

## 5.7 JORDANVILLE COMMUNITY CENTRE - TENDER FOR RENOVATIONS

(CN:CF 2008150)

Responsible Director: Don Cameron

### ***RECOMMENDATION***

*That Council accepts the amended lump sum price of \$357,500, inclusive of GST, submitted by Shultz Building to undertake the renovation to the existing Jordanville Community Centre and seal the contract.*

### ***BACKGROUND***

The proposed works, all of which are building works, include demolition of the existing internal partition walls, toilets and kitchen facilities and their replacement with new facilities. These new facilities include a new downstairs meeting room, entry, enlarged kitchen, toilets and a cleaners room. The upper mezzanine area shall be divided into two separate meeting rooms improving its usefulness. The proposed works include new accessible features such as a new accessible entry ramp, automatic entry doors and accessible toilet facilities. There is no requirement for furniture and equipment.

Following a publicly advertised Expression of Interest process, a panel of approved building contractors has been established for the purpose of inviting tenders and quotes during the financial year. From this approved panel Six (6) building contractors were invited to submit a lump sum tender for the construction of the proposed alterations to the Jordanville Community Centre at Batesford Reserve, 94 Batesford Road, Chadstone

Six (6) tenders were submitted by the nominated closing time. The tenders received were as follows:

- Schultz Building
- LloydCo Pty Ltd
- Rovit Constructions Pty Ltd
- Building Impressions Pty Ltd
- Building Makers Pty Ltd
- CA Property Group

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

- \$ 325,000 to \$475,000, exclusive of GST
- \$ 357,500 to \$522,500, inclusive of GST

### ***ANALYSIS***

Tenders were evaluated by Bruce MacIsaac, Senior Architect, and Charles Nilsen, Manager Urban Design and Architecture, against the criteria of price and proposed completion time.

Schultz Building submitted a conforming tender. This was the lowest tender of \$ 325,000, exclusive of GST, however, their proposed time of 80 weekdays to reach practical completion is at the upper end of the range of times submitted.

Evaluation of the tender response submitted by Shultz Building required clarification of some minor items. Shultz Building subsequently confirmed their tender price of \$325,000, exclusive of GST.

### ***FINANCIAL IMPLICATIONS***

The building works are proposed to occur over two financial years, viz 2007/08 and 2008/09. Council allocated \$283,000 in the 2007/08 financial year of which \$39,000 has been expended on consultants and other preliminaries leaving a residual of \$244,000 for the subject building works. A further \$81,000 will be allocated to the project in the 0809 financial year to fund the construction lump sum tender of \$325,000 exclusive of GST.

The total project cost breakdown, exclusive of GST, for the lowest tender is as follows:

Construction Lump Sum tender	\$ 325,000
Consultants and other preliminaries	\$ 39,000
Furniture & Fit-out	<u>\$ NIL</u>
<b>Total Project Cost</b>	<b><u>\$ 364,000 (GST excl)</u></b>

The total project cost is, therefore, in line with Council's overall capital budget.

### ***CONCLUSION***

We conclude the tender price of \$ 325,000, exclusive of GST or \$357,500, inclusive of GST, is within budget and is fair and reasonable. We conclude that the tender period of 80 days is within program and is a reasonable period.

The tender submitted by Schultz Building Pty Ltd represents best value to Council.