

ITEM 7.3	VARIATION TO CONTRACT 2011/108 COLLAROY SLSC UPGRADE WORKS
REPORTING MANAGER	ACTING GROUP MANAGER BUILDINGS, PROPERTY & SPATIAL INFORMATION
TRIM FILE REF	2012/290582
ATTACHMENTS	NIL

EXECUTIVE SUMMARY

PURPOSE

To seek approval for a variation to Contract 2011/108 Collaroy SLSC Upgrade Works for unforeseen and additional works.

SUMMARY

Council previously resolved to award the above contract to Patterson Building Group for a total amount of \$1,663,481.00 excluding GST. This approved amount included a contingency allowance of \$152,225.00 excluding GST.

The total cost of variations for unforeseen and additional works is now expected to increase by \$120,000.00 excluding GST taking the total potential contract value of \$1,783,481.00 excluding GST. This is an increase of approximately 6.7%.

FINANCIAL IMPACT

The total amount approved for this contract as per Council's resolution of 27 March 2012, including contract and contingency, is \$1,663,481.00 excluding GST.

The revised total project estimate including the contract, variations and contingency is \$1,783,481.00 excluding GST, which is an increase of \$120,000.00. Funds are available from the existing project budget with an allocation from the Minor Renewal Works budget.

POLICY IMPACT

Nil

RECOMMENDATION OF DEPUTY GENERAL MANAGER COMMUNITY

That Council resolves to increase the budget for Contract 2011/108 Collaroy SLSC Upgrade Works to \$1,783,481.00 excluding GST.

REPORT

BACKGROUND

It was decided to bring this report forward to July Council meeting as a precautionary measure to ensure there is no conflict with the NSW Government's requirements for Council's actions during the impending "Caretaker" period.

Council previously resolved to award the contract to Patterson Building Group for a total amount of \$1,663,481.00 excluding GST. This approved amount included a contingency allowance of \$152,225.00 excluding GST.

Work is now proceeding quickly but will require a number of contract variations for unforeseen and additional works. Major items of these works include replacement of existing sanitary drainage, repair of existing roof, post-contract changes to suit site conditions and upgrading the finish of paving & landscaping to match that being proposed for the overall Collaroy accessible precinct. The new finishes were finalised post acceptance of the main building contract.

The total cost of variations for unforeseen and additional works is now expected to increase by \$120,000, taking the total potential contract value of \$1,783,481.00 excluding GST. This is an increase of approximately 6.7%.

CONSULTATION

N/A

TIMING

The contract work is currently underway with a contract completion date expected in late September 2012. An approved varied contract that encompasses these unforeseen and additional works is required to enable payments to continue through the remaining contract period which is also during the Council's impending "Caretaker" period.

POLICY IMPACT

Nil

FINANCIAL IMPACT

The total amount approved for this contract as per Council's resolution of 27 March 2012, including contract and contingency, is \$1,663,481.00 excluding GST.

The revised total project estimate including the contract, variations and contingency is \$1,783,481.00 excluding GST, which is an increase of \$120,000.00. Funds are available from the existing project budget with an allocation from the Minor Renewal Works budget.