

DIRECTOR BUSINESS ENTERPRISES REPORT

11th May 2004

DBE8	VILLAGE SWIMMING POOLS – BACKWASH WATER DISPOSAL
	FILE: G15-660 WEW

SUMMARY:

Reporting on the results of tendering for installation of backwash water disposal tanks (April 2004).



The Small Business Department advertised for tenders in April 2004 for the supply and installation of backwash water treatment and disposal systems for the three village pools at Crescent Head, Gladstone and South West Rocks. The systems are required to comply with New South Wales Environmental Protection Authority requirements to discontinue the practice of disposing contaminated water to the environment (stormwater system).

Hydrocare Pool Services Pty Ltd is currently installing a backwash disposal system at the Kempsey Swimming Pool.

The tendering process was required as the combined works for the three village sites was expected to exceed \$100K. The cut-off time and date for receipt of tenders was 10:00am on Tuesday, 4th May 2004. Two companies conducted compulsory pre-tender inspections of the sites.

On opening of the tender box on 4th May 2004 no tenders had been submitted for the subject works by the deadline for closing of tenders.

On the afternoon of 4th May 2004 at 1:19pm, Hydrocare Pool Services Pty Ltd hand delivered tender documentation (Tender No: 315-660) to the main desk and it was subsequently sent to the records department to be processed as received.

As the above tender documentation was received after the deadline for the closing of tenders council cannot consider the tender under the normal tendering provisions of the Local Government Regulations (NSW, Clause 2 of Section (40-300)).

Hydrocare Pool Services Pty Ltd has been the only respondent to the request for a cost proposal for the design and installation of the backwash disposal systems. They are also currently installing an equivalent (larger) system at the Kempsey Pool and have installed equivalent systems for other council and private sector clients.

Clause 19(3) of the Local Government Tendering Regulation provides that where no tenders are received a Council must, by resolution, do one of the following:

- a) postpone or cancel the proposal for the contract
- b) invite fresh tenders
- c) enter into negotiations with any person with a view to entering into a contract.
- d) carry out the works itself.

Where Council resolves to enter into negotiations, the resolution must state the reasons for declining to invite fresh tenders.

Therefore, in accordance with Clause 19(3) it is proposed that Council enter into negotiations with Hydrocare Pool Services Pty Ltd with a view entering into a contract for the proposed works.

Director's Comment:

Re-advertising for tenderers will add additional cost to the project through lost time and advertising expenses and is considered unlikely to provide a better outcome due to the lack of response to initial request to tenders.

As the late tender documentation provided by Hydrocare Pool Services Pty Ltd meets the technical requirements and the estimated cost of the works can be accommodated within the existing budgets it is suggested that negotiations be entered into with Hydrocare Pool Services Pty Ltd with a view to appointing them as the contractor for the proposed works. Appointment of Hydrocare Pool Services Pty Ltd should not take place until such time as Council is satisfied with backwash treatment system installation at Kempsey Pool.

Report Implications:

The total available budget for the works at the three village pools is \$162,980, and the proposed cost from Hydrocare Pool Services Pty Ltd to conduct the works is \$161,700. It should also be noted that there would likely be significant savings within the budget from the current works being conducted at Kempsey Pool. The budget for Kempsey pool backwash system is \$109,566, while the estimated cost of works is approximately \$85,000 including signage and an additional in-line water treatment system.

There are no Policy or Statutory Implications arising from the following recommendation.

RECOMMENDATION:

1. That Council decline to invite fresh tenders for the installation of backwash water disposal tanks at the village swimming pools for the reasons that no tenders were received in response to previous advertising and any re-advertising would result in additional expense, lost time, and little likelihood of achieving a better outcome.
2. That Council enters into negotiation with Hydrocare Pool Services Pty Ltd with a view to entering into a contract for the installation of backwash water disposal tanks at the village pools.

G B Snape
DIRECTOR BUSINESS ENTERPRISES