

1. **WORCESTER STREET (OXFORD TERRACE TO CATHEDRAL SQUARE)  
CONSTRUCTION CONTRACT**

The Subcommittee considered a report by Ross Herrett, Project Manager, seeking approval to accept a tender for the upgrading of Worcester Street between Oxford Terrace and Cathedral Square. This section of Worcester Street is included in the City Streets Unit's capital expenditure programme for 2004/05. Because of the delay in the implementation of Stage V of the Cathedral Square Development Programme, it was agreed that a separate tender would be let for Worcester Street so that construction work could start prior to completion of the Cathedral Square Stage V design. Four contractors were approached for a registration of interest in the total Stage V project and following consultation Works Infrastructure were selected because of their previous experience on Stage IV of the Square, and the fact that they had no current commitments to other Council construction contracts. Works Infrastructure wish to start the work as soon as possible so that they can endeavour to meet the completion date of 12 November 2004. Following negotiations, Works Infrastructure submitted a tendered price for the Worcester Street upgrade of \$270,968.72 (excluding GST), including a contingency sum of \$15,000. The estimate for this work was \$224,000.

The following associated costs will also be incurred, in addition to the construction costs:

Lighting	\$23,946.62
Supply of Trees	\$1,650.00
Fees (Design and Supervision)	\$30,650.00
Consultation (Staff)	\$5,000.00

The tendered price was the subject of extensive negotiations with Council officers, bearing in mind recent contract rates, present market forces, additional consultation, the confined working situation with tram and other vehicular traffic and the tight time frame for completion. The final tender price was considered to be reasonable, given these factors.

There is a shortfall of \$132,215 from the current budget, and this will be funded from the City Streets capital expenditure programme's contingency sum for 2003/04.

The Subcommittee **resolved** to accept the tender of Works Infrastructure for \$270,968.72 for this contract.