

CORAL BAY, BIDS FOR CONSTRUCTION OF GRAVITY SEWERS, PUMP STATIONS AND A
WASTEWATER TREATMENT PLANT

22. Hon MURRAY CRIDDLE to the Minister for Housing and Works:

Given that on 29 October 2003 the Water Corporation waived the public tendering process for the construction of gravity sewers, pump stations and a wastewater treatment plant at Coral Bay, I ask -

- (1) Why were bids invited from just four companies while seven other pre-qualified contractors, including four regionally-based specialists, were excluded from the process?
- (2) Why has the original estimate of \$3.6 million for the contract blown out by \$700 000 to \$4.33 million?
- (3) Can the minister explain why the Water Corporation would have cited the need to reduce the risk and exposure to adverse publicity and criticism as the reason for seeking the waiver from open public tendering?
- (4) If not, why not?

Hon NICK GRIFFITHS replied:

I thank the member for some notice of this question.

I am advised by the Water Corporation -

- (1) Consistent with Water Corporation processes, which have been in existence since 1996, tenders were requested from the four best-qualified companies on the infill sewerage panel for completion of these works within the time required.
- (2) There was no blow-out in the contract. The difference in the pre-tender estimate and the lowest tender price was largely a result of a scope change prior to tendering.
- (3) The corporation cited the need to minimise adverse publicity and criticism due to the imperative of expediting completion of the contract prior to the commencement of the tourist season, which was necessary as Coral Bay is an important tourist centre. As such, it was important that the construction phase of the project did not cause undue disruption to tourism operators and the public.
- (4) Not applicable.