



DIRECTOR SHIRE SERVICES REPORT

8th August 2006

DSS4	TENDER –CONSTRUCTION OF STATE EMERGENCY SERVICES HEADQUARTERS BUILDING
	FILE: 865 JM {Folio No. *}

SUMMARY:

Reporting on the receipt of tenders for the construction of the State Emergency Services Headquarters Building.



Tender 865 was called for the lump sum supply of all labour, materials, onsite supervision and commissioning needed to construct the new building. Council's intent to tender for the construction of the new building was reported at the Ordinary meeting of Council on Tuesday 11th April 2006.

Tenders for the construction of the State Emergency Services Headquarters Building closed at 10.00am on Tuesday, 30 May 2006. However the submission of this report has been delayed pending the announcement by the Federal Government of the results of Council's funding application with the Local Grants Scheme from Emergency Management Australia. The grant forms part of the proposed funding for this project. The grants were announced in Parliament on 2 August 2006 with Kempsey Shire Council being unsuccessful with its grant application in the amount of \$50,000.

Tenders were received from Osborne & Dowling, Varley Enterprises, Buildsuite, A W Edwards, Buildplan Group and Aboriginal Connections.

The overall cost of the project including construction of the building, service connections, furniture, associated works such as landscaping and car parking and contingencies is \$295,000.

Table 1 summarises the sources of funding available to complete this project.

Table 1 – Summary of Funding Available

Kempsey Shire Council 2005/06 and 2006/07 Budget	\$100,000
Monies raised by Kempsey SES	\$45,000
NSW State Emergency Services Grant	\$50,000
Total Funding	\$195,000

As previously mentioned, a grant of \$50,000 was anticipated from Emergency Management Australia. The SES have also applied for additional funding from State Headquarters of SES in the amount of \$50,000. Advice regarding SES funding is anticipated in September 2006.

With no funding now forthcoming from Emergency Management Australia, sufficient funds are not currently available to award the tender for the construction of the building. Prices submitted in a tender are normally valid for a period of 60 days. As confirmation of additional funding from SES Headquarters will not be advised until at least September, the tender prices would then no longer be valid.

Council has no alternative but to not accept the tenders received and to call fresh tenders when confirmation of additional funding is received.

REPORT IMPLICATIONS:

- ***Environmental***

Nil.

- ***Social***

The construction of the new SES Headquarters will enable the SES to respond more effectively during any emergencies or disasters that may arise in the community.

- ***Economic (Financial)***

Funds in the amount of \$195,000 are currently available for the construction of the new building.

- ***Policy or Statutory***

There are no Policy or Statutory implications arising from this report.

- ***Director's Review***

Sufficient funding is not currently available to allow the construction of the new headquarters building.

RECOMMENDATION

- 1 That the tenders received for the construction of the State Emergency Services Headquarters Building not be accepted.
- 2 That new tenders be called for the construction of the State Emergency Services Headquarters building when confirmation of additional funding has been received.

.....
A P Vermeulen
DIRECTOR SHIRE SERVICES