

3.2 Contract 2019/73 - Canterbury Gardens Wall Stabilisation Works - Contract Variation Delegation

Abstract

Approval is being sought to extend the Chief Executive Officer's authorisation to approve contract variations for Contract 2019/73 - Canterbury Gardens Wall Stabilisation Works, by \$110,000 (excluding GST).

During the early stages of construction a higher value of variations and associated costs than anticipated was incurred. The variations are associated with latent conditions where the existing soil conditions and rock wall make up could not be determined as the existing rock wall was still in place. To determine the ground condition and rock wall make up would have required the existing rock walls to be demolished before tenders were requested. This would have destabilised the footpath and road pavement as the embankments had already shown signs of cracking and movement.

Officers' recommendation

That Council resolve to:

1. Authorise the Chief Executive Officer or such other person that the Chief Executive Officer selects for the purpose of giving effect to this resolution to approve additional variations of \$110,000 (excluding GST) for Contract 2019/73 - Canterbury Gardens Wall Stabilisation Works.
2. Note these additional variations to Contract 2019/73 - Canterbury Gardens Wall Stabilisation Works will be funded from associated projects in Council's adopted 2019-20 Budget.

Responsible director: Charles Turner
Acting Director Environment and Infrastructure

1. Purpose

The report seeks Council's approval to extend the Chief Executive Officer's authorisation to approve contract variations for Contract 2019/73 - Canterbury Gardens Wall Stabilisation Works, by \$110,000.

2. Policy implications and relevance to community plan and council plan

The Council Plan 2017-21 includes the following themes which are relevant to this project:

- Your Community, Services and Facilities
- Your Parks and Green Spaces
- The Environment
- Neighbourhood Character and Heritage
- Getting Around Boroondara
- Your Local Shops and Businesses
- Civic Leadership and Governance

3. Background

Canterbury Gardens Wall Stabilisation Works site is located at the northern end of Canterbury Gardens, Canterbury, adjacent to Canterbury Road.

The scope of works includes the demolition of the existing fencing and walls, construction of bored piers, construction of concrete walls, laying of field stone walls, preparation of garden beds and asphaltting of footpath pavement.

On 29 April 2019 Council awarded Contract Contract 2019/73 - Canterbury Gardens Wall Stabilisation Works to Axis Infrastructure Pty Ltd for a total lump sum price of \$559,990 (excluding GST). The Chief Executive Officer has delegated authority to vary this Contract by up to \$100,000.

4. Outline of key issues/options

During the early stages of construction a higher value of variations and associated costs than anticipated was incurred. The variations are associated with latent conditions where the existing soil conditions and rock wall make up could not be determined as the existing rock wall was still in place.

To determine the ground condition and rock wall make up would have required the existing rock walls to be demolished before tenders were requested. This would have destabilised the footpath and road pavement as the embankments had already shown signs of cracking and movement. As the works are still in progress the projected total variation amount is expected to be \$210,000 (excluding GST), which is \$110,000 more than the current delegated authority.

5. Consultation/communication

Stakeholder groups have been consulted about the requirements for the project and regular project updates have been provided to stakeholders.

6. Financial and resource implications

The current project budget for the Canterbury Gardens Wall Stabilisation Works is \$577,840. The projected expenditure to the end of the project is as follows:

Original project budget	\$577,840
Anticipated Project expenditure	\$769,990

Anticipated Project budget shortfall	\$192,150
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The anticipated budget shortfall can be funded from associated projects:

Account No	Description	Available budget	Allocation for this project
71728	Condition 4 Footpaths renewal	\$560,000	\$100,000
71996	Retaining Walls - Unscheduled works	\$118,000	\$60,000
71858	Unscheduled /emergency drainage works	\$370,000	\$32,150
Budget available from nominated project			\$192,150

7. Governance issues

The implications of this report have been assessed in accordance with the requirements of the Victorian Charter of Human Rights and Responsibilities.

The officers responsible for this report have no direct or indirect interests requiring disclosure.

8. Social and environmental issues

It is envisaged that there are no issues relevant to these contract variations.

9. Conclusion

This report seeks Council's approval to extend the Chief Executive Officer's authorisation to approve contract variations for Contract 2019/73 - Canterbury Gardens Wall Stabilisation Works.

Manager: Michael Le Grange, Acting Manager Projects and Strategy

Report officer: Masha Patikirikorale, Acting Coordinator Civil Projects