

**REPORT TO: ECONOMIC DEVELOPMENT COMMITTEE – 13 AUGUST 2001**  
**REPORT ON: TENDER RECEIVED BY CITY ENGINEER**  
**REPORT BY: CITY ENGINEER**  
**REPORT NO: 505-2001**

## **1 PURPOSE OF REPORT**

1.1 This report details a tender received and requests a decision on acceptance thereof.

## **2 RECOMMENDATIONS**

2.1 Approval is recommended of (1) the acceptance of the tender submitted by the undernoted contractor and (2) the undernoted total amount, including allowances, for the project:

<b>Project Reference/Project Description</b>	<b>Contractor</b>	<b>Tender Amount</b>	<b>Total Amount</b>	<b>Finance Available</b>
<b>P4/01517/000 – Demolition of TDI Factory Superstructure (Unit P) Claverhouse Industrial Estate</b>	Safedem Ltd	£175,000.00	£232,000.00	£232,000.00
TOTAL		£175,000.00	£232,000.00	£232,000.00

## **3 FINANCIAL IMPLICATIONS**

3.1 The Director of Finance has confirmed that funding for the above project is available as detailed on the attached sheet.

## **4 LOCAL AGENDA 21 IMPLICATIONS**

4.1 The Client Department has been consulted with regard to Local Agenda 21 and Equal Opportunities implications.

## **5 BACKGROUND PAPERS**

5.1 Unless stated otherwise on the attached sheet, no background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information), were relied on to any material extent in preparing this report.

## **6 FURTHER INFORMATION**

6.1 Detailed information relating to the above Tender is included on the attached sheet.

## **7 CONSULTATIONS**

7.1 The Chief Executive, Director of Finance, Director of Support Services, Director of Corporate Planning, Director of Economic Development, and Convener of Economic Development Committee have been consulted and are in agreement with the contents of this report.

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Mike Galloway  
Director of Planning & Transportation

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Ken Laing  
City Engineer

KL/KW

3 August 2001

Dundee City Council  
Tayside House  
Dundee

**ECONOMIC DEVELOPMENT COMMITTEE – 13 AUGUST 2001**

<b>CLIENT</b>	<b>Economic Development Department</b>														
PROJECT NUMBER	P4/01517/000														
PROJECT DESCRIPTION	Demolition of TDI Factory Superstructure (Unit P) Claverhouse Industrial Estate														
TOTAL COST	Contract		£175,000.00												
	Non-Contract Allowances		£27,000.00												
	Fees		£30,000.00												
	Total		£232,000.00												
FUNDING SOURCE	All costs associated with the work will be recovered from the insurance fund.														
BUDGET PROVISION & PHASING	2001/02		£232,000.00												
ADDITIONAL FUNDING	None														
REVENUE IMPLICATIONS	None														
LOCAL AGENDA 21 IMPLICATIONS	Demolition of the building in a controlled manner will contribute to Key Theme 2.														
EQUAL OPPORTUNITIES	None.														
TENDERS	<p>Following pre-tender qualification procedures, tenders were invited from six demolition contractors. Four tenders were returned. However, two of the tenderers did not comply with Tender Instructions and submitted bids which did not properly deal with the fundamental requirements for Health and Safety. The tender returned by Masterton Demolition was not fully compliant and it has not been possible to design the additional information required. Only Safedem Ltd returned a fully compliant tender. Safedem Ltd also offered an alternative tender which was also deemed to be compliant and has the advantage of including a Gross Maximum Price with potential savings.. Details are as follows:</p> <table border="1"> <thead> <tr> <th>Tenderers</th> <th>Tender</th> <th>Corrected Tender</th> <th>Alternative Tender</th> </tr> </thead> <tbody> <tr> <td>Masterton Demolition</td> <td>£166,238.00</td> <td>£170,238.00</td> <td>N/A</td> </tr> <tr> <td>Safedem Ltd</td> <td>£218,075.00-</td> <td>£218,075.00</td> <td>£175,000.00</td> </tr> </tbody> </table>			Tenderers	Tender	Corrected Tender	Alternative Tender	Masterton Demolition	£166,238.00	£170,238.00	N/A	Safedem Ltd	£218,075.00-	£218,075.00	£175,000.00
Tenderers	Tender	Corrected Tender	Alternative Tender												
Masterton Demolition	£166,238.00	£170,238.00	N/A												
Safedem Ltd	£218,075.00-	£218,075.00	£175,000.00												
RECOMMENDATION	Accept the alternative tender from Safedem Ltd which offers a Guaranteed Maximum Price. This has been discussed in detail and agreed with the Council's loss adjusters. The external Environmental Consultant also recommends acceptance of the Safedem tender based on their Health and Safety submission.														
ALLOWANCES	<p><b>Contingencies</b></p> <ul style="list-style-type: none"> <li>- ground slab investigation &amp; testing £5,000.00</li> <li>- ground slab remediation £20,000.00</li> <li>- Public Utilities £2,000.00</li> </ul> <p><b>Professional Fees</b></p> <ul style="list-style-type: none"> <li>- Project Management £14,000.00</li> <li>- Environmental Consultant £13,000.00</li> <li>- Planning Supervisor £3,000.00</li> </ul> <p>Total £57,000.00</p>														
SUB-CONTRACTORS	Ethos Environmental Ltd														

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<b>CLIENT</b>	<b>Economic Development Department</b>	
BACKGROUND PAPERS	The building was severely damaged by fire leaving it in a dangerous and contaminated condition. The site perimeter has been kept secured by fencing and 24 hour manned security is provided. A specialist Environmental Consultant has been appointed to advise the City Engineer at all stages in the tender preparation and assessment.	