CENTRAL RESERVE RECREATION & COMMUNITY HUB PAVILION CONSTRUCTION TENDER
(CN: CF 2011093)
Ward: Mount Waverley
Responsible Director: Paul Kearsley

RECOMMENDATION

That:

1. Council accepts the lump sum tender price of $1,752,726.80 inclusive of GST, submitted by Harris HMC Construction Pty Ltd, to undertake the construction of the Central Reserve Recreation & Community Hub Pavilion and seal the contract documents.

2. The Chief Executive Officer be authorised to sign and seal the contract.

BACKGROUND

In August 2010 Richmond Cricket Club approached Council regarding the possibility of relocating to Central Reserve.

Discussions were held between Council Officers and representatives from Richmond Cricket Club. It was determined from these discussions that the opportunity to develop a second pavilion at Central Reserve, adjoining the North Oval was the most effective way of meeting the needs of both the Richmond Cricket Club and other community clubs. The development of a new pavilion would also provide an additional tenancy in winter. This would then make available a pavilion and ground at another reserve, and assist Council with the increasing growth in junior football and soccer.

On 27 October 2010, the State Government announced a commitment of $500,000 towards the pavilion and the Richmond Football Club with the support of the AFL committed a further $400,000.

On 9 November 2010 Council committed matching funds of $900,000 for the construction of the new pavilion. Council then confirmed the winter season allocations for Central Reserve with Mazenod Old Collegians Football Club moving into the proposed new pavilion on the North Oval and Glen Waverley Hawks Football Club relocating to the existing facilities on the South Oval. Council has since held a number of discussions with both Richmond Cricket Club and Mazenod Old Collegians Football Club regarding the design and functionality of the new pavilion.

PROJECT SCOPE

The proposed Central Reserve Recreation & Community Hub Pavilion, 692-724 Waverley Road Glen Waverley will incorporate facilities to accommodate a number of sporting and community groups within the same complex. These include the Richmond Cricket Club Inc. and the Mazenod Old Collegians Football Club Inc. with potential for other interested community groups to use the facility outside of sports practice and game days. The Pavilion will also incorporate social club room facilities, a bar and
kitchen, home and away change rooms showers, umpires change rooms and equal access facilities. Landscaping is to be provided around the new building.

The project includes photovoltaic electricity generating solar cells on the roof, passive wall heating and cooling generation for the office area, rainwater harvesting for garden irrigation and toilet flushing, double glazing and enhanced roof insulation. A building management system to reduce energy consumption, conserve water and reduce greenhouse gas emissions is also included in the project.

**ANALYSIS**

Eight (8) pre-qualified building contractors were invited to submit a lump sum tender for the construction of Central Reserve Recreation & Community Hub Pavilion. Seven (7) tenders were submitted by the nominated closing time of 2:00pm Friday October 28, 2011.

The lump sum tender prices submitted range from $1,752,726.80 to $2,306,680.00 inclusive of GST, or $1,593,388.00 to $2,096,982.00, exclusive of GST and were received from the following:

- Allmore Constructions Pty Ltd
- C A Property Group Pty Ltd
- Contract Control Services Pty Ltd
- Harris HMC Construction Pty Ltd
- Johns Lyng Commercial Builders Pty Ltd
- S J Higgins Pty Ltd
- Schultz Building Group Pty Ltd

The tender panel was chaired by Charles Nilsen, Manager, Urban Design and Architecture, with panel members consisting of James Collins, Manager Recreation Services, Rohan Waldie, Senior Architect and Su-en Ch’ng, Architect.

Tenders were evaluated against the criteria of price, when the tenderer could commence works together with the proposed completion time, conformity with tender conditions and nomination of key project personnel.

Harris HMC Construction Pty Ltd submitted the lowest tender of $1,593,388.00 exclusive of GST, which is within the project budget. The tender is conforming and their proposed time of 140 working days to reach practical completion is within the anticipated range of time required for the user group to commence occupation of this facility.

The time to complete the project offered by the lowest tenderer is satisfactory and generally in accordance with the Council’s capital projects program.

**FINANCIAL IMPLICATIONS**

The lowest lump sum tender of $1,593,388.00, exclusive of GST, was submitted by Harris HMC Construction Pty Ltd, which is within the project budget.

The total project cost breakdown, exclusive of GST, for the lowest tender is as follows:
### Central Reserve Recreation & Community Hub Pavilion Tender

<table>
<thead>
<tr>
<th>Part</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building Lump Sum Tender</td>
<td>$1,593,388.00</td>
</tr>
<tr>
<td>Consultants and management fees</td>
<td>$108,600.00</td>
</tr>
<tr>
<td>Contingency Sum</td>
<td>$50,000.00</td>
</tr>
<tr>
<td>FF&amp;E</td>
<td>$48,000.00</td>
</tr>
<tr>
<td><strong>Total Project Cost (excl GST)</strong></td>
<td><strong>$1,800,000.00</strong></td>
</tr>
</tbody>
</table>

The overall capital budget for the project consists of the following components:

<table>
<thead>
<tr>
<th>Part</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011/2012 Pavilion Upgrade</td>
<td>$900,000.00</td>
</tr>
<tr>
<td>Richmond Football Club</td>
<td>$400,000.00</td>
</tr>
<tr>
<td>Sport &amp; Recreation Victoria</td>
<td>$500,000.00</td>
</tr>
<tr>
<td><strong>Total Budget</strong></td>
<td><strong>$1,800,000.00</strong></td>
</tr>
</tbody>
</table>

**IMPLEMENTATION**

It is expected that the project will commence in late-January 2012 and is to be completed by September 2012.

**CONCLUSION**

The lowest adjusted lump sum tender price of $1,593,388.00 exclusive of GST or $1,752,726.80, inclusive of GST, submitted by Harris HMC Construction Pty Ltd represents best value to Council.