

7.4.1 2026024: SUBSTATION BUILDING CONSTRUCTION AND GENERATOR RELOCATION - GLEN WAVERLEY CIVIC CENTRE

Responsible Manager:	Andrew Andonopoulos, Manager Capital Works
Responsible Director:	Jarrold Doake, Director City Services

RECOMMENDATION

That Council

1. Approves additional contingency funds of \$192,835.07 to Contract 2026024 FIMMA Constructions Pty Ltd for Substation Building Construction and Generator Relocation - Glen Waverley Civic Centre.
2. Notes that this request for additional contingency funds is compliant with Council's Contract Variation Delegation Rules as approved by Council on 31 October 2023.
3. Notes that the increased contract value of \$2,802,682.07 resulting from this pending approval remains within the \$3,000,000 budget allowance for this contract within the overall Civic Precinct Project budget.

Please Note: All values in this report are GST exclusive unless stated otherwise.

INTRODUCTION

In accordance with Council's Contract Variation delegation rules, this report explains the reason for a Contract Variation for Council approval.

BACKGROUND

On 16 December 2025 Council awarded tender 2026024: Substation Building Construction and Generator Relocation –Glen Waverley Civic Centre to FIMMA Constructions Pty Ltd for a lump sum price of \$2,279,847.61 and a contingency sum of \$230,000 totalling an available contract sum of \$2,509,847.61. A copy of the original Council Report is attached for supporting background information.

The contract is anticipated to be completed in September 2026.

A further contingency amount of \$100,000 was approved by the Director City Services in May to allow for unforeseen latent conditions and delays. There is currently \$29,648.53 remaining in contingency funds.

DISCUSSION

The approved awarded contingency, including additional contingency endorsed under delegation by the Director of City Services, has been expended on variations due to latent conditions encountered during the early stages of construction. These unforeseen site conditions required

additional works beyond the original contract scope to maintain project progress and ensure compliance with safety and operational methodology.

The principal latent condition variations included the relocation of an unidentified and previously undetectable fire service, the removal of buried concrete structures and redundant foundations, the discovery and removal of asbestos piping, additional underpinning works to the adjoining building, and changes to construction methodologies to enable safe operations in proximity to a live gas service.

A further contingency allowance of \$192,835.07 is required to address anticipated and required variation costs, which is the subject of this report arising from further latent site conditions and utility interface requirements.

These include the relocation of the unidentified live gas service, further non-destructive excavation methodology to protect existing utility infrastructure and ensure safety compliance, additional electrical infrastructure requirements to satisfy United Energy conditions, further removal of buried redundant concrete and footings, and footing design modifications including strip footing upgrades due to the identification and rectification of soft ground conditions.

The allowance also provides for associated time-related costs resulting from these latent conditions. An unallocated contingency provision has also been included to ensure sufficient funding is available to complete the project and to accommodate the finalisation of outstanding variations that remain under negotiation.

FINANCIAL IMPLICATIONS

In line with Councils Contract Variation Delegation Rules, Council must approve variations to Council Approved Contracts that do not meet the definition of Exception Circumstances and where the variation is greater than 10% of the awarded sum including approved contingency, or greater than \$100,000 of the awarded sum including approved contingency.

Please refer to the following table for a summary of the contract expenditure:

Spend Information	Value (GST Excl.)
a. Fixed Lump Sum Contract 2026024 Substation Building Construction and Generator Relocation - Glen Waverley Civic Centre	\$2,279,847.61
b. Approved Contingency	\$330,000.00
c. Total Available Contract Funds	\$2,609,847.61
d. Approved Contract Variations to date	\$300,351.47
e. Contingency Remaining (b less d)	\$29,648.53
f. Value of Contract Variations pending approval in this report	\$222,483.60
g. Additional Contingency required (f less e)	\$192,835.07
h. Total revised Contract 2026037 Substation Building Construction and Generator Relocation - Glen Waverley Civic Centre value, including contingency (c plus g)	\$2,802,682.68



CONCLUSION

That Council approves the recommendations contained within this report.

ATTACHMENT LIST

1. 7.4.4-2026024-substation-building-construction-and-generator-relocation-glen-waverley-civic-centre [**7.4.1.1** - 6 pages]

7.4.4 2026024: SUBSTATION BUILDING CONSTRUCTION AND GENERATOR RELOCATION - GLEN WAVERLEY CIVIC CENTRE

Responsible Manager:	Andrew Andonopoulos, Manager Capital Works
Responsible Director:	Jarrold Doake, Director City Services

RECOMMENDATION

That Council

1. Awards the tender from FIMMA Constructions Pty Ltd for Substation Building Construction and Generator Relocation - Glen Waverley Civic Centre, Contract No. 2026024 for a fixed Lump Sum of \$2,279,847.61 with an extra \$230,000 for Contingencies.
2. Authorises the Chief Executive Officer or their delegate to execute the contract agreement.
3. Approves the additional funding of \$2,809,847.61 required to deliver the early works package in the 2025/26 Financial Year.
4. Notes that the anticipated contract commencement date is late January 2026 and the expected completion date is late June 2026 and
5. Notes that the total anticipated project expenditure including the contract Fixed Lump Sum and Utility Authority Fees is \$2,579,847.61 with an extra \$230,000 for Contingencies.

Please note that all dollar figures are GST exclusive unless stated otherwise.

INTRODUCTION

Council has conducted a tender for 2026024 – Substation Building Construction and Generator Relocation - Glen Waverley Civic Centre.

As part of its planning process for this tender, Council Officers considered its procurement options, including whether to go to market itself, participate in regional or sector collaboration or to access established contracts via other compliant Procurement agreements. However, this was not feasible due to the time critical nature of the Glen Waverley Civic Precinct (GWCP) Project and the non-contestable work required to be delivered by United Energy / Zinfra, required to be coordinated through this contract.

There is a requirement for the successful Contractor to complete the building work, and to coordinate the substation infrastructure installation and electrical activation with United Energy / Zinfra (anticipated in May 2026).

Due to these tight timelines and site-specific requirements, collaboration is unachievable for this tender.

BACKGROUND

At the August 2025 meeting, Council considered a report on the Glen Waverley Civic Precinct and resolved to: proceed with finalising the design (which will include providing the architect with the community's feedback for consideration of any changes, where appropriate) and preparing and

releasing tender documents for the early works package which includes a new sub-station and relocation of the diesel generator, which is programmed to be completed prior to the demolition of the library.

The works involve undertaking the relocation of the current United Energy substation including power supply upgrade and Council owned diesel generator both located within the Glen Waverley Library.

This will provide United Energy as the electricity distribution authority, with a secure and dedicated location for the substation to protect its electricity assets, future proof expected increased power demand within the broader Glen Waverley Activity Centre, Kingsway area and ensure ongoing accessibility for maintenance and operational purposes. To achieve this, United Energy has requested to enter a Lease with Council for the portion of land accommodating the substation. This will be finalized through a formal report to Council in 2026.

Bringing forward these works has enabled Council to coordinate a preferred location for the new United Energy substation and Council's generator into a single combined facility at a location of minimal sized footprint, increase power supply to service Council's expected future needs for the Civic Centre and proposed Civic Precinct and enabled the existing substation to be decommissioned from within the current Glen Waverley Library site in preparation for demolition/construction of the new Civic Precinct building subject to Council approval to proceed with construction, avoiding delays and minimising disruptions to the power supply to the Glen Waverley Civic Centre.

The early works scope involves:

- Construction of new utilities building / enclosure.
- Relocation of existing diesel generator, electrical infrastructure and associated electrical cable works to new utilities enclosure.
- New electrical cable works and infrastructure to GW Civic Centre and GW Library.
- Landscape and Civil works.
- Coordinating the program and commissioning with the Council and United Energy contractors to ensure power activation with minimal disruption.
- Managing adjacent stakeholders / shop traders to retain access for shop deliveries, safe pedestrian management and adjacent building egress requirements.

NOTIFICATION

A public notice was placed in The Age newspaper on 4 October 2025 and the tender closed on 28 October 2025.

Tenderers were required to be prequalified suppliers from the Department of Treasury and Finance Construction Supplier Register (CSR).

PRE-TENDER PROCESS

A mandatory pre-tender meeting was held at 293 Springvale Road, Glen Waverley. A site inspection of the existing facility was conducted during the meeting. This meeting was mandatory to ensure all submitting tenderers were aware of the site access required to the electrical switchboard, existing generator and the required electrical cabling routes.

The two submitting tenderers attended this mandatory meeting. Eighteen tenderers had registered during the tender open period but with tight site constraints and limited access, strict program milestones, coordinating with Service Authorities and a broad range of trades required to deliver the works, some contractors may have viewed these works as high risk resulting in only two tenderers attending the pre-tender meeting and submitting a tender.

TENDERS RECEIVED

Tender submissions were received from the following two suppliers by the appointed closing time.

TENDERS SUBMITTED	
1	AMH Civil Pty Ltd
2	FIMMA Constructions Pty Ltd

TENDER CONFORMANCE

All submissions were assessed for their compliance with the tender conditions including the contractual terms and conditions and the requirements of the response schedules.

One submission was deemed non-conforming, and this submission was not evaluated further.

One conforming tender was further evaluated as per the agreed evaluation criteria.

TENDER EVALUATION

All members of the evaluation panel signed Conflict of Interest and Confidentiality forms and no conflicts were raised.

The remaining conforming tender was assessed in accordance with the evaluation criteria published in the tender documentation:

Pass/Fail Assessment Criteria	Measure
Risk Level 1-3: OHS & Quality Mandatory Rapid Global	<i>Pass/Fail</i>
Mandatory Insurances	<i>Pass/Fail</i>
Attendance at Mandatory Pre Tender Meeting – 9 October 2025	<i>Pass/Fail</i>
Pre-qualified with the Department of Treasury and Finance, Construction Supplier Register	<i>Pass/Fail</i>

Table 2	Key Selection Criteria	Criteria Weightings
Qualitative Criteria	Capacity and Capability	20%

	Project Timelines	10%
	Sustainability (Mandatory)	**10%
Quantitative Criteria	Price (Mandatory)	*60%

*Minimum 50% price weighting required unless Council approves otherwise.

** Where the Sustainability weighting is agreed to be less than 20%, the minimum Price weighting must be 60%, with justification provided as outlined below:

The project has been designed and specified to include all relevant sustainable & recycled materials. Therefore, there is limited opportunity to substitute materials or design without compromising the outcome.

DISCUSSION

The Tender Evaluation Panel (TEP) proceeded to evaluate the one conforming submission received from FIMMA Constructions Pty Ltd. They provided sufficient evidence of relevant construction experience and capabilities with available resources to undertake these works. They also provided a detailed program including the essential coordination of works with United Energy to ensure timelines are met.

Further clarifications were sought by the TEP including pricing for specific works provided within their submitted Price Schedules. FIMMA Constructions Pty Ltd identified further economies in their initial submitted pricing which resulted in a reduction in their tendered price.

Reference checks were undertaken on FIMMA Constructions Pty Ltd and the feedback received supported their experience and capabilities to deliver these works.

FIMMA Constructions Pty Ltd also recently undertook the successful construction of the new Jack Edwards Stadium Pavilion at Jack Edwards Reserve that was completed in August 2026. The same team and resources are proposed for the delivery of this contract.

An independent financial assessment was conducted on the preferred tenderer by Corporate Scorecard, indicating that they have a strong financial capacity to undertake this contract.

The final evaluation ranking (including the price and non-price evaluation criteria) had FIMMA Constructions Pty Ltd ranked highest and as such, the evaluation panel recommends FIMMA Constructions Pty Ltd as representing the best value outcome for Council and that they be awarded this tender.

FINANCIAL

The Long-Term Financial Plan makes provision for the Civic Precinct Project across multiple financial years.

Capital Budget Allocation	\$ GST Ex.
Project C09992 – Glen Waverley Civic Precinct – Early Works package allowance	\$3,000,000.00



TOTAL PROJECT BUDGET	\$3,000,000.00
Total Anticipated Project Expenditure Based Upon FIMMA Constructions Pty Ltd's Submission	\$ GST Ex.
Lump Sum Price	\$2,279,847.61
Contingency	\$230,000.00
Estimated Service & Utility Authority Fees	\$300,000.00
TOTAL ANTICIPATED PROJECT EXPENDITURE	\$2,809,847.61

The project is part of the overall Glen Waverley Civic Precinct project (C09992). An allowance for the early works package was estimated at \$2,079,000 for the substation construction component with a further allowance of \$350,000 for Council's generator relocation excluding contingency and Utility Authority fees. This estimate was prepared by the Civic Precinct Quantity Surveyor as part of the Milestone 3 Cost Plan, May 2025 with cost escalation allowance to 2026. Based on this QS estimate a \$3,000,000 allocation was made for this early works package.

There is a current adopted budget of \$1,667,566 for the Civic Precinct Project this financial year which does not make allowance for the Early Works Package of works which is the subject of this report. Additional funding will be required for these works which will be managed in delivery of the 2025/26 Capital Works program and the Long-Term Financial budget allocation for the Civic Center Project will be adjusted accordingly for future years to reflect this early spend of funds.

SUSTAINABILITY OUTCOMES

FIMMA Constructions Pty Ltd has an externally accredited Environmental Management System in place. As part of this project, they will capture and provide detailed monthly recycled and sustainability data and records relating to the project.

Their head office is based within the City of Monash and they also have three employees that reside within the Municipality. FIMMA Constructions Pty Ltd have identified and listed many local businesses they propose to engage directly within the Municipality as both suppliers and sub-contractors.

FIMMA Constructions Pty Ltd have implemented several procedures and initiatives within their business to promote engagement with numerous social benefit suppliers, both directly and indirectly as part of their supply chain. This includes engaging certified social enterprise finders to assist with their trades, suppliers and staff engagements as part of this project.

CONCLUSION

That Council approves the recommendations contained within this report.



ATTACHMENT LIST

Nil