



TWEED
SHIRE COUNCIL

Mayor: Cr K Milne

Councillors: P Allsop
R Byrnes
C Cherry (Deputy Mayor)
R Cooper
J Owen
W Polglase

Late Agenda

Ordinary Council Meeting Thursday 7 November 2019

held at

**Council Chambers, Murwillumbah Civic & Cultural Centre, Tumbulgum Road,
Murwillumbah**

commencing at the conclusion of the Planning Committee meeting
which commences at 5.30pm.

Principles for Local Government

The object of the principles for Tweed Shire Council, as set out in Section 8 of the Local Government Amendment (Governance and Planning) Bill 2016, is to provide guidance to enable council to carry out its functions in a way that facilitates a local community that is strong, healthy and prosperous.

Guiding Principles for Tweed Shire Council

(1) Exercise of functions generally

The following general principles apply to the exercise of functions by Tweed Shire Council:

- (a) Provide strong and effective representation, leadership, planning and decision-making.
- (b) Carry out functions in a way that provides the best possible value for residents and ratepayers.
- (c) Plan strategically, using the integrated planning and reporting framework, for the provision of effective and efficient services and regulation to meet the diverse needs of the local community.
- (d) Apply the integrated planning and reporting framework in carrying out their functions so as to achieve desired outcomes and continuous improvements.
- (e) Work co-operatively with other councils and the State government to achieve desired outcomes for the local community.
- (f) Manage lands and other assets so that current and future local community needs can be met in an affordable way.
- (g) Work with others to secure appropriate services for local community needs.
- (h) Act fairly, ethically and without bias in the interests of the local community.
- (i) Be responsible employers and provide a consultative and supportive working environment for staff.

(2) Decision-making

The following principles apply to decision-making by Tweed Shire Council (subject to any other applicable law):

- (a) Recognise diverse local community needs and interests.
- (b) Consider social justice principles.
- (c) Consider the long term and cumulative effects of actions on future generations.
- (d) Consider the principles of ecologically sustainable development.
- (e) Decision-making should be transparent and decision-makers are to be accountable for decisions and omissions.

(3) Community participation

Council should actively engage with the local community, through the use of the integrated planning and reporting framework and other measures.

Items for Consideration of Council:

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LATE ITEMS

LATE REPORT FROM THE DIRECTOR ENGINEERING

8 LATE [E-CM] RFO2018095 Water Treatment Plant Membrane Replacement Contract - Client Inspection

SUBMITTED BY: Water and Wastewater - Business & Assets

mhm



Leaving a Legacy
Looking out for future generations

LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK:

- 1 Leaving a Legacy
- 1.3 Utility Services
- 1.3.4 Water Supply -- To provide secure, high quality and reliable drinking water which meets health and environmental requirements.

ROLE: **Provider**

SUMMARY OF REPORT:

Council recently awarded a contract to SUEZ Water Technologies & Solutions Pty Ltd ABN 84 001 221 941 for the amount of \$2.3 million to replace the existing ultra-filtration membranes at the Bray Park Water Treatment Plant.

The Contract includes a requirement for a Client Inspection of the membranes prior to shipping, which was put in as a risk mitigation step, to limit repair work after the membranes were received at site. This was a significant issue with the existing membranes delivered in 2010.

It is recommended that a Council representative travel to Budapest to witness the testing and at the same time arrange for further training to be undertaken at an estimated minimum cost of \$5,000 for flights, accommodation and disbursements.

It is noted that it is not common for Council to send someone internationally for such an inspection, however it is considered a very cost effective way to limit Council's risk in the supply of the new membranes.

RECOMMENDATION:

That Council endorses that a member of staff travel to Budapest to perform the Client Inspection of the new membranes under contract RFO2018095 to SUEZ Water Technologies & Solutions Pty Ltd.

REPORT:

Council recently awarded a contract RFO2018095 to SUEZ Water Technologies & Solutions Pty Ltd to replace the existing ultra-filtration membranes at the Bray Park Water Treatment Plant which are approaching the end of their serviceable life and should now be replaced. SUEZ Water Technologies & Solutions are to design, supply, install and commission new ultra-filtration membranes at Bray Park WTP.

The Contract includes a requirement for a Client Inspection of the membranes prior to shipping which was put in as a risk mitigation step, to limit repair work (pinning) once membranes were received at site. This was a significant issue with the existing membranes delivered in 2010. Also noting that the contract also requires "Successful completion of factory verification of individual membrane module integrity, is a pre-requisite for membrane shipment to site".

The Client Inspection is to demonstrate the quality of the membranes and the Quality Assurance processes for membrane integrity and that SUEZ's manufacturing processes address the follow specific issues:

- Membrane potting failures.
- Over pour of polyurethane potting in header.
- Over pour of urethane around the edges of the module header which come off and put holes in the membranes.
- Excessive membrane repairs – silicone repairs.
- MIT testing to meet LRV requirements prior to shipping.
- Module handling processes causing fibre damage.
- Blocked fibres.

This inspection would look to ensure that the membrane manufacturing issues have all been addressed and witness the integrity testing. It would also include further training in membrane handling, maintenance and repair.

SUEZ are currently confirming the production timing.

It is noted that it is not common for Council to send someone internationally for such an inspection, however it is considered a very cost effective way to limit Council's risk in the supply of the new membranes.

OPTIONS:

There are a number of options with increasing costs:

1. Simply request that the process is undertaken by Suez and the documentation supplied:
 - \$0 upfront costs.
 - Documentation being the evidence.
2. Request that the process is undertaken by Suez with un-interrupted recording of the process (or over Skype). That recording would then serve as the evidence that Council would view (in addition to documentation) to ensure that Suez has followed the process as nominated in the Specification:

- \$0 upfront costs.
 - May charge for videoing.
 - Documentation and video evidence.
3. Hire a third party to visit site and do the recording, as well as the 'random' selection of modules:
- The estimate of \$2,000 per batch x 3 to engage a third party to witness testing and report back to TSC.
 - Minimum cost of \$6,000.
4. Arrange for a Council representative to visit site to witness the testing and at the same time arrange further training to be undertaken:
- Estimate of \$5,000 for flights, accommodation and disbursements for a one off visit.
 - Minimum cost of \$5,000.
5. Arrange for Council contracted Consultant Hunter H2O to visit site to do the testing:
- Estimate of \$5,000 for flights, accommodation and disbursements plus another \$10,000 for time, for a one off visit.
 - Minimum cost of \$15,000.

CONCLUSION:

Option 4 is considered as a cost effective way to limit Council's risk in the supply of the new membranes.

COUNCIL IMPLICATIONS:

a. Policy:

Corporate Policy not applicable.

b. Budget/Long Term Financial Plan:

As per the option above the estimated total cost of the preferred option is \$5,000.

c. Legal:

Not applicable.

d. Communication/Engagement:

Not applicable.

UNDER SEPARATE COVER/FURTHER INFORMATION:

Nil.
