

CONFIDENTIAL ITEMS 2003 – AUGUST 2024

| #   | Date             | Item Title                                                                                        | Confidential Order Details                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Item being kept confidential - Agenda/ Attachment/ Minutes | Reason regarding retention or recommend-action to release                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Resolution Regarding Action                                                                                                                                                                                                                   | Last Review Date | Next Review Date | Date Released                                                            |
|-----|------------------|---------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|------------------|--------------------------------------------------------------------------|
| 188 | 12 December 2022 | Upgrade of the Mount Barker Wastewater Treatment Plant Stage 1 - Expressions of Interest and name | <p><b>Section 90 (3) (k) Order</b><br/> <u>Pursuant to Section 90(3)(k)</u><br/>           1. Pursuant to Section 90(2) of the Local Government Act 1999 the Council orders that all members of the public except the Chief Executive Officer; Deputy Chief Executive Officer/General Manager Governance and Strategic Projects; General Manager Infrastructure; General Manager Planning and Community Services; General Manager, Corporate Services, Head of Wastewater, Program Manager Wastewater, Team Leader Waste Water Operations, Manager Financial Services and the Minute Secretary be excluded from attendance at the meeting for Agenda Item 5.2 Upgrade of the Mount Barker wastewater treatment plant stage 1 - expressions of interest and name.</p> <p>The Council is satisfied that pursuant to Section 90(3)(k) of the Act, the information to be received, discussed or considered in relation to this Agenda item are tenders for the provision of services.</p> <p>The Council is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because the information to be disclosed and discussed has the potential to impact adversely on the integrity of the procurement process.</p> | Report, tender documents and all minutes                   | <p>The Council is satisfied that pursuant to Section 90(3)(k) of the Act, the information to be received, discussed or considered in relation to this Agenda item are tenders for the provision of services.</p> <p>The Council is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because the information to be disclosed and discussed has the potential to impact adversely on the integrity of the procurement process.</p> | Retained in confidence, with the exception of the name of the new facility, until contracts have been executed by the tenderers invited to proceed to the next phase of the procurement process being the Early Contractor Involvement phase. | 3 Oct 23         | Within 12 months | <i>Report, Attachment and Minutes released on website 26 August 2024</i> |

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|  |  |  | <p><b><u>Section 91(7) Order</u></b><br/> <u>Pursuant to Section 91(7)</u></p> <p>4. That having considered Agenda Item 5.2 Upgrade of the Mount Barker wastewater treatment plant stage 1 - expressions of interest and name in confidence under 90(2) and 3(k) of the Local Government Act 1999, the Council pursuant to Section 91(7) of the Act orders that the report, tender documents and all minutes be retained in confidence, with the exception of the name of the new facility, until contracts have been executed by the tenderers invited to proceed to the next phase of the procurement process being the Early Contractor Involvement phase.</p> <p>This order is subject to Section 91(8)(b) of the Act which provides that details of the identity of the successful tenderer/s must be released once Council has made a selection. In addition, Section 91(8)(ba) of the Act requires details of the amount(s) payable by the Council under a contract for the provision of the early contractor involvement phase must be released once the contract has been executed by all of the concerned parties.</p> |  |  |  |  |  |  |
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**5.2**                    **REPORT TITLE:**                    **CONFIDENTIAL ITEM: UPGRADE OF THE MOUNT BARKER WASTEWATER TREATMENT PLANT STAGE 1 - EXPRESSIONS OF INTEREST AND NAME**

**DATE OF MEETING:**                    **12 DECEMBER 2022**

**FILE NUMBER:**                    **DOC/22/155389**

**ATTACHMENTS:**                    **1) KEY PROJECT OBJECTIVES DOC/22/56366**

**Key Contacts**                    **Helen Edmonds, Head of Wastewater  
Brian Clancey, Deputy CEO/General Manager,  
Governance and Wastewater/Recycled Water**

**Sponsor**                    **Andrew Stuart, Chief Executive Officer**

**Community Plan 2020-2035:**

Community Wellbeing

CW Objective 4.4 Provide wastewater treatment services to deliver public health, environmental and economic outcomes and climate change adaptation solutions.

Ecological Sustainability

ES Objective 5.1 Continue to build on Council's reputation as a leader in wastewater management and promote water recycling and reuse.

**Annual Business Plan:**

Upgrade works to the Springs Road wastewater treatment plant

**Purpose:**

To:

- provide an update on the status of the procurement process for the Mount Barker wastewater treatment plant upgrade stage 1;
- seek endorsement for the Chief Executive Officer to award and execute documentation for the Early Contractor Involvement phase; and
- seek endorsement for the proposed name of the new facility.

**Summary – Key Issues:**

- The procurement process for the stage 1 upgrade of the Mount Barker wastewater treatment plant is approaching the conclusion of the evaluation of the responses to the Expressions of Interest (EOI) phase;

- The next phase is the Early Contractor Involvement (ECI) phase with two of the respondents to the EOI phase anticipated to be selected for the ECI phase; and
- It is proposed that the new wastewater treatment facility be named and known as the Laratinga Water Recovery Plant (LWRP).

**Recommendation:**

That Council:

**Section 90 (3) (k) Order**

Pursuant to Section 90(3)(k)

1. Pursuant to Section 90(2) of the Local Government Act 1999 the Council orders that all members of the public except the Chief Executive Officer; Deputy Chief Executive Officer; General Manager Governance and Strategic Projects; General Manager Infrastructure; General Manager Planning and Community Services; General Manager, Corporate Services, Head of Wastewater and the Minute Secretary be excluded from attendance at the meeting for Agenda Item 5.2 Upgrade of the Mount Barker wastewater treatment plant stage 1 - expressions of interest and name.

The Council is satisfied that pursuant to Section 90(3)(k) of the Act, the information to be received, discussed or considered in relation to this Agenda item are tenders for the provision of services.

The Council is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because the information to be disclosed and discussed has the potential to impact adversely on the integrity of the procurement process.

2. Note that the Chief Executive Officer has authority for the awarding to two of the respondents from the Expressions Of Interest open tender to progress to the Early Contractor Involvement (ECI) phase, including executing documentation required in relation to those appointments, and that a further report is intended to come to a subsequent council meeting once that has occurred, to make known in confidence further information such as the identification of the two respondents selected for the ECI phase.
3. Endorse that the new wastewater treatment facility be named and known as the Laratinga Water Recovery Plant (LWRP).

### **Section 91(7) Order**

#### **Pursuant to Section 91(7)**

4. That having considered Agenda Item 5.2 Upgrade of the Mount Barker wastewater treatment plant stage 1 - expressions of interest and name in confidence under 90(2) and 3(k) of the Local Government Act 1999, the Council pursuant to Section 91(7) of the Act orders that the report, tender documents and all minutes be retained in confidence, with the exception of the name of the new facility, until contracts have been executed by the tenderers invited to proceed to the next phase of the procurement process being the Early Contractor Involvement phase.

This order is subject to Section 91(8)(b) of the Act which provides that details of the identity of the successful tenderer/s must be released once Council has made a selection. In addition, Section 91(8)(ba) of the Act requires details of the amount(s) payable by the Council under a contract for the provision of the early contractor involvement phase must be released once the contract has been executed by all of the concerned parties.

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#### **Background:**

1. Council is obligated to invest in the upgrading of the Mount Barker wastewater treatment plant on Springs Road in order to maintain this essential service to the community.
2. The Mount Barker wastewater treatment plant services the townships of Mount Barker, Nairne, Littlehampton and Brukunga and processes both solids (sewer service) and effluent (Community Wastewater Management System).
3. The upgrading is to cater for existing wastewater service customers as the current plant is approaching end of life and also growth. The upgrading will also need to meet regulatory requirements.
4. The need and process for the procurement of the upgrading of the Mount Barker wastewater treatment plant has been the subject of a many previous council meeting agenda items including a business case, key project objectives and a procurement plan (6 June 2022). The consideration of these documents at council meetings has come via the council's Audit and Risk Committee with associated recommendations.

5. Still to come is a project prudential report. An external service provider has been engaged for this purpose who has indicated that this is likely to be received late in 2022 or in early 2023 subject to the endorsement for community consultation of the draft Wastewater Service Long Term Financial Plan (refer separate agenda item).
6. In addition, there has been a number of confidential memos to council members to maintain continuity of information the most recent of these being on 4 November 2022.
7. On 12 December 2022 there is a confidential briefing session for council members on the wastewater service which will include substantial information on the upgrading of the Mount Barker wastewater treatment plant.

### **Discussion:**

#### **Procurement**

8. The procurement approach was adopted following specialist input independent of council. In summary, it involves:

#### **Phase 1 – Expressions of Interest (EOI) via Open Tender Call**

9. A tender assessment panel comprising the following members is to assess the responses to the EOI tender using the detailed evaluation criteria contained in the tender evaluation plan.

- Helen Edmonds (Panel Chairperson) Head of Wastewater;
- John Davis, Principal, Infrastructure Transaction Network –Deputy Panel Chairperson
- Mark Wilson, Associate Director, TSA
- Nathan Silby, Joint Managing Director, Wallbridge Gilbert Aztec Engineers

10. The assessment panel has access to technical/specialist advisors and subject matter experts (SME's) to assist in the evaluation of mandatory and comparative evaluation criteria..

11. There is also an external project probity advisor.

12. The tender assessment process for the responses to the EOI has extended longer than was planned by the assessment panel.

13. The assessment panel will provide its recommendations to the project sponsor (Deputy CEO/General Manager, Governance - Brian Clancey) for consideration on behalf of the wastewater business owner being council.

#### Phase 2 – Early Contractor Involvement

14. The intent is to have two of the tenderers from the EOI phase advance to phase 2 to undertake the Early Contractor Involvement (ECI). Phase 2 involves each of the selected tenderers undertaking considerable design work including constructability considerations for which they are to be paid. Commitment is around \$280,000 for each which is reflective of the extent of the work required. Payment is to occur to the respondent who is not successful once council decision making occurs on the final offers received. The successful respondent would include this amount in the contract sum. This was made known to council members previously although at that time the amount was proposed to be around \$250,000 each based on professional advice and using the forecast project capital cost. That process is to culminate in each of the two providing to council their final offer to undertake design and construction of the new facility.
15. As per the above recommendation, if the tender assessment panel concludes its recommendation and that is supported by the project sponsor and the Chief Executive Officer, then the intent is not to delay the process moving from phase 1 to phase 2. To do so would present risks to council and the procurement process. As an example a tenderer may in the interim find a more attractive project and decide to withdraw from this process. This risk is heightened by virtue of the open tender call for the EOI receiving 4 responses with the Chairperson of the tender assessment panel indicating that one of these was a supplier (not a constructor) and another did not in the view of the panel meet prescribed minimum capability requirements.

#### Phase 3 – Design and Construct

16. One of the two parties undertaking the ECI phase, would be subsequently awarded the contract for the design and construction of the new facility. That decision is intended to be made in confidence at a council meeting following process related input from the Informal Advisory Wastewater Board and the Audit and Risk Committee, including consideration of the project prudential report. The current target timing for that decision is August 2023.
17. The current target timing for completion of the new facility is around mid 2025. This is later than the key project objectives as endorsed at the June 2022 council meeting (attachment 1).

18. The timing imperative is an important consideration as the significant spike in growth rates over the previous 18 or so months has meant that the demands on the capacity of the plant are greater than was previously anticipated.

Name of the New Facility

19. The proposed name of the Laratinga Water Recovery Plant (LWRP) was supported by the Informal Advisory Wastewater Board having regard to the following points:

- a) A desire to include a Peramangk name to pay homage to the origins of the wetlands being a wastewater treatment space and also to the traditional owners without being obvious or divisive
- b) Moving away from including Mount Barker in the name to try and remove any assumptions that the plant only treats wastewater from Mount Barker and not the other townships serviced
- c) Interstate and internationally there is a move away from calling wastewater treatment plants just treatment plants with Water Corp in WA and Sydney Water now using Water Resource Recovery Facility, Urban Utilities in Queensland and PUB in Singapore using Water Reclamation Plant, South East Water and Greater Western Water in Victoria using Water Recycling Plant, and at the extreme end Suez in Europe calling them Biofactories.
- d) Wanting a name that reflects what we are looking to achieve as a wastewater service.
- e) A council officer has consulted on the naming matter with a number of Peramangk people as part of their conversation with them on a number of varied matters.
- f) From the consultation the summation was that the suggested name, Laratinga Water Recovery Plant (LWRP), is both respectful and appropriate to the Traditional Custodians.

**Community Engagement:**

|                |                                                |
|----------------|------------------------------------------------|
| Informing only | Confidential until the EOI phase is concluded. |
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**Policy:**

Procurement Policy

Prudential Management Policy

**Long Term Financial Plan:**

The draft Wastewater Service LTFP and the consolidated council LTFP both include capacity for the wastewater service to fund the wastewater treatment plant upgrade stage 1.

The funding arrangements were included in the business case.

**Budget:**

There is provision in the 2022/23 budget for the treatment plant upgrading to proceed with the intended award of the two contractors selected from the EOI phase.

**Statutory/Legal:**

Local Government Act 1999

Functions of a council include:

*to provide infrastructure for its community and for development within its area*

Wastewater Commitment Deeds as executed by council and a number of developers.

**Staff Resource Requirements:**

Specialist external service providers have been retained across a number of fields including procurement, design, legal and probity.

**Environmental:**

A key project objective for the upgrading of the wastewater treatment plant is to reduce the impact on the environment including through improved quality of treated water and increased productive use of recycled water (see attachment 1).

Another key project objective is to target an overall reduction in total energy and chemical input on a per kilolitre basis compared to the current wastewater treatment plant; and to increase the extent of use of renewable energy sources.

**Social:**

The upgrading of the wastewater treatment plant is required to enable an essential service to the community to be maintained.

**Risk Assessment:**

Timing risk is a key consideration as outlined above.

A further risk is that the capital cost will exceed the current preliminary forecast.

Risk assessment has been undertaken and risk mitigation strategies are in place.

**Asset Management:**

The upgraded wastewater treatment plant would be a council asset to be managed and funded by the wastewater service.

**Conclusion:**

Adoption of the above recommendations will enable the procurement process for this essential project to continue to progress.

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Previous Decisions By/Information Reports to Council

|              |                                                               |              |              |
|--------------|---------------------------------------------------------------|--------------|--------------|
| Meeting Date | 6 June 2022                                                   | CM Reference | DOC/22/56469 |
| Title        | Mount Barker Wastewater Treatment Plant Stage 1 Upgrade       |              |              |
| Purpose      | To consider recommendations from the Audit and Risk Committee |              |              |

|              |                                                                                                                                                                                                       |              |              |
|--------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|--------------|
| Meeting Date | 3 AUGUST 2020                                                                                                                                                                                         | CM Reference | DOC/20/94906 |
| Title        | MOUNT BARKER WASTEWATER TREATMENT PLANT STAGE 1 UPGRADE – DESIGN PHASE                                                                                                                                |              |              |
| Purpose      | To seek endorsement to proceed with design for the required major upgrade stage 1 to the Mount Barker wastewater treatment plant on Springs Road, using a Membrane Bioreactor (MBR) as the technology |              |              |

|              |                                                                                                                           |                |              |
|--------------|---------------------------------------------------------------------------------------------------------------------------|----------------|--------------|
| Meeting Date | 1 June 2020                                                                                                               | HPRM Reference | DOC/20/65169 |
| Title        | WASTEWATER TREATMENT PLANT UPGRADE – STRATEGIC OBJECTIVES AND INTERIM WORKS                                               |                |              |
| Purpose      | To seek endorsement of the strategic objectives and interim works to upgrade the Springs Road wastewater treatment plant. |                |              |

**Attachment 1****Mount Barker Wastewater Treatment Plant Upgrading Stage 1****Key Project Objectives***{17 May 2022 – HP22/56366}***Note:**

The following key project objectives are deliberately high level and can be reviewed and refined when required, including in due course with the addition of further quantitative performance objectives.

1. Timing – the target timing for commissioning and operational performance of the upgraded wastewater treatment plant stage 1 is late 2024/early 2025.
2. Safety – no safety incidents occur during the construction and commissioning of the upgraded wastewater treatment plant stage 1 and the final design reflects the principle of safety first and foremost.
3. Total stage 1 plant capacity – 6 mega litres per day.
4. Regulatory and Statutory Compliance – satisfaction of the Environment Protection Authority (EPA) licence for the operation of the upgraded wastewater treatment plant stage 1.
5. Energy & Sustainability –
  - a. target an overall reduction in total energy and chemical input on a per kilolitre basis compared to the current wastewater treatment plant; and
  - b. increase the extent of use of renewable energy sources.
6. Environmental –
  - a. over time, seek to maximise the productive use of recycled water and to minimise the discharge of treated wastewater to Mount Barker Creek;
  - b. meet the water quality requirements of the Dept of Health and Wellbeing (recycled water use) and the EPA for any discharge to the environment whilst continuing to deliver adequate environmental flows to the Laratinga Wetlands; and

- c. improvement of the aesthetics of the overall plant and reduce odours compared to the current plant.
7. Value for money – the project cost relative to benefits to both wastewater service customers and the broader community is assessed on a whole of asset life basis.
8. Funding – project funding is to be in accordance with council policies which in turn reflect the Essential Services Commission of South Australia (ESCOSA) Price Determinations, the National Water Initiative (NWI) Pricing Principles and National Competition Policy.
9. Future Expansion Capability – expansion of capacity is provided for, to enable the completion of stage 2 of the wastewater treatment plant upgrading when that is required (to be informed by growth rates).
10. Project Governance/Management – is undertaken effectively and efficiently including to satisfy probity requirements in the procurement phase with regular project reporting to the proposed informal wastewater board and council meetings.
11. Communication – project information is communicated effectively to the community and all key stakeholders.
12. Operations – no disruption to normal services to wastewater customers (i.e. flushing of toilets) and minimise any disruption to the supply of recycled water to customers.

### **CONFIDENTIAL REPORTS**

5.2

**REPORT TITLE:**

**CONFIDENTIAL ITEM: UPGRADE OF THE MOUNT  
BARKER WASTEWATER TREATMENT PLANT  
STAGE 1 - EXPRESSIONS OF INTEREST AND  
NAME**

**DATE OF MEETING:**

**12 DECEMBER 2022**

**FILE NUMBER:**

**DOC/22/155389**

**ATTACHMENTS:**

**1) KEY PROJECT OBJECTIVES DOC/22/56366**

Moved Councillor Westwood that Council:

**Section 90 (3) (k) Order**

Pursuant to Section 90(3)(k)

1. Pursuant to Section 90(2) of the Local Government Act 1999 the Council orders that all members of the public except the Chief Executive Officer; Deputy Chief Executive Officer/General Manager Governance and Strategic Projects; General Manager Infrastructure; General Manager Planning and Community Services; General Manager, Corporate Services, Head of Wastewater, Program Manager Wastewater, Team Leader Waste Water Operations, Manager Financial Services and the Minute Secretary be excluded from attendance at the meeting for Agenda Item 5.2 Upgrade of the Mount Barker wastewater treatment plant stage 1 - expressions of interest and name.

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The Council is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because the information to be disclosed and discussed has the potential to impact adversely on the integrity of the procurement process.

Seconded Councillor Hewett

CARRIED  
SM20221212.12

Moved Councillor Seager that Council:

2. note that the Chief Executive Officer has authority for the awarding to two of the respondents from the Expressions Of Interest open tender to progress to the Early Contractor Involvement (ECI) phase, including executing documentation required in relation to those appointments, and that a further report is intended to come to a subsequent council meeting once that has occurred, to make known in confidence further information such as the identification of the two respondents selected for the ECI phase.

Seconded Councillor Orr

CARRIED  
SM20221212.13

Moved Councillor Szilassy

3. endorse that the new wastewater treatment facility be named and known as the Laratinga Water Recovery Plant (LWRP).

Seconded Councillor Orr

CARRIED  
SM20221212.14

Moved Councillor Hewett that Council:

**Section 91(7) Order**

**Pursuant to Section 91(7)**

4. That having considered Agenda Item 5.2 Upgrade of the Mount Barker wastewater treatment plant stage 1 - expressions of interest and name in confidence under 90(2) and 3(k) of the Local Government Act 1999, the Council pursuant to Section 91(7) of the Act orders that the report, tender documents and all minutes be retained in confidence, with the exception of the name of the new facility, until contracts have been executed by the tenderers invited to proceed to the next phase of the procurement process being the Early Contractor Involvement phase.

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Seconded Councillor Westwood

CARRIED  
SM20221212.15

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