

8. CHRISTCHURCH WASTEWATER TREATMENT PLANT CAPACITY UPGRADE: CLARIFIERS 3 AND 4 TENDER ACCEPTANCE

Officer responsible City Water and Waste Manager	Author Mike Bourke, Operations & Maintenance Manager, DDI 371-1364
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The purpose of this report is to obtain approval to let a contract for the construction of the third and fourth clarifiers and associated work at the Christchurch Wastewater Treatment Plant.

BACKGROUND

The next major stage of the \$33m Christchurch Wastewater Treatment Plant Upgrade is the construction of the third and fourth clarifiers and the conversion of the remaining two secondary sedimentation tanks to aeration basins. The first two clarifiers and first two aeration basins have recently been commissioned. The committee approved the tendering shortlist in May 2001 and tenders were sought from the nine short-listed companies.

TENDERS RECEIVED

The following tenders were received and include tags associated with each tender.

Daniel Smith Industries	Downer	Fulton Hogan	Mainzeal
\$5,616,694	\$6,165,907	\$7,018,248	\$6,647,666

All tenderers were requested to identify the costs to remove tags associated with their tenders to ensure all tenders conformed to the specification. The following are the adjusted conforming tender prices.

Daniel Smith Industries	Downer Construction	Fulton Hogan	Mainzeal
\$5,616,694	\$6,176,747	\$7,018,248	\$6,787,666

Tenders include a contingency sum of \$400,000

The Engineers estimate for the work was \$5,878,800. (includes the contingency)

Funding for the work is included in the Liquid Waste Capital Works Program as part of the \$33.7m upgrade provision for the Treatment Plant. Construction is spread over the current year (2001/2002) and the following year (2002/2003). The construction period allowed is 65 weeks.

The Daniel Smith Industries tender is \$560,053 less than the second tender from Downer and \$261,306 (4.4%) less than the Engineers estimate for the work. Daniel Smith has just successfully completed the construction and commissioning of the Clarifiers 1 and 2, and has a very clear understanding of the project, the construction methods and the costs of this type of construction. Daniel Smith's performance on the construction of the first set of clarifiers was very satisfactory for a more complex job. There were some extensions of time required on the first contract resulting from changes in design and scope of the work however the contractors performance in keeping existing plant operational was very good. Daniel Smith's on site partner G & T Construction is currently working on Trickling Filter Pump Station B, of which the main construction elements will be completed by the second week in September. There is a high level of confidence that Daniel Smith Industries can complete the contract satisfactorily.

Recommendation: That the lowest tender from Daniel Smith Industries for the construction of Clarifiers three and four for a total price of \$5,616,694 be accepted.