CM13.1. Main Sewer Pump Station and Rising Main Consultancy and Design Contract No. 23/01976

DATE	12 June 2024	**FIL REFERENCE**	FIL23/01976
CONFIDENTIAL	No		
FURTHER ENQUIRIES	Brad Willis Water and Wastewater	**PHONE**	6023 8111
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Purpose of Report

To recommend to Council a preferred lead design consultant for Contract No. 23/01976 – Main Sewer Pump Station and new Rising Main/s, through a qualitative and quantitative assessment.

Background

AlburyCity's Main Sewer Pump Station (MSPS) collects and pumps approximately 95% of all sewage flows within the city. It was originally constructed in 1916 and is marked by the historic building on the corner of Smollett Street and Wodonga Place. It also forms part of Council's main Works Depot in the heart of the city.

This asset has been identified as requiring upgrade in line with forecasts of the city's planned development and population growth. This project intends to ensure the operational effectiveness and capacity of this infrastructure into the future in order to meet the needs of Albury's growing population.

Specifically, this project seeks to enhance the storage and pumping capacity within the constraints of the MSPS site. As most of the city's sewerage system conveys flows to this pump station, it is unable to be removed from service or relocated. The project timeframe identifies the project lead design commencing this financial year in order to meet our planning timeframes and integrate with other development projects in and around this site.

The MSPS upgrade is a critical project and will look to integrate seamlessly with a potential redevelopment of the AlburyCity Wodonga Place Depot site, as defined within the Albury CBD Master Plan and the Murray River Experience (MRE) Master Plan. Moreover, the MSPS upgrade would need to occur before any redevelopment of the Depot site.

This project specifically aims to deliver:

- The construction of a new sewer pump station and the rehabilitation of the existing, historic MSPS both at the current location.
- Upgrades of the existing, and construction of new sewer pipelines from the MSPS to the city's wastewater treatment plants.
- Increase the overall combined sewage pumping capacity from 1,100 up to 3,000 litres/second.

This project's delivery timeframes are on the critical path to enable:

- the redevelopment of the Wodonga Place site;
- an upgrade of the Waterview Wastewater Treatment Plant;
- decommissioning of the Kremur Street Wastewater Treatment Plant; and
- servicing of the Thurgoona Growth and Nexus Industrial Precincts.

The adopted Four Year Delivery Program 2024-2028 provides an allocation of $20.15M (including GST), comprising a budgetary allocation of $4.47M (including GST) for the appointment of a Lead Design Consultant (this contract). Additionally, the 10-year Delivery Program includes a total project cost of $40.68M (including GST) spread across multiple years (2024-2030).

In order to meet critical servicing milestones, this contract targets a completion date of no later than September 2027, which includes the delivery of construction.

On 11 March 2024, Council received and endorsed the proposed project scope and Stakeholder Engagement Plan (refer Attachment 1).

Scope

The scope of works includes the engagement of a suitably qualified consultant, with an experienced team to specifically deliver the following:

- The detailed design and construction of a new sewer pump station and the rehabilitation of the existing, historic MSPS at its current location.
- Upgrades of the existing sewer pipelines, and construction of new sewer pipelines from the MSPS to the city's wastewater treatment plants.
- Increase the overall combined sewer pumping capacity from 1,100 up to 3,000 litres/second.

To complete the above, they must undertake all necessary design due diligence, investigations, and obtain all approvals to deliver a coordinated set of construction-ready design documentation, as well as assist in tendering and the execution of the construction phase of this project. Within the construction phase, they will provide full supervision and construction oversight for the project.

Invitation to Tender

Tenders were invited by Council for Contract No. 23/01976 – Main Sewer Pump Station and new Rising Main/s project, and advertised in the Border Mail, Sydney Morning Herald and on Tenderlink. Tenders closed at 12 noon on Tuesday, 5 March 2024.

Tender Close

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

- GHD Pty Ltd (Wodonga, NSW); and
- NSW Public Works (Wagga Wagga, NSW).

All tenders were received and evaluated in accordance with the local government legislation of NSW, as well as Council's Social and Sustainable Procurement Policy and Guidelines.

The assessment panel for the tender comprised of Team Leader Project Delivery – Isaac Greene, Senior Engineer Technical Services – Poen Boshoff, and Project Manager – Robert Morgans. Procurement probity oversight throughout the Request for Tender (RFT) process was provided by Sourcing Coordinator – Paul Dwyer.

Given the technical complexity and significance of the project, an additional qualitative evaluation component was included in the tender assessment. This was in the form of a presentation and was documented in the RFT provided to all tenderers.

Conformity Check

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

Company	Schedules returned with supporting information	WHS & Insurance Documentation accepted	Conformity Status
GHD Pty Ltd	Yes	Yes	Conforming
NSW Public Works	Yes	Yes	Conforming

As indicated above, all submissions were assessed as conforming tenders, however GHD Pty Ltd's submission did provide some commercial departures that limited indemnity and liability. These departures were considered to be less favourable than the alternative submission of NSW Public Works but did not constitute exclusion from further assessment.

In terms of WHS conformance, GHD Pty Ltd are currently WHS registered with Council and NSW Public Works provided sufficient information which demonstrated their capability to meet Council's WHS requirements.

Qualitative Assessment

The qualitative assessment for this project was undertaken in two parts, including an assessment of the submission making up 80% of the qualitative assessment score, and a presentation for the shortlisted tenderers making up the remaining 20% of the qualitative assessment score.

A qualitative assessment of the submissions considered a range of criterion including:

- **Past Performance** – relevant experience in performing same or similar projects including referee checks.
- **Methodology & Program** – project/scope understanding, proposed work methods, project delivery program, innovation and project risk analysis.
- **Capacity** – availability of resources, current and future commitments, and current workload.
- **Capability** – skills, specialisation, certification, business systems to deliver required goods/services/works, contract management capabilities.
- **Benefit to the local region** – local impact on social, economic and community outcomes to benefit the Albury/Wodonga region.

Company	Past Performance (25%)	Methodology & Program (20%)	Capacity (15%)	Capability (10%)	Local Benefit (10%)	Total (80%)
GHD Pty Ltd	20	15	14	9	5	63
NSW Public Works	20	15	14	8	3	60

GHD Pty Ltd is a large multinational consultancy practice with offices in numerous cities across Australia, including a local office in Wodonga. GHD have proposed to lead the project from their Wodonga office by providing project management and design management oversight of their predominantly “in-house” design team located between their Sydney and Melbourne offices.

GHD Pty Ltd scored highly on past performance, having provided extensive examples of completed projects relevant to the scope of works proposed for the MSPS. Recent relevant experience covered all key areas including pumping stations, gravity and rising mains, architecture, odour control facilities, and project management. A specific example was an inlet works upgrade at the Black Rock Water Reclamation Plant for Barwon Water, which required the construction of a new pumping facility capable of 4,500L/s, including the augmentation and integration of existing operational systems.

Referee information indicated that GHD Pty Ltd performed well on past contracts, and that they were professional, considered and demonstrated attention to detail. Further, it was explained that they have excellent all-round management and were responsive to requested changes and produce quality design outputs.

GHD Pty Ltd’s methodology indicated a thorough understanding of the project and addressed all key tender elements and requirements. Having worked on previous initial investigations for the MSPS they demonstrated a strong understanding of the site and identified relevant issues and opportunities. This understanding was supported by their program which aligned with Council’s target end completion dates. Further, several investigatory phases were suggested to be brought forward to better inform the design outcomes.

From a capacity and capability perspective, GHD Pty Ltd is a multinational firm and committed to bringing extensive resources, experience, management systems and availability to ensure the successful delivery of the project objectives. This includes the involvement of their extended design

team across multiple offices to support the delivery of the specialist design components within the project.

GHD Pty Ltd has a permanent presence in the Albury Wodonga region with the project proposed to be managed and co-ordinated out of its Wodonga office. GHD Pty Ltd also indicated that they would utilise several local sub-consultants, and source materials locally. Further, they support skill development through involvement in the local Engineers Australia branch, provided sponsorship to the Albury NAIDOC week event, as well as other in-kind support and sponsorship on an ad-hoc basis.

NSW Public Works is NSW's central impartial regional infrastructure advisory group. NSW Public Works have offices all over the state of New South Wales and have proposed their nearest office in Wagga Wagga to provide project management to support and drive their "in-house" design and approval teams based out of Sydney.

NSW Public Works scored highly on past performance having provided examples of completed water and wastewater projects covering the key project areas relevant to the MSPS project. Recent relevant experience includes the Gundagai and Junee Sewage Treatment Plant Augmentations. These projects required the construction of new sewage treatment plants, including associated pumping stations, gravity and rising mains, and all auxiliary support systems.

Referee information indicated that NSW Public Works has performed well on past contracts, is collaborative, and flexible in their approach and hold their designers and contractors accountable to agreed timeframes.

NSW Public Works methodology was comprehensive and covered all key elements of the project. This demonstrated a clear and thorough understanding of the project scope and how they would deliver each phase in accordance with the request for tender. This understanding was supported by their program which aligned with Council's target end completion dates, with each design phase detailing appropriate hold points for AlburyCity's review and approval.

Capacity and capability aspects scored well, noting the experience and resources that NSW Public Works have available. In addition, NSW Public Works has extensive experience in managing the required project approvals, and proposed specialist sub-consultants to support their in-house multidisciplinary design and project team to deliver the critical design elements of the work.

In terms of local benefit, NSW Public Works does not have a local presence, with their nearest office being in Wagga Wagga, NSW. As a Government Agency, NSW Public Works is unable to directly provide community sponsorship or commit to the use of local sub-consultants. It was, however, noted that state funded grant programs that benefit the local Albury region are often administered by the wider Regional Precincts Group, of which NSW Public Works is an agent of.

From the information provided, both companies demonstrate that they have the required management systems, experience, capacity, resources and availability to provide AlburyCity with a quality outcome to meet the project objectives.

Presentation

The presentation assessment required the tenderers to present on four pre-provided questions to address the following key areas:

- key objectives/deliverables of this engagement;
- Key challenges/risks and how proposal responds throughout delivery;
- approach; and
- past experience.

Company	Presentation (20)
GHD Pty Ltd	17
NSW Public Works	16

GHD Pty Ltd's presentation was cohesive and of a high standard. GHD Pty Ltd demonstrated a suitable understanding of the project, identified opportunities and their design philosophy aligned well with the project's objectives. They further demonstrated their relevant experience on complex water and wastewater projects and an understanding of Albury's local context and project challenges.

NSW Public Works' presentation was of a high standard and demonstrated a suitable understanding of the project. They highlighted their experience by demonstrating some previous large-scale water and wastewater projects including key findings and early identification of issues. It was also highlighted that as a government agency their governance, systems and processes align and integrate well with Council's legislative requirements.

Combined Qualitative Score

The following table combines the scores from both the submission and presentation evaluations to provide a total qualitative score for each.

Company	Submission (80)	Presentation (20)	Total (100)
GHD Pty Ltd	63	17	80
NSW Public Works	60	16	76

As indicated above, both tenderers demonstrated a level of capability and capacity that would suggest their ability to successfully deliver a project of this type and scale, with GHD Pty Ltd marginally providing the most favourable submission from a qualitative perspective.

Quantitative Assessment

The tender was released to market seeking lump sum submissions. The tendered prices and ratings relative to the lowest price are tabulated below.

Company	Contract Value (incl GST)	Rating (100)
NSW Public Works	$4,931,140.50	100
GHD Pty Ltd	$5,969,711.43	83

From a quantitative perspective the submission from NSW Public Works was the most favourable from a cost perspective, being $1,038,570.93 (21%) more favourable than the submission from GHD Pty Ltd.

The budget allocation for this phase of the project is $4.47M (including GST), as part of an approved budget allocation of $20.15M (including GST) for this project overall within the Four Year Delivery Program budget for 2024-2028.

The $4.47M allocation was calculated using standard quantity surveying percentages for general design projects, inclusive of construction phase services and based on anticipated total project cost. However, as detailed above, no submissions were within the design budget allocation. The assessment panel considered this reasonable due to the complexity and specialist nature of a design project of this type and scale. To further ensure value for money, the individual tender rates were reviewed and deemed reasonable and consistent with current market rates previously obtained by Council. Additionally, a competitive open tender process was undertaken, and sufficient funds are approved within the Four Year Delivery Program to accommodate this procurement.

The current shortfall for this phase of the project will be accommodated through adjustments during the development of future delivery programs and quarterly budget reviews considering other project timing/scheduling, project savings and/or the allocation of additional funds.

Risk

- **Business Risk** – An upgrade of the MSPS is required in a timely manner. Should the project be delayed, or the existing pump station be unable to adequately meet the city's required demand, there is potential risk in being able to support future development as well as public health and environmental risk.

- **Corporate Risk** – Reputational risk is possible should the project not be delivered in the appropriate timeframes to ensure the safety of the community and the environment. Additionally, AlburyCity's corporate image could be impacted should delays impact the potential redevelopment of the Wodonga Place Depot site and the delivery of other significant infrastructure, conditional on this project. Accordingly, the project's Stakeholder Engagement Plan seeks to mitigate this by providing the framework under which stakeholders and the wider community are able to be educated and made aware of the project's scope, whilst having access to associated investigation and design documentation.

- **WHS and Public Risk** – Due to its age, the existing pump station is becoming a Work, Health and Safety (WHS) burden. There is also significant risk associated with the long-term management of the existing pumping infrastructure due to limited system redundancy. The

adoption and implementation of an upgraded MSPS is important for Council in minimising operational risks to the reliability of the city's sewerage system and the safety of the employees and the community.

- **Environmental Risk** – Without an upgrade of this facility, there is potential that AlburyCity's sewerage system will not be able to meet the needs of a growing community into the foreseeable future. The need for these significant works is to be communicated to the community through activities undertaken within the Stakeholder Engagement Plan.

- **Delivery Program Risk** – The upgrade of the MSPS is on a 'critical path' to enable redevelopment of the Wodonga Place site, an upgrade of the Waterview Wastewater Treatment Plant, the decommissioning of the Kremur Street Wastewater Treatment Plant and ongoing growth at Thurgoona and the development of the NEXUS industrial precinct. This procurement activity for a Lead Consultant will enable the progression of activities necessary to finalise the design of the upgraded MSPS, and associated conveyance infrastructure. Delivery risks will be mitigated through requirements placed on the awarded consultancy through oversight of required construction for the necessary infrastructure.

Community Engagement / Strategic Alignment

The project was included in the 2023/24 Four Year Delivery Program, which was endorsed by Council following extensive community consultation. Further, Council endorsed the Stakeholder Engagement Plan on 11 March 2024 (refer Attachment 1), which outlines significant engagement activities to be undertaken throughout the duration of the project.

The planned project outcomes also seek to address the following considerations that align with AlburyCity's *Community Strategic Plan – Towards Albury 2050,* as follows:

1. A Growing Sustainable Economy.
- 1.1 Albury is a liveable city supporting sustainable population growth through the provision of high-quality infrastructure, industry-leading services and high levels of amenity.
  - 1.1.1 Responsibly provide residential and commercial development options for our growing city, whilst prioritising sustainability.

2. An Enhanced Natural Environment.
- 2.1 Albury is a zero emission and climate resilient city.
  - 2.1.4 Albury is resilient and has adapted to a changing climate.

Summary

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

Company	Qualitative (Non-price Score)	Quantitative (Price Score)
NSW Public Works	76	100
GHD Pty Ltd	80	83

From the qualitative assessment, both companies have the required management systems, experience, resources, and availability to successfully undertake this project.

From a quantitative perspective the submission from NSW Public Works was assessed as being the most advantageous. The submission was $1,038,570.93 (including GST) or 21% more favourable than the submission from GHD Pty Ltd.

Therefore, based on the qualitative and quantitative assessments, it is deemed that the submission from NSW Public Works provides the best value for Council to deliver this project.

Conclusion

AlburyCity's Main Sewer Pump Station collects and pumps away approximately 95% of all sewage flows within the city. This asset has been identified as requiring upgrade in line with forecasts of the city's planned development and population growth. This project intends to ensure the operational effectiveness and capacity of this infrastructure into the future in order to meet the needs of Albury's growing population.

As most of the city's sewerage system conveys flows to this pump station, it is unable to be removed from service or relocated, and the MSPS is now in need of significant upgrade to ensure its ability to meet AlburyCity's current and future needs. Accordingly, the project seeks to enhance the storage and pumping capacity at the MSPS site, whilst simultaneously continuing to meet the servicing needs of our growing city.

Council invited tenders for this MSPS major project and received two submissions.

A quantitative and qualitative assessment indicated that NSW Public Works was the most favourable submission. Their tendered price of $4,931,141.50 (including GST) can be accommodated within the overall Four Year Delivery Program 2024-2028 project allocation of $20.15M (including GST).

Recommendation

That Council, pursuant to section 178 (1)(a) of the *Local Government (General) Regulation 2021 NSW*, resolves to accept the tender from NSW Public Works and awards the contract for 23/01976 - Main Sewer Pump Station and new Rising Main/s for the tendered lump sum price of $4,931,141.50 (including GST).

Attachment

1. Main Sewer Pump Station and new Rising Main/s at SPS01 Project – Stakeholder Engagement Plan (DOC19/96360).