

ITEM 10

TENDER T20/08 - SUPPLY AND INSTALLATION OF A NEW FILTRATION SYSTEM AND ASSOCIATED WORKS - HELENSBURGH TODDLERS POOL

This report recommends that Council decline to accept any of the tenders submitted for supply and installation of a new filtration system and associated works to Helensburgh toddlers pool in accordance with clause 178(1)(b) of the Local Government (General) Regulation 2005.

The Helensburgh Pool Facility currently does not meet the minimum standards required by the NSW Department of Health as it was designed and constructed over 50-years ago. One of the main non-compliance issues is the need to separate the toddlers pool filtration system from the 25-metre pool filtration system to prevent contamination issues.

The Tender Assessment Panel has concluded that none of the tenders are acceptable for the reason that no acceptable tender was received within the budget allocated for this project.

However, an opportunity currently exists to accelerate an alternative design with a reduced scope that fits within the budget allocation to ensure the 25-metre pool is ready for the 2020/21 swimming season and the toddlers pool is ready for the warmest months of the season. By accelerating the commencement and construction of an alternative design, it minimises the disruption to pool users during this peak period.

This report recommends that on this occasion, tenders be declined for the reasons listed in the report and Council instead proceed with a request for formal quotations from reputable and experienced aquatic contractors with the alternative design.

RECOMMENDATION

- 1 a In accordance with clause 178(1)(b) of the Local Government (General) Regulation 2005, Council decline to accept any of the tenders received for T20/08 - Supply and Installation of a new filtration system and associated works to Helensburgh Toddlers Pool.
- b In accordance with clause 178(4) of the Local Government (General) Regulation 2005, the reason for Council hereby resolving to decline all of the tenderers is that none of the tenders received were within the allocated budget for this project.
- 2 Pursuant to section 55(3)(j) of the Local Government Act 1993, a new tender not be invited for the contract for the Supply and Installation of a new filtration system and associated works to Helensburgh Toddlers Pool due to extenuating circumstances, being the time frame required for tendering for this contract would involve the construction works extending significantly into the summer swimming season, with consequential adverse impact on the community.
- 3 Council delegate to the General Manager the authority to undertake and finalise a formal quotation process, in accordance with Council's procurement policies and procedures with contractors with demonstrated experience and ability to undertake the works with a view to entering into a contract for the works.
- 4 Council delegate to the General Manager authority to enter into a contract with the contractor selected following the formal quotation process outlined above.
- 5 Council grant authority for the use of the Common Seal of Council on the contract and any other documentation, should it be required, to give effect to this resolution.
- 6 A report describing the outcome of the procurement process be submitted to the next available meeting following the successful engagement of the contractor.

REPORT AUTHORISATIONS

Report of: Glenn Whittaker, Manager Project Delivery

Authorised by: Andrew Carfield, Director Infrastructure + Works - Connectivity Assets + Liveable City

ATTACHMENTS

1 Location Plan

BACKGROUND

Council operates and maintains seventeen (17) public pool facilities throughout the Local Government Area. These assets are highly utilised within our community and have been operating for a significant amount of time. Council's public pool facilities include five (5) chlorinated pools; three (3) circulating saltwater pools as well as nine (9) tidal rock pools. The Helensburgh War Memorial Pool was first opened in 1969. The facility contains one (1) 25-metre lap pool to the west (main pool) and a toddlers pool to the east which currently operates under one combined filtration system.

On 30th January 2018, following a detailed report into the feasibility of heating and potential expansion Helensburgh Pool, Council noted the findings of the research and resolved the following;

"Council prioritise further investigative studies to inform future delivery program expenditure on maintaining and enhancing existing water treatment, plant and filtration systems to ensure the Helensburgh facility continues to operate in accordance with NSW Public Health guidelines".

The NSW Department of Health applies a compliance criterion for all public pools and spas throughout New South Wales (NSW). The primary purpose of the Public Swimming Pool and Spa Pool Advisory Document is to provide information and guidance to pool operators for criteria relating to chemicals, chemical testing and microbiological requirements. These standards apply to chlorinated public pools across NSW in order to maintain public health at all swimming facilities.

Since 2018, Council has been investigating the water treatment, plant and filtration systems at Helensburgh Pool. Helensburgh Pool had experienced regular intervals in the 2018/19 season where there were occasions where, under normal operations, the free chlorine and Ph levels were fluctuating outside the NSW Health Guidelines for Public Swimming Pools. To achieve compliance to the Guidelines the two pools were manually dosed however this proved difficult to maintain compliance with the Guidelines.

The core issue related to poor circulation and turnover rates associated with the gravity feed filters and some deterioration of the inlet (feed) pipes. Specialist advice was sourced on strategies to improve circulation leading to interim works being implemented to improve circulation in the 25m pool with the installation of adjustable inlet valves. It is noted that this advice indicated that the historic gravity sand filters that service the two pools needed to be replaced with independent pressure filter systems.

In October 2019, following concerns over irregular chemical readings, the toddler pool was closed as it was unable to operate without regular manual intervention to achieve compliance with the standards in terms of chemistry, (Free Chlorine and Ph). To remedy the circulation and chemistry issues in the toddlers pool it was recommended that Council engage a specialist consultant to prepare designs addressing these issues.

Council has engaged a specialist aquatic consultant to provide a scope of works to separate the toddlers pool filtration from the Main Pool. This is to eliminate the issue of cross contamination occurring which subsequently closes the entire facility for an extended period while Council implements a decontamination process while also improving circulation rates. The scope of these works included:

- Separation of the existing filtration system to allow service to the main pool to be maintained while decontamination processes are implemented;
- Provision of a smaller filtration system designed specifically for the toddlers pool;
- Installation of new plant and associated equipment, pipework, fittings and fixtures to allow independent operation of the toddlers pool to achieve the minimum compliance level;
- Upgrading of electrical, water and wastewater infrastructure to the toddlers pool;
- Installation of a new weatherproof building to secure the plant and equipment;

Tenders were invited for the supply and installation of a new filtration system and associated works to Helensburgh Toddlers Pool in accordance with the defined scope of works.

Tenders were invited by the open tender method with a close of tenders of 10.00 am on Tuesday, 9 June 2020.

Four (4) tenders were received by the close of tenders and all tenders have been scrutinised and assessed by a Tender Assessment Panel constituted in accordance with Council's Procurement Policies and Procedures and comprising representatives of the Governance and Customer Service, Finance, Property and Recreation and Project Delivery Divisions.

The Tender Assessment Panel assessed all tenders in accordance with the following assessment criteria and weightings as set out in the formal tender documents:

Mandatory Criteria

1. Referees - Provision of satisfactory references from referees for previous projects of similar size and scope.
2. Financial capacity - Tenderers may be required to provide information required by an independent financial assessment provider engaged by Council. Council will review and determine whether such financial assessment is acceptable to Council and demonstrates the tenderer's financial capacity to undertake the works.
3. Site Inspection - Tenderers are required to attend a mandatory site inspection on a scheduled date.

Assessable Criteria

1. Cost to Council - 40%
2. Appreciation of scope of works and construction methodology - 15%
3. Experience and satisfactory performance in undertaking projects of similar size, scope and risk profile - 15%
4. Staff qualifications and experience - 5%
5. Proposed sub-contractors - 5%
6. Project Schedule - 5%
7. Demonstrated strengthening of local economic capacity - 5%
8. Workplace Health and Safety Management System - 5%
9. Environmental Management Policies and Procedures - 5%

The Tender Assessment Panel concluded that none of the tenders is acceptable and has recommended that all tenders be declined. The Tender Assessment Panel resolved to decline all tenders based on the tender prices received which exceed the budget allocation.

As part of the review and assessment of all tenders, Council identified a range of issues which have escalated the cost of the project in comparison to the budget allocation. This has allowed Council to focus on a revised program and scope of work which should achieve the overall outcomes in a more cost-effective manner.

PROPOSAL

It is proposed that Council seek formal quotations (rather than tenders) from contractors with demonstrated experience in supply and installation of aquatic services to the Helensburgh Toddlers Pool for the alternative scope of work. Carrying out the work in an accelerated schedule in this report will result in the following benefits:

- Urgent works required to bring this facility up to contemporary standards will allow the 25-metre pool to be opened as soon as possible while the toddlers pool may be completed prior to the hot summer period. The program for the completion of the toddlers pool will be confirmed during the quotation process.
- The acceleration of this project will provide direct employment to the building industry and stimulate spending in the local economy during a critical period.
- Council has noted significant interest in recent tenders resulting in competitive pricing on a number of similar scale projects. Although this was not achieved on this tender, the revised scope of work will be targeted to experienced aquatic/hydraulic trades who may be more motivated to submit competitive prices.

Normally Council would re-tender the revised works as the estimated cost exceeds the Council's tender threshold of \$150,000 (incl. GST). The minimum duration to undertake a tender process is approximately 10-12 weeks (depending on the relationship between commencement of advertising and the actual date of the Council meeting) while a formal quotation process can be undertaken in approximately six (6) weeks if Council were to support the recommendation of this report. The swim season commences on 26 September 2020 which is approximately 10 weeks after the Council meeting dated 20 July 2020. The operators of the pool have confirmed there is low patronage of the toddlers pool from late September to mid-November due to the temperature of the pool water.

If Council were to re-tender the revised scope of works, it would not be possible to achieve contract commencement by the opening of the summer season. However, by undertaking a formal quotation process, we may be able to complete early works, reopen the 25-metre pool to a significant number of users while continuing to implement the changes to the toddlers pool in a securely fenced work area. Alternatively, Council could retender the revised scope of works and operate the pool with the continued closure of the toddlers pool over summer.

A formal quotation process carried out under Council's procurement policy mirrors the governance requirements of the tender process but does not require a formal report to Council with the resulting delays in preparing and publishing a report to Council. A formal quotation panel is constituted with the same technical, governance and procurement staff which normally constitute a tender panel to ensure probity concerns are addressed. Transparency to the community will be assured by reporting the outcome of the procurement process to the next available Council meeting following the engagement of the contractors.

Once the Quotation process is complete, Council will immediately be able to appoint a recommended contractor to commence works.

CONSULTATION AND COMMUNICATION

The following Divisions have been consulted during the planning of this project:

- 1 Members of the Tender Assessment Panel
- 2 External Consultants – Lacus Consulting Services
- 3 Governance and Customer Service
- 4 Legal Services – General Counsel
- 5 Property and Recreation
- 6 Infrastructure Strategy and Planning

7 Project Delivery

PLANNING AND POLICY IMPACT

This report contributes to the delivery of Wollongong 2028 goal 5 “We are a healthy community in a liveable city”.

It specifically delivers on core business activities as detailed in the Infrastructure Planning and Support Service Plan 2020-21.

RISK ASSESSMENT

The risk in accepting the recommendation of this report is considered low on the basis that the formal quotation process will fully comply with Council’s Procurement Policies and Procedures and the Local Government Act 1993. A formal quotation panel will be established to invite and assess quotations using procedures normally utilised in Council’s tender process.

The risk of the project works is considered medium based upon Council’s risk assessment matrix and appropriate risk management strategies will be implemented.

SUSTAINABILITY IMPLICATIONS

The following sustainability implications have been considered:

- Durable products incorporated in the design to ensure long-term integrity of the assets.
- Sustainable procurement by providing local companies the opportunity to submit quotations for the work.
- Quotation assessment incorporated weightings to support the ongoing economic development of the region including the source and supply of local labour and materials.

FINANCIAL IMPLICATIONS

It is proposed that the total project be funded from the following source/s as identified in the Operational Plan –

2020/21 Capital Budgets

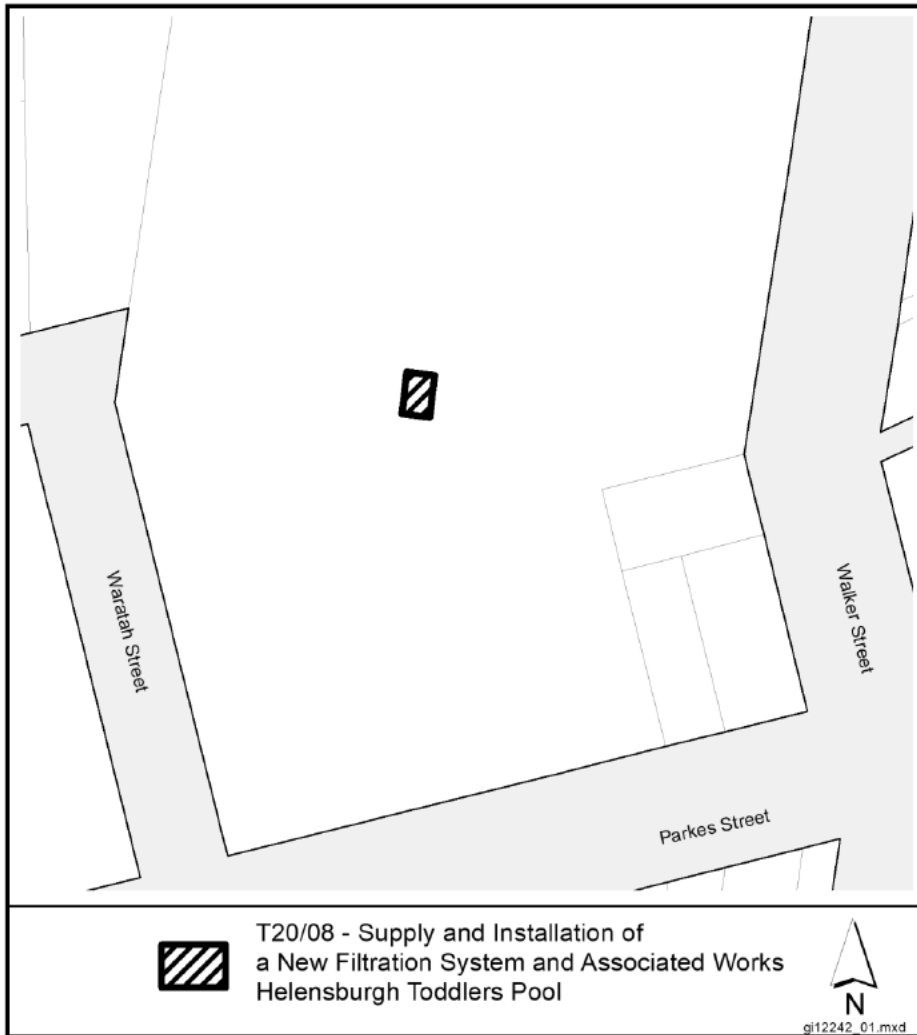
CONCLUSION

An opportunity currently exists to accelerate this project for essential works at Helensburgh Toddlers Pool using a revised scope of work. By proceeding immediately Council can minimise costs and disruption to users of the facility and substantially complete the projects by the start of the summer season. Additionally, the works will provide much needed stimulus during the current Covid-19 pandemic to construction companies and their suppliers in the region.

It is recommended that a competitive quotation process be used on this occasion (rather than a retender) to achieve these outcomes.



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