Strategic Supplier Fair 2017





Presenters

Simon Taylor

Executive Manager - Infrastructure, Planning and Capital Delivery



Infrastructure, Planning and Capital Delivery is dedicated to service delivery that meets customer expectations and regulatory requirements.

Simon has 30 years' experience working in the water industry. He has held senior management positions in water utilities and water industry regulators, led strategic planning investigations, managed teams and a wide range of projects covering most aspects of the water cycle. Simon also has extensive experience of achieving water and wastewater outcomes in the South East Queensland water industry.

Andrew Schoenmaker

Manager - Capital Delivery

The Capital Delivery branch delivers infrastructure projects in a timely and cost effective manner and manages Unitywater's property portfolio.

Ivan Beirne

A/ Manager - Asset Knowledge and Performance (AKaP)

AKaP provides management of the fixed asset infrastructure, delivers Performance and Reliability Plans, optimizes initiatives to challenge capital programs and manages the maintenance, replacement and renewals programs.

Ray Aspey

Manager - Strategy, Innovation and Business Development

This branch leads the annual strategic and business planning process for Unitywater, including workshops for the Executive Leadership team, Senior Leaders and the Board. It also manages and provides support in the development of divisional plans. We foresee Business Development by evaluating market opportunities and proposed partnerships

Greg Burnett

Property Manager

Greg Burnett manages Unitywater's portfolio of land and facilities, including service centres, corporate centres and treatment facilities.

Ashley Lorenz

Manager - Infrastructure Planning and Development (IPaD)

IPaD plans for a future in which Unitywater's existing and future customers receive affordable, safe and reliable water supply and sewerage services at the published standard.

Ashley Massie

Networks Project Manager

Ashley Massie manages the delivery of growth and renewals projects across Unitywater's water and sewer network.

Namejs Kins

Manager - Procurement

Procurement provides support to the business in the acquisition of goods and services. The Branch consists of 3 teams: Sourcing who are primarily responsible for non- construction purchases; Contracts who are primarily responsible for construction purchases; and Procurement Operations who are responsible for the Procure to Pay process.









Agenda

- 1. Welcome
- 2. Safety Share / Housekeeping
- 3. Purpose of Today
- 4. Day's Proceedings

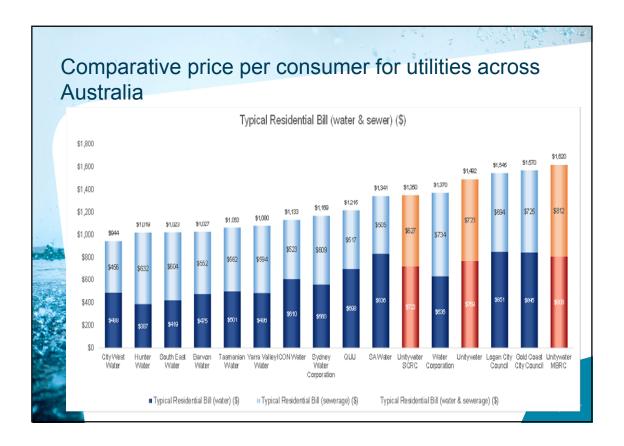


Purpose of the Strategic Supplier Fair is to share an overview of:

Our Capital Program
Our Operational Support needs
Facilities Management
The Procurement approach
Corporate Strategy and Innovation





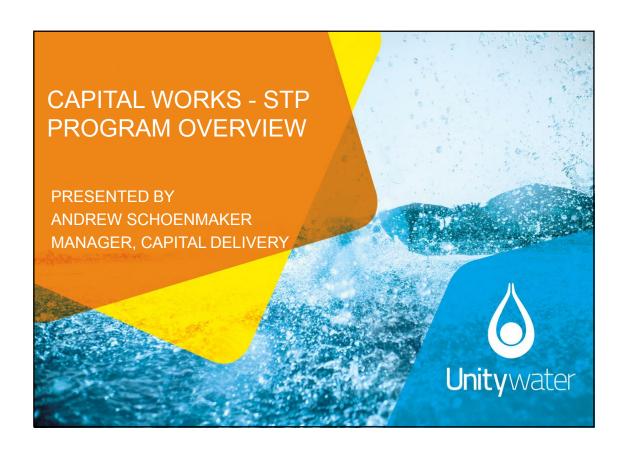






SESSION	3.55-4.15PM		
4	Capital Works STP Program Overview		
	Andrew Schoenmaker, Manager Capital Delivery	Room 1	
	Procurement	Room 2	
	Namejs Kins, Manager Procurement	ROOM 2	
	Opportunities in Asset Knowledge & Performance / Opportunities in Infrastructure Planning & Development		
	Ashley Lorenz, Manager Infrastructure Planning & Development Ivan Berne, Acting Manager Asset Knowledge & Performance	Room 3	
	Network Projects (Pipes, Pumps & Reservoirs)		
	Ashley Massie, Network Projects Manager	Room 4	
	Networking	Foyer	
	Simon Taylor, Ray Aspey & Greg Burnett	royei	









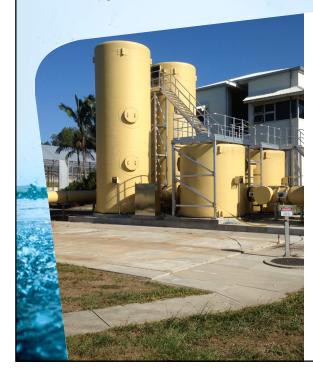
STP Projects 5 Year Program

1	Planning Category	17/18	18/19	19/20	20/21	21/22
	STP - Growth	\$47,114,351	\$35,261,245	\$27,297,716	\$28,697,888	\$9,718,129
	STP - Renewals	\$6,372,772	\$10,421,481	\$9,680,157	\$6,500,000	\$6,500,000
	TOTAL	\$53,487,123	\$45,682,726	\$36,977,873	\$35,197,888	\$16,218,129

- ▶ STP Growth
 - ▶ Unitywater focus for first 7 years on a number of Major STP upgrades.
 - ▶ The final 2 STP upgrades are underway.
 - ► Several Business cases for future upgrades
- STP Renewals expected to increase. More condition assessments over next 12 to 18 months.



STP Projects



Current Procurement Approach

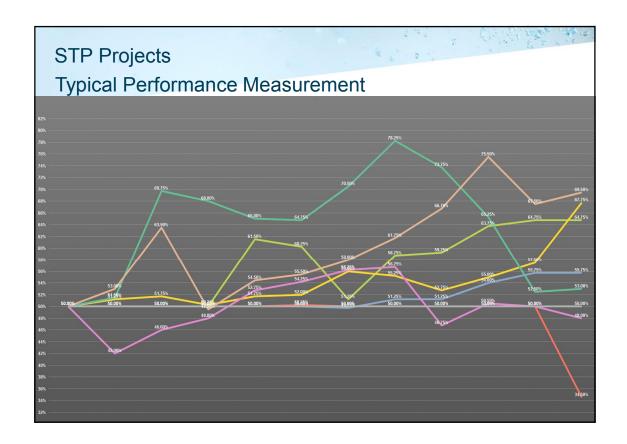
- Major STP Projects through open market offering
- Minor STP Projects & Renewals through multiple ad-hoc approaches
- Unitywater is committed to progressively rationalising its supplier base and to substantially source from Standing Offer arrangements
- ► Future Procurement Approach
- Continue to source Major STP Projects from open market
- Consolidation of Minor STP Projects & Renewals services into a single Standing Offer arrangements delivered through 3 or 4 participants



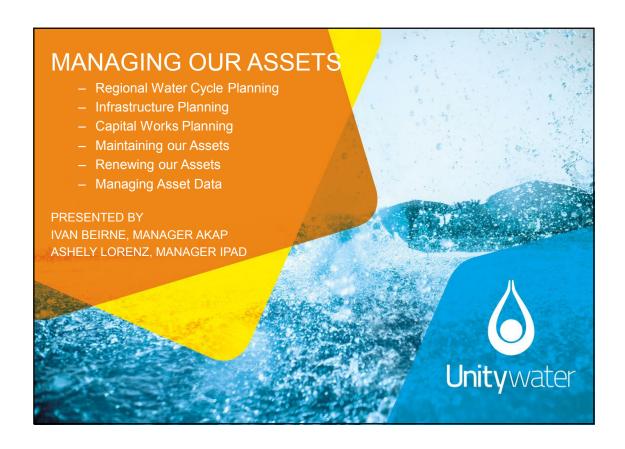


Future Approach cont'd

- These new Standing Offer arrangements will be out to market February 2018 and in place by 1 July 2018.
- Term of the Standing Offer Arrangement 3 to 5 years
- Supplier briefing will be held prior to calling for tenders
- Under the new arrangement the participants will be required to engage specialist sub-contractors e.g. odour control, dewatering
- Mostly D&C approach based on lump sum pricing
- Successful participants will be able to tender for works which will be awarded based on both price and the following performance criteria:
 - Corporate Reputation

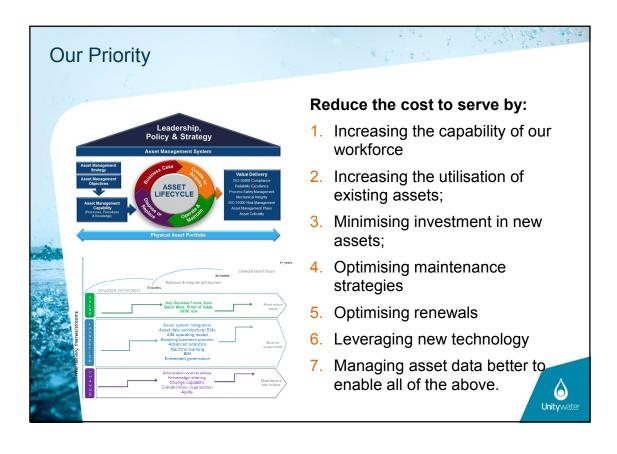


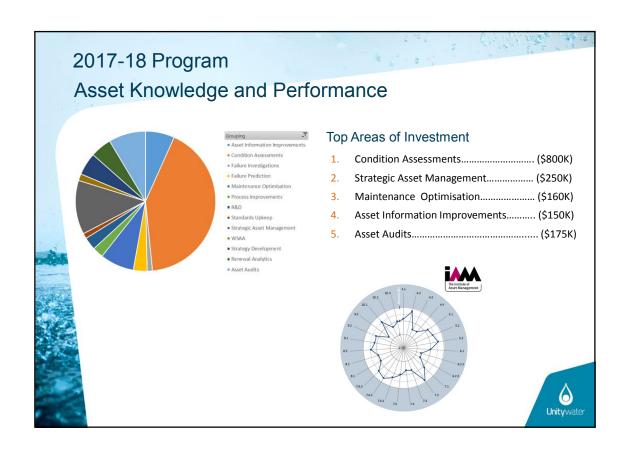




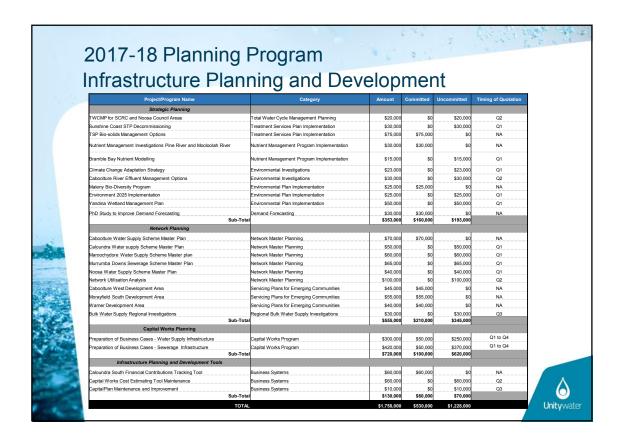


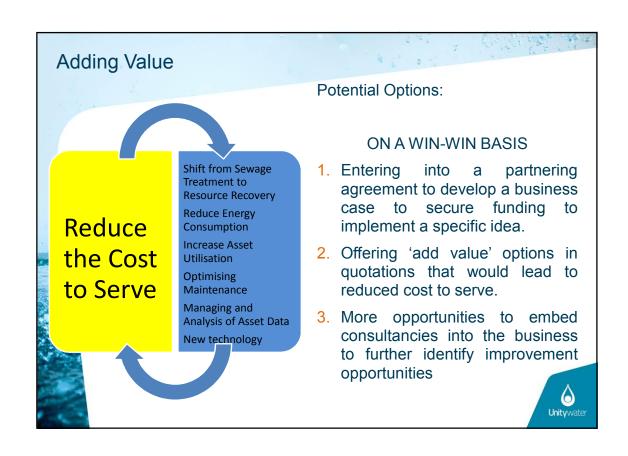




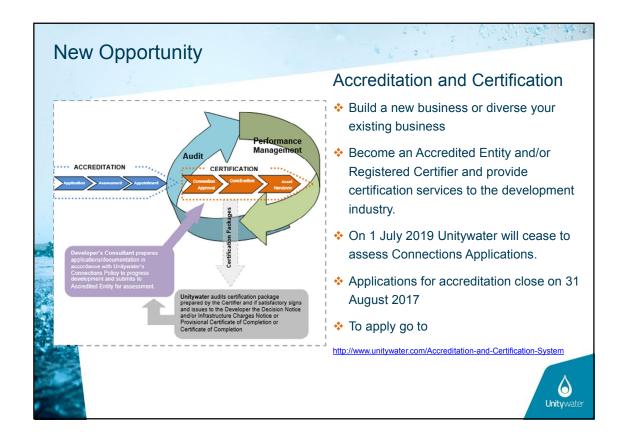




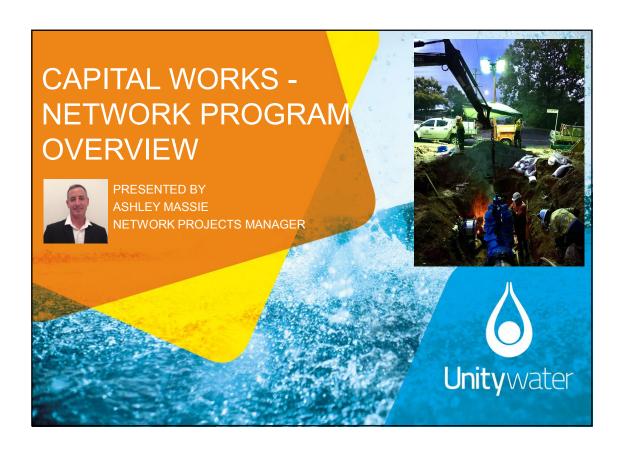


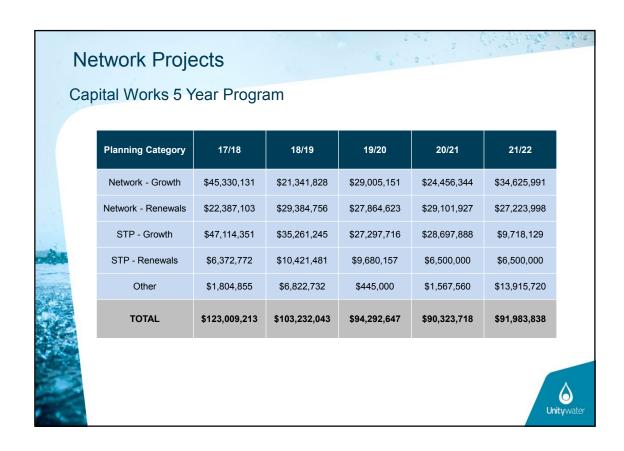














Network Projects

Network Projects 5 Year Program

Planning Category	17/18	18/19	19/20	20/21	21/22
Network - Growth	\$45,330,131	\$21,341,828	\$29,005,151	\$24,456,344	\$34,625,991
Network - Renewals	\$22,387,103	\$29,384,756	\$27,864,623	\$29,101,927	\$27,223,998
TOTAL	\$67,717,234	\$50,726,584	\$56,869,774	\$53,558,271	\$61,849,989

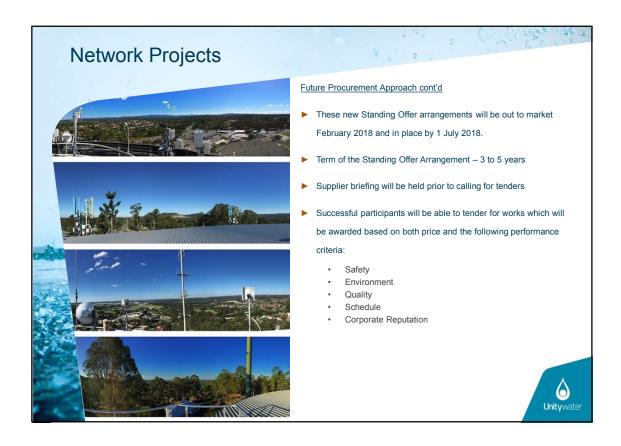
A number of major growth projects are underway and will continue into 18-19 including:

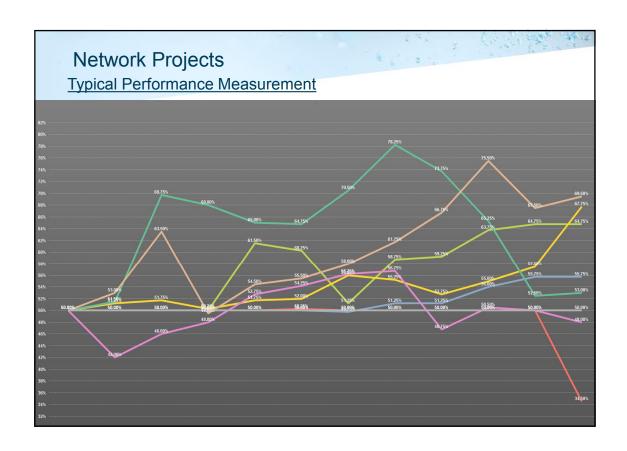
- ▶ Upgrade of the Caloundra Sewerage Transport Scheme
- Southern Diversion
- SunCentral Sewerage Scheme
- Petrie WTP Decommissioning



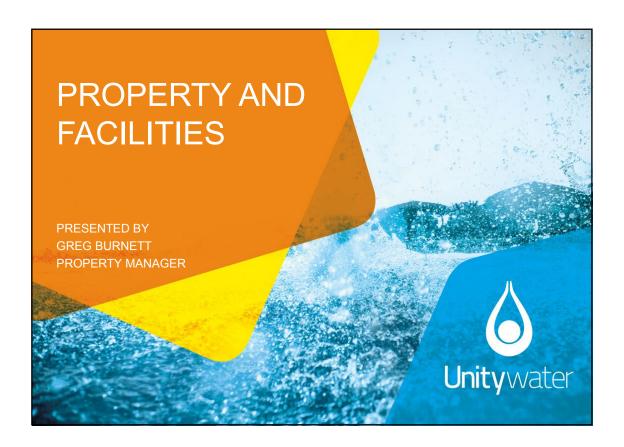
Network Projects Current Procurement Approach Major Network Projects through open market offering Minor Network Projects through several Standing Offer (Panel) arrangements Unitywater's is committed to progressively rationalising its supplier base and to substantially source from Standing Offer arrangements Future Procurement Approach Continue to source Major Network projects from open market Consolidation of services into a single Standing Offer arrangement delivered through 4 or 5 participants A number of standing arrangements supporting Network Projects are due to expire in the next 12 months including: Principal Civil Contract (CCAA) ≈ \$80m over last 5 years Reservoir Minor Works ≈ \$4.5m over last 3 years Several other arrangements set to expire (some with extension of











What we do?

▶ Facilities

- 420 sites
- Varying levels of complexity
- Managing:
 - Building fabric, air-conditioning, fire protection services, security and access control, fencing, vegetation control, cleaning, fittings and furniture, electrical, general maintenance, wetlands, lifting and height safety, building maintenance,

► Land Tenure and Access

- Identifying and acquiring the space requirements for Unitywater operations
 - Land
 - Buildings
- Putting in place the necessary instruments to obtain and maintain access to a network of infrastructure.
- Supported by:
 - · Surveyors, valuers, negotiators, lawyers, consultants





Combined Services Contract

- Sodexo Australia Pty Ltd
 - Facilities management
 - Compliance services
- ► Contract expires in September 2019
- ► Procurement activities for next partnership will commence in 2018
- ▶ Broaden scope beyond facilities management services
- ► Estimated annual spend through contract:

2017/18: \$3.8M2018-19: \$4.2M

- 2019 and beyond: \$5M plus



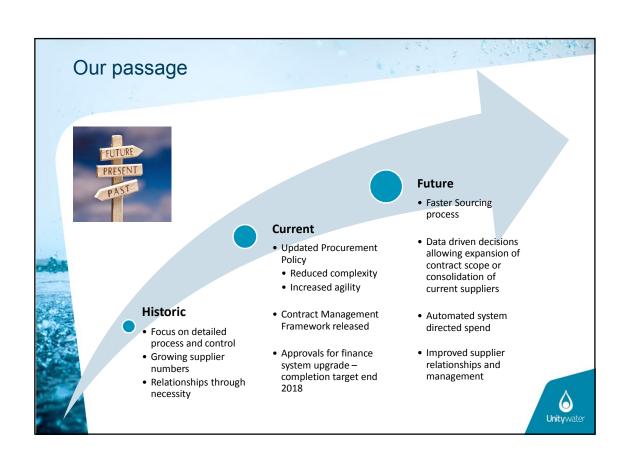
Proposed procurement approach

- **2017-18**
 - Formulate a manifesto what is best for Unitywater?
 - Internal commitment
 - Market sounding, environmental scanning, industry perspectives
- ▶2018
 - Expressions of interest
 - Early contractor involvement
 - Tender
- ▶2019
 - Tender evaluation
 - Internal approvals
 - Mobilisation

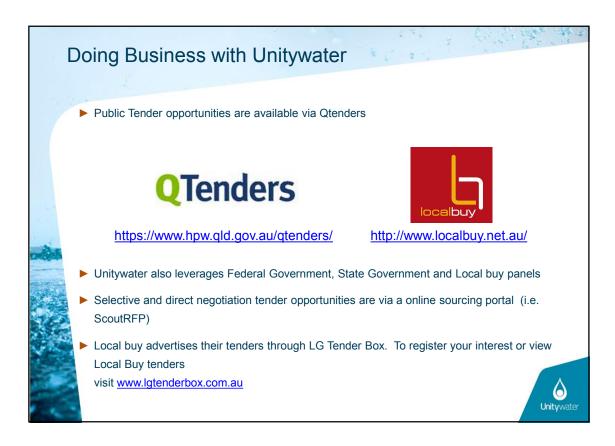


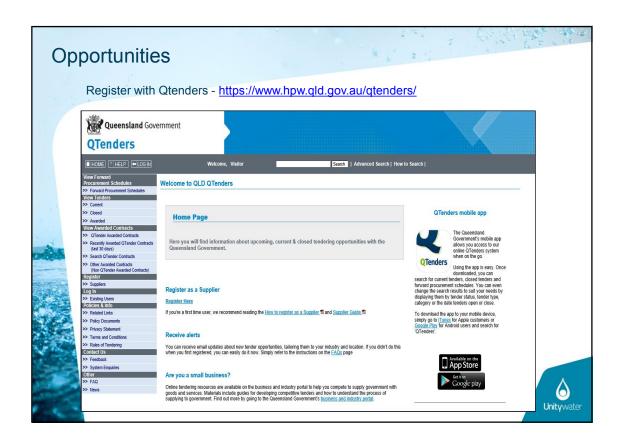




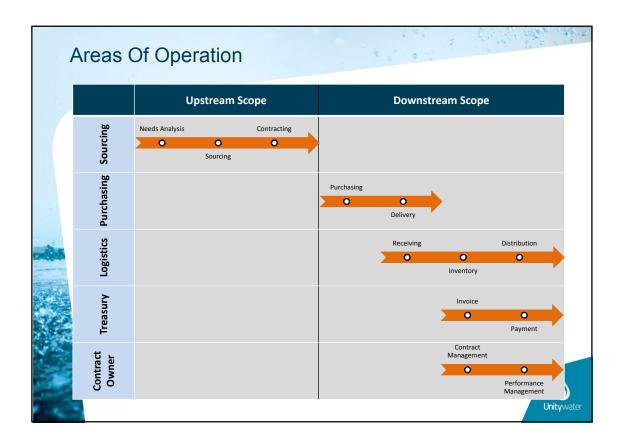


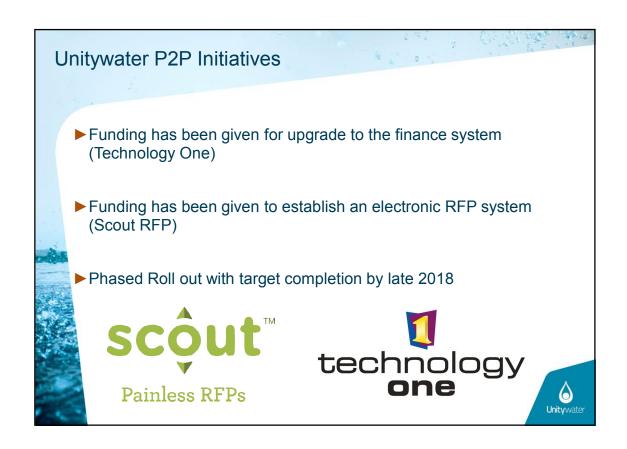
































Recently Awarded Contracts - Construction

Petrie Water Treatment Plant Decommissioning

Sunshine Coast Airport Water
Main Diversion

Caloundra Transport Scheme

Kawana STP Upgrade and Waste to Energy



Coming Up - Construction

Renewal of Construction Contractor Accreditation Arrangement (CCAA)

Panel, covering construction works in water or sewage network;

Pipelines

Fittings

Flow Meters

Pump Stations

Valves and Hydrants

Work will be issued under these 6 measures;

Safety Environment

Quality Corporate Reputation

Schedule

Price



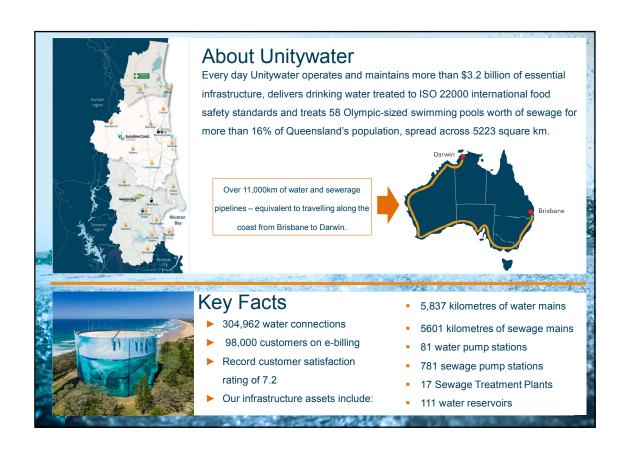


Opportunities Read documents fully Attend briefings if offered Seek clarification through the appropriate forum Respond to all questions clearly and concisely Offer recent and relevant examples to demonstrate your capability Seek feedback via the debrief process Continues Improvement Suggestions



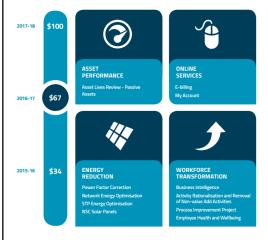








For the last 2 years our goal has been to take '\$100 off the bill'



- ▶ Price is still the most important issue for 72% of our customers
- ▶ We focus on:
 - Minimising price increases
 - Making it easy for our customers to do business with us
- ► In 2017-18 we will deliver the last third of our goal

Our aim is to reduce the total cost to serve our customers

















Event Timetable

3:30 -3:40 pm **Welcome Address**

Simon Taylor, Executive Manager, Infrastructure Planning & Capital Delivery

3:40 -3:55 pm

Networking and Refreshments

	Room 1	Room 2	Room 3	Room 4	Networking in Foyer	
3:55 - 4:15 pm	Capital Works- STP Program Overview Andrew Schoenmaker, Manager Capital Delivery	Procurement Namejs Kins, Manager Procurement	Opportunities in Asset Knowledge & Performance / Infrastructure Planning & Development Ivan Beirne, A/ Manager AKAP Ashley Lorenz, Manager IPAD	Capital Works – Network Program Overview Ashley Massie, Network Projects Manager	Simon Taylor, Ray Aspey &	
4:20 - 4:40 pm	Capital Works- STP Program Overview Andrew Schoenmaker, Manager Capital Delivery	Procurement Namejs Kins, Manager Procurement	Opportunities in Asset Knowledge & Performance / Infrastructure Planning & Development Ivan Beirne, A/ Manager AKAP Ashley Lorenz, Manager IPAD	Capital Works – Network Program Overview Ashley Massie, Network Projects Manager	Greg Burnett	
4:45 - 5:05 pm	Property & Facilities Greg Burnett, Property Manager Procurement Namejs Kins, Manager Procurement		Opportunities in Asset Knowledge & Performance / Infrastructure Planning & Development Ivan Beirne, A/ Manager AKAP Ashley Lorenz, Manager IPAD 2017 Corporate Strategy and Innovation Ray Aspey, Manager Strategy, Innovation & Business Solutions		Simon Taylor, Andrew Schoenmaker, Ashley Massie	
5:10 – 5:30 pm	Property & Facilities Greg Burnett, Property Manager	Capital Works – Network Program Overview Ashley Massie, Network Projects Manager	Capital Works- STP Program Overview Andrew Schoenmaker, Manager Capital Delivery	2017 Corporate Strategy and Innovation Ray Aspey, Manager Strategy, Innovation & Business Solutions	Simon Taylor, Ashley Lorenz, Ivan Berne & Namejs Kins	
5:35 – 6:00 pm	Networking and Refreshments					