
14.2 TENDER EVALUATION AND AWARD OF CONTRACT NO. 005/2017 FOR THE DELEGATE WATER METER INSTALLATION PROJECT

Record No:

This item is classified CONFIDENTIAL in accordance with Section 10A(2)(di and dii) of the Local Government Act 1993, which permits the meeting to be closed to the public for business relating to commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it and information that would, if disclosed, confer a commercial advantage on a competitor of the council.

Responsible Officer:	Director Service Delivery
Author:	Manager Water & Waste Services
Key Direction:	6. Managing Development and Service Delivery to Retain the Things We Value
Delivery Plan Strategy:	DP6.5 Provide water and sewerage infrastructure improvements in accordance with the Water and Waste Water Strategic Business Plan, Integrated Water Cycle Management Plan and other related studies.
Operational Plan Action:	OP6.10 Implement annual Water & Sewer Mains Capital Works Program.
Attachments:	1. Tender Evaluation Report and Recommendation for Award of Tender
Cost Centre	WIP account 16039 W1157
Project	Project Account Delegate Water Supply Augmentation Project Stage 1 W1157
Further Operational Plan Actions:	

EXECUTIVE SUMMARY

The Tender for this Project was advertised in the local paper and in the Sydney Morning Herald. A mandatory pretender meeting was held in Bombala on 23rd March 2017 with representatives from 3 Contractors in attendance. Tenders closed on 31st March 2017 at 4pm. A total of 2 Tenders were received. The Tender Evaluation Plan and results of the evaluation are in the attachments. The project is being managed by Contract Staff.

The following officer's recommendation is submitted for Council's consideration.

OFFICER'S RECOMMENDATION

That Council :

- A. Consider the recommendation in the Tender Evaluation Report following evaluation by the Tender Review Panel of the tenders received on 31st march 2017
- B. That the Contract 005/2017 for the Delegate Water Meter Installation Project be awarded to New Plumbing Solutions for a Lump Sum and Schedules of Amount Contract Amount of Four hundred and eighty six thousand five hundred and fifty four dollars (\$486,544)

BACKGROUND

The township of Delegate currently has no water meters at the properties to measure the individual consumption of the water customers. The residential and non-residential customers in Delegate are currently charged only the availability charges.

There is a significant amount of water being wasted by some users as they are not metered. This presents a number of issues, especially in determining the volume required for the township of Delegate for the concept study and final design of the water treatment plant which should meet realistic demand of water usage per person.

The meters that will be installed under this projects will enable us to identify the customers who are wasting water. In the first instance they will be given dummy water bills to show the actual cost of water when the new treatment plant will be on line and when usage charges shall apply in Delegate. This will assist them to change their water usage habits as it will be based on a "user pays" basis in line with the rest of the Council areas.

QUADRUPLE BOTTOM LINE REPORTING

1. Social

The current service connections suffer from aging and corroded old assets. This has affected the water quality delivered to the township of Delegate from corrosion of old galvanised pipes. The service interruptions are also frequent due to mains breaks and leaks. A mains replacement program shall be developed to address these issues.

The installation of the water meters in Delegate is the first positive step towards delivering potable water supply to the community.

2. Environmental

An REF has been developed for the project and the successful Contractor will be providing an Environmental Management Plan based on issue identified in the REF for the project prior to commencement. This ensures that all environmental issues are being addressed in the execution of the project.

3. Economic

The budget allocated was \$500k. The estimate for the project was \$460,929 and the Contract Amount is \$486,544. These amounts are within the allocated budget amount.

4. Civic Leadership

On commissioning of this project there will be significant long term improvements in meeting realistic demand for the residents, businesses and visitors to Delegate. It will also assist in determining a more accurate size of the water treatment plant resulting in significant savings in capital costs for the treatment plant.

When the treatment plant is commissioned, Council will be able to deliver quality water supply to the township of Delegate in line with the rest of the Council areas.

Council has committed to the above in the IPR framework through the delivery plan strategies and the operations plan activities.