

## **5 DEEP CREEK BUILDING & SERVICES TENDER - CONTRACT17/05**

FILE REFERENCE INT1761485

RESPONSIBLE GENERAL MANAGER Michael Ellis

AUTHOR Mark Goode

### **RECOMMENDATION**

That:

1. Council award Contract 17/05, for the construction of the Deep Creek Building and Services to Kirchner Constructions PL, for the revised Tender sum of \$4,316,403.82 ex GST; and
2. That the common seal of Council be affixed to the contract documents.

### **Attachments**

- 1 Confidential memorandum circulated to councillors only 3 Pages

### **EXECUTIVE SUMMARY**

This report provides consideration for the appointment of a contractor to undertake the works required under CT17/05 - Deep Creek Building and Services. This is part of a multi-stage project with future works involving civil works, landscape works, all abilities play space, community spaces and golf course expansion works.

The tender for the Deep Creek Building and Services was advertised 8 July 2017, and closed 8 August 2017. Only one tender was received, for the amount of \$4,688,638.83.

Following a review of the scope of works, a revised tender price was submitted by Kirchner Constructions PL for the amount of \$4,316,403.82 ex GST.

### **BACKGROUND**

The project is located at 62 Cameron Way, Pakenham. Bulk earthworks for the site are complete, with civil works, landscape works and golf course expansion works packages planned to be tendered shortly. This contract is part of a multi-stage project also involving civil works and community spaces.

The Deep Creek Building Project is a multi-user shared facility, combining sports, ecological values and education. The building stage of the project combines the requirements of the Pakenham and District Golf Club, with the Cardinia Environment Coalition (CEC). The building floor area is approximately 1,260m, and will incorporate separate and shared spaces for the golf and CEC users, including a multi-function room, lounge/dining/bar area, café, pro shop, environmental training areas, administration areas, and a commercial kitchen.

The construction of the Deep Creek Building together with Services, forms part of this multi-stage project, and is integral to meeting the project milestones and also the Growing Suburbs Funding milestones.

The tender for the Deep Creek Building & Services was advertised 8 July 2017 and closed on 8 August 2017.

The tender was assessed against a range of non-weighted selection criteria to ensure the viability of the tender submissions. These criteria include: Compliance with the Conditions of Contract, Compliance with the Specification, Risk and Insurance levels, committed Conflicts of Interest, Occupational Health and Safety, Financial Viability and Location. The tender was also assessed against the weighted criteria; Capability and Capacity, relevant Experience and past Performance, Management Systems and Project Plan.

The revised tender price of \$4,316,403.82 ex GST, represents the fair value for money to Council and it is recommended that CT17/05 - Deep Creek Building and Services be awarded accordingly.

## **POLICY IMPLICATIONS**

Nil.

## **RELEVANCE TO COUNCIL PLAN**

The delivery of this project aligns with Council's Plan to "Manage Council's assets using a life cycle approach that ensures adequate maintenance over the life of the asset", to "Provide active and passive recreation facilities to meet the needs of our residents" and to "Increase opportunities for our residents to participate in a range of sport, recreation and leisure activities".

This contract contributes to meeting the Growing Suburbs Fund objectives and milestones.

## **CONSULTATION/COMMUNICATION**

The user groups from the Pakenham and District Golf Club and the Cardinia Environmental Coalition have been consulted during the preparation of the scope of works and subsequent detailed designs.

## **FINANCIAL AND RESOURCE IMPLICATIONS**

Funding for this project has been made available through the Council capital works program (\$7.5 Million) and the Growing Suburbs Funding (\$2.825 Million).

An initial budget of \$4.3 Million was provided for the construction of the Deep Creek Building and the provision of Services to the site. Anticipated savings from within the overall budget will address any shortfall.

## **CONCLUSION**

The Deep Creek Building and Services package are integral to meeting overall project and also the Growing Suburbs Fund committed milestones.

It is recommended that Council award Contract no. 17/05, for the construction of the Deep Creek Building and Services, to Kirchner Constructions PL, for the revised tender sum of \$4,316,403.82 ex GST.