



COFFS HARBOUR CITY COUNCIL
ORDINARY MEETING
COUNCIL CHAMBERS
COUNCIL ADMINISTRATION BUILDING
COFF AND CASTLE STREETS, COFFS HARBOUR
17 DECEMBER 2009

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CONFIDENTIAL ITEM

The following item either in whole or in part may be considered in Closed Meeting for the reasons stated:

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A portion of this report is confidential for the reason of Section 10A (2):

- (d) commercial information of a confidential nature that would, if disclosed:
- (i) prejudice the commercial position of the person who supplied it, or
 - (ii) confer a commercial advantage on a competitor of the council, or
 - (iii) reveal a trade secret.

and in accordance with Section 10A (1) the meeting may be closed to the public



COFFS HARBOUR CITY COUNCIL

ORDINARY MEETING

17 DECEMBER 2009

Mayor and Councillors

SUPPLEMENTARY REPORTS

C79 TWO WAY RADIO SYSTEM REPLACEMENT

Purpose:

To obtain approval for the replacement of Council's Two Way Radio System which is not meeting Council's needs and emergency requirements.

Description of Item:

Council's aging Two Way Radio System provides a service to about 130 users. Its limitations have pushed some users to mobiles. It suffers from a number of issues which are set out below:

1. **Poor coverage:**
It provides coverage to about 20% of the city area. The new system will provide 99% coverage
2. **One Channel:**
Only one channel is available to service the Council users, ie, Works, Water and Sewerage, Parks and Gardens, Caravan Parks, Surf Life Saving and Rangers.
3. **Sound Quality:**
The voice quality is often poor and messages are wrongly intercepted.
4. **OH&S:**
It does not provide for a man down capability in an emergency situation. The new system will provide a pendant or button facility which will trigger an alarm which will override the radio system.

C79 - Two Way Radio System Replacement (Cont'd)

5. Technological Advances:

It is not a digital system and cannot be linked to the VOIP system. It does not have the capability of the new system to have a one-to-one or a one-to-many conversation.

6. In a Disaster:

The system fails to provide satisfactory service is a disaster situation when it is relied on as the mobile phone system becomes congested or fails and in situations where staff do not have phones.

The following solution is proposed:

Council purchase a P25 Digital Radio System which will resolve all of the issues with the old Two Way Radio system. It is Internet Protocol based and will utilise part of Council's fibre network together with five Repeaters will provide the required coverage.

Other potential benefits not previously mentioned include:

1. Can support large events throughout the City.
2. Low speed remote data network capability, including remote monitoring, remote signs descriptions, early warning systems and two way real time GPS.
3. Reduction in phone charges.
4. Encrypted communications.
5. Linkage with other, non council, emergency service systems.
6. It is expected that the number of users will grow from 130 as the advantages of the system are realised.

Sustainability Assessment:

• **Environment**

There will be no direct adverse environmental impacts. There are potential environmental benefits related to savings in a range of resources that will flow from more effective and efficient systems. This would include more effective emergency management, vehicle operating savings, etc.

• **Social**

Staff will be able to provide a better quality service to the community in relation to day to day operations, emergency events, major sporting and outside cultural events, remote data network capability, etc

From an occupational health and safety perspective, the system will provide man down and lone worker security through an alarm system, remote signs management, etc

It will enable early warning systems to be put in place.

• **Economic**

Broader Economic Implications

The Plant Fund will manage the system with no direct cost to the General Fund.

C79 - Two Way Radio System Replacement (Cont'd)

The capital cost is approximately \$713,000 including the development of all the uses including remote data network capabilities, remote GPS capabilities, link to the VOIP system, etc. The capital cost will be met from the Plant Fund and repaid over eight years from a 22% surcharge on phone accounts. The recent introduction of the VOIP system has seen overall phone costs reduce by 37% which has not yet been reflected in budgets. It is proposed to use part of the savings to fund the new Two Way Radio system. If the example of a \$100 phone bill is used, the saving is \$37 and the surcharge is \$14. This is a significant overall saving.

The system is envisaged to have a life of eight years with replacement being met by a plant hire charge of \$12.23 per week per radio and maintenance being met by a plant hire charge of \$5.41 per week. As with all plant hire charges, they will be reviewed annually in relation to actual replacement and operating expenses.

Management Plan Implications

The General Fund currently provides \$13,000 for maintenance of the existing Two Way Radio system. This provides maintenance on an as required basis. This would be a saving to the General Fund in future budgets.

With the superior service offered by the new system at no direct usage charge, it is expected that mobile phone availability and use will be reduced with resultant savings to the General, Water and Sewerage Funds.

Consultation:

The key Council Managers associated with the Two Way Radio System have been consulted. Finance and Plant Management Staff have been involved in the development of the proposal and its funding. The system has been explained to the Executive Team. It has also been explained to 200 staff at a depot meeting, where the users will come from. There is general support for the new system and acknowledgment of the benefits.

Related Policy and / or Precedents:

The system will be acquired under Government Contract.

Statutory Requirements:

Purchasing requirements will be complied with.

Issues:

The cost of the proposal is significant. However the benefits, method of funding and potential further savings have been outlined in the report. The benefits will have a significant impact on major and important Council operations.

Given the technology to be implemented and the ongoing method of funding, the system will be continually improved and updated as technological changes occur and as other applications emerge.

A large number of people will need to be trained in the system, but given the high level of knowledge of the current system, it will not be time consuming or difficult.

C79 - Two Way Radio System Replacement (Cont'd)

Implementation Date / Priority:

Orders for equipment will be placed as soon as possible. Implementation of the core system would be within four months. Additional functionality development and implementation will be ongoing.

Recommendation:

That a new Two Way Radio system be purchased, under Government Contract, at an approximate cost of \$713,000 with funding and ongoing management, maintenance and replacement under the Plant Fund of Council.

**Craig Milburn
Director
Corporate Business**

S61 TENDER: INSTALLATION OF NEW WATER AND SEWER MAINS, MOONEE TO WOOLGOOLGA - CONTRACT NO. 09/10-415-TO

Purpose:

To report on tenders received for the construction of Water, Sewer and Reclaimed Water mains between Killara Avenue, Heritage Park and Unwins Road, Woolgoolga to replace mains affected by the Sapphire to Woolgoolga Pacific Highway Upgrade project and to gain Council approval to accept the most advantageous conforming tender.

Description of Item:

The Roads and Traffic Authority (RTA) is in the process of inviting tenders for the design and construction of a dual carriageway for the upgrade of the Pacific Highway between Sapphire and Arrawarra in the Coffs Harbour City Council Local Government Area.

As part of the highway upgrade it is necessary to relocate potable water, reuse, and sewer rising mains and gravity reticulation mains from the proposed footprint of the Highway works.

The Highway upgrade program requires that the water and sewer services be relocated by July 2010.

The water and sewer service relocations are broken into three stages being:

Stage 1 - Campbells Close, Sapphire to Killara Avenue, Heritage Park

Stage 2 - Killara Avenue, Heritage Park to Unwins Road, Woolgoolga

Stage 3 - Unwins Road, Woolgoolga to Arrawarra

As the asset owner of the water and sewer services the RTA has approached Council to carry out the service relocation works.

Stage 1 is being constructed by Council, Stage 2 is the subject of this Tender with Council managing the Contract. Stage 3 is to be constructed by the RTA Design and Construct Contractor under Council's supervision

The work for Stage 2 comprises the supply and delivery of all materials and the provision of all labour and plant necessary for the construction of the following.

Water mains generally include:

50mm HDPE; approximately 235m in common trenching

150mmD1CL; approximately 455m in single and common trenching

225mmD1CL; approximately 1028m in trenchless / single and common trenching

300mmD1CL; approximately 186m in separable parts in trenchless / common trench

375mmD1CL; approximately 1835m in trenchless / single trench

500mmD1CL; approximately 1039m in trenchless / single & common trenching.

Sewer and reclaimed water mains generally include:

250mm D1CL, approximately 3200m common trench

375mm D1CL, approximately 5000m common trench.

S61 - Tender Installation of New Water and Sewer Mains, Moonee to Woolgoolga - Contract No. 09/10-415-TO (Cont'd)

Open tenders for the construction of the mains were called in Council's e-Tendering portal Tenderlink, local and capital city newspapers and closed at 3:30pm on Tuesday 8 December 2009.

Tenders were evaluated on the following criteria:

- Tender conformity and financial capacity of the Tenderer. These were hurdles to be satisfied before the Tenders could be considered further.
- Tender Price.
- Compliance and logic of Construction Program and Staging Plan.
- Experience and performance in similar works.
- OH & S Management systems and performance.

Nine tenders were received from the following: -

1. Bailey Civil Contractors P/L
2. E L Civil Engineering P/L
3. Ernie Burnett Plumbing P/L
4. Jayelle Pipelines P/L
5. Kerroc Constructions P/L
6. Ledonne Constructions P/L
7. TCM Civil P/L
8. Trazibat P/L
9. Wallis Constructions (Project Management)

Sustainability Assessment:

The Environmental Planning and Assessment Act 1979 (EP&A Act) was amended in 2005 to incorporate a new Part 3A, which relates to major projects. The Minister for Planning has ordered that 13 components of the Pacific Highway upgrade, including the Sapphire to Woolgoolga upgrade, be a project to which Part 3A of the EP&A Act 1979 applies. The Minister for Planning has also declared the Proposal to be a major project under section 75B(1)(b) and to be critical infrastructure under Section 75C of the EP& Act 1979 on the basis that the project is essential for the State for economic and social reasons. Project approval under Section 75J of the Environmental Planning and Assessment Act 1979 was granted on 13 January 2009.

• Environment

To facilitate the commencement of construction the relocation of services within the construction area is necessary. The RTA has entered into an agreement with Coffs Harbour City Council to undertake the design of relocation works associated with water mains, reclaimed water and sewer pipelines.

The proposed services relocation would result in some clearing of vegetation, however the majority of the relocation works that are outside of the approved project boundary are within existing roads and/or existing services easement corridors. Approximately 450m of the total length of the works will require removal of vegetation from sections that are outside of the project boundary.

S61 - Tender Installation of New Water and Sewer Mains, Moonee to Woolgoolga - Contract No. 09/10-415-TO (Cont'd)

Vegetation in these sections comprises shrub regrowth, or Eucalypts that form the edge between private property and the existing highway corridor.

The proposed services relocation works will not constitute an adverse impact to threatened species or endangered ecological communities.

An Environmental Assessment (EA) has been prepared by CHCC in accordance with RTA's policies and instructions relating to the protection of the environment, the principles of ecologically sustainable development (ESD) and RTA's due diligence responsibilities. In preparing this assessment, consideration has been given to the EP&A Act, the EP&A Regulation and other relevant environmental legislation.

The purpose of this EA is to identify any adverse environmental impacts that could arise from the work. The EA identifies the measures that need to be implemented to avoid or minimise any adverse impacts. Mitigative measures will be documented in the Environmental Management Plan (EMP), and their implementation by the Contractor will be monitored during construction.

- **Social**

In order to protect Council's infrastructure from damage, maintain constant supply of water, sewer and reclaimed water services and to avoid future maintenance issues it is required to relocate all of the Council services affected by the Pacific Highway Sapphire to Woolgoolga upgrade.

- **Economic**

Broader Economic Implications

The Tender comprises of two Options. Option 1 includes the option to duplicate sections of 300mm dia water main and 375mm dia reclaimed water main in accordance with Council's water and sewer strategy as well as the works required due to the Highway Upgrade.

Option 2 includes all the council main relocations made necessary by the Pacific Highway upgrade, and additional items nominated by Council. This Option is to be fully funded by the RTA; however the final amount is subject to further negotiation with the RTA

There are considerable savings to be made by Council in Option 1 as construction costs are primarily funded by the RTA with Council effectively paying for the additional pipes. If Council was to call tenders for these duplication mains in the future it would likely cost a considerable amount more than what has been tendered for Option 1.

Management Plan Implications

Option 2 works will be fully funded by the RTA (final amount subject to agreement). Funding for the additional works required by Council identified in Option 1 are available in Council's Water and Sewer Reserve Funds.

S61 - Tender Installation of New Water and Sewer Mains, Moonee to Woolgoolga - Contract No. 09/10-415-TO (Cont'd)

Consultation:

The RTA and Council Strategic and Development Branch have been consulted throughout the tender period.

Related Policy and / or Precedents:

Tendering procedures were carried out in accordance with Council policy. Council's Tender Value Selection System was applied during the tender review process to determine the most advantageous offer. Council's policy is that the tender with the highest weighted score becomes the recommended tender.

Statutory Requirements:

The calling, receiving and reviewing of tenders was carried out in accordance with Part 7 Tendering of the Local Government (General) Regulations 2005.

Issues:

The highest scoring tender following the application of Council's Tender Value Selection System was submitted by Ledonne Constructions which was not the lowest priced tender.

Ledonne Constructions has successfully completed similar work on major pipelines for clients such as Clarence Valley Council and Wyong Shire Council for the Department of Commerce. The appropriate reference checks have been carried out.

Tender details and evaluation are included in the attached confidential attachment.

The RTA is in the process of acquiring land for the Highway upgrade, the majority of the works are to be located at an agreed alignment inside the RTA acquisition boundary. Works that are located outside the RTA acquisition boundary will undertake under the powers authorised by the Local Government Act.

Implementation Date / Priority:

A contract can be awarded upon Council's resolution to accept a tender. The completion time for the contract is twenty six weeks with projected completion date in July 2010.

Recommendation:

That Council consider tenders received for the Installation of New Water and Sewer Mains, Moonee to Woolgoolga - Contract No. 09/10-415-TO and move the motion as detailed in the confidential attachment.

**Jenni Eakins
Acting Director
City Services**