

5.6 **KINGSWAY REALIGNMENT (ROAD WORKS AND TRAFFIC SIGNAL WORKS) BETWEEN COLEMAN PARADE AND RAILWAY PARADE NORTH, GLEN WAVERLEY**

(CF2009099: SW)

Responsible Director: Paul Kearsley

RECOMMENDATION

1. *That Council accepts the tender of Fercon Pty Ltd to undertake the road and traffic signal works along Kingsway, Glen Waverley between Coleman Parade and Railway Parade North, for the lump sum of \$674,199.02 (GST inclusive).*
2. *That Council notes the additional expenditure for lighting and service authority relocations, street landscaping, design and supervision to the value of \$313,280 (GST exclusive).*
3. *That the anticipated project expenditure of \$926,188.20 (GST exclusive) for the construction, service and Council asset relocations, landscaping, design and supervision be noted.*
4. *That the contract agreement be signed and sealed.*

BACKGROUND

Glen Waverley is one of Melbourne's foremost Activity Centres, achieving social, economic, transport and planning objectives. An agreed and Government supported innovative project to secure and expand the long term viability of the Centre involves redevelopment of the forecourt area of the Glen Waverley Railway Station for a multi-storey mixed-use facility incorporating retail, office and residential uses.

The Kingsway roadway adjacent to the site is to be realigned to maximise the redevelopment opportunity for the forecourt area.

SCOPE OF WORKS

This project involves the realignment of Kingsway to increase the forecourt area between Coleman Parade and Railway Parade North, Glen Waverley. To achieve this increased area the road alignment is being shifted to the east.

This will require the alteration of the street lighting, the replacement of the roundabout at the intersection of Kingsway and Coleman Parade with new traffic signals and alterations to the Central car park. The existing traffic signals at the intersection of Kingsway and Railway Parade North need to be altered as part of the works matching the changed road alignment.

The works will also include alterations to public lighting, Telstra assets, a water main and the relocation of street furniture that are outside this contract but will be undertaken during the works.

ANALYSIS

The tender process called for tenders for both the road works and the traffic signal works either combined or separately. Tender submissions were received from ten (10) contractors. Of these, seven (7) contractors placed in tenders for both the road works and traffic signal works, two (2) placed in a tender for the road works only and one (1) placed a tender for the traffic signal works only. At the close of the tender period submission were received from the following:

Tenderers	Road Works	Traffic Signal Works
Fercon Pty Ltd	Yes	Yes
J & S Civil Constructions Pty Ltd	Yes	
Contek Constructions Pty Ltd	Yes	Yes
Simpson Construction Co. Pty Ltd	Yes	Yes
Citywide Service Solutions Pty Ltd	Yes	Yes
CDN Constructors Pty Ltd	Yes	Yes
BMD Constructions Pty Ltd	Yes	Yes
Fortunato Group Pty Ltd	Yes	Yes
Allgood Concreting and Roadworks Pty Ltd	Yes	
Hi-Lux Technical Services Pty Ltd		Yes

The lump sum prices for the road works ranged from \$387,704.02 to \$1,082,365.90 (GST inclusive).

The lump sum prices for the traffic signal works ranged from \$286,495 to \$431,150.43 (GST inclusive).

The lowest tender for both the road works component and the traffic signals component was submitted by the same company, Fercon Pty Ltd (Fercon), with lump sum prices of:

Road Works:	\$387,704.02 (GST inclusive)
Traffic Signals:	\$286,495.00 (GST inclusive)
Total:	\$674,199.02 (GST inclusive)

Fercon has satisfactorily completed a number of road reconstruction contracts for Council, the most recent contracts being road reconstruction works in Eleebana, Moorookyle and Calembeena Avenues, Hughesdale. Fercon also undertook the civil works along Cooke Street and adjacent carparking areas as part of the Clayton Community Centre works. Fercon will be able to commence works in eight (8) weeks from acceptance of the tender submission and once started have indicated they will require twelve (12) weeks to complete the works. Fercon have indicated that they will use a recognised traffic signal contractor to undertake the signal works.

The next lowest combined tender was submitted by Contek Constructors Pty Ltd (Contek). Contek is currently constructing the Atkinson Street carpark in Oakleigh.

The next lowest tender for the roadworks only was submitted by J&S Civil Constructions Pty Ltd (J&S). J&S have undertaken various works for Council previously including the car park construction at the DW Nicoll Reserve and is currently undertaking drainage works for Council.

The tendered prices of the remaining tenderers were greater than the tenderers listed previously and in this instance were assessed as not providing the best value to Council.

FINANCIAL IMPLICATIONS

Utilising Fercon's submission, the total project costs is estimated to be as follows:

Tender Amount (GST inclusive)	\$674,199.02
GST Amount	\$61,290.82
Tender Amount (GST exclusive)	\$612,908.20
Wearing Course (optional item within Tender)	\$45,280.00
Car Park Lighting*	\$11,000.00
Street Lighting*	\$27,000.00
Traffic Signal Controller*	\$54,000.00
Landscaping*	\$9,000.00
Relocation of JC Decaux advertising signs*	\$18,000.00
Design Cost	\$84,000.00
Supervision Fees	\$15,000.00
Contingency Amount	\$50,000.00
Total Expected Project Cost (GST exclusive)	\$926,188.20

* Estimated cost only.

The State Government, via the now Department of Planning and Community Development's Creating Better Places Program (\$280,000), VicTrack (\$250,000) and Council (\$300,000) have allocated a total of \$830,000 for the project. The additional cost of \$96,188.20 is to be funded from Council's District Centre Capital Works Program.

The realignment of Kingsway will result in an existing water main and Telstra pit that are currently within the road alignment remaining within the expanded forecourt site. The estimated cost of relocating these services is \$89,000. VicTrack have agreed to contribute \$60,000 towards the relocation costs and it is appropriate for Council to contribute the estimated balance of \$29,000 utilising funding from the District Centre Program.

IMPLEMENTATION

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

CONCLUSION

The panel concurs that the tender submission from Fercon Pty Ltd is the lowest and is considered to offer Council the best value.