

10. TENDERS FOR CIVIL WORKS FOR THE CHRISTCHURCH WASTEWATER TREATMENT PLANT OXIDATION POND MODIFICATIONS

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The purpose of this report is to seek Council approval for the award of the contract for civil works for the Christchurch Wastewater Treatment Plant oxidation pond modifications.

BACKGROUND

The next major stage in the \$33m Christchurch Wastewater Treatment Plant Upgrade is the modification of the oxidation ponds. The oxidation ponds are being reconfigured from parallel flow to series flow to maximise the kill of pathogens. This improved configuration is expected to have a significant effect on the numbers of bugs released to the estuary. This contract is for the second stage of the pond upgrade project, which includes the construction of new flow control structures that allow the ponds to operate in series, and the construction of an associated new outlet to the Estuary.

The contract for stage one of the project, the deepening of oxidation pond 1, commenced in early November. The third stage will be the reshaping and deepening of pond 2 over the 2003/04 summer.

TENDERS RECEIVED AND EVALUATED

Tenders were received as follows:

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| G&T Construction Ltd. | \$1,966,341 |
| Hopkins Engineering Ltd. | \$2,428,068 |
| Fulton Hogan Civil Ltd. | \$3,112,694 |

These tenders all include a contingency sum of \$150,000.

The two lowest tenders had no price related tags.

G&T Construction (Lex Thompson) has been involved in four major contracts for the upgrading of the Wastewater Treatment Plant, either as the main contractor or as Daniel Smith Industries pipe laying and concrete subcontractor. G&T's work has always been completed to a very high standard and on schedule. Together with their subcontractor, Daniel Smith Industries, they have considerable experience and substantial resources in the field of civil works construction. The most difficult part of the project will be building structures within the ponds while they are operational, work in which G&T Construction and their subcontractor have exceptionally good expertise.

BUDGET PROVISIONS

In the original upgrade budget for the plant upgrade a total of \$2.6m was identified for pond modifications in the current year out of a total of \$7.546m allowed this year. The work in this particular contract includes changes to piping and discharge structures at the ponds. Next year the No 2 pond will be deepened and reshaped. There is sufficient in the current budget to cover the proposed work so far, however changes to the 03/04 budget will be necessary to accommodate the ocean pipeline and extra costs associated with the clarifier floor problems.

CONSENTS

1. Environment Canterbury Resource Consent

ECan have advised that since the new Estuary outlet structure will not be located within, or cause disturbance during construction to, the CMA (Costal Marine Area) a CMA permit will not be required.

2. Christchurch City Council Resource Consent

Christchurch City Council resource consent is not required for the project, however an outline plan (a description of the work, including any effects and mitigation measures) for stage two of the work needs to be approved by the Planning Section of both the Environmental Services Unit and the Linwood Service Centre of this Council. URS New Zealand is preparing an outline plan, which should be approved before the contract acceptance date.

An outline plan for stage one of the project has already been submitted and approved.

PROGRAMME

A construction start date of 6 January 2003 is proposed in the current programme, which is based on the tender being awarded in the week following the 12 December 2002 Council meeting. Construction is programmed for completion on 1 July 2004.

The recommended tenderer has confirmed that they have the resources available to start the project on this date. They have also confirmed that they have the resources to complete the project within the proposed time frame.

Following contract award the contractor will be required to submit a detailed construction programme, which will be used to monitor construction progress.

SUMMARY

The lowest tender is from G&T Construction for \$1,966,341. G&T Construction is a very good contractor with an excellent track record, who with Daniel Smith Industries as a subcontractor, can provide the skills and experience to complete critical areas of the project within the allowed timeframe and approved budget provision.

Recommendation: That the lowest tender from G&T Construction Ltd for \$1,966,341, be accepted, subject to obtaining approval of an Outline Plan with conditions acceptable to the Council.