

**31. TENDER ACCEPTANCE FOR PUMP STATION NO 20 PRESSURE MAIN UPGRADE:
CONTRACT 1999/00-318**

Officer responsible Water and Waste Manager	Author Mike Berry, DDI 371-1365
Corporate Plan Output: Liquid Waste Reticulation Infrastructural Asset Improvements	

The purpose of this report is to recommend the acceptance of March Construction Limited's tender for Contract 1999/00-318 'Pump Station No. 20 Pressure Main Upgrade'.

BACKGROUND

Sewer Pump Station 20, located in Locarno Street, Opawa, serves a large catchment covering much of the south west of the City (see attached map). The station currently pumps through two pressure mains to Pump Station No 11 in Randolph St, Linwood. The two existing pressure mains, one 375mm diameter, the other 525mm diameter, were constructed in 1924 and 1960 respectively. Their combined capacity is well below that required, both under current sewer design criteria and that needed in reality to avoid spillage of sewage to the Heathcote River during wet weather periods. Currently, wet weather overflows occur at several locations along the trunk gravity system upstream of the station and extending to near Fisher Avenue on average eight times per year. These overflows account for two thirds of the city's entire trunk sewer overflow volume. The current level of overflow from the PS20 system is not considered acceptable and an overall plan of upgrading works for the PS20-11 system aimed at achieving a two year overflow standard for the catchment (ie: overflow only once every two years on average) is currently budgeted for in the first three years of the 10 year capital works programme.

Upgrading of PS20's older 375mm diameter pressure main with a new 750mm diameter main is the first major works item which will see the system upgraded from the current overflow points upstream of PS20 all the way to the Treatment Works. Once completed, the improvements will provide the catchment with a two year trunk sewer overflow containment standard, while allowing for anticipated population growth to 2040 or beyond. Additionally it will give the system some much desired redundancy to safeguard it in the event of partial failure, such as occurred with PS20's larger pressure main in August 1999.

It is to be noted that this upgrade work is also necessary because the Council has applied to Environment Canterbury for a resource consent for wet weather overflows from the city's entire trunk sewer system at around 12 overflow points and timely implementation of the proposed programme of works for the PS20-11 system is likely to be a condition imposed on any consent granted.

TENDER

The tender process involved initial advertising for expression of interest, which led to the selection of six contractors considered to have the experience, resources, etc, to complete the job successfully. The specification allows the use of either plastic or concrete pipe and requires no dig techniques to be used in crossing Brougham St and the railway line.

Five tenders were received as follows:

	Price (excl GST)
March Construction Ltd	\$2,027,926
Citiworks Ltd	\$2,203,788
Dave Gutry Construction Ltd	\$2,207,940
Maxwell Plumbing Co Ltd	\$2,248,445
City Care Ltd	\$2,368,765

City Designs Cost estimate for the job was \$1.85 m

March Construction Ltd is an established local drainage contracting firm considered well capable of completing the job successfully.

The contract is to be completed within 42 weeks by 9 November 2001.

PROGRAMME OF WORK AND BUDGET

The upgrade work and finance budgeted is as follows:

Item	Amount Budgeted in 2000/01 Corporate Plan		
	2000/01	2001/02	Totals
PS 20 Pressure Main Upgrade	\$1,311,000 (remaining)	\$612,000	\$1,923,000
PS 11 Pressure Main Upgrade		\$765,000	\$765,000

There is a total remaining budget allowance for the job (after design fees) of \$1.923M spread over the current and next financial year. The approximate \$100,000 shortfall (2,027,926 minus 1,923,000) matches the jobs \$100,000 contract contingency sum which may be only partially spent and if so can be used as shortfall funding. Should it prove necessary any further shortfall could be funded from the budget for the next stage of the proposed PS20-11 works programme, 'Pump Station 11 Pressure Main Upgrade' i.e. the 765,000 above with approval for any budget redistribution sought then. In summary this work is part of a rolling \$30m 10-year reticulation upgrade programme and it is considered that there is sufficient overall money budgeted at this stage. Possible shortfall on this particular contract can be covered by redistribution of the budget when there is certainty on actual contingency costs.

Recommendation: That March Construction Ltd's tender of \$2,027,926 for Contract 99/2000-366 'Pressure Main No 20 Upgrade' be accepted.

Chairman's

Recommendation: That acceptance of March Construction Ltd's tender of \$2,027,926 for Contract 99/2000-366 'Pressure Main No 20 Upgrade' be recommended to the Council for acceptance.