

**5.11 CONTRACT FOR WASTE TRANSFER STATION OFFICE**

(CN:CF 2008158)

Responsible Director: Don Cameron

***RECOMMENDATION***

*That Council accepts the amended lump sum price of \$351,495.10, inclusive of GST, submitted by Everline Connection Pty Ltd to undertake the construction of the Waste Transfer Station Office and signs and seals the contract.*

***BACKGROUND***

Following a publicly advertised E.O.I. process, a panel of approved building contractors has been established for the purpose of inviting tenders and quotes during the financial year. Six (6) firms from the panel of approved building contractors were invited to submit a lump sum tender for the construction of the proposed new Waste Transfer Station Office at Works Administration centre, Ferntree Gully Rd; Notting Hill. Four (4) tenders were submitted by the nominated closing time. The firms are:

- Everline Connection Pty Ltd
- Building Makers P/L
- Lloydco P/L
- CA Property Group P/L

The proposed works include the relocation of the existing building and providing new facilities for the staff including office administration area, coordinators office, sales office, meeting & lunchroom and staff amenities.

The lump sum tender prices submitted have a range as follows:

- \$ 375,841.00 to \$ 527,165.00, exclusive of GST
- \$ 413,425.10 to \$ 579,881.50, inclusive of GST

***ANALYSIS***

Tenders were evaluated by Michael Bowden, Team Leader and Charles Nilsen, Manager Urban Design and Architecture, against the criteria of price and proposed completion time.

Everline Connection submitted the lowest tender of \$ 375,841, exclusive of GST. The tender is conforming and the tenderer has confirmed that they are keen to complete the works before the time submitted of 130 working days.

With all tenders being over budget, the scope of the works was reviewed and reduced in an attempt to bring the project within the budget. The tender price could be reduced to \$312,541, whilst retaining the integrity of the project.

The amended tender price is as follows: \$319,541 exclusive of GST and includes \$25,000 for P.C and Contingency Sums.

***FINANCIAL IMPLICATIONS***

Council has allocated \$ 280,000 in the capital works budget for this project.

The adjusted tender of \$ 319,541, exclusive of GST submitted by Everline Connection is over budget; therefore an additional \$39,541 would be required to meet the shortfall.

The balance of the funds is available from:

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| 1. WAC-general improvements  | \$27,000 |
| 2. Installation of rain water tanks commensurate<br>in dollar terms with similar installations in other<br>recent Council projects | \$7,000  |

The balance of \$ 5,541 will need to be obtained from underspends in other building projects.

***CONCLUSION***

The adjusted tender submitted by Everline Connection of \$ 319,541, exclusive of GST, or \$351,495.10, inclusive of GST, is fair and reasonable and represents best value to Council.

It is proposed that the additional funding required to complete the works be transferred from the WAC General account.