

17. TENDER ACCEPTANCE FOR PRESSURE MAIN NO 11 UPGRADE: CONTRACT 2002/03-82

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The purpose of this report is to provide background information prior to the acceptance of a tender for Contract 2002/03-82 'Pressure Main No. 11 Upgrade'. A supplementary report giving tender details and recommendation for tender acceptance will be provided prior to the meeting.

BACKGROUND

This work forms part of the overall AWT Programme of Works, which was presented to a Councillor workshop on 13 August 2002 and reported to Sustainable Transport and Utilities Committee on 12 September 2002.

The capacity of the system, which carries the sewage flows from Southern Christchurch into the treatment plant at Bromley, is at present under increasing pressure due to continued development in this sector of the City. The Southern Relief Sewer increasingly is at capacity and is due for replacement starting in 2004. As part of the proposals to improve this network the Southern Relief is to be redirected to Pump Station No 11 in Randolph Street, Linwood. This station's capacity is to be increased over the next two financial years to cope with the larger inflows caused by this development and the recent upgrading of Pump Station No 20 and its pressure main (which have already increased the flows to No 11). **Pressure Main No 11 is required to carry these flows from Pump Station No 11 to the Treatment Works.** Its construction is therefore the first step in an integrated approach to provide more capacity to the sewerage network in Southern Christchurch.

TENDER

The tender process involved initial advertising for registration of interest, which led to the selection of seven contractors considered to have the experience, resources etc, to complete the job successfully. No dig techniques are required to be used where the new pipeline crosses major services.

From this registration process the seven contractors shortlisted to submit tenders were as follows:

- March Construction Ltd,
- McConnell Dowell Ltd,
- G & T Construction,
- Delta Construction,
- Dormer Construction,
- Downer Construction,
- Dave Gutry Construction Ltd.

City Solutions cost estimate for the job was \$4.69m (+/- 15%).

Tenders closed at 12 midday on Wednesday 2 October 2002. The contract is to be completed within 100 weeks by 24 December 2004.

PROGRAMME OF WORK AND BUDGET

The upgrade work and finance budgeted is as follows:

Item	Amount Budgeted in 2002/03 Corporate Plan			Totals
	2002/03	2003/04	2004/05	
PS 11 Pressure Main Upgrade	1,213,000	1,000,000		2,213,000 ⁽¹⁾
Main Trunk Expansion (SW sector)		3,076,000	3,076,000	6,152,000 ⁽²⁾

There is a total budget allowance for the project (before design fees) of \$2.213M ((1) above) spread over the current and next financial year. The approximate \$2,500,000 shortfall will be funded from the \$6.152M budget allowance ((2) above) for main trunk expansion (SW sector) in the 2003/04 and 2004/05 years.

Note: Now that the AWT investigation has been completed, it is intended that the ten-year Capital Works Programme for the work will be re-detailed to better reflect refined estimating. This re-worked programme will be presented to the Council as part of the 2003/04 financial plan process.

SUMMARY

This tender is part of the long-term wastewater reticulation upgrade programme. A tender acceptance supplementary report is expected to be available for this meeting on 8 October 2002. Funds are available in the City Water and Waste Unit budget to finance the project.

Staff

Recommendation: That the above information be received, awaiting the supplementary report on tenders prices received.

Chairman's

Recommendation: That the information be received.