

REPORT TO: LEISURE AND ARTS SERVICES COMMITTEE - 26 JUNE 2006
REPORT ON: MCMANUS GALLERIES - ALTERATIONS AND REFURBISHMENT
Contract Nr 03-2305
REPORT BY: City Architectural Services Officer
REPORT NO: 395-2006

1.0 PURPOSE OF REPORT

1.1 This report details the tenders received for the above project, which forms part of the overall McManus Galleries redevelopment, and requests a decision on the acceptance of the revised lowest tender and approval of the additional expenditure required to fund the project.

2.0 RECOMMENDATIONS

2.1 It is recommended to approve:

- (1) the acceptance of the revised lowest tender submitted by Muirfield (Contracts) Ltd., Dundee in the amount of £5,407,263.15 and allowances amounting to £745,630.00, giving a total cost of £6,152,893.15, and
- (2) additional expenditure amounting to £ 622,000.00 required to fund the project.

3.0 FINANCIAL IMPLICATIONS

3.1 The Depute Chief Executive (Finance) has stated that the total expenditure on the McManus Galleries project, £8,458.893, will be met as follows:

Heritage Lottery Fund	£4,906,000
ERDF & Sponsorship	700,000
Historic Scotland	520,000
Dundee City Council Capital	
- Energy Efficiency	238,000
- Disabled Access	30,000
- Leisure & Communities	<u>2,066,000</u>
TOTAL	<u>£8,460,000</u>

3.2 The Depute Chief Executive (Finance) is concerned that due to the complex nature of this project there is a risk of the cost of this project increasing, and he has been given assurances by the Director of Leisure and Communities and the City Architectural Services Officer that the project will be monitored rigorously to ensure that it is delivered within the above budget provision.

4.0 LOCAL AGENDA 21 IMPLICATIONS

4.1 None.

5.0 EQUAL OPPORTUNITIES IMPLICATIONS

5.1 None.

6.0 BACKGROUND

The McManus Galleries redevelopment project comprises three distinct phases:

- a Conversion of Barrack Street Museum to form a collections unit (completed),
- b The Alterations and Renovations at McManus Galleries (subject of this report) and
- c The fit out of displays at McManus Galleries (undergoing design development)

Each of these phases is included in the overall financial package supported by the Heritage Lottery Fund, Historic Scotland, The European Regional Development Fund and Dundee City Council.

7.0 TENDER REPORT

7.1 The works comprise alterations and renovations to the existing four storey Grade A listed museum building and includes forming a new south entrance; new internal feature stairwell; stonework and roofing works; new kitchen, internal cafe and toilet facilities and external patio cafe, together with all associated services and drainage works.

7.2 Following EU advert four firms were invited to submit tenders and four tenders were received, details of the lowest three being as follows:-

Several Works	Tender Amount	Corrected Amount
1 Muirfield (Contracts) Ltd., Dundee	£5,972,825.15	£5,899,831.15
2 Hall & Tawse Ltd., T/A Mansell, Dundee	£6,089,981.11	£6,097,670.91
3 HBG Construction Ltd., Glasgow	£6,132,664.43	£ tender incomplete
Highest Tender	£6,138,237.96	

7.3 The tenders received were all higher than the budget. Since the lowest tender was substantially less than the second placed tender, negotiations were undertaken with the lowest tenderer on a range of savings. As a result a revised tender of £5,407,263.15 was agreed with Muirfield (Contracts) Ltd., Dundee and it is recommended that this revised tender is accepted. If agreed to it brings out the following:-

Several Works -	£5,407,263.15
Allowance for -	
Professional Services	£ 729,750.00
Building Warrant	£ 15,880.00
Total	<u>£6,152,893.15</u>

7.4 The total cost of the Several Works in 7.3 above when added to the cost of the other phases produces the following overall cost for the project:-

Barrack Street Collections Unit	£ 774,000.00
McManus Galleries Several Works	£5,407,263.15
McManus Galleries Display Fit Out	£1,532,000.00
Professional Services etc.	£ 745,630.00
Total Project Cost	<u>£8,458,893.15</u>

8.0 **CONSULTATIONS**

The Client Department has been consulted with regard to the Local Agenda 21 and Equal Opportunities implications and the Depute Chief Executive (Finance) has also been consulted in the preparation of this report.

9.0 **BACKGROUND PAPERS**

9.1 None

Rob Pedersen
City Architectural Services Officer
22 June 2006

Report No : 395/2006

z:\new report format\reports this month\mcmanus refurb.doc