

## 5.4. CONTRACT FOR SEWERAGE PUMP STATION SWITCHBOARD RENEWAL PROJECT

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### RECOMMENDATION

#### That Council:

1. Resolves to award Contract WO5324-001 – SPS Switchboard Upgrades to Closedane Pty Ltd trading as JM Switchboards (ABN 45 011 004 514) for \$261,300.00 (GST exclusive).
2. Delegates authority under section 257 of the *Local Government Act 2009* to the Chief Executive Officer to negotiate, finalise and execute any and all matters in relation to this contract.

### EXECUTIVE SUMMARY

Douglas Shire Council (DSC) has sought the services of a suitable contractor to manufacture and install electrical switchboards at various sewerage pump stations (SPS) in the shire, replacing the outdated and aging switchboards that are currently in operation. Council plans to upgrade nine switchboards, however this contract will be for the first four which are most in need of replacement.

A Request For Tender (RFT) was issued through Vendor Panel, which closed on 18 August 2021. Five responses were received and evaluated, with JM Switchboards having the cheapest price and the most attractive offer based on the evaluation criteria. Table 1 shows pricing (inclusive of GST) and evaluation scores of the offers received.

**Table 1 - Received Submissions Summary**

Evaluation Criteria		Company				
Criteria	Weighting	JM Switchboards	2	3	4	5
		\$287,430.00	\$316,871.00	\$392,666.37	\$387,150.50	\$405,680.00
Price	50%	10	9	7	7	7
Technical Capacity	15%	9.0	8.0	8.7	7.3	5.7
Business Profile	15%	9.0	7.0	7.3	7.3	5.7
Experience	20%	9.0	8.0	8.3	7.7	6.3
Score		37.0	32.0	31.3	29.3	24.3
Weighted Score		9.5	8.4	7.6	7.2	6.3

## BACKGROUND

DSC has recognised the requirement to upgrade some sewerage pump station switchboards and remote terminal units due to obsolescence and age. A program to implement the changes commenced in early 2021.

The project to upgrade nine pump stations will be completed in two phases due to budget constraints. Council officers identified the four most critical SPSs and generated a Request For Tender, which was issued to the Queensland market through Vendor Panel, and closed on 18 August 2021.

The scope of work includes manufacture, supply, install and commission the switchboards to meet DSC supplied specifications.

Five responses were received with a broad variation of prices. An evaluation panel independently scored each offer against the evaluation criteria, the scores were collated, and with the cheapest price and ability to complete the scope, JM Switchboards scored highest as detailed in Table 1.

JM Switchboards is a Cairns based supplier, who has manufactured and supplied quality switchboards to DSC in the past. They are well established and trusted to be able to complete the scope required.

## COMMENT

Council officers will explore the opportunity of obtaining further switchboards due to the predicted surplus.

## PROPOSAL

That Council:

1. Resolves to award Contract WO5324-001 – SPS Switchboard Upgrades to Closedane Pty Ltd trading as JM Switchboards (ABN 45 011 004 514) for \$261,300.00 (GST exclusive).
2. Delegates authority under section 257 of the *Local Government Act 2009* to the Chief Executive Officer to negotiate, finalise and execute any and all matters in relation to this contract.

## FINANCIAL/RESOURCE IMPLICATIONS

The project budget will not enable purchase of all nine switchboards, therefore, a follow-on project will be awarded when additional funding becomes available, noting the expected budget surplus will contribute to the future purchasing.

**Table 2 - Financial Implications**

<b>Financial Year Budget 21/22</b>	<b>Amount (excl. GST)</b>
Project Budget (Water and Wastewater)	\$760,084.00
Spent/Committed to Date (as at 1 September 2021)	\$190,493.00
<b>Budget Available</b>	\$569,591.00
Recommended Tender Price	\$261,300.00
Planned costs (concrete work, SCADA)	\$10,000.00
Project Management/ Council Officers	\$10,000.00
Contingency (10%)	\$28,130.00
<b>Total Project Costs Estimated</b>	\$309,430.00
<b>Net Position (Surplus)</b>	\$260,161.00

## **RISK MANAGEMENT IMPLICATIONS**

JM Switchboards has supplied equipment to DSC in the past. Selecting a proven performer reduces risk to schedule, cost and quality.

During installation and commissioning, temporary supplies will be applied to SPS pumps to maintain normal operation, reducing the need to swap the existing for new switchboards with tight time constraints. This will eliminate unnecessary pressure on technicians and ensure quality installations.

## **SUSTAINABILITY IMPLICATIONS**

**Economic:** New switchboards will reduce the likelihood of unscheduled maintenance. Additionally, variable speed drives are being introduced, allowing adjustment to improve efficiency and reduce electricity usage.

**Environmental:** Improved reliability and efficiency contributed to better performance of DSCs sewer network.

**Social:** Nil

## **CORPORATE/OPERATIONAL PLAN, POLICY REFERENCE**

This report has been prepared in accordance with the following:

### **Corporate Plan 2019-2024 Initiatives:**

#### **Theme 2 - Fostering Sustainable Economic Growth**

A robust economy is at the heart of a thriving community and enables investment in environmental protection. While our remoteness is a key attribute, it also presents challenges for attracting new business and investment. We must also meet the challenges of fierce competition in the tourism sector. Council will partner with industry to build, diversify and promote the Douglas economy. Council will design and deliver infrastructure, strategies and services that support the local economy and businesses.

**Goal 1** - We will build appropriate infrastructure and deliver services that connect and support businesses.

### Operational Plan 2020-2021 Actions:

**3.3.1** - Progress future water security infrastructure solution for secure water supply over the dry season to alleviate current and future water shortages. Perform feasibility analysis on all current proposed water security solutions including the alternate intake and bulk raw water storage solutions to determine most viable option that provides the best outcome for capital investment and water security then progress towards shovel ready stage.

### COUNCIL'S ROLE

Council can play a number of different roles in certain circumstances and it is important to be clear about which role is appropriate for a specific purpose or circumstance. The implementation of actions will be a collective effort and Council's involvement will vary from information only through to full responsibility for delivery.

The following areas outline where Council has a clear responsibility to act:

**Builder/Owner** Council makes a significant investment every year in the infrastructure that underpins the Shire through its capital works program. Council will manage its assets with appropriate frameworks and deliver its projects through robust project management.

### CONSULTATION

**Internal:** Water and Wastewater Department

**External:** Welcon Technologies

### COMMUNITY ENGAGEMENT

Nil

### ATTACHMENTS

Nil