



## NON-BINDING EXPRESSION OF INTEREST

**Non-binding EOI Title:** Procurement of Recycled Water Produced by the Muswellbrook Recycled Water Treatment Works

**EOI Number:** 2021-2022-0498

**Issue Date:** 27 October 2021

RFQ Closing Time and Lodgement Details	
<b>EOI Closing Date:</b>	Thursday 2 December 2021
<b>EOI Closing Time:</b>	2:00 pm
<b>EOI Lodgement Instructions:</b>	<ol style="list-style-type: none"><li>1. Via <a href="https://www.vendorpanel.com.au/muswellbrook/tenders">https://www.vendorpanel.com.au/muswellbrook/tenders</a>;</li><li>2. Hard copy to Tender Box at Muswellbrook Shire Council, 60-82 Bridge Street, Muswellbrook;</li><li>3. Via email to: <a href="mailto:council@muswellbrook.nsw.gov.au">council@muswellbrook.nsw.gov.au</a>.</li></ol>
<b>EOI Registration:</b>	Please register your intention to submit a quotation to <a href="mailto:procurement@muswellbrook.nsw.gov.au">procurement@muswellbrook.nsw.gov.au</a> .
<b>EOI Questions:</b>	Via email only to <a href="mailto:procurement@muswellbrook.nsw.gov.au">procurement@muswellbrook.nsw.gov.au</a> . Any questions and answers will be emailed to all registered participants.

Council Contact & Enquiries	
<b>Name:</b>	Prapti Shrestha
<b>Email:</b>	<a href="mailto:procurement@muswellbrook.nsw.gov.au">procurement@muswellbrook.nsw.gov.au</a>

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## Summary

Muswellbrook Shire Council (MSC) invites Non-binding Expression of Interest (EOI) from interested parties for the sale or exchange of recycled water supplied from the Muswellbrook Recycled Water Treatment Works (RWTW) under a commercial arrangement with Muswellbrook Shire Council.

The purpose of this EOI is for Muswellbrook Shire Council to explore and evaluate market interest in receiving or exchanging the supply of recycled water from the Muswellbrook RWTW. The location of the Muswellbrook RWTW is shown in Appendix A.

The RWTW has capacity to produce approximately 1,250 megalitres (ML) of high quality recycled water per annum that meets effluent quality requirements as per NSW Environment Protection Authority guidelines. It is envisaged that a contract with a successful applicant will commence from 1 July 2022, for a period of time to be determined by the nature of the contract agreed with the successful applicant. It is anticipated that, from 1 July 2022, the quantity of recycled water available to the successful applicant will be approximately 850 ML per annum.

The non-binding Expression of Interest must include consideration that suitable infrastructure to transport the recycled water will need to be in place by 1 July 2022.

Muswellbrook Shire Council expects that any decision to engage in a commercial relationship with applicant(s) for the supply of recycled water will be subject to broader matters such as selection and approval processes, feasibility, and regulatory and legislative requirements.

Each applicant is required to complete the form in Appendix B. Additional information may be sought by MSC to assist in understanding or clarifying the applicant's submission.

Submissions shall be lodged in accordance with these requirements by no later than **2:00pm, Thursday 2 December, 2021**. Submissions received after the specified date may not be considered.

All potential applicants are requested to register their intention to respond via email to [procurement@muswellbrook.nsw.gov.au](mailto:procurement@muswellbrook.nsw.gov.au).

Should you have any questions please direct them via email to [procurement@muswellbrook.nsw.gov.au](mailto:procurement@muswellbrook.nsw.gov.au). All questions and responses will be emailed to all registered applicants.

## 1. Background

Muswellbrook Shire Council has a long history of successful recycling schemes and some examples of viable recycle water schemes operating in our region are use of recycled water for:

- Industrial use (e.g. Mt Arthur Coal);
- Urban irrigation for golf courses (e.g. Muswellbrook and Denman golf courses); and
- Urban irrigation for sporting fields (e.g. Denman Recreational Area).

Typical quality parameters of recycled water from Muswellbrook RWTW are:

Quality Criteria	Muswellbrook RWTW
pH	6.5-8.5
BOD <sub>5</sub>	<10 mg/litre
Total Suspended Solids	< 10 mg/litre
Thermotolerant Coliforms	<100 CFU/100mls
<i>Escherichia coli (E-Coli)</i>	< 100 CFU/100mls
Total Kjeldahl Nitrogen	< 10 mg/litre
Total Phosphorous	<3mg/litre
Total Alkalinity as CaCO <sub>3</sub>	<200 mg/litre
Oil & Grease	< 10 mg/litre
Electrical Conductivity	< 1100 µS/cm
Chlorine residue when pumped is on	> 0.5 – 1.0 mg/litre
<b><i>Recycled water is disinfected by Ultraviolet (UV) treatment prior to chlorination</i></b>	

## 2. Scope

Interested parties may submit a non-binding expression of interest for either or both of the options provided below:

### Option 1

Option 1 is Council's preferred option and provides for the following:

1. Council wishes to enter into an arrangement to exchange an agreed volume of recycled water annually, up to a maximum of approximately 850 ML, for an equivalent volume of water from Zone 1a or 1b from the Hunter River accessible under a high security water licence.

Council is interested in this option in order to provide high security water from Zone 1a and 1b of the Hunter River to promote economic diversification in the western sector of Muswellbrook Shire.

To provide context in relation to the security of the recycled water produced from the RWTW, production of the recycled water is constant and consistent, and is not subject to any water restriction that may apply to a high security water licence in times of drought. From this perspective, the recycled water produced from the RWTW is considered to be at a greater level of security than that available under a high security water licence.

2. Option 1 is conditional upon Council being successful in obtaining grant funding to construct a potable water pipeline from Denman to Sandy Hollow. It is anticipated that Council will be advised of the success of the grant funding at the end of March 2022.
3. An important aspect of Option 1 relates to the construction timeframe of the Denman to Sandy Hollow Water pipeline and that of a relevant industry entity. For the period of time between commencement of the contract and the ability of the industry entity to commence utilising high security water supplied by the water pipeline, the successful tenderer will be required to purchase the nominated volume of recycled water at a price to be determined through a tender process.

The period of time between the commencement of the contract and the ability of the industrial entity to utilise water supplied under a high security water licence will be specified in the tender documents. At this time, it is anticipated that the period of time will be two to three years from 1 July 2022.

4. In order to ensure the sustainability of the industry entity and other industries who may progressively develop to access high security water from the Denman to Sandy Hollow water pipeline, it is envisaged that the contract period for exchange of recycled water produced from the RWTW for an equivalent high security water licence allocation would be in the range of thirty years.
5. Should Council's grant funding application not succeed, it is expected that the successful tenderer will default to purchasing Council's recycled water under the same terms and conditions as apply to Option 2.
6. Alternative proposals that achieve the overall intent of Option 1 are welcomed.

## Option 2

Purchase recycled water from the RWTW for a period of five years from 1 July 2022, with the potential for two 12 months extensions to be agreed between both parties.

Those submitting a non-binding Expression of Interest may suggest an alternative preferred contract period.

### 3. Non-binding EOI Submissions and Outcomes

Council reserves the right to use the non-binding Expression of Interest process in a number of different ways to advance the project. This includes, but is not limited to:

- information gathering to inform Council's procurement strategy;
- developing a subsequent open tender or request for proposal;
- dealing directly with one or more respondents; and
- inviting one or more respondents to further develop their submission into a selective request for tender or request for proposal.

It is important to note that, although this is a non-binding Expression of Interest process, submissions should contain sufficient detail and evidence that enables the assessment panel to make an informed decision that may lead to a select tender or request for proposal process with one or more respondents.

### 4. Terms and Conditions

#### Approvals

All recycled water schemes require approval under the Environmental Planning and Assessment Act 1979 in order to proceed. Other government authorities such as the Department of Health, Environment Protection Authority, and the Office of Water may also have a role in providing approval for a recycled water scheme.

The operation of all recycled water schemes is regulated under the Australian Guideline for Water Recycling: Managing Health and Environmental Risk 2006.

<b>Participation in the EOI process</b>	Interested parties who have not submitted a non-binding EOI may be ineligible to participate in any subsequent process. Muswellbrook Shire Council unconditionally reserves the right to selectively negotiate with a shortlist of respondents, to recall EOI or to stop the project. Muswellbrook Shire Council is not liable for any expense or loss that may be incurred by a respondent in preparation of its response.
<b>No contract or undertaking</b>	No contract shall exist until Muswellbrook Shire Council and the respondent have executed a deed in writing that incorporates the outcomes of subsequent negotiations and agreed terms (if at all).
<b>Clarification</b>	Muswellbrook Shire Council may seek clarification from a respondent to this EOI request. Any discussions entered into with a respondent by Muswellbrook Shire Council will be at Muswellbrook Shire Council's sole discretion and purpose.
<b>Acceptance</b>	Muswellbrook Shire Council unconditionally reserves the right to accept or reject any submission regardless of compliance or non-compliance with the conditions of this EOI.  Muswellbrook Shire Council reserves the right not to enter into a commercial arrangement.

## 5. Lodging of Non-binding EOI submissions

**5.1** Applicants are encouraged to lodge applications through the NSW Government's Vendorpanel platform at:  
<https://www.vendorpanel.com.au/muswellbrook/tenders>;

**5.2** Applications may also be lodged in the physical tender box at:

Muswellbrook Shire Council  
60-82 Bridge Street  
Muswellbrook NSW 2333

And clearly marked "2021-2022-0498 - Procurement of Recycled Water Produced by the Muswellbrook RWTW";

Or

**5.3** Via email to: [council@muswellbrook.nsw.gov.au](mailto:council@muswellbrook.nsw.gov.au).

## 6. Closing date for submissions

The closing date and time for submissions is **2:00 pm Thursday 2 December, 2021**.



## APPENDIX A:

### **Location of Muswellbrook Recycled Water Treatment Works**

