

3.2 DRAINAGE IMPROVEMENT WORKS – KEOGH STREET AREA, BURWOOD
(SW: CF2015040)

Ward: Mount Waverley

Responsible Director: Ossie Martinz

RECOMMENDATION

That:

1. *Council accepts the amended tender of Kalow Holdings Pty Ltd to undertake drainage improvement works in the Keogh Street area, Burwood for the lump sum of \$567,012.60 (GST inclusive).*
2. *That the anticipated project expenditure of \$595,466.00 (GST exclusive) for the design, construction works, contingency and supervision fees be noted.*
3. *The Chief Executive Officer be authorised to sign and seal the contract documents.*
4. *The Chief Executive Officer be authorised to approve any contract variations that are contained within the anticipated project expenditure.*

BACKGROUND

In 2004 Council undertook urgent drainage upgrade works behind the rear easement of 4-6 Keogh Street to minimise flooding of the residential properties from the adjoining industrial area. The drainage improvements were designed to safely surcharge stormwater away from the Keogh Street residential properties; however, design issues with the nearby units result in a number of the properties being regularly flooded during storm events, with the latest occurrence being in September 2014. The proposed works are to transfer flows safely away from residential properties along its natural valley to Highbury Road where it can then flow into Gardiners Creek.

DISCUSSION

In order to minimise the flows through these properties the existing drainage system is to be upgraded as follows:

- Upgrade the drain from the rear easement of 4-6 Keogh Street and 150 Highbury Road to the intersection with Highbury Road through private properties and road reserves (along the easement of 4-6 Keogh Street, Keogh Street, easements of 1 Keogh Street and 2 Stephens Street and Stephens Street).

The proposed drains are designed to provide for a 1% Annual Exceedance Probability storm event.

ANALYSIS

Tenders were invited for the works and at the close of tenders the following four contractors had submitted tenders with lump sum prices ranging between \$567,012.60 and \$688,244.90 (GST inclusive):

- Kalow Holdings Pty Ltd
- Jaydo Construction Pty Ltd
- Plumbtrax Pty Ltd Pty Ltd; and
- Comar Constructions Pty Ltd

Evaluation was undertaken on the criteria set out in the tender documents with price (60%) and other items (40%). After the initial assessment for OH&S and previous experience and demonstrated quality for similar works Kalow Holdings Pty Ltd (Kalow) scored the highest and are recommended to undertake this project.

Kalow has undertaken contracts for Council previously and is considered capable for completing this contract. Kalow has extensive experience in installing large drains in urban municipal areas, including local and arterial roads. Kalow indicated that they are able to commence the works within 4 weeks of being awarded the contract and complete the works within 6 weeks.

FINANCIAL IMPLICATIONS

The project costs based on Kalow's tender are estimated to be:

Tender Amount (GST inclusive)	\$567,012.60
GST Amount	\$51,546.60
Tender Amount (GST exclusive)	\$515,466.00
Items Not Included in Lump Sum*	\$80,000.00
Expected Project Cost (GST exclusive)	\$595,466.00

*Provisional Items, Contingency, Design and Supervision Fees

Funding for these works is to be provided from income collected under Council's Developer Contribution Policy (Drainage) from the Gardiners Creek catchment (\$210,000). The additional \$335,000 for this project can be found within the overall Capital Works Program through identified savings.

IMPLEMENTATION

Upon Council awarding the Contract, the necessary documentation will be executed and the works undertaken.

CONCLUSION

The tender panel concurs that the tender from Kalow Holdings Pty Ltd offers Council best value.

ATTACHMENT 1

KEOGH STREET AREA, BURWOOD – DRAINAGE IMPROVEMENT WORKS

