

ITEM 17. TENDER - STORMWATER ASSET CONDITION ASSESSMENT

FILE NO: X003816

TENDER NO: 1665

SUMMARY

The City owns and is responsible for the maintenance of approximately 190 kilometres of stormwater pipes and 9,204 inlet pits within the local government area. This tender forms part of an overall program of works that includes actions from Floodplain Risk Management Plans and stormwater asset renewal programs to ensure the City's stormwater network remain resilient into the future.

This report provides details of the tenders received for the stormwater assets condition assessment by means of closed circuit television (CCTV) inspection and condition assessment of the stormwater pits and pipes.

This contract will assist the City by providing information that will be used to develop future asset management plans and will ensure the City is effectively planning the maintenance of these pits and pipes.

This report recommends that Council accepts the tender offer of Tenderer 'A' for the stormwater assets condition assessment.

RECOMMENDATION

It is resolved that:

- (A) Council accept the tender offer of Tenderer 'A' for the stormwater assets condition assessment and database review, with the option of two annual extensions, subject to performance;
- (B) authority be delegated to the Chief Executive Officer to negotiate, execute and administer the contract relating to the tender; and
- (C) authority be delegated to the Chief Executive Officer to exercise the option referred to in clause (A), if appropriate, and negotiate the price to extend the contract accordingly;

ATTACHMENTS

Attachment A: Catchment Plan

Attachment B: Tender Evaluation Summary (Confidential)

Attachment C: Recommended Tenderer Schedule of Rates (Confidential)

(As Attachments B and C are confidential, they will be circulated separately from the agenda paper and to Councillors and relevant senior staff only).

BACKGROUND

1. The stormwater pit and pipe assets within the City of Sydney local government area are jointly owned by the City and Sydney Water Corporation.
2. The City owns and is responsible for maintaining approximately 190 kilometres of stormwater pipes, 9,204 inlet pits and 2,997 junction pits. The City's catchment plan is provided in Attachment A.
3. The large majority of the City's stormwater pipes are considerably old and their condition and remaining useful life is uncertain. A previous contract assessed 15 per cent of the City's network.
4. Using CCTV inspection techniques for pipe condition assessment is recommended as best practice in accordance with the Institute of Public Works Engineering Australia (IPWEA) Practice Note 5 on Stormwater Drainage Condition Assessment.
5. The purpose of this tender is to engage a contractor to undertake CCTV inspection, assess the condition of the remaining City stormwater assets not previously assessed and to update the City's stormwater assets GIS database.
6. Information collected under this contract will be used to develop future asset management plans for these assets, and will ensure the City is effectively planning the maintenance of these pits and pipes.
7. The three year contract is based on a lump sum price with a schedule of rates for other minor associated work. There are two annual options to extend, subject to contract performance.

INVITATION TO TENDER

8. The tender was advertised in The Sydney Morning Herald, The Daily Telegraph and the City's TenderLink website on 11 October 2016 and closed on 1 November 2016.

TENDER SUBMISSIONS

9. Five submissions were received from the following organisations (listed alphabetically):
 - Alfords Point Drain Inspections Pty Ltd, trading as AP Drain Inspection
 - Environmental Services Group Pty Ltd
 - ITS Pipe Tech Pty Ltd
 - Total Drain Cleaning Services Pty Ltd
 - Veolia Water Network Services Pty Ltd
10. No late submissions were received.

TENDER EVALUATION

11. All members of the Tender Evaluation Panel have signed Pecuniary Interest Declarations. No pecuniary interests were noted.

12. The relative ranking of tenders as determined from the total weighted score is provided in the confidential Tender Evaluation Summary – Attachment B.
13. All submissions were assessed in accordance with the approved evaluation criteria being:
 - (a) the lump sum price and schedule of prices;
 - (b) company's capability and experience in the works and services;
 - (c) demonstrated capacity and technical ability to carry out the work under the contract. This includes personnel, facilities, plant, equipment and information systems;
 - (d) proposed project program and capacity to achieve the required project program;
 - (e) proposed quality control measures, environmental management and work method;
 - (f) financial and commercial trading integrity including insurances; and
 - (g) Work Health and Safety.

PERFORMANCE MEASUREMENT

14. The City will monitor key performance indicators to measure the performance level of the successful tenderer during the works. Performance results will be used to determine the suitability of the contractor for future works.
15. In entering into the contract, the City will ensure that performance standards are met and monitored during the works by:
 - (a) carrying out regular inspections to ensure the contractor remains on track with regard to the program and quality of work; and
 - (b) ensuring the contractor completes the works as specified in the tender documents.

FINANCIAL IMPLICATIONS

16. There are sufficient funds allocated for this project within the current year's operating budget and future years' forward estimates.
17. The submitted rates of the recommended tenderer for corrective maintenance is provided in the confidential Recommended Tenderer Schedule of Rates – Attachment C.

RELEVANT LEGISLATION

18. The tender has been conducted in accordance with the Local Government Act 1993, the Local Government (General) Regulation 2005 and the City's Contracts Policy.

19. Attachments B and C contain confidential commercial information of the tenderers and details of Council's tender evaluation and contingencies which, if disclosed, would:
- (a) confer a commercial advantage on a person with whom Council is conducting (or proposes to conduct) business; and
 - (b) prejudice the commercial position of the person who supplied it.
20. Discussion of the matter in an open meeting would, on balance, be contrary to the public interest because it would compromise Council's ability to negotiate fairly and commercially to achieve the best outcome for its ratepayers.

CRITICAL DATES / TIME FRAMES

21. The proposed contract is for a period of three years, with two annual extensions, subject to the performance of the contract.

PUBLIC CONSULTATION

22. No public consultation is required, however, site works will include:
- (a) appropriate site management, signage, preparation and implementation of traffic management plans in accordance with specific job requirements; and
 - (b) notification will be provided to residents and commercial businesses of affected nearby properties of the work, outlining duration of works and contact details.

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