

Market Briefing

Victorian Murray Floodplain Restoration Project

26 November 2021



**VICTORIAN MURRAY FLOODPLAIN
RESTORATION PROJECT**
HEALTHY LANDSCAPES, STRONG COMMUNITIES

Acknowledgement of Country

The Victorian Murray Floodplain Restoration Project (VMFRP) acknowledges and respects Traditional Owners, Aboriginal communities and organisations. We recognise the diversity of their cultures and the deep connections they have with Victoria's lands and waters.

We value partnerships with Traditional Owners, Aboriginal communities and organisations for the health of people and Country.

VMFRP management and staff pay their respects to Elders past and present, and recognise the primacy of Traditional Owners' obligations, rights and responsibilities to use and care for their traditional lands and waters.

Market Briefing Etiquette

To manage a smooth progression through the presentation, registered participants will be muted, with only the presenter and the slides visible during the session.

Questions – If you have questions during the briefing, please type these into the chat function and they will be responded to post meeting. If registered participants have questions after the briefing these can be registered through the Buying for Victoria tender portal (where participants registered for this session) and VMFRP will collate questions and respond prior to the EOI close (noting questions can only be raised up until 15 December 2021).

VMFRP will be recording this session for internal purposes only. Presentation slides and other related materials to inform EOI responses will be provided to participants on 1 December 2021.

Briefing Content

1. Purpose
2. Probity
3. Introduction
 - Strategic Importance of the Project
 - The Project
4. Project Background
 - Project Timeline
 - Project Scope Summary
 - Project Approvals
 - Project Objectives
 - Project Risk Allocation
 - Approvals
 - Status
5. Project Packages
 - Summary
 - Package 1 – East
 - Package 2 – Central 1
 - Package 3 – Central 2a
 - Package 4 – Central 2b
 - Package 5 – West a
 - Package 6 – West b
6. Procurement Model and Process
7. Indicative Procurement Timeline
8. Contract Form and Insurances
9. Principal Procured Items
10. Next Steps

Introductions

Slides as presented on 26 Nov 2021. More up to date information may be available

Josh White – Project Director

Lee Marshall – Manager Program Services

Nicholas Petering – Probity Advisor

Scott Barnes – Project Manager West



1. Purpose

This market briefing is for the Victorian Murray Floodplain Restoration Project (VMFRP) to update interested parties on how VMFRP plans to bring the project to market, what is important to VMFRP and its project partners and to provide an overview of the scope and status of the project, along with key project requirements prior to the release of the expressions interest. The session will provide information on the following project elements:

- The strategic importance of the project from an environmental, social, cultural perspective – this is not just a construction project
- Project packages and associated scope of works
- Procurement and commercial arrangements for the delivery of the projects
- The design status for projects
- The approvals pathways and approval packaging
- Project timeframes

Following the briefing presentation, an opportunity will be available to raise questions relating to the content of the presentation. These questions will be taken on notice and responded to and shared following the session.

LMW explicitly states –

- that this process is not a call for tenders or a pre-qualification. Any questions raised will not be taken into consideration during the assessment of the parties who will participate in the procurement process, and
- does not form part of the contractor selection process

2. Probity

Probity supports the achievement of a successful process by applying generally accepted probity principles.

- This procurement process will be conducted in accordance with probity protocols. Key Probity requirements include:
 - Acting with integrity and impartiality
 - Ensuring market equality
 - Consistent and transparent processes
 - Secure and confidential market engagement information
 - Identifying and managing conflicts of interest
 - Allocating appropriate capability
- Please contact our probity partner with any probity related questions you may have in relation to the process. Probity Contact details are:

Matthew Wilson

Pitcher Partners

Executive Director

Ph: +61 3 8610 5245

E: matthew.wilson@pitcher.com.au

3. Introduction – Strategic Importance of the Project

The VMFRP is part of Victoria's implementation of the Basin Plan to improve the health of the river and its floodplains, optimise local outcomes and maximise the investment flowing to regional Victoria.

The interdependency between all these projects and the agencies that have ongoing management accountabilities requires collaboration and professionalism – this is a key feature of the roll-out of the VMFRP.



3. Introduction - The Project

1. Project Background

The VMFRP is being implemented as part of Victoria's obligation under the Murray Darling Basin Plan in partnership with Lower Murray Water, Goulburn Murray Water, Mallee Catchment Management Authority, North Central Catchment Management Authority, Parks Victoria and Department of Environment, Land, Water and Planning

2. Project Objective

The VMFRP is a program of nine Victorian Sustainable Diversion Limit Adjustment Mechanism (SDLAM) environmental works projects. These projects will focus at allowing and enhancing the return of natural flooding regime across more than 14,000 hectares of high ecological value River Murray Floodplain. The project plans to remove blockages that stop water flowing into creeks and implement options to manage water effectively and efficiently on the floodplain at the nine project sites. It will restore the landscapes, bringing new life and help the nine ecologically significant sites survive future dry conditions and drought.

3. Funding Source

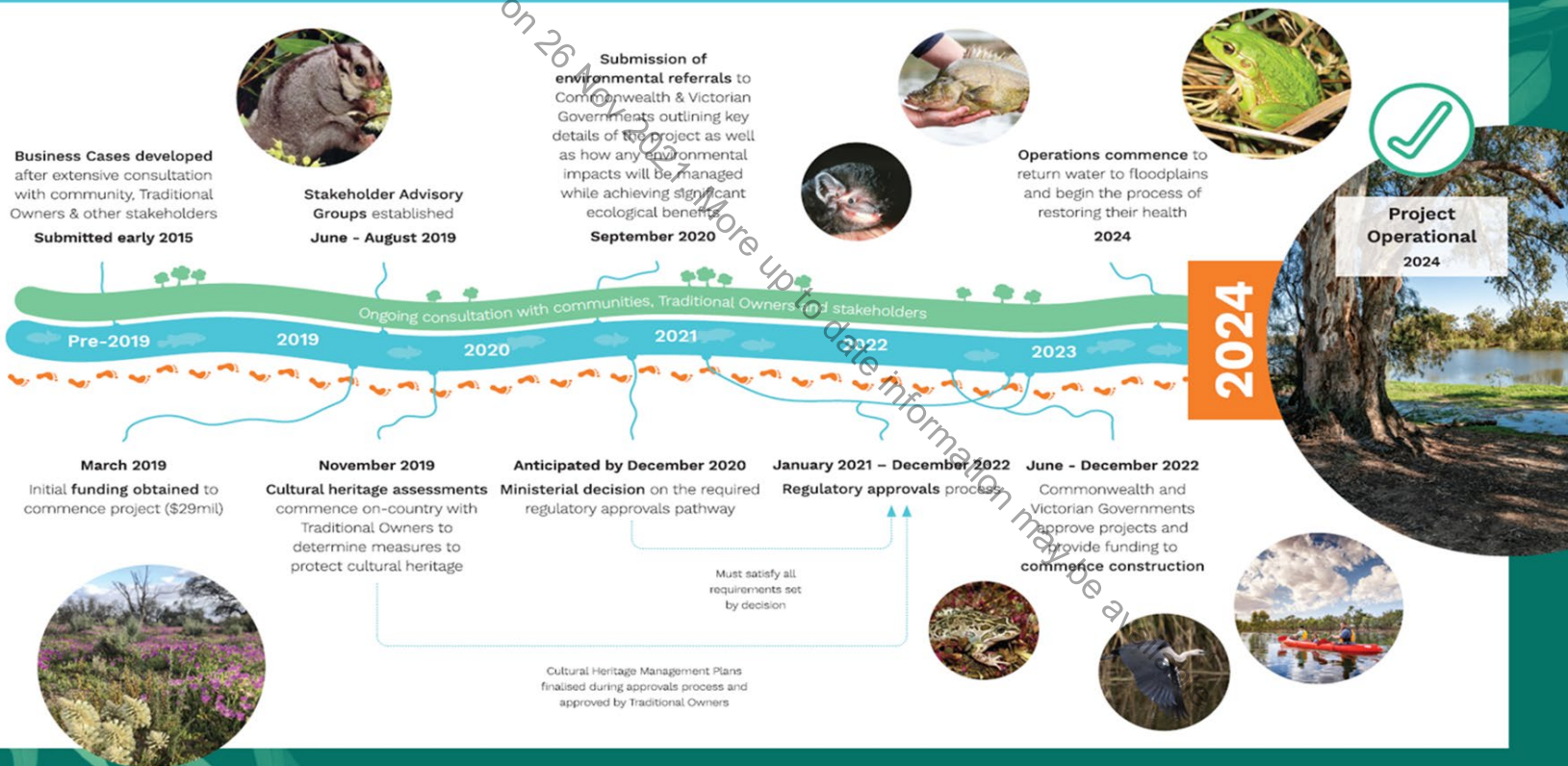
The VMFRP is funded by the Department of Agriculture, Water and Environment. Lower Murray Water is responsible for the delivery on behalf of the project partners, the Victorian Government and The Department of Agriculture, Water and Environment.

3. Introduction – Opportunities created through the VMFRP



4. Project Background – Project Timeline

Victorian Murray Floodplain Restoration Project Timeline



4. Project Background – Project Scope Summary



- Project sites have been grouped into 4 regions:
 - East – Gunbower & Guttrum-Benwell
 - Central 1 – Vinifera, Nyah & Burra Creek
 - Central 2 – Belsar-Yungera & Hattah Lakes
 - West - Wallpolla Island & Lindsay Island
- Infrastructure works include: gated regulators, fish passages, containment banks, spillways, culverts, pipelines, pump stations and access tracks.

4. Project Background – Project Approvals

- **Referrals under *Environment Effects Act 1978* required when:**
 - “a project is capable of having a significant effect on the environment”
 - 9x referrals submitted: 4x projects (2x Environment Effects Statement's), 5x projects (4x Environment Report's)
 - Environment Effects Statement Central (Q4 2022) Environment Effects Statements West (Q1-Q2 2023) 2x Environment Report's (Q4 2022 – Q1 2023)
- **Referrals under *Environment Protection and Biodiversity Conservation Act 1999* required when:**
 - “a proposed action has, will have, or is likely to have a significant impact on a matter of national environmental significance”
 - 9x referrals submitted, 9x ‘controlled action’ decisions requiring EPBC approval – well defined by Department of Agriculture, Water and the Environment (DAWE)
- **Bi-lateral agreement between Commonwealth and Victoria**
 - State assessment processes accredited to assess Matters of Environmental National Significance (MNES)
 - Commonwealth decision based on State assessment process

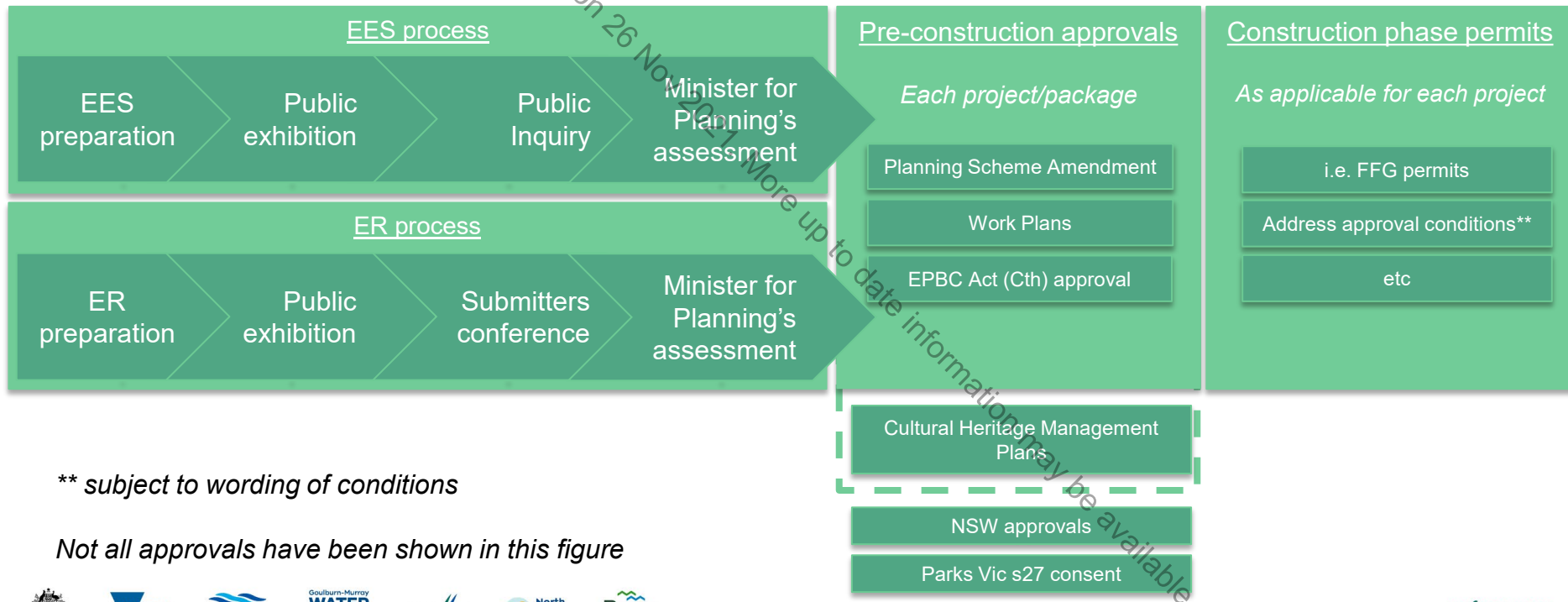
4. Project Background – Project Approvals Status

- **Culture Heritage Management Plans**
 - Complex assessment underway
 - Discussions regarding site registration due to the volume of heritage
- **Approval pathways**
 - Planning Scheme Amendment
 - Active discussions and progress underway regarding:
 - Work Plans, planning scheme amendments
 - NSW approvals
 - Parks Victoria Section 27 Consent



Hairy-tailed pea

4. Project Background – EES / ER Process



**** subject to wording of conditions**

Not all approvals have been shown in this figure

4. Project Background – Project Objectives

Project Objective	Target
Delivery Timeframe	Project to be delivered by June 2024.
Cost certainty	Project costs and risks are clearly defined.
Local Industry Development Plan (LIDP)	10% allocated to industry development and 10% allocated to job outcomes
Regional Benefit	<p>Capability and capacity of workers, contractors and suppliers in the region is improved through the delivery of the program</p> <ul style="list-style-type: none">• 5% of team attributed to indigenous, youth and gender participation from project location region• 90% of raw materials utilised on the project shall be sourced from the regional area.• 70% of plant and equipment shall be sourced from the regional area. <p><i>Note: 'regional area's within 200km from the project location.</i></p>
Whole of life optimisation	Achieving efficient and effective whole of life optimisation and value for money outcomes
Victorian Corporate Social Responsibility	Ensuring that construction delivery considers, minimizes, and mitigates footprint impact on the project site, and meets Victorian Corporate Social Responsibility policies.
Project Legacy	Project implementation approach and targets aimed at enhancing the legacy of project partners

4. Project Background – Proposed risk allocation

Retained by the Principal	Shared between Principal and Contractor	Transferred to the Contractor
Design – Concept (and Detailed for Hattah)	High river level events	Cost
Approvals – Planning / Statutory / Legislative		Schedule
Site Access – Provision (Consent / Approvals)		Design – Detailed (exception of Hattah Lakes)
Stakeholder Relationships		Approvals – Works approvals / consent / compliance through construction
Cultural Heritage – Approvals and Procedures		Cultural Heritage – Compliance through construction
Potential long lead early procurement where identified through ECI		Site access – Maintain private land, site and third party access

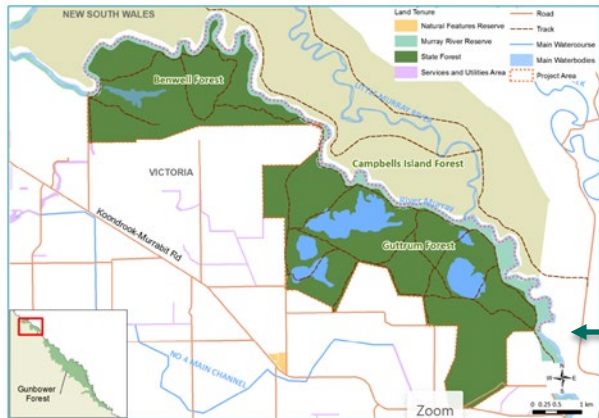
5. Project Packages - Summary

Region	Sites	Project Package	Procurement Model	Additional Project Information
East	Gunbower Guttrum and Benwell	Package 1 – East	D&C + ECI	Complexity - Medium Opportunity for design innovations Constructability input
Central 1	Vinifera Nyah Burra Creek	Package 2 – Central 1	D&C + ECI	Complexity - Low Less opportunity for design innovations Constructability input
Central 2	Belsar-Yungera	Package 3 – Central 2a	D&C + ECI	Complexity - Medium Opportunity for design innovations Constructability input
Central 2	Hattah Lakes	Package 4 – Central 2b	Construct Only + Interactive Tendering	Complexity - Medium Design complete Constructability input
West	Wallpolla Island Lindsay Island	Package 5 – West 1 Package 6 – West 2	D&C + ECI D&C + ECI	Complexity – Low to High Opportunity for design innovations Constructability input

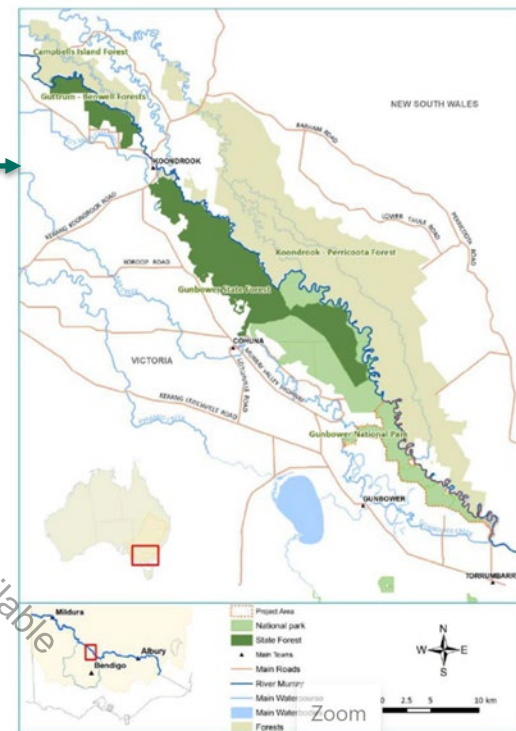
5. Project Package 4 - East

Slides as presented on 26 Nov 2020

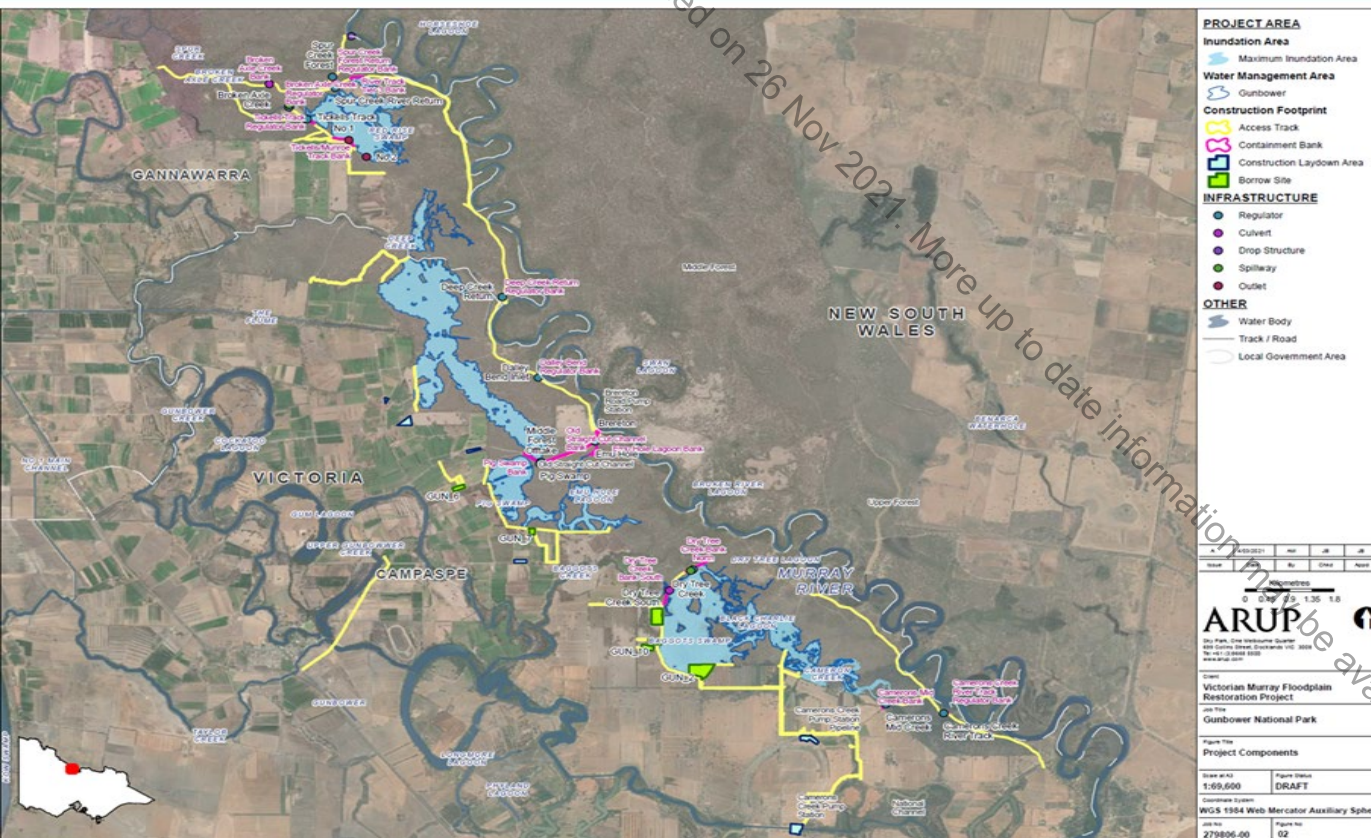
Guttrum and Benwell



Gunbower National Park



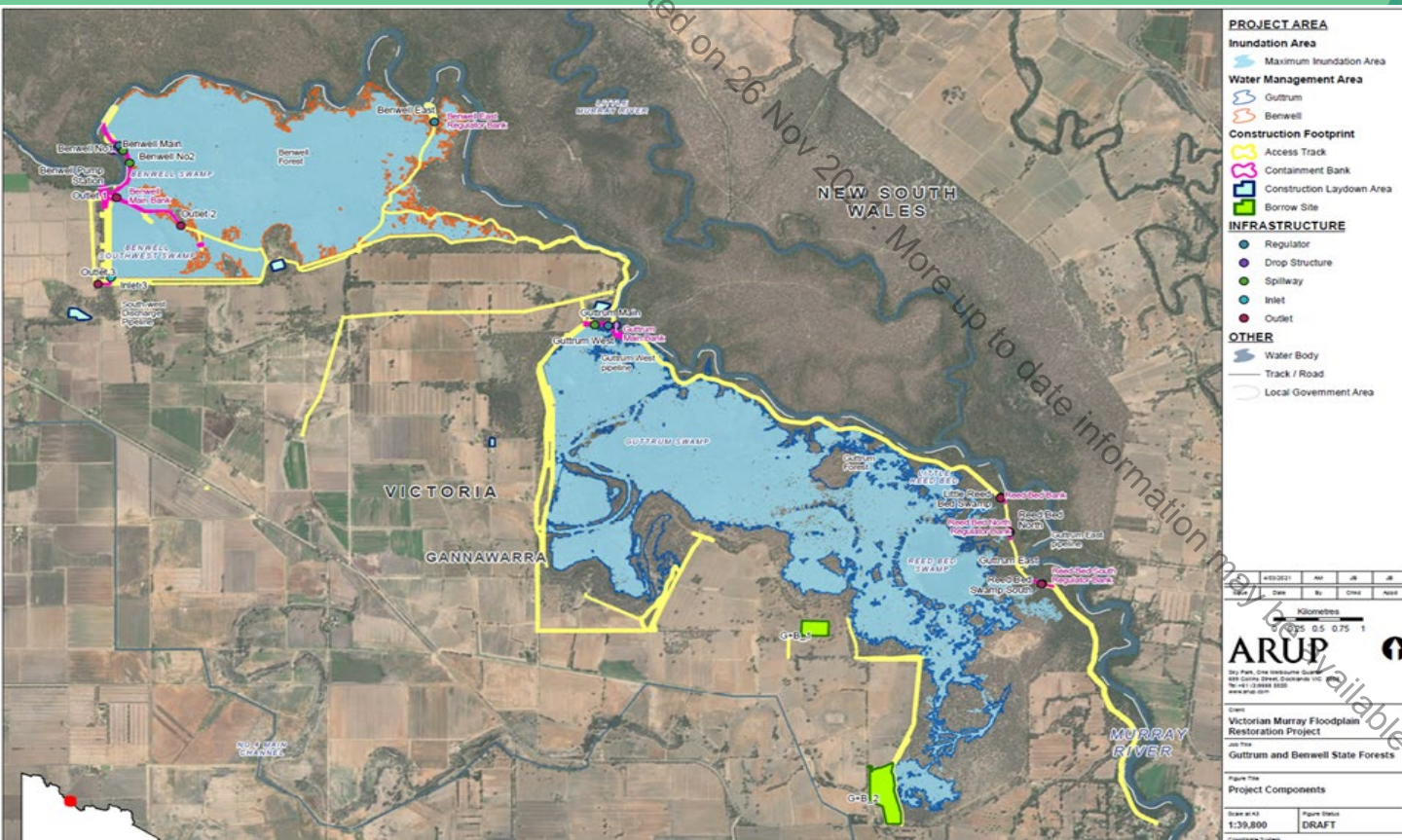
5. Project Package 1 - Gunbower National Park



Gunbower Project Scope

- 12x Small regulating structures
- 1x Fishway
- 2x Pipeline
- 2x Pump stations and associated power supply
- 1x Channel upgrade
- 1x Drop structure
- 3x Spillways
- 3x Culvert crossings
- 2x Drainage outlets
- 2.3km Containment banks
- Access track upgrades

5. Project Package 1 - Guttrum and Benwell



Guttrum and Benwell Project Scope

- 1x Large regulating structure
- 6x Small regulating structures
- 3x Pipelines
- 2x Drop structures
- 3x Pump stations and associated power supply
- 2km Containment banks
- 3x Spillways
- Access track upgrades

5. East – Package Summary

Project	Approvals pathway	Geography	Asset owner	Order of Magnitude Capital value (Direct Costs)	Design
Gunbower	Environmental Report (joined with Guttrum and Benwell)	Close to Guttrum and Benwell works	Goulburn Murray Water	\$12 - \$14 million	Complexity - Medium Status - Concept Complete and 80% Preliminary
Guttrum and Benwell	Environmental Report (joined with Gunbower)	Close to Gunbower works	Goulburn Murray Water	\$15 - \$17 million	Complexity - Medium Status - Concept Complete and 80% Preliminary

Design is at 'Draft - Issued for Tender' stage, further design work is required to progress to *Issue for Construction* stage.

Page 2 – Co



PROJECT AREA

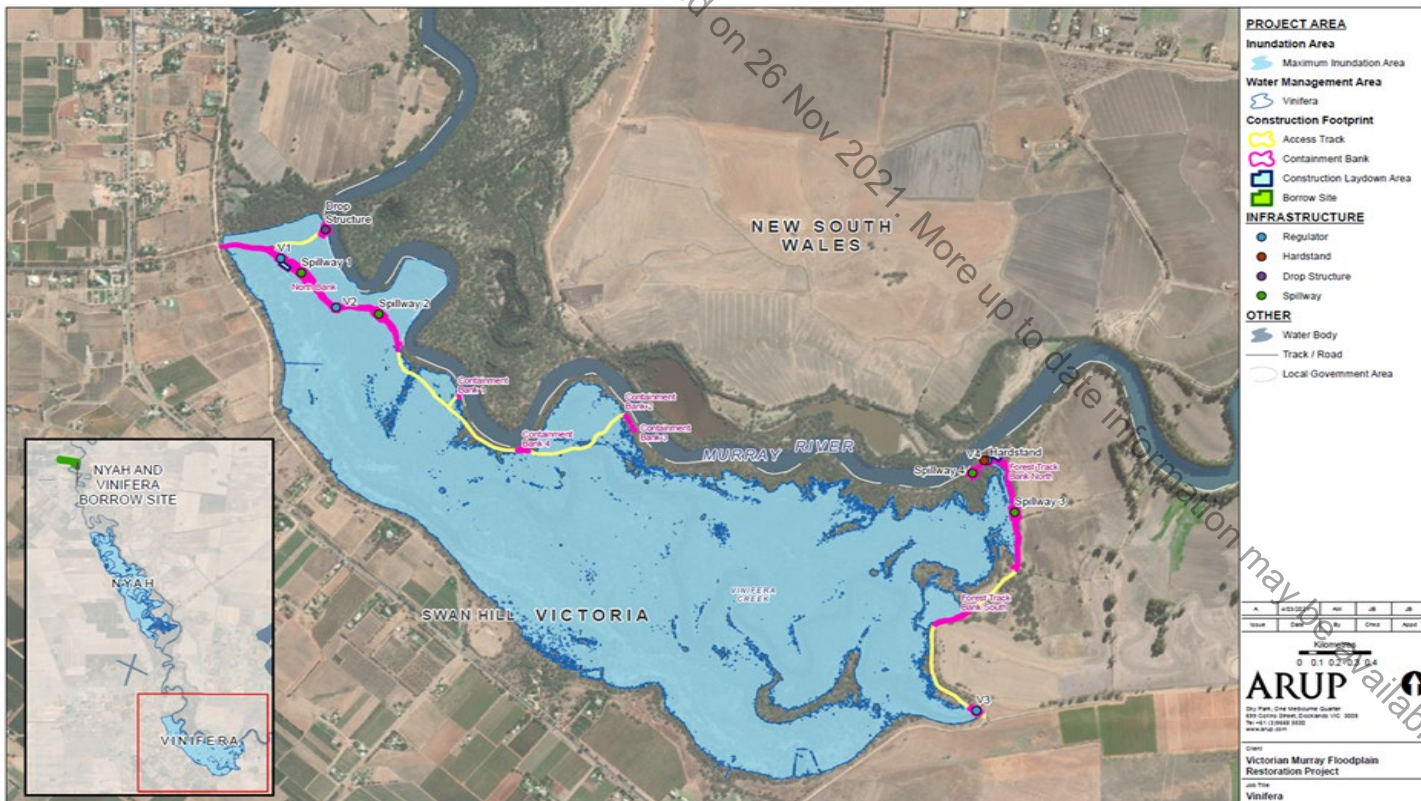
- Inundation Area**
 - Maximum Inundation Area
- Water Management Area**
 - Vinifera
- Construction Footprint**
 - Access Track
 - Containment Bank
 - Construction Laydown Area
 - Borrow Site
- INFRASTRUCTURE**
 - Regulator
 - Hardstand
 - Drop Structure
 - Spillway
- OTHER**
 - Water Body
 - Track / Road
 - Local Government Area

ARUP

300 Park, One Melbourne Quarter
400 Collins Street, Melbourne VIC 3000
Tel +61 3 9594 8000
www.arup.com

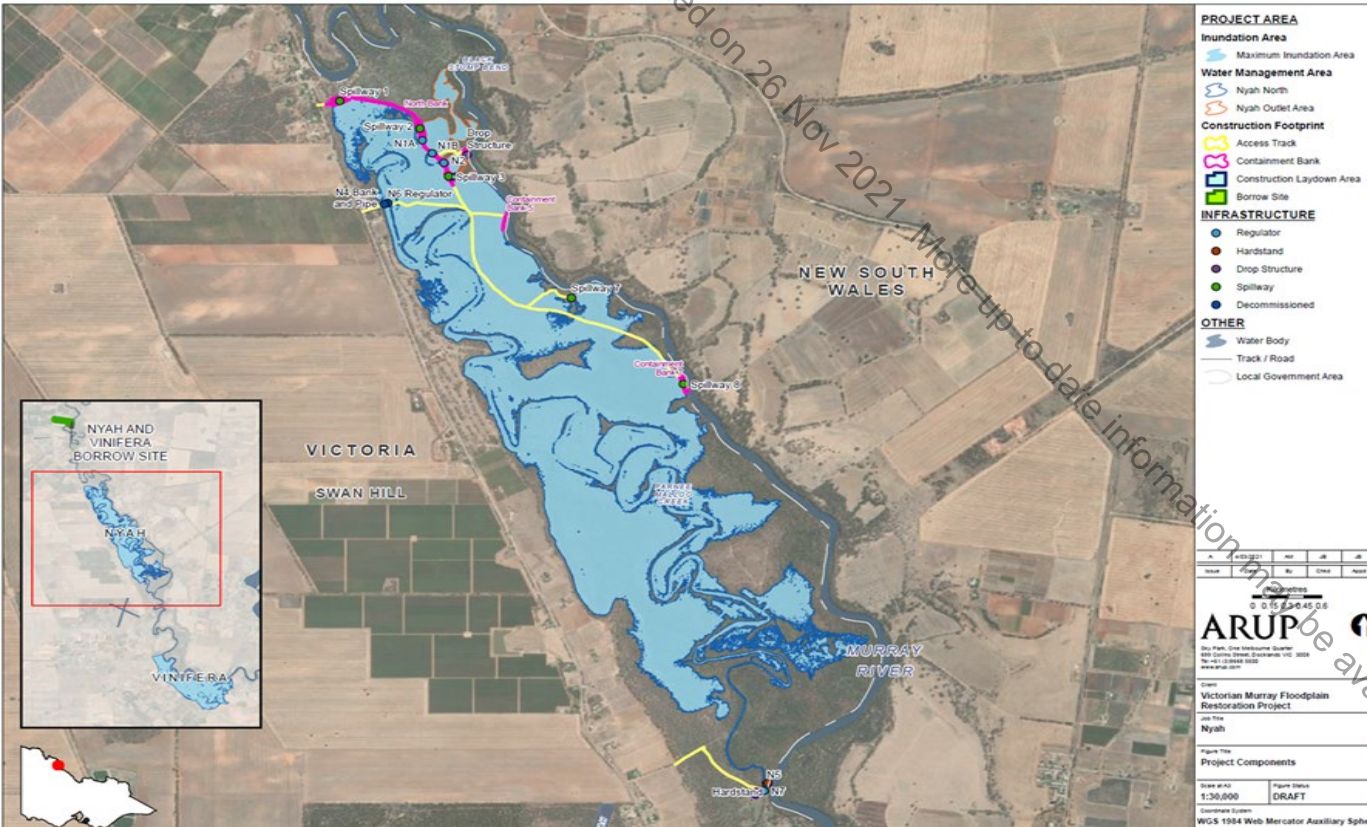
Client
Victorian Murray Floodplain
Restoration Project

Project
Vinifera



- 4x Regulating structures
- 1x Drop structure
- 2.4km Containment bank
- 1x Hardstand area
- Decommissioning of existing concrete regulator

5. Project Package 2 – Nyah



Nyah Project Scope

- 5x Regulating structures
- 1.6km containment banks
- 1x Hardstand area
- 2x Improvement of existing banks in the creek
- Decommissioning of existing concrete regulator

5. Project Package 2 – Burra Creek



Burra Creek Project Scope

- 2x Regulating structures
- 2.4km Containment bank
- 1x Drop structure
- 4x Spillways
- 1x Hardstand area
- 1x Improvement of existing banks in the creek
- Decommissioning of existing earthen block bank

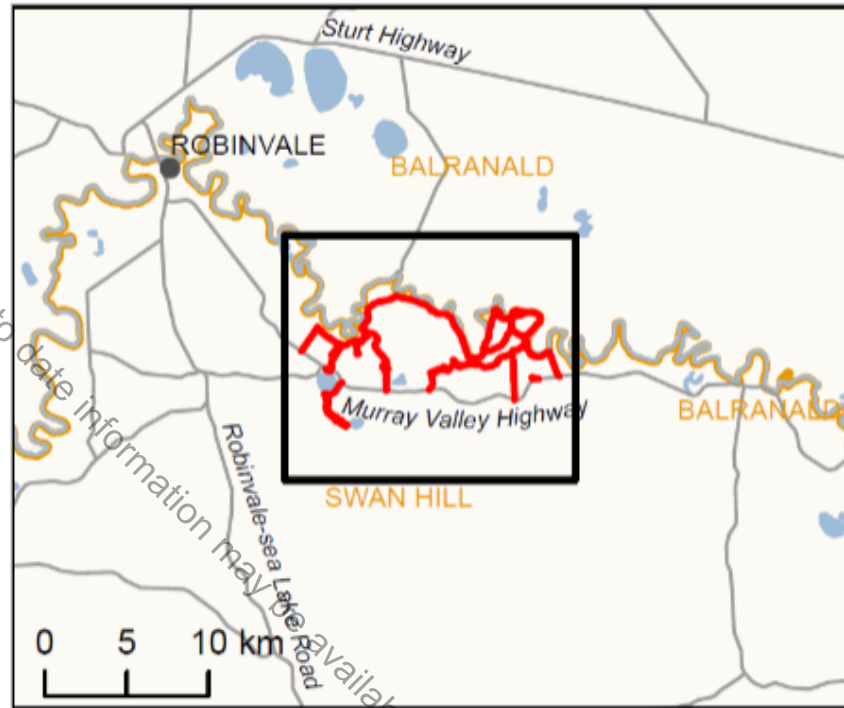
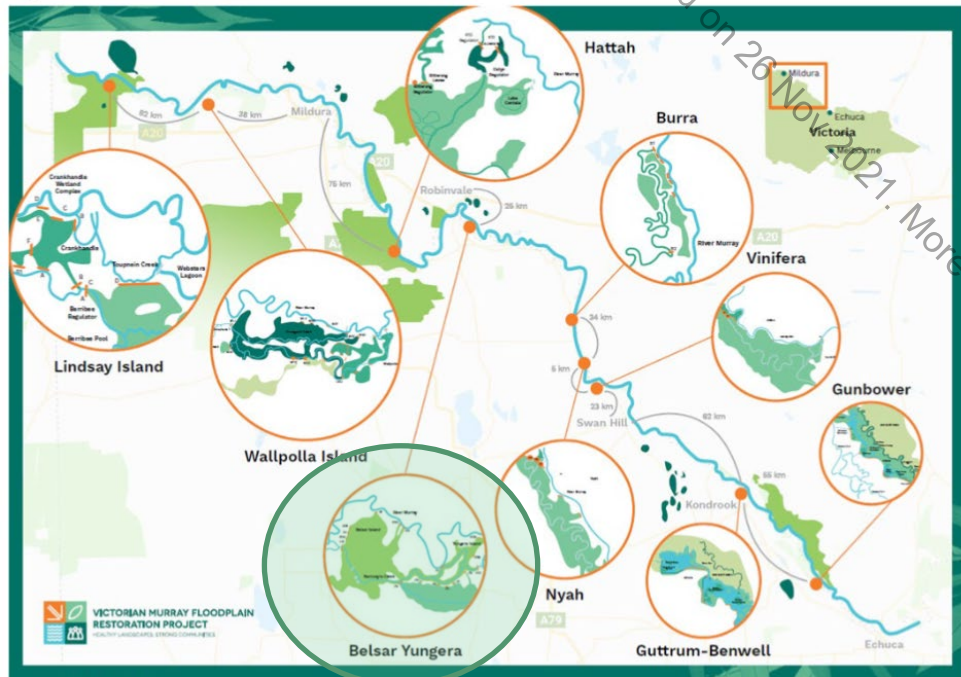
5. Central 1 – Package summary

Project	Approvals pathway	Geography	Asset owner	Order of Magnitude Capital value (Direct Costs)	Design
Vinifera	Environmental Report (joined with Nyah & Burra Creek)	Close to Nyah & Burra Creek works	Lower Murray Water	\$6 -\$8 million	Complexity – Low Design – Concept Complete and 80% Preliminary
Nyah	Environmental Report (joined with Vinifera & Burra Creek)	Close to Vinifera & Burra Creek works	Lower Murray Water	\$6 -\$8 million	Complexity – Low Design - Concept Complete and 80% Preliminary
Burra Creek	Environmental Report (joined with Vinifera & Nyah)	Close to Vinifera & Nyah works	Lower Murray Water	\$7 - \$9 million	Complexity – Low Design - Concept Complete and 80% Preliminary

Design is at '*Draft - Issued for Tender*' stage, further design work is required to progress to *Issue for Construction* stage.

5. Project Package 3 – Central 2a

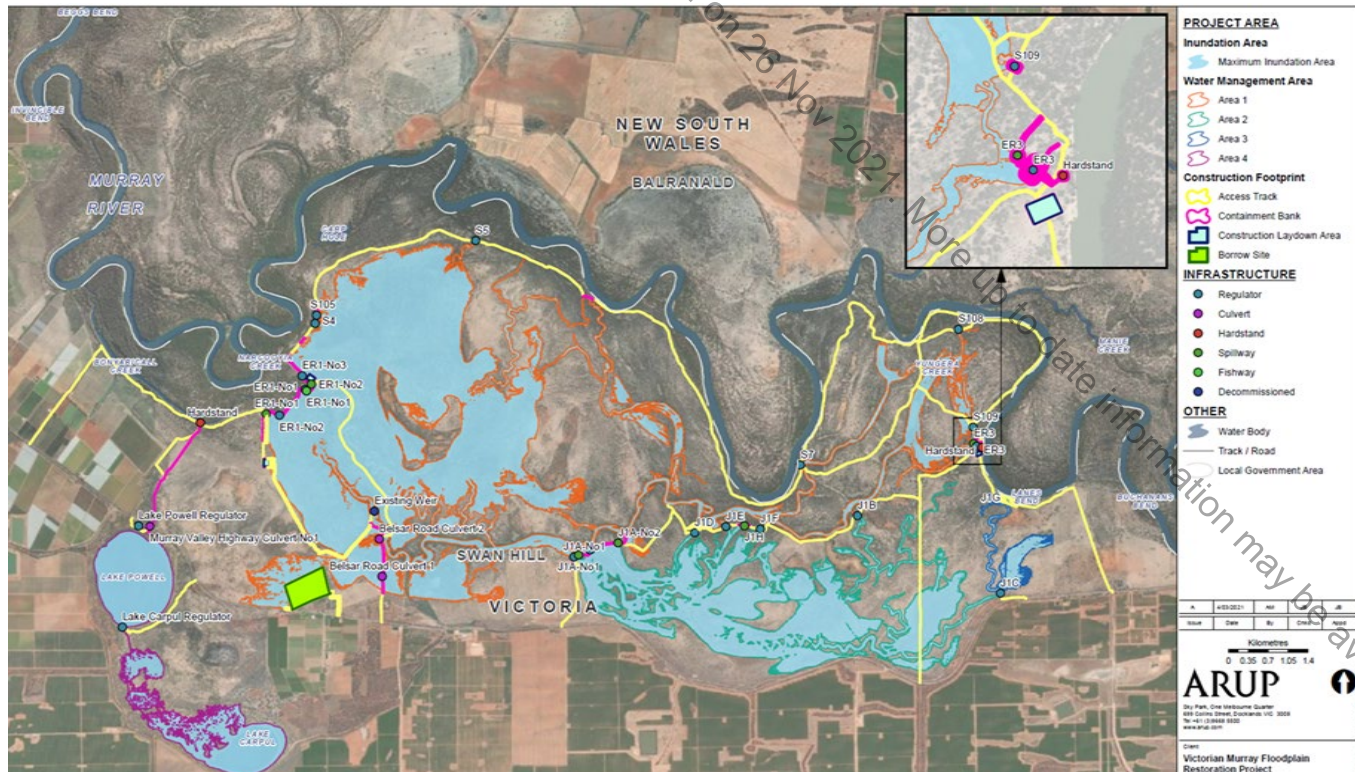
Slides 35 presented on 26 Nov 2021. More up to date information may be available



Belsar - Yungera

5. Project Package 3 – Belsar - Yungera

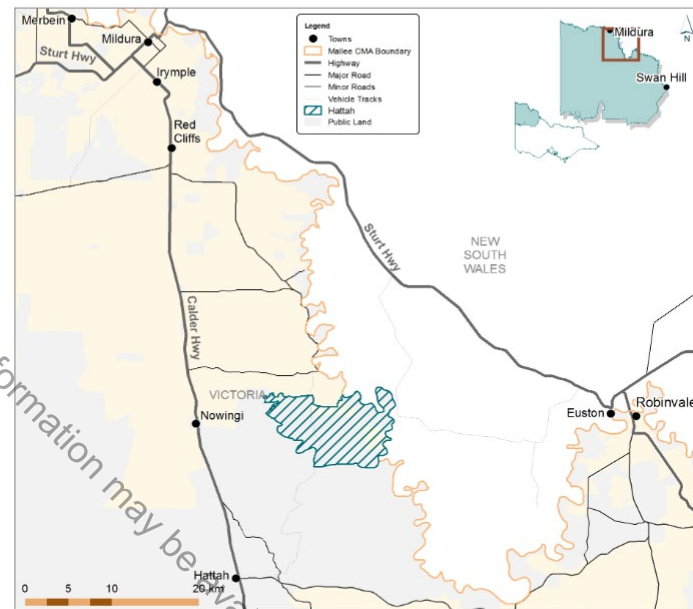
Slides presented on 26 Nov 2021



Belsar-Yungera Project Scope

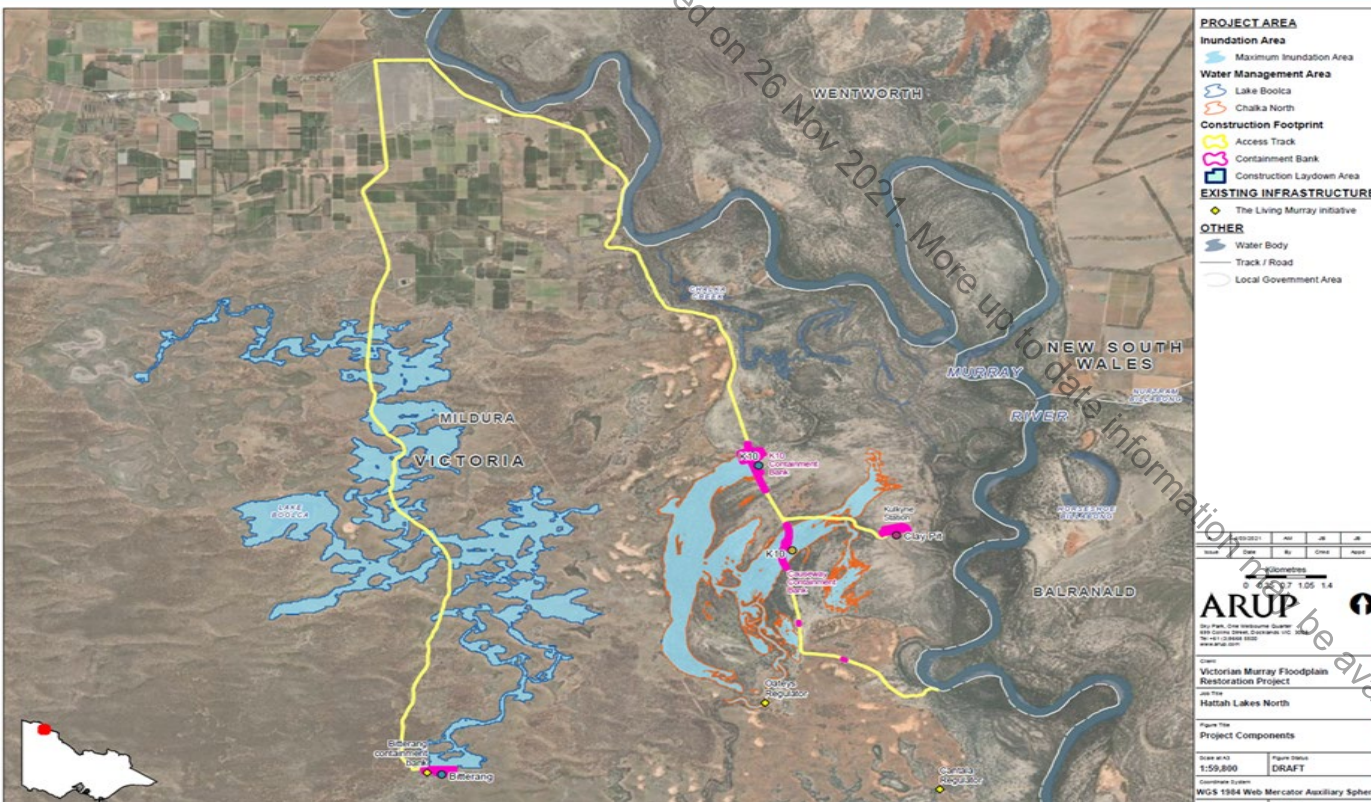
- 17x Regulating structures
- 4.5km Containment bank and sections of road raising
- 120m of Concrete spillways
- 2km Buried pipeline
- 1 x Pipe culvert and 50m open channel (intersect with Murray Valley Highway)
- 1x Hardstand area

5. Project Package 4 – Central 2b



Hattah Lakes

5. Project Package 4 – Hattah Lakes



Hattah Lakes Project Scope

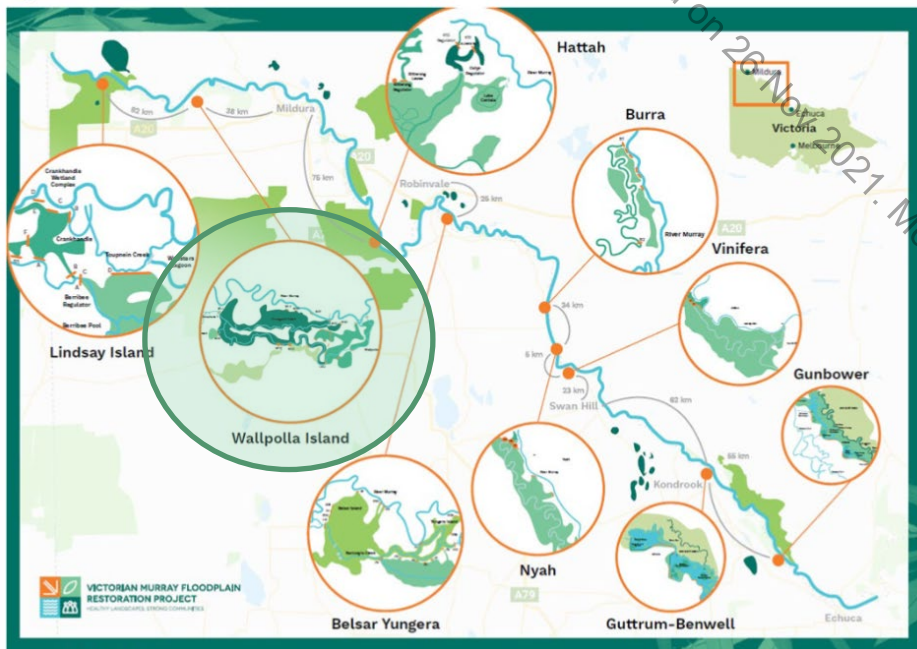
- 3x Regulating structures
- 1.8km Containment bank

5. Central 2a & 2b – Package summary

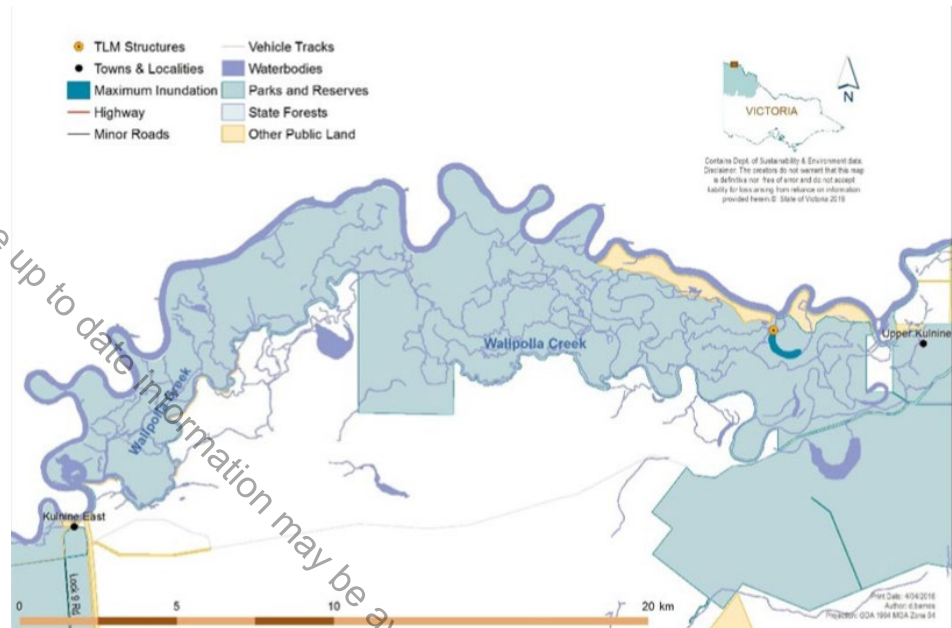
Project	Approvals pathway	Geography	Asset owner	Order of Magnitude Capital value (Direct Costs)	Design
2a. Belsar-Yungera	EES – Environment Effects Statement (joined with Hattah Lakes)	30-45mins from Hattah Lakes works	Lower Murray Water	\$41 -\$43 million	Complexity - Medium Design - Concept Complete and 80% Preliminary
2b. Hattah Lakes	EES – Environment Effects Statement (joined with Belsar-Yungera)	30-45mins from Belsar-Yungera works	Lower Murray Water	\$5 -\$7 million	Design – Completed

Design is at '*Draft - Issued for Tender*' stage, further design work is required to progress to *Issue for Construction* stage.

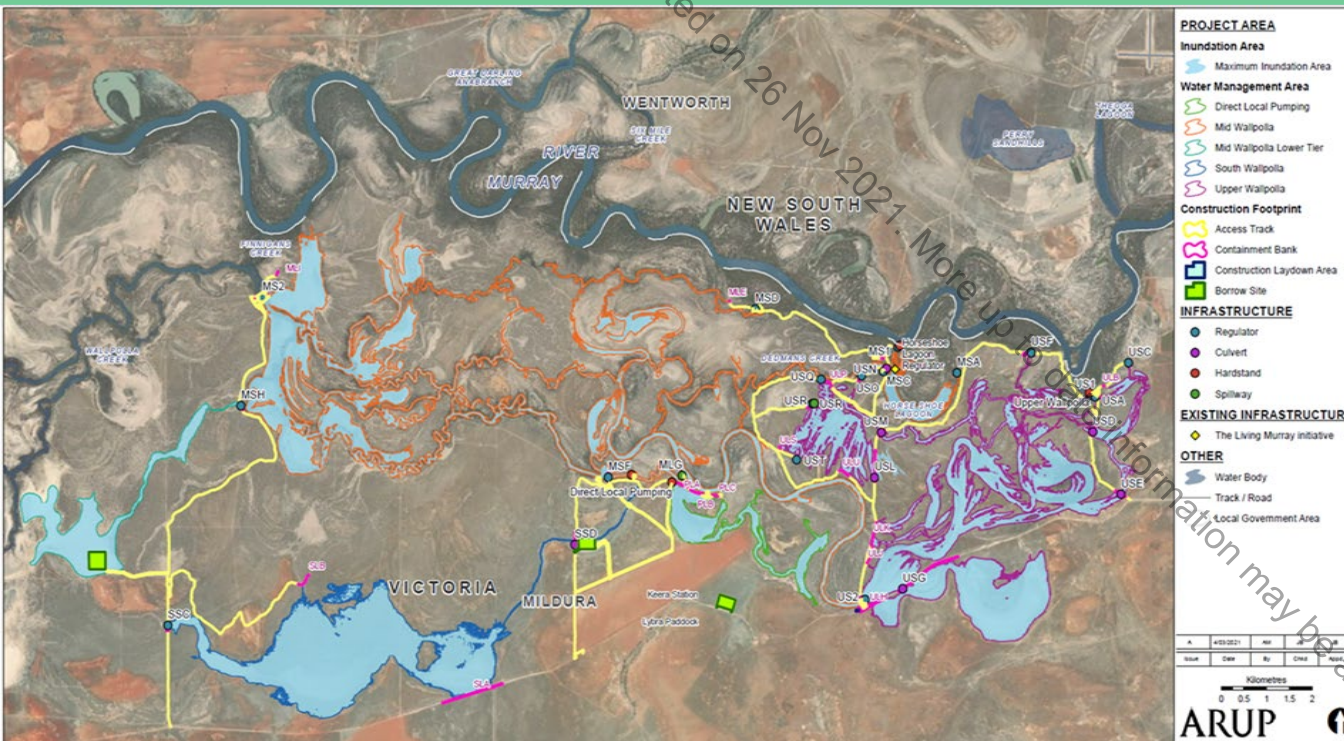
5. Project Package 5 – West 1



Wallpolla Island



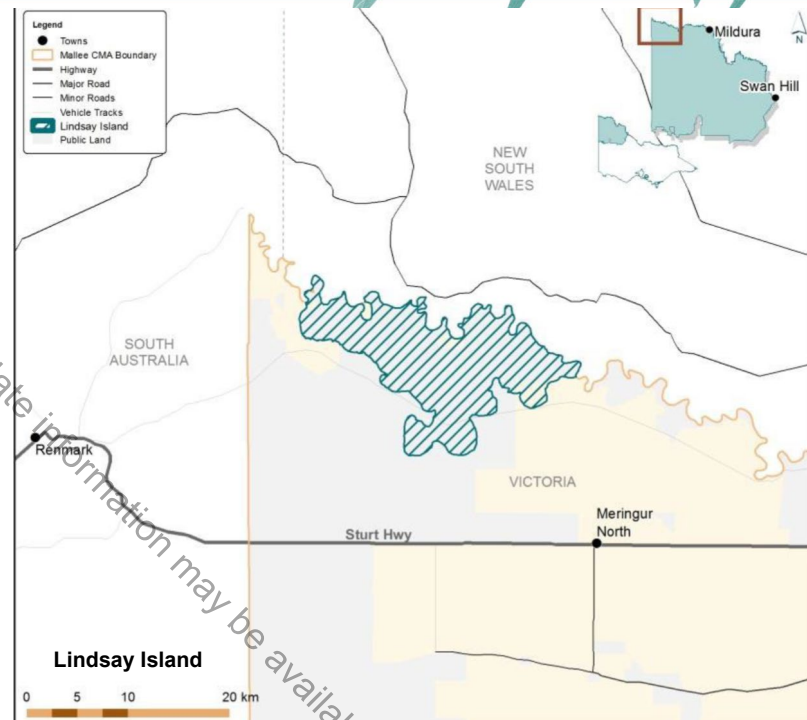
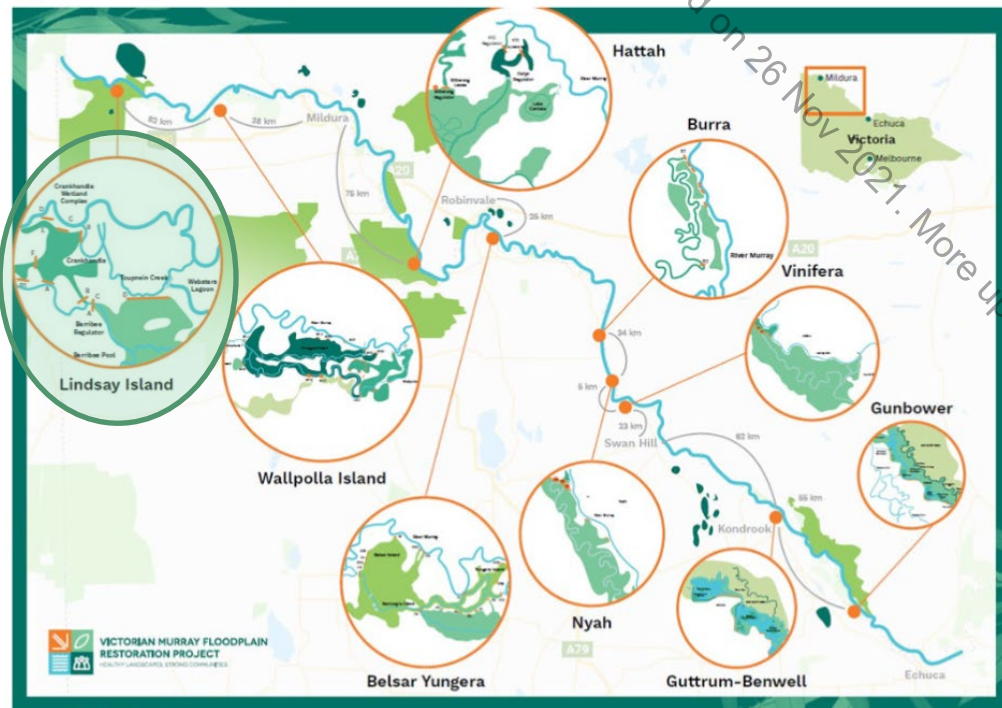
5. Project Package 5 – Wallpolla Island



Wallpolla Island Project Scope

- 1x Very large regulator
- 3x Large regulators with fishways
- 12x Small regulators
- 9x Small culverts
- 5km of Containment banks
- 4x Temporary pump stations

5. Project Package 6 – West 2



5. Project Package 6 – Lindsay Island



Lindsay Island Project Scope

- 1x Very large regulator (approx. 60m in length on 8m high piers). Regulator also includes vertical slot fishway
- 9x Containment bank and regulators
- Pump infrastructure and pipeline
- 2x Containment banks
- 4x Containment bank and large regulator
- 2x Channel, Spillway

5. West 1 & 2– Package summary


Project	Approvals pathway	Geography	Asset owner	Order of Magnitude Capital value (Direct Costs)	Design
West 1. Wallpolla Island	EES – Environment Effects Statement (joined with Lindsay Island)	Close to Mildura Relatively close to the Lindsay Island works	Lower Murray Water	\$25 -\$27 million	Complexity – Varies Low to High Design - Concept Complete and 80% Preliminary
West 2. Lindsay Island	EES – Environment Effects Statement (joined with Wallpolla Island)	Close to SA Relatively close to the Wallpolla Island works	Lower Murray Water	\$39 -\$42 million	Complexity – Varies Low to High Design - Concept Complete and 80% Preliminary

Design is at '*Draft - Issued for Tender*' stage, further design work is required to progress to *Issue for Construction* stage.

6. Procurement Model and Process

Project	Package	Procurement Model	Procurement Process
Gunbower Guttrum and Benwell	East	D&C + ECI	EOI – Shortlist to minimum of 2 Upper Limit Price ECI with preferred if clear standout Final Price
Vinifera Nyah Burra Creek	Central 1	D&C + ECI	EOI – Shortlist to minimum of 2 Upper Limit Price ECI with preferred if clear standout Final Price
Belsar-Yungera	Central 2a	D&C + ECI	EOI – Shortlist to minimum of 2 Upper Limit Price ECI with two Final Price
Hattah Lakes	Central 2b	Construct Only + Interactive Tendering	EOI – Shortlist to minimum of 2 Upper Limit Price Interactive Tendering Final Price
Wallpolla Island Lindsay Island	West 1 & 2	D&C + ECI	Separate packages EOI – Shortlist to minimum of 2 Upper Limit Price ECI with two Final Price

7. Indicative Procurement Timelines

Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023		Q2 2024
Issue Expressions Of Interest	Shortlist & Issue Request for Tender	Upper Limiting Price Submitted	Early Contractor Involvement	Final Price Submitted & evaluated	Approvals granted and award	Delivery		Works Completed June 24

8. Contract Form and Insurances

- VMFRP is intending to use the VicWater Major Works Contract Form.
 - a) *The Major Works Contract has been prepared following a series of collaborative workshops attended by the Victorian Water Corporations facilitated by the Victorian Water Associate.*
 - b) *The Major Works Contract has been approved in accordance with Ministerial Directions for Public Construction Procurement, Direction 7.1 as a Victorian public construction contract for use by Victorian Water Corporations.*
 - c) *The Major Works Contract complies with:*
 - i. *all requirements of the Ministerial Directions for Public Construction Procurement, Direction 7.2, Instruction 7.2 and Guidance 7.2.1; and*
 - ii. *all other legal and government policy requirements applicable to Water Corporations.*
- Principal Arranged Insurance (PAI) is being considered for the works
- High level commercial arrangements are described in the term sheet to be provided with the Expression of Interest documentation

9. Potential Principal Procured Items

- VMFRP is actively considering and open to the Principal procured items that will assist the project achieving its stated objectives. This would include –
 - Procurement of long lead items that reduce delivery time risks
 - Procurement of common elements such as penstocks and gates that generate good whole of optimisation and regional benefits
- VMFRP will continue to review its options and engage with shortlisted proponents in Q1 2022 to ascertain market opinion.

10. Next Steps

- VMFRP is intending to release the Expression of Interest document on 1 December 2021 and closing on 22 December 2021.
 - This process will be via the *Buying for Victoria* tenders website (www.tenders.vic.gov.au)
- These slides will be sent to those registered for today's briefing and made available on the project website
- The project will respond in writing to questions raised during the briefing and up until 17:00 on Monday 29 November 2021

Slides as presented on 26 Nov 2021. All up to date information may be available



VICTORIAN MURRAY FLOODPLAIN RESTORATION PROJECT

HEALTHY LANDSCAPES, STRONG COMMUNITIES

vmfrp.com.au

