

8. **PARKLANDS COMMUNITY CENTRE FACILITIES PROJECT - TENDER EVALUATION/RECOMMENDATION REPORT**

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| Officer responsible Property Manager | Author Tony Melton (City Design) |
| Corporate Plan Output: Corporate Plan 8.9.33 | |

The purpose of this report is to seek the Council's approval for the award of the Parklands Community Centre Facilities project construction contract.

1. **BACKGROUND**

The Parklands Community Centre Working Party (which includes Councillors Evans and Sheriff) was established in June 1998 to investigate the upgrading of the Parklands Community Centre, to better meet the needs of the Parklands community.

As a consequence of the rapid growth of the suburb of Parklands, the Parklands Community Centre is well utilised and is now unable to cater for the ever-increasing needs of the local community.

Following extensive public consultation, a design plan was formulated to accommodate community needs and consolidate other facilities that are presently located on the Parklands site. The site at present provides facilities for the Parklands United Sports Club, a church and plunket rooms.

Community feedback on the design plan and consultation process has been positive and the Burwood/Pegasus Community Board has been regularly informed of developments and supports the project.

The project consists of an extension to the existing Parklands Community Centre. This extension includes an 8m high new community hall that can accommodate two badminton courts, two adjacent rooms, ablution block, kitchen and storerooms. The car park is also reconfigured and increased in size.

The Council's Annual Plan has allowed for funding that has been carried forward from the previous financial year, and underwriting up to \$200,000. A successful lotteries grant application resulted in further funding of \$90,000.

The site is located on the Parklands Reserve in Queenspark Drive.

2. **TENDER EVALUATION**

A selected tender process covering seven contractors was conducted, with tenders closing on 22 September 2000.

Six construction tenders were received as follows. C Lund & Son Ltd declined the invitation to tender.

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| Bushnell Builders | \$683,722 |
| Simon Developments | \$684,686 |
| Hawkins | \$686,110 |
| Higgs Builders | \$708,810 |
| Armitage Williams | \$738,985 |
| Hanham and Philp | \$739,989 |

The construction tenders include a \$40,000 contingency and are GST exclusive.

The Council's **pre-tender** construction cost estimate was **\$807,742** (excl GST). This figure exceeded the original construction cost estimate, of **\$794,425** (excl GST).

Because the pre-tender construction cost estimate exceeded the proposed budget provisions, tenderers were requested to separately price the following items. These items were excluded from the overall contract, pending the outcome of the tenders. The lowest tenderer's prices for the excluded items are listed below.

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| • All work associated with the office | \$4,764 |
| • Painting and floor coverings in the storerooms | \$6,704 |
| • Exterior lighting poles and fixtures | \$3,860 |
| • Upgrade community hall aluminium window joinery | <u>\$1,900</u> |
| Total adjustment (GST excl) | \$17,228 |

Given that the contract tender is well below the pre-tender estimate and also within budget (refer sections 6 and 7), it is recommended that the above items be reinstated in the contract in accordance with the original brief.

Consequently, the lowest adjusted tender price (which includes the above items) is **\$700,950**, received from Bushnell Builders.

Bushnell Builders have also confirmed mobilisation times will be from when the contract is awarded, and they are therefore the recommended tenderer.

3. ENERGY

Leonid Itskovich, the Council's Energy Manager, has reviewed the design and confirmed that the design complies with the Council's current energy management policy and NZS4218:1986 'Energy Efficiency – Housing and Small Building Envelope'.

4. CONSENTS

(a) Resource Consent

A resource consent was granted for this project on 23 March 2000. The condition of the consent is that "the development proceeds in accordance with the plans and information submitted".

(b) Building Consent

A building consent was granted for this project on 27 September 2000. The conditions of the consent require some drainage amendments.

5. PROGRAMME

The tender documentation proposes a 28 week construction period, with the tender being awarded a week after the Projects and Property Committee meeting.

Following the tender award, the contractor will be required to submit a detailed construction programme. This programme will be used to monitor progress of construction.

6. PROPOSED PROJECT COST PLAN

The concept design total project cost estimate, was **\$878,000** (excl GST). This was the sum that was used as the basis for seeking funding for this project.

Based on the recommended tender, the proposed revised project cost plan is as follows:

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| Total construction (incl. \$40,000 contingency) | \$700,950 |
| Consultants' fees (fixed fee – all consultants) | \$69,000 |
| Building consent | \$2,550 |
| Miscellaneous (permanent sports equipment)- estimate | \$15,000 |
| Project contingency | <u>\$50,000</u> |
| Total Project Cost (GST excl) | \$837,500 |

7. BUDGET

The following provisions are allocated for this project (GST exclusive).

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| 2000/01 | Annual Plan (incl. carried forward) | \$632,000 |
| 2000/01 | CCC underwriting | \$200,000 |
| | Lotteries Grant | <u>\$90,000</u> |
| | Total budget provision | \$922,000 |

Based on the proposed project cost plan (refer section 6 - \$837,500), only \$115,500 (GST excl) of the Council's \$200,000 underwriting will be required for this project, leaving \$84,500 surplus (under budget).

- Recommendation:**
1. That the Projects and Property Committee, pursuant to its delegated authority, accept Bushnell Builders' adjusted tender of \$700,950, excluding GST.
 2. That the proposed Project Cost Plan and Budget of \$837,500 (excluding GST) be adopted.

Chairman's

Recommendation: That the above recommendation be adopted.