

**14. CONTRACT NUMBER 03/04-238:
LYTTELTON STREET RECONSTRUCTION (FROM COBHAM STREET TO WYCHBURY STREET)**

Officer responsible Alix Newman Capital Programme Team Leader	Author Ross Herrett Senior Professional Transport, DDI 941-8863
---	---

The purpose of this report is to obtain Board approval for acceptance of a tender which is above the \$500,000 authority delegated to Council officers.

RELEVANT CURRENT POLICY

This project forms part of the Transport and City Streets Unit's Capital Expenditure Programme for the 2004/05 financial year and is capital output of the Financial Plan and Programme.

DESCRIPTION

The contract is for the construction of kerbs, channels, asphaltic concrete paths, grassed berms, landscaping, drainage works and full carriageway reconstruction for Lyttelton Street (from Cobham Street to Wychbury Street).

Tender prices have been received as follows:

KB Contracting and Quarries Limited	\$542,490.00
City Care Limited	\$566,541.40
Local Construction Limited	\$574,780.50

All prices exclude GST.

These prices include a contingency sum of \$40,000 and the work is for a sixteen (16) week period.

The estimate for the work was \$480,000 and the recommended tender price is 13% above this. However, this is acceptable given that current market conditions reflect an excess of construction work, resulting in an increase of up to 20% on estimates.

RESULTS OF CONSULTATION

The standard roadworks information leaflet has been circulated inviting comments relating to the project and all enquiries and comments from residents and others have been satisfactorily resolved. No significant changes have had to be made to the design shown on the publicity leaflet.

Recommendation: That the lowest price conforming tender of KB Contracting and Quarries Limited for the sum of \$542,490.00 be accepted.

Chairman's Recommendation: That the staff recommendation be supported.