

STAFF REPORT

TO: Mayor and Councillors
FROM: Manager Property and Chief Executive
DATE: 26 January 2005
SUBJECT: Richmond Administration Office Building Project

PURPOSE

To seek approval to accept a tender for the proposed additions and alterations to Council's Richmond administration buildings.

BACKGROUND

Council Resolution CN04/07/21 authorised.

Moved Crs O'Regan/King CN04/07/21

THAT in regard to Council Office accommodation at Queen Street, Richmond, that Council agrees to:

- i Approval of the concept design;**
- ii Approval of the project budget;**
- iii Approval to proceed with working drawings;**
- iv Approval to call for registration of interest in mid August 2004;**
- v Approval to call tenders at the end of October 2004.**

CARRIED

The LTCCP has provision for \$3,000,000.00 expenditure for 2004/2005.

TENDER EVALUATION

Tender documentation was issued to five pre-qualified contractors in November 2004 and closed on 14 December 2004.

Five tenders were received between \$2,933,715.95 and \$3,138,120.11. Following a review for compliance with the conditions of tender and specifications, the adjusted tender prices were as follows:

Ian McCully Builders	\$2,965,885.57
Fitzgerald Construction	\$2,980,338.81
Mainzeal Construction	\$3,071,149.00
Kidson Construction	\$3,093,368.32
Wilkes Construction	\$3,248,148.59

The tenders were evaluated on a weighted attribute method as follows:

Price	70%
Company management	10%
Site management	10%
Health and safety	10%

The results of the evaluation process were as follows:

Ian McCully Builders	68.1 (preferred tenderer)
Fitzgerald Construction	67.8
Mainzeal Construction	65.0
Kidson Construction	64.5
Wilkes Construction	62.3

BUDGET

The budget submitted to the 29 July 2004 Council meeting provided an estimate of \$3.548 million for this project.

The revised budget based on the preferred tender is as follows:

Contract – Ian McCully Builders	\$2,965,885.57	
Additional work identified for existing building	40,000.00	
Professional fees	110,000.00	
Relocation costs	60,000.00	
Consents	50,000.00	
Contingency	82,114.43	
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Sub total	\$3,308,000.00	(plus GST)
Costs to 31 December 2004	240,000.00	
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Total	\$3,548,000.00	
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The above costs do not include the purchase of acoustic partitions, lockers, data projector and screen (Council Chamber), window treatments (blinds, curtains etc), appliances, landscaping and the relocation of mobile shelving. The majority of these expenses are regarded as furniture and fittings and not part of the capital cost of the project. The preferred tender includes a contingency of \$80,000.00 and with an overall project contingency of \$82,000.00, some of these expenses should be able to be funded from those moneys. However, it is recommended that a further \$100,000.00 be included in the 2005/2006 budget to cover fit out costs.

TIMELINE

Upon acceptance of the tender, a period of seven weeks is allowed to relocate staff and buildings so that a clear site is provided for the contractor to commence work on 21 March 2005. The construction period will be 15 months with completion scheduled for June 2006.

RECOMMENDATION

That the tender from Ian McCully Builders Limited of \$2,965,885.57, plus GST for the additions and alterations to the Tasman District Council Richmond Administration Offices, be accepted.

J K Frater
Manager Property

R G Dickinson
Chief Executive