

## 6 Ordinary Business

### 6.1 Town Planning Reports

### 6.2 General Reports

## 6.2.1 Variation Report - Contract 21-031 Pavement Renewal Works - Soldiers Road, Caldermeade

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### Recommendation(s)

That Council note the contents of this report and provides authorisation for the variation of \$328,998.37 to the contract 21-031: Pavement Renewal Works 2021-22 to increase the contract price to \$2,684,916.51 (excl GST).

### Attachments

Nil

### Executive Summary

This report is to seek authorisation from Council for the recommended the cost variation of \$328,998.37 for Contract 21-031 Pavement renewal works for the 2021-22 Pavement Renewal Program. It has been necessary to extend this program over two years for Council to respond to the growing demands across its road network. The un-seasonally wet weather over the last 18 months has affected the ability of Council's contractors to fast track the delivery of renewal works due to saturated road formations, thus accelerating the road networks decline. This decline has expanded the scope of treatments needed.

The following additional works were identified and included in this cost variation.

- a). additional works identified during the excavation to improve the road pavement,
- b). installation of guardrails to improve the road safety and additional drainage works and spray seals due to changes in the designs to respond to challenging ground conditions.

The awarded contract price is \$2,355,918.14 and, the required cost variation to achieve the required outcomes is over 10% of the awarded price.

Under Council's Procurement Policy, contract variations over 10% must go to a Council Meeting for authorisation. The required funding is available from savings achieved in other areas of Council's 2022-23 Pavement Resurfacing Program.

### Background

In October 2021, Council resolved to award the tender and enter into a contract with Downer EDI Works to undertake the works associated with Contract 21-031A - Pavement Renewal Works on Hein Rd in Pakenham Upper, Pitt Rd in Iona, McDonalds Trk in Lang Lang, Railway Ave in Tynong and Soldiers Rd in Lang Lang/Caldermeade for the contract sum of \$2,355,918.14 (Excl. GST).

Pavement renewal works in Hein Rd, Pitt Rd, McDonalds Trk, Railway Ave and 2.6km of Soldiers Rd (Westernport Road to Lang Lang recreation reserve) have been completed, except for the last 400m of Soldiers Road including turning lanes to the Lang Lang Recreation reserve.

This project was expected to be completed during the 2021/22 financial year, but was delayed due to major design changes to the required drainage design, long waiting time for the concrete drainage pipes, inclement weather in late 2021 and another couple of revisions for the design due to service clashes in the area.

The remaining works in Soldiers Rd were resumed in April 2023. During the assessment for the sub-base, it was found that the widening areas for the turning lanes did not have sufficient bearing capacity to properly support the new road to achieve the required road pavement compaction. Therefore, over 600m<sup>2</sup> of the subgrade had to be improved by replacing the existing material with rock spalls laid on geofabric and large crush rock material to build up the new road pavement.

Also, there is a requirement to install guardrail to improve the road safety treatment at this location. Furthermore, due to the drainage and pavement design changes, further works were required to be carried out to complete the project.

The contract included four other roads, and these roads experienced minor fluctuations in costs, as illustrated in the table provided.

Therefore, due to above additional works for Soldiers Rd upgrade works and other minor cost variations in other roads in the contract, the awarded contract price is recommended to be varied by \$328,998.37, bringing the revised contract Price to \$2,684,916.51. This takes the cost over the 10% increase threshold where the Procurement Policy requires referral back to Council for authorisation.

Road	Contract Award Price (Ex. GST)	Revised Contract Value
Hein Rd	\$ 84,301.43	\$65,783.53
Pitt Rd	\$ 600,224.03	\$619,781.33
McDonalds Trk	\$ 159,927.66	\$165,120.65
Railway Ave	\$ 133,981.23	\$150,502.75
Soldiers Rd	\$ 1,377,483.79	\$1,683,728.25
<b>Total</b>	<b>\$ 2,355,918.14</b>	<b>\$2,684,916.51</b>

## Policy Implications

Nil

### Relevance to Council Plan

#### 2.1 We support the creation of liveable spaces and places.

2.1.5 Upgrade Council's Road Network to improve safety and connectivity while considering traffic demand and recreational and agricultural transport needs.

## Climate Emergency Consideration

Nil

### **Consultation/Communication**

Consultation with the community, affected property owners and commuters to let them know of disruptions throughout the construction works have formed a key part of the project planning and delivery of this Contract.

### **Financial and Resource Implications**

Pavement renewal works on Soldiers Rd is funded by the Local Roads and Community Infrastructure Program (LRCI) and Pavement Resurfacing Program. A Grant of \$1,720,815.00 has been approved for Soldiers Rd under LRCI program.

Currently \$920,940.22 has been spent on Culvert upgrades, Road Design, consultation and pavement renewal of 2.6km of Soldiers Rd (Westernport Road to Lang Lang recreation reserve) and there is an amount of \$799,874.78 remaining from the grant of \$1,720,815.00.

A total of \$923,188.03 is needed to complete the remaining works in Soldiers Road including the additional works mentioned above. As such, \$123,313.25 will be required used from 2022-23 Pavement Resurfacing Program to complete the total difference of \$306,244.47 for the additional works in Soldiers Rd.

Cost variation of \$22,753.91 for other four roads have been covered under Pavement renewal program.

### **Conclusion**

It is recommended that the contract variation of \$328,998.37 be authorised by Council for Contract 21-031: Pavement Renewal Works 2021-22 resulting in a revised contract price of \$2,684,916.51 (excl GST).