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# Award of contract for the construction of an urban water supply bore into the Clarence-Moreton Basin Aquifer

Responsible Officer: Group Manager Planning & Delivery (Andrew Logan)

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## Recommendation

That Council:

1. Accept the tender submitted by 'The Impax Group Pty Ltd' in the amount of \$419,243 (incl GST) for the Construction of an Urban Water Supply Bore into the Clarence-Moreton Basin Aquifer at Wollongbar.
2. Approve an additional amount of \$42,000 (incl GST) as a contingency amount.

## Background

Following the adoption of the Future Water Project 2060 (FWP2060), Rous County Council (RCC) is progressing with implementation of priority actions identified in Stage 1 including the development of the Alstonville groundwater scheme. The recommendation in this report relates to the proposed award of a contract to construct an urban water supply bore at Wollongbar as part of FWP2060 Stage 1.

This proposed bore (deep) will replace an existing bore (shallow) which accesses groundwater from the Alstonville fractured basalt aquifer. This existing bore (shallow) is a poor performing bore and when it is in operation, impacts other water users within approximately 2 kilometres of the site. The new bore (deep) has been designed to draw groundwater from the deeper Clarence-Moreton Basin aquifer. Drilling works undertaken as a part of the groundwater investigations for the Future Water Strategy found that this aquifer had potentially acceptable yield and water quality suitable for town water supply.

The pre-tender estimate for the proposed contract inclusive of a 25% contingency was \$341,875 (incl GST). It is noted that the 2021/22 budget for the FWP2060 groundwater investigation program was determined prior to this advice being received by Council.

## 1. Tender Process

### 1.1 Tenders received

Tenders were called on 7 August 2021 and closed at 3:00pm on Tuesday, 7 September 2021. Two tenders were received from the following Tenderers:

1. Slade Pty Ltd
2. The Impax Group Pty Ltd

### 1.2 Evaluation of tenders

#### Evaluation plan and panel

A Tender Evaluation Plan was prepared, consistent with the *Local Government (General) Regulation 2021* (the Regulation) and the Conditions of Tendering in the Request for Tender (RFT) documents. The evaluation method included weighted price and non-price criteria, with a ratio of 60:40 (price: non-price).

The Tender Evaluation Panel (TEP) consisted of RCC staff and an independent groundwater expert:

Name	Position, Organisation
Michael McKenzie (chair)	Future Water Planning Manager, Rous County Council
Emma Hunter	Future Water Program Manager, Rous County Council
Trevor Ingram	Principal Hydrogeologist - Groundwater, Jacobs (Australia)

#### Evaluation of non-price criteria

The information submitted by the Tenderers was evaluated against the specified non-price evaluation criteria in the RFT documents. The non-price criteria were used to ensure Tenderers demonstrated an understanding of the project scope and risks, and to assure the TEP that the Tenderers reflected this understanding, including their capacity to manage project risks. The table below lists the high-level description of the non-price criteria used.

Non-Price Criterion	Weighting
Proposed Drilling Methodology and Program	10%
Recent Experience in Undertaking Similar Projects and References	10%
Proposed Drilling Equipment and Current Certification	10%
Proposed Drilling Personnel	5%
Current Drilling Licences	5%

The non-price scores were weighted, totalled and normalised and are shown in the table below.

Tenderer	Total weighted non-price score	Rank
Slade Pty Ltd	26.5	2
The Impax Group Pty Ltd	29.4	1

#### Evaluation of price criteria

The amount of each Tenderer's Offer and Schedule of Rates were compared with the pre-tender estimate. All Tenders were above the Pre-Tender Estimate (PTE) of \$341,875 (incl GST and contingencies).

Tenderer	Tender Amount (incl GST)	Assessed Tender Amount <sup>1</sup>	Weighted Price Score	Recommended Tender Amount (incl GST) <sup>2</sup>
Slade Pty Ltd	\$ 597,343	\$ 587,129	42.7	
The Impax Group Pty Ltd	\$ 419,243	\$ 418,111	60	\$419,243

Notes:

1. The 'Assessed Tender Amount' is the Tendered Amount plus (or minus) the Assessed Values of qualifications and departures in the tender plus an adjustment for Local Content Discount.
2. The 'Recommended Tender Amount' is the Tendered Amount, addition corrected plus (or minus) adjustments offered by the tenderer to withdraw qualifications and departures.

An assessment of the Schedule of Rates determined that two supply items, being the temporary and permanent steel casings, were higher than the pre-tender estimate. RCC sought price information from steel suppliers which confirmed that the market price of steel has risen sharply since the pre-tender price was estimated. The steel supply prices supplied in the tenders reflects current market rates.

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### Selection of preferred tenderer

Total scores were obtained for each tender by adding the normalised non-price score and the weighted price score. The total overall scores and ranking are summarised in the table below:

Tenderer	Total weighted non-price score	Weighted Price Score	Highest Total Score	Preferred Submission
Slade Pty Ltd	26.5	42.7	69.2	
The Impax Group Pty Ltd	29.4	60	89.4	<input checked="" type="checkbox"/>

The Tender Evaluation Panel agreed that the Tender with the highest total score and representing best value for money and an appropriate market value for the works, was The Impax Group Pty Ltd and is determined to be the most advantageous.

The Recommended Tender Amount is \$419,243 (incl GST). An additional contingency of 10% or \$42,000 (incl GST) is recommended, bringing the total project amount to \$461,243 (incl GST).

### **Governance**

- **Integrated Planning and Reporting**

The 2021/22 Delivery program and Operational plan, under section 2.1.6.1, contains an action to upgrade the Rous-owned Converys Lane bore (shallow). The letting of this contract will enable Council to further advance the Alstonville Groundwater scheme as part of its preferred short-term regional water supply option.

- **Finance**

The Future Water Project implementation budget for the Alstonville groundwater scheme for 2021/22 is \$520,000. The current allocated budget is sufficient for the awarding of this contract.

- **Legal**

RCC called open tenders for the construction of an urban water supply bore at Wollongbar, through a request for tender process. This process complied with the *Local Government (General) Regulation 2021*.

- **Environmental**

A Review of Environmental Factors (REF) was completed for this work in 2018. Tenderers are required to comply with the REF requirements.

- **Work Health and Safety**

In addition to a WHS Plan, a draft COVID-19 safety plan has been provided by the preferred contractor. The draft plan provided adequately addresses NSW Health requirements and includes suitable protocols to minimise potential risks of COVID transmission. This plan will be reviewed and updated prior to commencement of works.

### **Consultation**

The design and construction methodology of the proposed bore has been reviewed by the Groundwater Management and Science group within the Department of Planning, Industry and Environment. Their comments have been taken into consideration for the formal groundwater works approval application to the Natural Resources Access Regulator (NRAR).

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Council has recently received works approval from the NRAR for the bore construction. Further consultation with NRAR will be required once the bore construction is complete and further hydrogeological testing is undertaken.

Council has advised nearby residences of the proposed works and the plan to drill the new bore (deep). No negative feedback has been received concerning these works.

### **Conclusion**

Open tenders for the proposed contract for the 'construction of an urban water supply bore at Wollongbar' were called by RCC through a Request for Tender process. At the conclusion of the tender evaluation process, the preferred tenderer is The Impax Group Pty Ltd, in the amount of \$419,243 (incl GST).