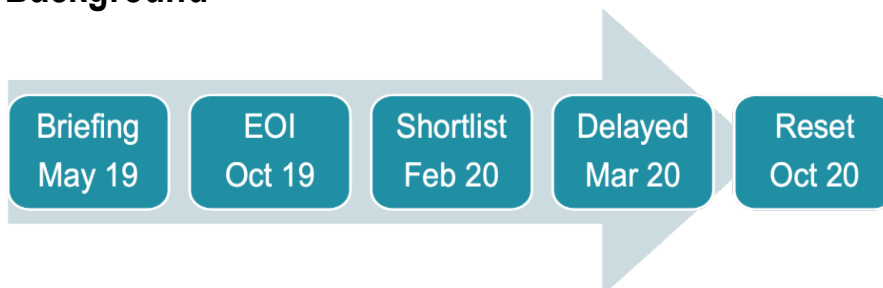


# Asset Lifecycle Delivery Services (ALDS)

## Background







- **Briefing** – originally known as ‘Maintenance, Renewals and Minor Works’.
- **Expression of Interest** – the ALDS EOI was released in October 2019 and three tenderers shortlisted in February 2020.
- **Cancellation** – due to reasons outside of our control, Council cancelled the ALDS transaction process and approached the market with an entirely new transaction process in November 2020.
- **Reset** – a new transaction process is underway. The project delay allowed Water and Waste Directorate (WW) to better understand and more clearly define ALDS objectives and scope.

## Current state

### Business Issues / Drivers


-  Increasing capital works program
-  Planned and reactive maintenance demand increasing
-  Consolidation of what we do to drive efficiencies
-  Asset / maintenance management capability in-development
-  Ability to leverage innovative approaches and emerging technologies

### The Supply-Chain

-  100s of contracts and quotes per annum
-  Opportunity for efficiency in bundling
-  Key contracts expiring
-  Many suppliers of varying capability

The City of Gold Coast’s (City) Water and Waste directorate (WW) intends to enter into a strategic, collaborative, long term contract with a suitably experienced, qualified and equipped delivery partner (contractor/consortia/partnership/joint venture).

## Driver and objectives

 <b>DRIVER</b>	<h3 style="margin: 0;">Asset Lifecycle Delivery Services</h3> <p style="margin: 0;">Strive to optimise customer service while continually improving health, safety and environmental outcomes, and the reliability and performance of our assets.</p>	
 <b>OBJECTIVES</b>		
<h4 style="margin: 0;">OPTIMISE CUSTOMER SERVICE</h4> <p style="margin: 0;">Minimise price increases, optimise customer service and response times, and create opportunities for local business and our community</p>	<h4 style="margin: 0;">DRIVE EFFICIENCY</h4> <p style="margin: 0;">Maximise service delivery, improve data and asset management, and develop and implement an integrated management system</p>	
<h4 style="margin: 0;">PROVIDE VALUE FOR MONEY</h4> <p style="margin: 0;">Draw on best practice and leverage innovation and technology to minimise asset life cycle cost ensuring a sustainable future for our City</p>	<h4 style="margin: 0;">FUTURE PROOF THE BUSINESS</h4> <p style="margin: 0;">Collaboratively augment our capability and implement safe and sustainable solutions in order to adapt to our City's strategic direction</p>	

## Scope of works

The scope of works for this contract are planned and reactive maintenance, refurbishment and renewal programs, and other works at WW assets, for a maximum term of 10 years dependent on contract and contractor performance. This includes on water and sewerage network infrastructure, at treatment plants, on pump stations, and minor works on other WW sites as required.

WW will continue to utilise internal civil maintenance crews. Likewise, day to day operation and maintenance activities at sewage treatment plants is generally undertaken by WW internal crews.

This contract will be with a single delivery partner who is dedicated to the City's preventative, programmed, and reactive maintenance, works and services. Works may include but are not limited to:

- **Civil Maintenance** which comprises planned and reactive civil works and minor civil works to support or augment the WW's Internal Delivered Supply capabilities, with a 24/7 service availability. This includes, but is not limited to activities such as:
  - planned and reactive civil works for WW's water and sewer network
  - miscellaneous civil works at sewage treatment plants (STP), pump stations and other WW operated sites
  - decommissioning of a range of facilities such as pump stations and reservoirs
  - minor civil works to support or augment WW's internal delivery.
  
- **Mechanical and Electrical Maintenance** which comprises Planned Preventative, Maintenance, Unplanned Corrective Maintenance, and Programmed Corrective Maintenance of a range of mechanical and electrical equipment at STPs, pump stations and other WW operated sites. This includes, but is not limited to, activities such as:
  - supply of pumps

- servicing and maintenance of high and low voltage electrical equipment
  - servicing and maintenance of solar panels, inverter, battery storage / direct current and support systems
  - renewable energy systems
  - servicing and maintenance of fuel tanks
  - servicing and maintenance of standby generators
  - maintenance of air compressors, blowers, dryers, pressure vessels and pressure release valves
  - thermography and condition monitoring of rotating equipment
  - inspection and maintenance of cranes, hoists and ancillary lifting equipment
  - servicing and maintenance of gas fired equipment
  - servicing and calibration of gas monitors and associated services
  - servicing and calibration of nutrient analysers and associated service
  - inspection and testing of height safety and lifting equipment
  - miscellaneous mechanical and electrical maintenance and minor works at pump stations, treatment plants, and other designated WW locations, to support WW's internal delivery.
- **Renewals programs** including the condition assessment, planned and unplanned refurbishment and replacement of WW's water and sewer assets. Renewals programs include, but are not limited to:
    - water and sewer pressure mains replacements
    - reservoir roof replacement and refurbishments
    - switchboard replacements
    - renewable energy systems
    - gravity sewer relining
    - wet well refurbishments
    - inspection, maintenance and replacement of hydrants
    - maintenance hole refurbishments
    - cleaning and maintenance of pump stations
    - sewer inspections and repairs
    - maintenance of sewer gas release valves
    - inspection and cleaning of structures by diving
    - inspection and maintenance of reduced pressure zone assemblies
    - maintenance of odour control units.

## Delivery

The City undertook market research to inform and allow finalisation of the project's contract delivery strategy. Information collated does not provide any company a competitive advantage in any subsequent tender process. Numerous contract delivery options were considered.

The transaction will be delivered in stages as follows:

### **Stage 1: Public Advertisement for Expressions of Interest (EOI)**

Submission of a single EOI was invited November 2020.

The Tenderers assessed to provide the highest combination of approach, capability, capacity and key personnel experience were invited to participate in Stage 2. There was no price assessment in Stage 1.

### **Stage 2: Early Tenderer Involvement (ETI) including Interactive Dialogue**

The City shortlisted three Tenderers who submit an Offer under Stage 1 of the EOI:

- Comdain Infrastructure Pty Ltd.
- Gold Coast Infrastructure Solutions (GCISolutions).  
Proposed JV between Ventia Asset Infrastructure Services Pty Ltd (Ventia) and Downer Utilities Australia Pty Ltd (Downer).
- Lendlease Services Pty Ltd.

Stage 2 was undertaken with each of the Shortlisted Tenderers. Shortlisted Tenderers executed the ETI Contract to be eligible to participate in ETI and the subsequent Stages.

The objectives of Stage 2 were to:

- collaboratively develop the commercial framework for the relationship
- test and ensure cultural and behavioural 'fit' between WW and potential delivery partner
- provide an opportunity for WW to refine its requirements through understanding market capability, appetite for risk, constraints and opportunities
- an opportunity for potential delivery partners to develop a greater understanding of WW business and requirements
- allow potential delivery partners to optimise team, proposed systems, tools and strategies
- provide a platform to propose changes to optimise the program for both the potential delivery partner and WW.

Stage 2 comprised a series of facilitated workshops with Shortlisted Tenderers designed to address, allocate and mitigate contract risks while at the same time providing an opportunity for the City to assess the alignment of Shortlisted Tenderers behaviours to those expected of a long-term collaborative delivery entity. The workshops referenced explored proposed development/operational approach, payment/performance management approach, and other commercial details.

Workshop discussions are treated as commercial in confidence and an independent probity advisor was present to protect intellectual property.

November 2021 Lendlease Services Pty Ltd withdrew from the shortlist due to market acquisition activity.

### Stage 3: Select Tender

The City has invited the remaining Stage 2 Shortlisted Tenderer/s to participate in Stage 3 Select Tender. Evaluation of the Stage 3 submissions will be based on both price and non-price criteria such as personnel, delivery methodology and resourcing.

The City may then select a Successful Tenderer to enter into a Contract.

## Timeline

Milestone	Anticipated dates
Market notification uploaded to LGtenderbox and open LG forum	20 October 2020
LG forum Q&A period	20 October – 3 November 2020
Issue EOI	November 2020
EOI presentations	January 2021
Shortlist from EOI	February 2021
Commence ETI	March 2021
Invite Select Tender	November 2021

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Tender close	March 2022
Evaluation	March - May 2022
Recommendation to Award presented to Council	June 2022
Transition	From August 2022
Contract term	Maximum term of 10 years minus up to five years dependent on contract and contractor performance.

## Contact

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