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ANNEXURE ITEMS

ITEM 5 - SEWER MAIN RELINING CONTRACT VARIATION

REPORT IN BRIEF

Reason For Report	For council to approve the variation
Policy Implications	Nil
Budget Implications	\$72,002.50 from Sewer Reserves
IPR Linkage	5.3.3.b. Maintain Cabonne sewer infrastructure assets
Annexures	Nil
File Number	\\OFFICIAL RECORDS LIBRARY\SEWERAGE AND DRAINAGE\TENDERING\680768 - CABONNE AND BLAYNEY SEWER MAINS RELIGNING PROJECT - 754313

RECOMMENDATION

THAT Council:

1. Approve the variation to Contract No:690768 – Cabonne Sewer main relining project with Abergeldie Watertech in the amount of \$72,002.50 for relining Cabonne sewer mains. The budget allocation was \$253,000.
2. Resolve that expenditure is required and warranted to enable council to meet its contract commitments.

**ACTING DIRECTOR OF ENGINEERING & TECHNICAL SERVICES'
REPORT**

Council at its meeting of 27 October 2015 resolved to accept the Tender of Abergeldie Watertech for the relining of sewer mains in Molong and Canowindra.

There are contract variations totaling \$72,002.50 partly due to a large diameter main (375mm dia.) in Tilga Street Canowindra which wasn't able to be defined and costed at the time of preparation of tender documents. This particular item added \$25,500 to the contract price.

Work additional to the contract amount was also undertaken due to a misunderstanding surrounding the inclusion of the administration charge in the budgeted amount.

Other variations were minor and mostly related to defects not readily identified from the CCTV undertaken prior to the relining schedule being adopted.

Please note that guidelines have been issued under Section 23A of the Local Government Act titled "Council decision making during merger proposal

periods". Council must consider the guidelines in relation to each decision they make during the proposal period.

This contract was let prior to the commencement of the merger proposal period, the additional expenditure is necessary for council to meet its contract commitments.