMMENDATION

1. *That Council accepts the tender of Lanyon Nominees Pty Ltd & Bastow Holdings Pty Ltd trading as Juniper Contractors to construct the drainage improvement works in Browns Road and Dandenong Road, Clayton for the lump sum of \$177,681.35 (GST inclusive).*
2. *That the anticipated project expenditure of \$206,688.10 (GST exclusive) for the construction, design and supervision be noted.*
3. *That the contract agreement be signed and sealed.*

BACKGROUND

The properties at No 1762 Dandenong Road and No 2 Browns Road regularly experience drainage problems during major storm events with stormwater flowing from the wide expanse of the North Road/Wellington Road/Dandenong Road intersection pavement and from the area to the north of the intersection into these properties. These properties experienced overland flows through them during the recent major storm on 20 December 2007.

In order to minimise the effects of the stormwater flows onto these properties it is proposed to modify the entry and exit of Browns Road onto Dandenong Road and the service road entry west of Browns Road so that stormwater flows can be directed away from the affected properties and into Browns Road where they can be better managed.

SCOPE OF WORKS

The works proposed under the contract involve the modification of the entry and exit of Browns Road onto Dandenong Road, Clayton to ensure that stormwater is directed away from the residential properties and along Browns Road.

ANALYSIS

Tenders were invited to undertake the proposed works and at the close of the tender period four (4) submissions were received as follows:

Name of Tenderer
Fercon Pty Ltd
Lanyon Nominees Pty Ltd & Bastow Holdings Pty Ltd Trading as Juniper Contractors
Allgood Concreting & Roadworks Pty Ltd
Subground Technology (Vic) Pty Ltd

with GST inclusive tender prices ranging from \$177,681.35 to \$240,136.60.

Fercon Pty Ltd (Fercon) submitted the lowest tender of \$177,681.35 (GST inclusive), however during the tender evaluation a \$11,699 (GST exclusive) mathematical error was discovered between the tendered amount and the summation of the priced Bill of Quantities. Discussions with Fercon have confirmed the mathematical error and they have requested for it to be corrected.

As it is a mathematical error and all figures were within the priced Bill of Quantities, it is considered appropriate for the error to be corrected amending Fercon's tender amount to \$164,812.45 (GST inclusive).

Fercon have been awarded three major road reconstruction projects and the construction of the Logie Street Right of Way. They are also completing the reconstruction of the Cooke Street carpark. If awarded this contract they would not be able to commence the project until next financial year.

The second lowest tender submission was received from Lanyon Nominees Pty Ltd & Bastow Holdings Pty Ltd trading as Juniper Contractors (Juniper) for a GST inclusive amount of \$179,382.61. Juniper advise that they would be able to commence in mid May 2008 if awarded the contract and would have the works completed within six weeks.

All of the tenderers have undertaken works for Council in the past and would be able to undertake these works to the quality and standard required.

All tenderers have appropriate safety management systems in place and would be able to undertake these works to the quality and standard required.

Juniper's price is only \$14,570.16 more than Fercon's and they can undertake the works within the 2007 / 2008 year so it is considered that Juniper's tender should be accepted.

FINANCIAL IMPLICATIONS

Utilising Juniper's submission the total project costs are estimated to be:

Tender Amount (GST inclusive)	\$179,382.61
GST Amount	\$16,307.51
Tender Amount (GST exclusive)	\$163,075.10
Design & Supervision Fee	\$33,613.00
Contingency Amount	\$10,000.00
Total Expected Project Cost (GST Exclusive)	\$206,688.10

Council has allocated \$160,000 from the Drainage Development Contribution Plan (DCP) in the 2007/08 Capital Works Budget for this project. While the expected project costs are in excess of the original budget, the original scope of the work has been significantly altered to ensure that an effective solution is achieved. At present \$168,000 is available for drainage works from developer contributions within the Burton Avenue Catchment. The shortfall of up to \$39,000 will be managed from within the Strategic Drainage Program.

IMPLEMENTATION

Upon Council awarding the Contract, the necessary documentation will be executed and the works undertaken.

CONCLUSION

The tender panel concur that the submission from Lanyon Nominees Pty Ltd & Bastow Holdings Pty Ltd trading as Juniper Contractors offers Council the best value.