5.11 KERRIE ROAD MATERNAL AND CHILD HEALTH SERVICES CENTRE EXTENSIONS & REFURBISHMENTS
(CN: CF 2009048)
Responsible Director: Paul Kearsley

RECOMMENDATION

That Council:

1. Accepts the lump sum tender price of $241,947.00 inclusive of GST, submitted by Schultz Building Group Pty Ltd to undertake the construction of Kerrie Road Maternal and Child Heath Service Centre Extensions and Refurbishments; and

2. Authorises the Chief Executive Officer to sign and seal the contract documents.

BACKGROUND

The proposed Kerrie Road Maternal and Child Health Service Centre extensions and refurbishments will incorporate facilities to accommodate improved staff and public amenities and equitable access.

The project requires the construction of a new external access ramp to comply with the current access requirements of the Building Code of Australia and the provisions of AS 1428 for Equal Access in particular. The project includes improved kitchen, toilet, meeting room, consulting rooms and rainwater harvesting for garden irrigation and toilet flushing along with roof insulation improvements to reduce energy consumption, conserve water and reduce greenhouse gas emissions.

ANALYSIS

Five (5) pre-qualified building contractors, drawn from the State Government and City of Monash EOI process, were invited to submit a lump sum tender for the construction of Kerrie Road Maternal and Child Health Service Centre Extensions and Refurbishment tenders were submitted by the nominated closing time of 2:00pm Friday October 15, 2010.

The lump sum tender prices submitted range from $241,947.00 to $401,482.40 inclusive of GST, or $219,951.82 to $364,894.00, exclusive of GST.

The tender panel consisted of Charles Nilsen, Manager, Urban Design + Architecture and Rohan Waldie, Senior Architect / Urban Designer. Tenders were evaluated against the criteria of price, and when the tenderer could commence works together with the proposed completion time and conformity with tender conditions.

Schultz Building Group Pty Ltd submitted the lowest tender of $219,951.82 exclusive of GST. The tender is conforming and their proposed time of 90 working days to reach practical completion is within the anticipated range of time required to achieve practical completion.
Schultz Building Group is known to Council and has performed well on similar sized projects previously.

**FINANCIAL IMPLICATIONS**

The lowest lump sum tender of $219,951.82, exclusive of GST, was submitted by Schultz Building Group Pty Ltd.

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

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost (excl GST)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lump Sum Tender</td>
<td>$219,953.00</td>
</tr>
<tr>
<td>Consultants and management fees</td>
<td>$30,000.00</td>
</tr>
<tr>
<td>Authorities and Headworks Charges</td>
<td>$4,000.00</td>
</tr>
<tr>
<td>Landscape and site works</td>
<td>$10,000.00</td>
</tr>
<tr>
<td>FF&amp;E</td>
<td>$10,000.00</td>
</tr>
<tr>
<td>Contingency sum outside of contract</td>
<td>$20,000.00</td>
</tr>
<tr>
<td><strong>Total Project Cost (excl GST)</strong></td>
<td><strong>$293,953.00</strong></td>
</tr>
</tbody>
</table>

Funding for this project is provided for in the 2010/2011 Capital Works budget.

**CONCLUSION**

The lowest adjusted lump sum tender price of $219,951.82, exclusive of GST or $241,947.00, inclusive of GST, submitted by Schultz Building Group Pty Ltd is within Councils’ internally funded allocated 2010/11 budget of $355,000.00 (excluding GST) and represents best value to Council.