

Procurement Plan (> \$500,000)

966 MCWWTP Balance Tank

This document seeks approval from Louise Miller, as delegated financial authority holder to:

- Undertake procurement processes for goods or services to an estimated value of \$2,100,000
- In approving this Procurement Planning and Approval document, the delegated financial authority holder is requested to note that the construction is estimated to take 12 months over two financial years, 2020/2021 and 2021/2022.
- Noted that Council Approval for the Procurement Plan is required as it exceeds \$500k. EOI process will commence in parallel to this process.

Once fully approved the project manager or business owner may procure goods and services according to the plan. Any material deviations from the plan must be reapproved by those who have endorsed and approved the plan.




Signed: <u>Mark Bell</u>	Signed:
Name: Mark Bell	Name: John Burt
Role: Project Manager	Role: Head of Procurement
Statement: This procurement plan has incorporated objectives of the business owner and is designed to deliver best "whole of life" cost solution for TP and its customers.	Statement: This procurement plan meets all procurement policy requirements and approved procurement strategies.
Date:	Date:
Signed: <u>Donnick Mugutso</u>	Signed:
Name: Donnick Mugutso	Name: Jim Sephton
Role: Waters and Waste Manager	Role: General Manager
Statement: This procurement plan has an approved business case and budget to cover this procurement.	Statement: I approve/recommend the CEO approve this procurement plan.
Date: 17/09/2020	Date:
Signed:	
Name: Louise Miller	
Role: (DFA Holder)	
Statement: I approve this procurement plan.	
Date:	

1 No Conflict of Interest Declaration

If you feel that you may have a conflict of interest, then please email a Procurement representative immediately to formalise your declaration.

By signing below, I hereby declare that to the best of my knowledge I do not have:

- any financial (shareholding or pecuniary) or other related interest in the supply of goods and services for the project named below;
- any relatives or friends with a financial interest in the goods and services to be supplied for the project named below; or,
- any personal obligation which would in any way affect my decisions in relation to the process I have been asked to undertake for Kaipara District Council.

Name	Role	Signature
Mark Bell	Infrastructure Delivery Manager	
John Burt	Property, Procurement & Commercial Manager	
Donnick Mugutso	Waters and Waste Manager	
Jim Sephton	General Manager Infrastructure Services	
Louise Miller	Chief Executive Officer (DFA Holder)	

2 Project Related Information

2.1 Project Name	Mangawhai Wastewater Treatment Plant Balance Tank
2.2 Total Project Budget	\$2,770,000
2.3 Total Estimated Procurement Cost (BC1)	\$2,740,000

2.4 Briefly describe the project this procurement relates to?

The construction of an 800m³ concrete balancing tank for the Mangawhai Wastewater Treatment Plant to buffer peak inflows from the Mangawhai wastewater network.

Refer to the milestones of the two procurement streams below.

3 Procurement Streams

A procurement stream is an individual procurement. For example, a project may involve the procurement of an asset and the installation of that asset. This would typically involve two streams; one for the procurement of the asset and one for the procurement of the installation services. (Insert new rows for additional streams if necessary)

Name	Estimated Procurement Cost
3.1 Design, Tender Documents, Procurement, MSQA, KDC internal costs	\$372,000
3.2 Construction	\$2,398,000

4 Procurement Stream ONE - < Mangawhai Wastewater Treatment Plant Balance Tank Design and Tender Documentation >

If your project has multiple procurement streams replicate this section for each stream

4.1 What is being procured?

Professional services for the design for the Mangawhai Wastewater Treatment Plant Balance Tank.

4.2 Is this procurement subject to previously approved procurement strategy?

Yes. The established Kaipara District Council Panel of Professional Service 2020-2021 to cater for the professional services procurement.

4.3 Is there an established panel of suppliers that can be used for this procurement?

Yes. Kaipara District Council Panel of Professional Service 2020-2021

4.4 What suppliers are capable of providing the goods or services required for this procurement stream?

Professional Engineers in the PS Panel for waters and waste, namely WSP, Awa and Stantec.

4.5 What type of tender is being recommended? (if applicable)

Competitive (Open)	No
Competitive but closed (Closed/Selective)	No
Non-Competitive (Direct/Selective)	Direct appointment of the Professional Services component of the procurement.

4.6 What is the nominated procurement approach and why this is the best procurement approach?

Direct appointment for the Professional Services is the best approach as the WSP (one of the consultants) has long standing prior knowledge of the Mangawhai Community Wastewater Scheme having been involved in previous studies and modelling. This then gives Council continuity in knowledge and will ensure there is no time wasted in familiarisation.

4.7 What are the procurement/logistics risks related to this procurement stream, proposed mitigation measures and/or risk allowances?

The direct appointment for the Professional Services poses a low risk as the panel gets allocated work packages depending on their capability, capacity and availability.

4.8 What is the Procurement Policy exemption being proposed (if an Open Tender (Competitive) is not being utilised) and what is the justification for this exemption?

Direct appointment for the Professional Services procurement. Approval has been granted to establish the panel and to allocate work packages among panel members however \$100k is the limit for direct appointment without CEO approval. In this particular case WSP is the stand outleader to assist in the work due to the extensive prior knowledge of this installation.

4.9 Are there any specific contract terms applying to this procurement?

None

5 Procurement Stream ONE – < Mangawhai Wastewater Treatment Plant Balance Tank Design, Tender, MSQA >

If your project has multiple procurement streams replicate this section for each stream

5.1 Procurement Timelines

Include high-level activities for the procurement stream. This should consider the tender activities. Refer to the Procurement Guidelines for examples.

	Milestone Name	Start Date	End Date
1	Project Approval by Council	30 Sept 2020	
2	Appointment of Professional Services	1 Oct 2020	1 Oct 2020
3	Detailed design	1 Oct 2020	16 Dec 2020
4	EOI (Expression of Interest) on Tenderlink Prequalify Shortlist	05 Jan 2021	17 Feb 2021
5	RFP Issue and evaluation	22 Feb 2021	16 Apr 2021

5.2 Evaluation Team (for both tenders and non-competitive procurement)

Role	Name	Group
Not Applicable-Direct Appointment	Panel already prequalified	Infrastructure

5.3 Evaluation Criteria and Scoring (See Guidelines for an example)

NON-PRICE CRITERIA	WEIGHTING
Not Applicable – Direct Appointment	Panel already prequalified

5.4 Identify the form of contract to be utilised for this procurement

NZS 3910:2013

5.5 Where is the contract located in P: drive

P:\4. - Community Assets\41. - Roading & Water Services\4107. - Contracts\4107.966 – MCWWTP Balance Tank

5.6 Estimated Costs (modify to suit relevant costs)

Description	Cost
Design cost	\$197,000
Procurement assistance	\$30,000
MSQA estimates (provisional)	\$150,000

6 Relevant Reference Documentation

Provide the document name and hyperlink to the document. Documents may also be attached as an appendix to this plan.

Source Name	Brief Description	Hyperlink/Location
Contract 966 Business Case	This provides the case for the construction of the balance tank over any other options available. It provides reasons why the tank should be built.	4107.966
Council Report	Mangawhai Wastewater Treatment Plant Balance Tank Report for the Council meeting of 30 September 2020. This is a decision paper for Council to approve the project to build a Balance Tank, approve additional funding of \$1,450,000 and approve bringing the budgets in 2024/2025 and 20205/2026 into 2021/2022 year.	4107.966
Confirmed Council Minutes	Minutes of the decision	4107.966
EOI from WSP	Expression of interest document	4107.966

7 Procurement Stream Two - <Mangawhai Wastewater Treatment Plant Balance Tank Construction>

If your project has multiple procurement streams replicate this section for each stream

7.1 What is being procured?

Physical works construction services for the Mangawhai Wastewater Treatment Plant Balance Tank.

7.2 Is this procurement subject to previously approved procurement strategy?

No. In September 2020 Council were presented with a report requesting the budgets for the construction of the balance tank and sought the Council to delegate to the CE to approve the contract for award up to \$2.1m once the tender process had been concluded. This Procurement Plan provide further information so that Elected Members can approve the Procurement Plan which is greater than CEO delegation.

In accordance with the adopted procurement strategy.

7.3 Is there an established panel of suppliers that can be used for this procurement?

No. This sits outside the original intent of the 3 Waters Panel and Officers believe the value justifies going to the open market.

7.4 What suppliers are capable of providing the goods or services required for this procurement stream?

Physical Works Contractors. CCNZ discussions have indicated interest from a number of parties.

7.5 What type of tender is being recommended? (if applicable)

Competitive (Open)	Open tender for EOI and then RFP to those who meet qualification.
Competitive but closed (Closed/Selective)	No
Non-Competitive (Direct/Selective)	No

7.6 What is the nominated procurement approach and why this is the best procurement approach?

Open tender for the physical works procurement as this provides the market competition to the procurement. There is an opportunity to engage early with potential contractors by public presentation of the Forward Work Plan at the Civil Contractors New Zealand local regional meetings.

The EOI creates a prequalification gateway and increases the chances of quality bidders submitting tender, saving on the process.

7.7 What are the procurement/logistics risks related to this procurement stream, proposed mitigation measures and/or risk allowances?

The tender for the physical works poses the following risks:

Risk	Mitigation	Residual Risk
Tender prices are higher than budget	Go to tender early. Ensure that the schedule of quantities are specific	Low
Poor quality contractor	Keep high weightings on track record, include experience similar projects as a prerequisite and use referees	Low
Disruption of procurement by lockdown	Use electronic submissions and processing	Medium
No funding approval	Funding already approved	Low
No or low interest from the market	Go to market early and promote it in forums. The Forward Work Programme has previously been presented at the Civil Contractors New Zealand regional meetings.	Medium

A more comprehensive risk table has been developed by WSP as part of the business case.

7.8 What is the Procurement Policy exemption being proposed (if an Open Tender (Competitive) is not being utilised) and what is the justification for this exemption?

N/A

7.9 Are there any specific contract terms applying to this procurement?

None

8 Procurement Stream TWO – < Mangawhai Wastewater Treatment Plant Balance Tank Construction >

If your project has multiple procurement streams replicate this section for each stream

8.1 Timelines

Include high-level activities for the procurement stream. This should consider the tender activities. Refer to the Procurement Guidelines for examples.

	Procurement Milestone Name	Start Date	End Date
	Contract Documentation		
	Expression of Interest	22 Jan 21	22Feb 21
	Procurement Plan Approved	16 Feb 21	3 Mar 21
	Final KDC Funding Approval	30 Mar 21	--
	Request for Proposal	5 Mar 21	9 Apr 21
	KDC approval of tender and Contract Award	19 Apr 21	14 May 21
	Construction Milestone Name	Start Date	End Date
2	Site Establishment	14 Jun 21	25 Jun 21
3	Construction	14 Jun 21	4 May 22
	Stage 1 – Drawings finalisation, procurement, consent lodgement		
	Stage 2- Preparation , drainage and temporary connection of odour plant to existing inlet		
	Stage 3 – Preparation of Tank foundation, installation of tank base		
	Stage 4- Construct balance tank walls, seal base, install staircase		
	Stage 5 – Test water tightness, install return pumps and pipework		
	Stage 6 – Installation of inlet structure, overflow weir box & pipework		
	Stage 7 – Screen Relocation		
	Stage 8 – Commission Flow & Feedback Control		
	Stage 9 Construction – Replace Pumps at Outfall Pump Station (if required)		
3	Final Commissioning and handover	4 May 22	1 June 22

8.2 Evaluation Team

Role	Name	Group
Project Manager	Mark Bell	Infrastructure
Evaluation Team Member	Eros Foschieri	Consultant WSP
Evaluation Team Member	Simon Ruddenklau	Infrastructure Services

8.3 Evaluation Criteria and Scoring as per EOI and RFP

NON-PRICE CRITERIA FOR EOI	WEIGHTING
Health and Safety Sitewise 75%	Pass/Fail
Insurances	Pass/Fail
Financial Viability	Pass/Fail
Relevant experience	Scored and Ranked as per EOI
Track Record and Reference Check	Scored and Ranked as per EOI
NON-PRICE CRITERIA for RFP Shortlist of 3	
Methodology	Pass/Fail
Programme	Pass/Fail
Price after prequalified tenderers	100%
TOTAL	100%

8.4 Identify the form of contract to be utilised for this procurement

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8.5 Where is the contract located in P: drive

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8.6 Estimated Costs (modify to suit relevant costs)

Description	Cost
Total construction cost	\$2,398,000

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Confirmed Council Minutes	Minutes of the decision	4107.966
EOI for Tender	WSP developed expression of interest and response form for load to tenderlink.	4107.966
Council Report – February 2020	<p>The EOI process will commence prior to EM approval of the Procurement Plan.</p> <p>EM approval will be sought prior to the RFT stage of the process.</p>	