

Contract Variations Report

Contract No.	Description	Awarded Via	Approved Budget (including	Current Contract Sum	Variance Over Budget	Contingency Amount	Total Variations	Variations/Additional Costs	Status
			\$	\$	\$	\$	\$		
> 100K OPEN									
85618/2422	Investigation and Concept Design of Lower Wyong & Mooney Mooney Transfer Systems	Council Resolution	100,416	220,975	120,559	6,000	126,559	The scope of works originally in the contract was for the investigation and concept design for both Lower Wyong and Mooney Mooney transfer systems. Due to the urgency resulting from the drought crisis for completing detail design to allow tendering and construction of the Lower Wyong transfer system, two major variations were ordered for the consultant to undertake detail design and tender documentation (\$79,273.00). A number of smaller variations were also required as a result of the development of the detail design.	Incomplete
2314	Design Documentation Engineering Works Rehabilitation Bateau Bay Landfill Pat Morley Oval	Council Resolution	258,660	525,495	266,835	26,000	292,835	Twelve variations amounting to \$66,855.51 were directed during the design development stage to prepare Remediation Action Plans and a Voluntary Remediation Agreement; conduct a concept design workshop; accommodate the resulting requirements of the sporting group users; and incorporate a recycled stormwater re-use system. Eight variations amounting to \$223,614.12 were directed at the conclusion of the design phase to incorporate particular requirements of the development consent; redesign elements of the site drainage system to accommodate concerns expressed by the adjacent property owner; redesign elements of the site electrical services; and provide ongoing consultative services through the construction phase of the project.	Incomplete
90368/2477	Goorama Avenue, San Remo. Emu Drive to Highview Avenue. Design for Upgrading	Staff Delegation	118,000	263,500	145,500	0	145,500	The scope of the contract was significantly expanded to include drainage investigation as well as a Traffic Management Scheme for the whole of San Remo. The works were also expanded to include additional drainage work in Perouse Ave to resolve flooding issues.	Incomplete
92139/2493	Cleaning of various Council Facilities	Council Resolution	63,774	629,353	565,579	0	565,579	The original contract completion date was 31 December 2005. The contract was initially awarded to two (2) contractors with specific facilities allocated to each contractor. However, due to poor performance of one of the appointed contractors, that contractor was terminated and all work allocated to the remaining contractor. The current contractor has been performing satisfactorily at competitive rates with an agreed Schedule of Rates since that time. New tenders have been prepared, called and assessed. This has been a lengthy process due to staff changes and the complexity of tenders received.	Incomplete
92139/2493	Cleaning of Various Council Facilities	Council Resolution	62,000	155,574	93,574	0	93,574	See above. This contractor terminated.	Finalised
94424	Provision of project Management Services to Deliver Capital Works	Council Resolution	7,060,777	7,925,213	864,436	700,000	1,564,436	This contract was awarded to the Department of Commerce and the original scope of work was based on the delivery of sixteen specified projects over a five year period. In accordance with the contract documents Council is able to vary the work undertaken under the contract to accommodate new projects and amend the nominated projects to suit changing circumstances. This has been of considerable benefit to Council in managing its significant capital works programme and to expeditiously undertake a number of drought contingency projects. To date there has been some significant variations to the project management services contract. This has resulted from variations to the scope of the sixteen core projects and from an additional twenty four projects being assigned to Commerce to manage. It is estimated that the final contact sum will be approximately \$13.5 million. A detailed report dealing with all variations on this contract will be the subject of a separate report to Council. The report will also recommend additional funding to increase the contract sum.	Incomplete

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94531/5029	Investigation and Design of Link Road and Mardi to Warnervale Water Trunk Main	Council Resolution	527,027	2,279,145	1,752,118	54,545	1,806,663	The original scope of work for the design consultancy was based on preliminary concept designs for both the road and the water pipeline. As the investigation and design developed, extensive environmental, geotechnical and engineering challenges associated with the Porters Creek wetland have resulted in continually escalating project costs. The present estimated construction cost for the works is \$37.4 million (road and pipeline combined). The estimated final consultancy cost is \$2,242,000 and this includes a variation for \$188,000 to undertake design and documentation for a separate project, the Porter's Creek Temporary Weir, as part of the emergency drought contingency projects. Although significantly more than the awarded sum, the present final estimated investigation and design consultancy cost attributable to the road and pipeline of \$2,054,000 represents 5.5% of the estimated construction cost of that work. This is within the industry range of 5% to 8% for the typical cost of this work and is considered acceptable. A detailed report dealing with all variations on this contract will be the subject of a separate report to Council.	Incomplete
98601	Design Development & Construction of Warnervale Trunk Main	Council Resolution	11,686,371	11,481,922	-204,449	2,000,000	1,795,551	The variations were a combination of: increases in scope necessary to achieve the increased system capacity; payments for works due to the contractor encountering latent conditions; costs to accelerate the works to meet the December 2006 deadline for pipeline operation; and refined quantities under the Schedule of Rates for the work. Although a number of individual variations exceeded the \$150,000 approval threshold, timely acceptance was essential and was provided to maintain the Contractor's construction programme to complete this vital component of the drought contingency works. The total of all variations was still within the contingency amount of \$2 million approved by Council. Refer May 28th 2008 Business paper Report.	Practical Completion Reached - Now In Defects Liability Period
99940	Construction Of Wadalba Sports Facility	Council Resolution	5,615,123	5,649,165	34,042	300,000	334,042	Variations approved to date have been for additional works on site that were not documented or made evident in the Tender documentation (including additional civil works for unsuitable site conditions, the growing medium and construction details).	Practical Completion Reached - Now In Defects Liability Period
104754	Ourimbah Creek Upper Weir Fish Ladder	Council Resolution	234,727	361,838	127,111	21,818	148,929	A number of variations approved by the Superintendent were necessary to accommodate changes to the largely conceptual design in the tender documents following detail design by the contractor and advice from a specialist fishway consultant during the construction phase. These included removal of a large tree (following setout for construction); construction of an additional two pools; removal of an earth bank and replacement with a rock retaining wall to prevent flood damage; and extension of the reinforced concrete wall to strengthen the fishway against flood damage. The fishway expert also recommended further measures to stabilise the site after construction disturbance that resulted in variations ordered by the Superintendent to substantially increase the area of protective rock mattresses and rock facing and shotcreting of an exposed earth bank. Following commissioning tests, it was also necessary for variations to adjust the constructed rockwork to achieve satisfactory pool depths and low flow paths for fish to navigate.	Practical Completion Reached - Now In Defects Liability Period

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113686/102579	Design and Construction of Morisset Water Pumping Station	Council Resolution	1,783,310	3,078,491	1,295,181	240,000	1,535,181	Variations to accommodate revised pumping configuration and realise increased capacity of system. Refer May 28th 2008 Business Paper Report	Practical Completion Reached - Now In Defects Liability Period
122803	Security Services For Council Premises And Facilities - Snp Security	Staff Delegation	50,000	320,000	270,000	0	270,000	There have been no variations as such against this contract, but costs have been accrued as payments made for services provided by a new security company. This followed termination of the contract with the previous security contractor for contract 2259.	Incomplete
130386	Mardi to Mangrove Link - Design & Approvals	Council Resolution	6,537,203	6,448,466	-88,737	592,727	444,939	Tunnel Option Review (\$60k) Adjustment to Schedule of Rates as per contract (\$152k) Additional investigation Route C (\$125k) Off-take structure & pumping station analysis (\$23k) Survey for pump station sites (\$24k) Yarramalong Rd - Shared Costs analysis (\$25k)	Incomplete
135454	Cabbage Tree Harbour - Investigation And Design Of Toe Drainage Structure	Staff Delegation	35,000	177,900	142,900	0	142,900	Consultants completed the concept design of the toe-drainage structure proposed for the back of the beach. Major variations approved to date have been to prepare the detailed design and specifications of the toe-drainage structure, review of slope stability, develop contract and environmental documentation to support the development application that is required to gain the required approvals.	Incomplete
>5% OPEN									
85616/2460	Design and Contract Documentation of the Wadalba Sports Facility	Council Resolution	415,700	467,650	51,950	20,000	71,950	Major variations approved to date have been for alteration to the design for the Wadalba Sports Facility to accommodate site conditions; and for additional design works (to Louisiana and Van Stappen Roads).	Incomplete
89418/2328	Coastline Management Study & Plan	Council Resolution	262,283	290,352	28,069	50,000	78,069	The variations approved to date were in relation to additional geotechnical investigations and the review and amendment of data profiles for modelling purposes. A hazard assessment was undertaken and exhibited by Council in 2004 as part of the current Coastline Management Plan. However, the Department of Environment and Climate Change (DECC), which approved the initial scope of the project and the methodologies proposed by the consultants, raised concerns with the validity of the modelling undertaken to develop the hazard line on the beaches. DECC has taken several years to resolve this issue with the methodology subject to Court action. Council was unable to progress the Plan until the issue had been resolved. In addition, any isolated action by Council to progress the Plan in the interim would have jeopardised funding from the State Government. DECC's concerns were based on the beach modelling producing an underestimate of erosion or storm bite and resulted in the hazard zones being very non-conservative. In some instances, the erosion lines moved eastward from those developed in 1996.	Incomplete
90853/2540	Provision of External Cleaning Services to Various Town Centres	Staff Delegation	124,331	199,313	74,982	0	74,982	The original contract was for a period of two years with an option to extend for a further 3 x 1 year periods. The approved budget is based on the initial fixed two year period of the contract only. The budget variation reflects the decision to exercise extension periods for 2 x 1 years.	Incomplete
112153	Concept and Detailed Design of Temporary Desalination Plants	Staff Delegation	133,400	230,900	97,500	0	97,500	The two variations on this consultancy were to modify the documentation to incorporate provision of larger 4ML/day plants at 3 sites (\$75,000); and to incorporate horizontal screens into the tender documents (\$22,500).	Finalised

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112242	Design & Documentation For Mardi Water Transfer System and Dam Raising	Council Resolution	924,409	983,671	59,262	84,091	143,353	Major variations approved to date have been an alteration to draft designs to rationalise valves and pipe work, deletion of the raising of the dam and the combining of contracts (all of which will realise a reduction in final construction costs); additional design work to enable a diversion to the Tuggerah No. 2 Reservoir to maximise storage capacity; and completion of a dam wall break study and emergency plan.	Incomplete
127246	Stage 2 Consultancy for investigation remedial Stg2- Mardi Landfill Site	Staff Delegation	136,261	158,605	22,344	0	22,344	Additional drilling works due to site conditions	Finalised
129004/94561	Tumbi Creek Dredging	Council Resolution	1,153,221	1,222,606	69,385	104,545	173,930	Principal areas of additional costs on this Schedule of Rates contract have included:- Preparation of area of foreshore for saltmarsh rehabilitation demonstration area (\$29,300) Stand down costs following sewage pump station overflow (\$16,600) Additional surveys after storm events (\$10,045)	Incomplete
130893/108619	Documentation Concept and Detailed Design & Mardi High Lift Pump Station	Council Resolution	353,218	415,974	62,756	31,818	94,574	Major variations approved to date have been: an alteration to draft designs to rationalise valves and pipe work; undertaking an Early Contractor Involvement process to try and achieve improved contract performance; deletion of Clearwater Tank design; and combining of the contract with the other Mardi works. These variations are intended to realise a reduction in final construction costs.	Incomplete
132570/122601	Supply and Installation of SCA's and Associated Work for Lower Wyong River Water Pump Station No.1	Council Resolution	228,260	252,422	24,162	20,919.00	45,081	Major variations approved to date have been related to additions to the construction work to improve maintainability of the pump station.	Incomplete
141371/123594	Lower Wyong River to Mardi Dam Transfer Upgrade Pump Station No.1 & Construction of High Voltage Power Supply	Council Resolution	175,121	265,438	90,317	16,000	106,317	Variation No 1 is the principal variation. It involved construction of a plinth to raise the transformer above the new 1 in 100 year flood level, identified after the awarding of contract.	Incomplete
Various	Leadership and Management Development Programme Phases A to F	Staff Delegation	517,500	852,480	334,980	0	334,980	Refer Council Council Business Paper report of May 28th 2008. Costs updated to reflect current actual costs.	Incomplete
Various	Provision of Temporary Professional Services	Staff Delegation	2,477,438	6,654,932	4,177,494	0	4,177,494	Refer Council Council Business Paper report of June 25th 2008. Note figures reported here cover period July 2006 to June 2008.	On-going
> 100K FINALISED									
85923/2259	Provision of Security Services (Alarm Monitoring & Response, Security Patrols and Opening & Closing of Facilities)	Council Resolution	328,380	650,926	322,546	29,090	351,636	Contract was extended on a month-by-month basis. Variation to budget is indicative of extension period. Significant contractual disputes encountered under this arrangement necessitated a more rigorous exercise in developing tender documents for a replacement contract. New contract for these services was awarded at Council meeting of June 25th 2008. Transition to the new contract is expected to be complete by August 2008.	Incomplete
85965/2476	Design and Construction of 150 m³/hr Tertiary Treatment Plant	Council Resolution	837,760	959,929	122,169	40,000	162,169	Final contract value 14.6% in excess of the approved maximum value. Significant variations included new pump station found to be necessary but not in original design; reservoir drainage works to accommodate actual site conditions; and provision of a chlorine analyser not included in original scope of works but required for operational purposes.	Finalised

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86657/2209	Management of Wyong, Toukley and The Entrance Ocean Baths for Period of Five Years	Council Resolution	\$274,575 p.a. \$1.37 mill over 5 years. \$1.56 mill after annual CPI adjustments.	1,706,574	150,574	0	150,574	Variations over 5 year contract term included unscheduled storm related pool cleans at The Entrance Ocean Baths that had to be paid at contract rates; additional small repairs/replacements to the facilities that were more economical for the Contractor to undertake; and costs incurred by the contractor due to the effects of delays with the Toukley Pool refurbishment works in 2006	Finalised
86866/2487	In-Situ Stabilisation Works Period February 1st 2005 to January 31st 2007	Council Resolution	928,500	1,423,073	494,573	0	494,573	Schedule of Rates Contract - actual works performed greater than pre-award estimate.	Finalised
89045	Wyong / Tuggerah Planning Strategy	Staff Delegation	99,200	207,400	108,200	0	108,200	Significant variations included: Preparation of Draft Masterplans and Character Statements for 12 of 16 identified character areas.	Finalised
97403	Separable Portion 1 - Supply Of Pipes, Valves & Fittings - Bushells Ridge To Nikko Rd Warnervale	Council Resolution	3,664,070	3,895,416	231,346	196,277	427,623	All three contracts awarded on an estimate of quantities for pipe, valves and fittings. Once detailed design was completed, actual final quantities were greater than initial estimates. Refer May 28th 2008 Business Paper Report	Finalised
102362	Separable Portion 2 - Supply Of Pipes, Valves & Fittings - Bushells Ridge To Nikko Rd Warnervale (Part Of Cpa97403	Council Resolution	3,527,034	3,980,494	453,460	188,936	642,396		Finalised
102365	Separable Portion 3 - Supply Of Pipes, Valves & Fittings - Bushells Ridge To Nikko Rd Warnervale (Part Of Cpa97403)	Council Resolution	275,384	520,163	244,779	14,787	259,566		Finalised
103966	Supply and Delivery of Pumps and Motors for the Morisset Water Pumping Station	Council Resolution	168,100	294,300	126,200	8,000	134,200	Pump capacity increased to realise potential for greater transfer of water from Hunter. Additional air freight costs to expedite delivery, installation & commissioning. Refer May 28th 2008 Business Paper Report	Finalised
105697	Toukley Indoor Aquatic Centre Refurbishment	Council Resolution	307,580	696,072	388,492	14,600	403,092	Latent site condition in relation to process for stripping paint from building structure. Inclusion of stormwater harvesting Costs for removal of asbestos. Contract scope increased to include: Necessary structural repairs and treatment of corrosion. Acceleration costs. Refer July 23rd 2008 Business Paper Report	Finalised

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111113	Construction of Porters Creek Temporary Weir & Water Rising Main	Council Resolution	369,661	505,818	136,157	68,000	204,157	Significant variations included changes to increase the size of gravity pipelines following design changes; additional works at the pump station to improve its operation and security; and additional bank stabilisation works found to be necessary for the discharge pipeline.	Finalised
114562	Easement Compensation & Management Costs	Staff Delegation	150,000	377,008	227,008	0	227,008	Compensation for loss of easement rights, including legal and administrative costs. Refer May 28th Business Paper Report	Finalised
> 5% FINALISED									
94238/CDN5018	IPTelephony & Call Centre System - Supply, Install, Configuration & Commissioning - Hardware	Council Resolution	395,220	455,142	59,922	0	59,922	Incorporated into contract the technical upgrade of internal network hardware to support VOIP system.	Finalised
97631	Lake Haven Leisure Centre Upgrade Works	Council Resolution	567,377	640,256	42,879	30,000	72,879	Variations to contract included changes to the electrical supply to match specialised gym equipment; additional structural work found necessary when existing building was partially demolished; additional emergency and general lighting required to fully comply with building regulations; and a number of changes to ensure new works were compatible with existing structure.	Finalised
106881	Provision of Permit Issuing Officers for the Morisset to Warnervale Water Trunk Main Construction	Staff Delegation	84,480	676,758	592,278	0	592,278	Payment for Permit Issuing Officers to monitor work within the AGL / Caltex easement. Refer May 28th Business Paper Report	Finalised
113366	Detailed Design & Construction of the Central Coast Lifetime Learning Centre	Council Resolution	954,143	995,494	41,351	45,435	86,786	Variations included additional earthworks due to unsuitable site conditions; and the need to relocate absorption trenches to meet Council requirements.	Finalised
113403	Morisset Pump Station Electricity Supply	Staff Delegation	135,931	198,938	63,007	0	63,007	Variations included: Delay to commencement of work 5 September, 2006. Non-Destructive Potholing. Road Underbores. Provision of turf and Six (6) month Maintenance of trench restoration. Rock Excavation associated with trenching. Supply and Install new Pole HW-70119 Delay Costs Due to Generator Requirement. Additional labour costs associated with the prolongation of trenching and underboring due to rock. Re-instate street lighting.	Finalised
115833	Design Mangrove to Mooney Spur Line	Staff Delegation	113,300	194,163	80,863	0	80,863	Significant variations included: Civil works to enable removal of Carp eggs and sub-consultancy for CDS unit design,	Finalised

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OTHER									
2255	Newspaper Advertising for a Period of Two Years with Optional Extensions Period December 1st 2003 to December 31st 2007	Council Resolution	1,000,000	1,960,000	960,000	0	960,000	Increase above estimate due to recruitment \$475k, water authority advertising \$336k (50% paid by Gosford and in accordance with approved budgets) and general advertising including tenders \$143k.	Finalised
2406	Plumbing Maintenance – Council Controlled Tourist Parks for a Two Year Period	Council Resolution	132,000 (based upon estimated needs)	163,039	31,039	0	31,039	Optional 12 month extension exercised. Variation over budget attributable to the exercise of extension option and an upgrade programme to fire hose reels.	Finalised
2502	Supply & Delivery of Base & Sub-base Material for a Period of up to 3 Years Period December 31st 2004 to November 30th 2007	Council Resolution	3,270,000	3,360,000	90,000	0	90,000	Products under contract vary significantly in cost and application. Contract awarded on basis of using most economical & suitable material as each circumstance required	Finalised
2504	Manufacture, Supply & Delivery of Readymixed Concrete Period December 31st 2004 to November 30th 2007	Council Resolution	1,640,000	1,990,000	350,000	0	350,000	Estimated usage pre-award of contract was 15,000 c/mtrs. Final actual quantity purchased under contract 16,085 c/mtrs	Finalised
5040	Manufacture, Supply & Delivery of Domestic Water Meters Period July 1st 2005 to June 30th 2007	Council Resolution	193,771	269,019	75,248	0	75,248	Awarded contract amount was based on typical usage of meters. Increased usage after contract was awarded was due to need to fit new meters with backflow prevention devices to properties with water tank installations to prevent the possible leakage of untreated tank water into the town water supply system.	Finalised
94296	Supply of Tools, Hardware and Fasteners Period March 13th 2005 to January 31st 2009	Council Resolution	527,702	823,029	295,327	0	295,327	Optional extension for thrid year excercised. Rates subject to annual adjustment. Variation includes contract extension and adjustment of rates.	Incomplete
104356	Asphaltic Concrete Works Period July 26th 2006 to July 31st 2008	Council Resolution	4,850,408	6,363,636	1,513,228	230,972	1,744,200	Additional RTA funding provided under Single Invitation Maintenance Contract. Contract increased to match RTA funding arrangements. Refer previous reports to Council January 23rd 2008 (increase contract to \$5,454,545) and July 9th 2008 (further increase to \$6,363,636)	Incomplete
104358	Sprayed Bituminous Surfacing Works Period July 26th 2006 to July 31st 2008	Council Resolution	1,628,403	2,090,909	462,506	77,543	540,049	Additional RTA funding provided under Single Invitation Maintenance Contract. Contract increased to match RTA funding arrangements. Refer previous report to Council January 23rd 2008 (increase contract to \$2,090,909)	Incomplete
111687	Supply & Delivery of Traffic Control Equipment Period December 1st 2006 to November 30th 2008	Council Resolution	145,560	176,451	30,891	0	30,891	Equipment requirements greater than pre-award estimate.	Incomplete
Totals			67,195,494	87,085,388	18,171,894	5,212,103	23,324,946		