

CM13.7. Supply and Construct Garland Avenue Sewage Pump Station (SPS26) and Rising Main Contract No. 18/02482

DATE 1 May 2019 **FIL REFERENCE** Fil18/02482-02

CONFIDENTIAL No

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Purpose of Report

To recommend a preferred contractor for the Supply and Construction of the Garland Avenue Sewage Pump Station and rising main through a qualitative and quantitative assessment.

Background

The existing sewage pump station in Garland Avenue was constructed in 1973 and is in poor condition. It is proposed to upgrade this pump station with dual pumps which is Council's current standard. The dual pump configuration reduces operational risk and improves maintenance outcomes. The project includes the construction of a collection well, external valve pit and flow meter pit. The asbestos cement rising main, which is nearing the end of its operational life, is also to be replaced. A location plan of the proposed pump station and rising main is attached.

The scope of the works included in this contract is summarised below:

- decommissioning of existing pump station and the conversion to a collection well;
- construction of a new manhole and gravity main;
- supply and installation of two pumps and a new pump well, including any civil and electrical disconnection and installation of new pumps;
- supply and construction of a valve pit and a flow meter pit;
- rising main construction (including under boring); and
- connection of a rising main to discharge manhole

Tenders were invited for Contract No.18/02482 – Garland Avenue Sewage Pump Station & Rising Main Supply & Construction which was advertised in the Border Mail, Sydney Morning Herald and on Tenderlink. Tenders closed at 12 noon on Wednesday 20 February 2019.

The location of works is in the road reserve at the North Eastern corner of the Garland Avenue and Fallon Street intersection, within the racecourse precinct. The rising main is to be under bored along the southern boundary of the road reserve of Fallon Street.

Council's budget allocation for the project is \$250,000 including GST. This amount includes \$52K for various works by Council including the electrical services.

Tender Assessment

At the close of the tender, submissions were received from the following three companies:

- Beno Excavations, Queanbeyan, NSW;
- DeKort Systems, Wodonga, VIC; and
- Longford Civil, Howlong, NSW.

All tenders were evaluated in accordance with Council's procurement policy and guidelines. The assessment panel for the tender comprised of Procurement & Contract Management Acting Team Leader – Gerard Coyle, Trade Waste Engineer – Peter Barnes and Technical Officer Wastewater – Arash Dalir.

The selection process provides the best value for money when evaluated against the applicable assessment criteria. Some of the benefits of the submission that were considered include performance of equipment, resourcing and availability, performance history, planning and programming, work health and safety record, quality of work and experience. Consideration was also given to items external to the contract such as additional contract management required for the duration of the contract.

Conformity Check

A conformity assessment was undertaken to ensure all submissions received were in accordance with the contract documentation and specification.

Company	Pricing Details	Supporting Information	WHS Documentation	Comment
Beno Excavations Pty Ltd	√	Partially completed	X	Non-Compliant (parts of submission were not completed or supplied)
DeKort Systems Pty Ltd	√	√	√	Compliant
Longford Civil	√	√	√	Compliant

As indicated above DeKort Systems Pty Ltd and Longford Civil's submissions were assessed as conforming tenders. Beno Excavations Pty Ltd failed to provide mandatory supporting information such as WHS details, works program for this project, details of works in progress and community benefit. Therefore, Beno Excavation Pty Ltd's submission was deemed non-compliant and not further considered for this contract.

Qualitative Assessment

A qualitative assessment considered a range of issues including:

- past performance - historical performance, referee checks, experience and WHS;
- methodology and program - overall quality of goods and services, program of works, reporting and recording systems, design and quality of product;
- capability - quality assurance/systems/programs/procedures for projects;
- capacity - availability of personnel and equipment; and
- benefit to the local region - local supply and community benefit.

Company	Past Performance (35%)	Methodology and Program (25%)	Capability (20%)	Capacity (10%)	Local Benefit (10%)	Total (100)
Longford Civil	35	25	20	10	6	96
DeKort Systems Pty Ltd	35	20	20	10	6	91

Longford Civil is a locally based company that has completed wastewater construction projects throughout Victoria and NSW. Recently the company has completed the upgrades to the Avalon Street Sewage Pump Station and Kerr Road Sewage Pump Station for AlburyCity. Their current commitments include the construction of the Mulwala Industrial Park.

Referee information and checks indicated that the company had completed projects to a good or superior standard on or before the date of practical completion. The company has good coordination procedures and is professional in managing the construction site, their suppliers and subcontractors. This company propose to utilise a local under boring contractor and suppliers during the construction of the project.

The company has put forward a conforming submission. Their submission proposes the installation of the pump station and rising main as outlined in the tender documents and attachments.

The company has submitted a proposed methodology and works program indicating a contract period of 10 weeks, of which seven weeks is for procurement of materials. They have in place management systems including Safe Work Method Statements, Workplace Health and Safety Management System and Quality Management System.

DeKort Systems Pty Ltd is a locally based company that has completed wastewater construction projects throughout Victoria and NSW. Recently the company has completed the modifications to the North Street Sewage Pump Station and Eastern Circuit Pump Station for AlburyCity. Other projects have included systems upgrade at Nariel Creek and clarifiers at Queanbeyan Wastewater Treatment Plant. Their current commitments include the upgrade of a major Pump Station for Bega Valley Council and Federation Council high lift pump overhaul.

Referee information and checks indicated that the company had completed projects to a good or superior standard on or before the date of practical completion. The company has good coordination

procedures and is professional in managing the construction site. Dekort Systems Pty Ltd employ all local staff.

The company has put forward a conforming submission. Their submission proposes the installation of the pump station and rising main as outlined in the tender documents and attachments.

The company has submitted a works program indicating a contract period of approximately 20 weeks, of which 10 weeks are for procurement of materials. They have an extensive range of management systems including Safe Work Method Statements, Environmental Management System, Workplace Health and Safety Management System and Quality Management System.

From the information provided, Longford Civil and DeKort Systems Pty Ltd have demonstrated the required management systems, experience, construction plant, resources and availability.

The most favourable submission, from the qualitative ranking, is the submission from Longford Civil due to the shorter timeframe for the supply, installation and commissioning of the project.

Quantitative Assessment

Company	Tendered Price (including GST)	Rating (Max. 100)
Longford Civil	\$182,468.00	100
DeKort Systems Pty Ltd	\$288,956.56	63

The budget allocation for this component of the project is \$198,000 including GST. The Longford Civil submission was within the budget provision.

As tabled above, the submission from Longford Civil was the most favourable, being 37% more favourable than the DeKort Systems Pty Ltd submission. Although the Longford Civil tendered price is significantly less than the next tender, it is only 8% less than Council's estimate, therefore it is expected that Longford Civil can complete the project to the scope of the tender.

Risk

- Business Risk – financial risks are possible if latent/unknown construction issues are encountered. A geotechnical investigation has been undertaken to reduce this risk.
- Corporate Risk – this project is located within an established light industrial area of Albury region and as such, will be highly visible to the community. The completion of this project will support both the existing businesses within this area and Council's ongoing commitment to efficiently and effectively managing community assets. This risk area is considered low.
- WHS and Public Risk - WHS risks due to the construction works will be controlled in accordance with AlburyCity procedures. The contractor will be WHS registered by AlburyCity and will be required to implement relevant Safe Work Method Statements and safety inspections.
- Delivery Program Risk – standard risks associated with construction are possible, including delays due to inclement weather and changes due to latent/unknown construction issues. Site

investigations have been undertaken during the design and planning phase, so Delivery Program Risks are considered low.

Community Engagement

- Property owners/lessees have been informed of the project and any impact it may have on the operation of their business;
- This project is in keeping with the goals of Albury 2030 to ensure that Albury's infrastructure and assets are well maintained and managed; and
- The Garland Avenue Sewage Pump Station and Rising Main upgrade were included in the Council's draft 2018/19 budget, which was placed on public exhibition prior to its acceptance in June 2018.

Summary

The scoring for the qualitative and quantitative assessment is summarised in the following table:

Company	Quantitative	Qualitative
Longford Civil	100	96
DeKort Systems Pty Ltd	63	91

The most favourable submission, from a quantitative perspective, is the submission from Longford Civil. From a qualitative assessment perspective, the offer from Longford Civil is also more favourable due to the shorter timeframe for the supply, installation and commissioning of the pump station, associated pits and rising main.

Therefore, based on the qualitative and quantitative assessments, it is deemed the submission from Longford Civil provides the best value for money in the delivery of this project.

Conclusion

Council invited tenders for the supply and construction of the Garland Avenue Sewage Pump Station, associated valve pit, flowmeter pit and rising main. This tender was requested in response to the existing pump station not meeting current requirements and also the rising main nearing the end of its operational life. There were three submissions received.

The scope of the works in this contract included supply and construction of a sewage pump station with associated pits and works as well as the replacement of the sewer rising main. The existing pump station is to be decommissioned and used as a collection well.

A quantitative and qualitative assessment indicated that the submission from Longford Civil was the most favourable submission. Their tendered price of \$182,468.00 including GST is within the budget allocation of \$198,000 for the construction of the pump station. The remaining funds for the project (\$52,000) is for works carried out by Council which includes supply and connection of the electrical control cabinet.

Recommendation

That Council accepts the submission from Longford Civil for the Garland Avenue Sewage Pump Station Upgrade and Rising Main Supply and Construct for Contract No. 18/02482 for the lump sum amount of \$182,468.00 including GST.

Attachment

Garland Avenue Sewage Pump Station and Rising Main Location Plan (DOC19/58467)