

5.4. CONTRACT 2021-036 PORT DOUGLAS WASTEWATER TREATMENT PLANT UV DISINFECTION SYSTEM

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DEPARTMENT	Project Office

RECOMMENDATION

That Council: -

- 1. Resolves to award Contract Number 2021-036 Port Douglas Wastewater Treatment Plant UV Disinfection System to Liquitek Pty Ltd (ABN 54 064 960 836) for \$241,850.00 exclusive of GST.**
- 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

Council requires a contractor to complete the work scope for the replacement of the Port Douglas Wastewater Treatment Plant UV Disinfection system.

The existing UV disinfection system at Port Douglas Wastewater Treatment Plant is aging and maintenance intensive.

Council issued a Request for Tender with the objectives of:

- Removing the existing UV unit
- Supplying and installing a new UV disinfection system and associated equipment, including power supply and control system
- Providing telemetry signaling cable for status and alarming
- Commissioning the new system
- Supplying of spares and operations manuals.
- Successfully completing the scope to the quality standards required
- Completing the project within the program timelines and at the agreed cost.
- Ensuring safety standards for staff/contractors/public during construction.
- Mitigating the projects risks successfully
- Providing the technical skills and experience necessary for the project

On 9 October 2020, Council invited submissions via an open tender process through the VendorPanel website which closed on the 29 October 2020.

At the time of the tender close, two contractors submitted two submissions. The submissions received are outlined in Table 1 - Received Submissions Summary.

Table 1. Received Submissions Summary

Tenderer's Name	Price	Offer	Status	Location
Aquatec Maxcon Pty Ltd	\$367,358.49	Comparative	Conforming	Wulkuraka, QLD
Liquitek Pty Ltd	\$241,850.00	Comparative	Conforming	Brisbane, QLD

All submissions were assessed by the evaluation committee. This evaluation process was weighted with 60% price criteria and 40% weighting for the non-price criteria.

Based on the results of the evaluation, Liquitek Pty Ltd is the recommended tenderer for the contract. Liquitek Pty Ltd provided the best overall submission in terms of price, program and technical capability.

BACKGROUND

Douglas Shire Council issued tender documents seeking suitability experienced and qualified contractors for the replacement of the Port Douglas Wastewater Treatment Plant (PDWWTP) UV Disinfection system.

The UV disinfection system at the PDWWTP is over 30 years old and at end of functional life. The opportunity to upgrade to newer technology, improved control systems and a higher disinfection level were included in the project scope.

An operational risk for the PDWWTP is that this system has no contingency or backup system. By replacing the UV disinfection system with a newer more reliable unit, the operational risk is mitigated. Future investigations for a permanent backup system are planned. The UV disinfection system will need to be replaced without stopping or reducing flows into the wastewater plant during the project.

On 9 October 2020 Council invited submissions via an open tender process through the VendorPanel website which closed on the 29 October 2020

The submissions received are outlined in Table 2 - Received Submissions.

Table 2. Received Submissions

Tenderer's Name	Location
Aquatec Maxcon Pty Ltd	Wulkuraka, QLD
Liquitek Pty Ltd	Brisbane, QLD

COMMENT

Evaluation of the tender was conducted by:

Table 3. Evaluation Panel Members

Position	Department
Project Manager	Project Office
Project Manager	Project Office
Team Leader – Water & Wastewater	Water & Wastewater

An initial compliance check was conducted on received submissions to determine non-conforming and alternative offers from the requirements of the Request for Tender (RFT). This included compliance with the contractual requirements and provision of requested information.

Table 4 – Tender submission conformance summarises the results of this compliance check.

Table 4. Tender submission conformance

Tenderer's Name	Price (GST excl)	Offer	Status
Aquatec Maxcon Pty Ltd	\$367,358.49	Comparative	Conforming
Liquitek Pty Ltd	\$241,850.00	Comparative	Conforming

All submissions were accepted by the evaluation panel for assessment on the basis that all terms, conditions and mandatory requirements of the RFT had been substantively met.

During the evaluation process, submissions were assessed against the evaluation criteria detailed in the RFT documentation. Specific criteria were weighted according to their importance in delivering the project successfully.

The weighting attributed to each criterion was:

Table 5. Evaluation Weighting

Criterion	Weighting
Price	60%
Technical Capability	20%
Program	20%

The responses were received within the requested timeframes and were considered by the evaluation panel in their assessment.

Based on the results of the evaluation, Liquitek Pty Ltd is the recommended tenderer for the contract. Liquitek Pty Ltd provided the best overall submission in terms of price, program, and technical capability.

A graphical summary of the evaluation outcomes is contained within Attachment 1

The graph shows the results for the individual criteria from Table 5 evaluation weightings for all submissions considered.

The recommended submission result for each criterion is shown as a black diamond. The mean or average result is shown as a black line within the coloured box. The "T" and inverted "T" represent the upper and lower range for the criterion. The rectangular box represents the interquartile range or the middle 50% of results.

PROPOSAL

That Council: -

1. Resolves to award Contract Number 2021-036 Port Douglas Wastewater Treatment Plant UV Disinfection System to Liquitek Pty Ltd (ABN 54 064 960 836) for \$241,850.00 exclusive of GST.

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

Council has allocated the following amounts in the capital budget 2019/20

Table 6. Budget/Expenditure

Description	Amount	Notes
CURRENT COMMITMENTS		
Expenditure to date (11/11/2020)	\$8,046.00	
Other Commitments	\$0	
FUTURE COMMITMENTS		
Proposed Contract Price	\$241,850.00	
Project Management	\$5,000.00	
Other Costs (SCADA changes, site preparation)	\$10,000.00	
Contingency	\$13,245.00	
Estimated Cost of Project	\$278,141.00	
BUDGET		
Current budget	250,000.00	
BALANCE	-\$28,141.00	Shortfall

RISK MANAGEMENT IMPLICATIONS

Council must plan and deliver a suitable capital works program to ensure that its assets are able to service the needs of the communities within Douglas Shire. Council's reputation and the community's amenity would suffer if it is unable to maintain assets and service levels at necessary standards. The consequence of inadequate maintenance and upgrade of capital assets will be increased costs in the future.

The replacement of the UV disinfection system will be while the PDWWTP remains operational. DSC personnel plans to install a temporary disinfection system while the existing UV disinfection is in place. The contractor will be required to install a bypass and then remove as part of the works.

Regardless of the tenderer selected, equipment will be supplied from overseas, as no local suppliers participated in the tender process. Arrival of the new system will likely coincide with higher wastewater plant throughput around May 2021. This has been discussed and will be addressed when planning the temporary disinfection system and bypass arrangement.

The equipment to be supplied by the recommended tenderer is a Neotec brand, which has not been installed in Australia, however the Liquitek Pty Ltd Commissioning Manager has been overseas with Neotec for hands on installation and commissioning training and will be present to install and commission the new system, providing a level of confidence regarding technical experience.

The Neotec systems have been independently verified and certified by California Department of Public Health in accordance with Title 22 of California Code of Regulations, which is the worldwide industry standard for systems compliance and is also used in Australia.

SUSTAINABILITY IMPLICATIONS

Economic: Financial sustainability of the Council would be at risk if capital works programs are not kept within budget or are not undertaken.

Environmental: Failing to maintain assets can lead to environmental impacts through the release of materials to the environment outside of licence conditions. Poorly maintained assets can also have impacts on energy and resource use.

Social: Communities expect assets such as roads, bridges and water/wastewater systems to be safe and maintained to necessary standards.

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.

Theme 5 - Robust Governance and Efficient Service Delivery

Strong governance and financial management are the foundations of the way in which Council will conduct its business and implement the initiatives of the Corporate Plan.

Goal 1 - We will conduct Council business in an open and transparent manner with strong oversight and open reporting.

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: Consultation has been undertaken with relevant staff within water and wastewater department

External: Nil.

ATTACHMENTS

1. Attachment 1 - Evaluation Graph [5.4.1 - 1 page]

Evaluation Graph

