WaterNSW
Critical State Significant Infrastructure (CSSI)
Regional Priority Dams

Construction Industry Briefing

12 May 2020
Acknowledgement of Country

On behalf of WaterNSW

we would like to begin by acknowledging the traditional custodians of the lands on which we meet today,

To all the nations whose lands we are calling from today

we pay our respects to elders, past, present and emerging.
Welcome

- Acknowledgement of Country

- Housekeeping

- Flow of the session

All attendee microphones and cameras will be switched off throughout the presentation.

Q&A will be managed via the chat function and will be at the end of the presentation.
Why we have invited you

- The scale and timetable for delivery of our CSSI Dams – Regional Priority Dams Projects is challenging
- We want you to understand the opportunities where the construction industry can work with WaterNSW to deliver this Program, and when those opportunities will come to market
- Today we will explain:

What the opportunities are

How and when we are going to engage with industry

The criticality of local industry engagement
• **WaterNSW introduction and overview** – Greg Taylor

• **Our Regional Priority Dams Program overview and construction industry opportunities** – Alex Fisher

• **Maximising local benefits, creating local jobs and partnering with local industry** – David Hogan

• **Q&A** – Greg Taylor, Alex Fisher & David Hogan; Moderated by Shawn Lee

• **Close** – Shawn Lee
WaterNSW introduction and overview

Greg Taylor, Portfolio Director
Who we are

• WaterNSW is a State-Owned Corporation established under the Water NSW Act 2014

• We are responsible for supplying the State’s bulk water needs

• We supply two thirds of water used in NSW from our:
  – 42 dams, rivers and pipelines to regional towns, irrigators, Sydney Water Corporation and local water utilities.

• We build, maintain and operate essential infrastructure
What we do – Our Market Functions

We play a vital role in improving the availability of water that is essential for water users and the communities throughout NSW – we do this through the delivery of our Market Functions:

**Source water protection**
- protection of the Greater Sydney drinking water catchment

**Bulk water supply**
- supplying water from our storages to customers in the Greater Sydney drinking water catchment and in the State’s regulated surface water systems;

**System operator**
- efficient management of the State’s surface and groundwater resources

**Bulk water supply infrastructure planning, delivery and operation**
- planning, developing, owning and operating infrastructure to meet customer-defined levels of service and in support of NSW Government policy and priorities

**Customer water transaction services**
- providing efficient and timely services to end use customers
Our area of operations
How we fit in the water market

**Our Customers**

- Sydney Water
  Independent State Owned Corporation
- Local Water Utilities
  Local Government
- Local Governments
- Agricultural Enterprises
- Environmental Agencies

**WaterNSW**

- Independent State Owned Corporation
- The Government’s bulk water Infrastructure authority
- Plans, designs, procures, builds, operates and owns water infrastructure to meet Government’s policy objectives

**Government**

- Department of Planning and Industry - Water
  The policy-making arm of the Government
  Articulates Government’s policy outcomes from Government funded infrastructure
Our strategic goals

Our People & Safety
Develop our people and live our commitment to zero harm

Our Performance
Consistently deliver and continuously improve core performance

Our Business
Evolve our business to be responsive, resilient and enduring

Our Relationships
Connect and collaborate with our customers, communities and stakeholders

Our Water Solutions
Demonstrate thought leadership in providing holistic solutions to the state’s water supply and water market challenges
Our strategic goals will influence our selection of construction industry partners

• We want demonstrated commitment and proven track record on safety and wellbeing, aligned with our own commitment to zero harm.

• We want partners who bring ideas and innovation in delivering on this fast tracked Program of works.

• Our broader commitment to communities and our customers must be upheld.

• We are committed to stimulating local economies and growing local businesses through these regional priority Projects.

• A key consideration in our selection of construction partners will be your approach to engaging local businesses and suppliers across all facets of delivery.

• We want to create a lasting positive legacy through our delivery of these Projects – we need experienced and trusted industry partners.
Our Regional Priority Dams Program overview and construction industry opportunities

Alex Fisher, Program Director
Program Overview

CSSI Dams – Regional Priority Dams Projects
Background: About the Projects

- On 13 October 2019, the Prime Minister and NSW Premier announced a jointly funded package of around $1 billion for the planning and delivery of three new or augmented dams in NSW.

- The projects included in this package were the raising of Wyangala Dam, and construction of new dams on the Mole River and Dungowan Creek.

- In making these announcements, commitments relating to the fast-tracked delivery of these projects included ‘shovels in the ground’ within 12 to 15 months and construction commencement within two years.

- Since then these Projects have been identified as Critical State Significant Infrastructure projects in the Water Supply (Critical Needs) Act 2019.

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Wyangala Dam Wall Raising
- **$650M** Estimated cost
- **650GL** Additional storage
- Commitment: $650M to construct dam

Mole River Dam
- **$355M** Estimated cost
- **100GL** Storage capacity
- Commitment: $24M for final business case

Dungowan Dam & Pipeline
- **$380M** Dam Estimate
- **$100M** Pipeline Estimate
- **22.5GL** Storage capacity
- Commitment: $480M to construct dam & pipeline
Background: About the Projects

- Raising of the embankment and downstream rockfill -10m raising the spillway and intake towers
- Extra 650GL of storage capacity to existing volume of 1,218GL
- Providing significant improvement in drought security, flood management and water reliability
- Early works ‘Shovels in ground’ involves relocating Wyangala Reflections Holiday Park
Background: About the Projects

- New ~60m high 100GL rockfill dam
- Improve water availability and security in the Border Rivers region
- Potential benefits for downstream Barwon-Darling system
- Benefits shared between QLD and NSW
- No early works
Background: About the Projects

- Replacement with a new, larger dam downstream - 22.5GL ~55m high rockfill dam

- New delivery pipeline from the new Dam to the Calala Water Treatment Plant

- Improve water availability and security in the Peel Valley and for Tamworth Regional Council

- Early works ‘Shovels in ground’ involves first stage of construction of pipeline
Project approach

Announced Project Milestones:

- Fast tracked delivery to achieve
  - Shovels in Ground Oct 20
  - Construction Commencement Oct 21

Demands a different way of operating
CSSI Dams Projects approach

Collaboration
A focus on working together to deliver on commitments

Innovation
Innovation in delivery of balanced outcomes rather than process

Concurrent Activities
Maximising concurrent activities to achieve delivery objectives
Our delivery timelines

CSSI Dam Projects

Wyangala Dam Wall Raising
- Early Works: Reflection Holiday Park relocation
- Main dam wall construction

Mole River Dam
- Main dam wall construction

Dungowan Dam & Pipeline
- Early works: Stage 1 of Pipeline
- Main dam wall construction

Legend:
- Development & Approvals
- Market Engagement / Procurement
- Construction
Program Challenges

Key Project Challenges

- Community temperament
- Committed delivery timeframes
- Funding commitments
- Operational worksites
- Property impacts
- Drought driven focus
- Market capacity
- Environmental & planning approvals
- COVID 19 impacts
**Where we are now...**

<table>
<thead>
<tr>
<th>Category</th>
<th>Status</th>
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<tbody>
<tr>
<td>Communications &amp; Engagement</td>
<td>Stakeholder &amp; community engagement started</td>
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<tr>
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<td>COVID-19 revised strategy being implemented</td>
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<td>Environmental &amp; Heritage Investigations</td>
<td>On-site investigations have commenced &amp; will be continuing to develop over coming months</td>
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<td>Technical Investigations &amp; Design</td>
<td>Planning &amp; Development Consultants appointed</td>
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<td>Technical investigation &amp; design commenced</td>
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<tr>
<td>Environmental Planning &amp; approvals</td>
<td>Scoping Reports submitted</td>
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<td>EPBC referrals submitted</td>
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<tr>
<td>Business Case Development</td>
<td>Development of business case inputs underway</td>
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<td>Final Business Cases to be developed by Jun 21</td>
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<tr>
<td>Property Management &amp; Acquisition</td>
<td>Investigating inundation extent &amp; impacts</td>
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<td>Land owner engagement commencing May 20</td>
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<tr>
<td>Early Works &amp; Construction</td>
<td>Delivery models/procurement strategies defined</td>
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<td>Developing procurement documentation</td>
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Construction Industry Opportunities
• We want a demonstrated commitment to safety
• All major construction contracts will be competitively tendered
• Collaborative procurement and delivery approaches are critical to achieving project commitments, quality outcomes and positive community legacy
• We want to harness ideas and innovation from the construction industry
• We want to enhance and strengthen our performance through the experience of our construction industry partners
• We want genuine partnerships built on trust, performance and commitment to project objectives
Unpacking the delivery timelines

CSSI Dam Projects

Wyangala Dam Wall Raising
- Early Works: Wyangala Waters Holiday Park relocation
- Main dam wall construction

Mole River Dam
- Main dam wall construction

Dungowan Dam & Pipeline
- Early works: Stage 1 of Pipeline
- Main dam wall construction

Development & Approvals
Market Engagement / Procurement
Construction
Project delivery models

**Wyangala Dam Wall Raising**
- Estimated cost: $650M
- Additional storage: 650GL
- Commitment: $650M to construct dam

- Early Works: Holiday Park relocation
  - Delivery Model: Construct Only
  - Construction Start: October 2020

- Main Dam Wall Construction
  - Delivery Model: Alliance
  - Construction Start: October 2021

**Mole River Dam**
- Estimated cost: $355M
- Storage capacity: 100GL
- Commitment: $24M for final business case

- Main Dam Wall Construction
  - Delivery Model: Construct Only with Early Tenderer Involvement
  - Construction Start: October 2022

**Dungowan Dam & Pipeline**
- Estimated cost: $380M
- Pipeline Estimate: $100M
- Dam Estimate: 22.5GL
- Commitment: $480M to construct dam & pipeline

- Early Works: Stage 1 of Pipeline
  - Delivery Model: Design & Construct with Early Contractor Involvement
  - Construction Start: October 2020

- Main Dam Wall Construction
  - Delivery Model: Construct only with Early Tenderer Involvement
  - Construction Start: October 2021
Project procurement

**Wyangala Dam Wall Raising**

- **$650M Estimated cost**
- **650GL Additional storage**
- Commitment: $650M to construct dam

**Early Works: Holiday Park relocation**
- Delivery Model: Construct Only
- Construction Start: October 2020

**Main Dam Wall Construction**
- Delivery Model: Alliance
- Construction Start: October 2021

<table>
<thead>
<tr>
<th>Project</th>
<th>Q1 2020</th>
<th>Q2 2020</th>
<th>Q3 2020</th>
<th>Q4 2020</th>
<th>Q1 2021</th>
<th>Q2 2021</th>
<th>Q3 2021</th>
<th>Q4 2021</th>
<th>Q1 2022</th>
<th>Q2 2022</th>
<th>Q3 2022</th>
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<tbody>
<tr>
<td>Open Market Expression of Interest Process</td>
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<td>Initial Alliance Phase (WNSW, Contractor, Designer)</td>
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<td>Final Proposals Received &amp; Negotiated</td>
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**Development & Approvals**
- Open Market Expression of Interest Process
- RFP Phase: Proponent 1
- Evaluation of Proposals
- Initial Alliance Phase (WNSW, Contractor, Designer)

**Market Engagement / Procurement**
- Open Market Expression of Interest Process
- RFP Phase: Proponent 1
- Evaluation of Proposals
- Initial Alliance Phase (WNSW, Contractor, Designer)

**Construction**
- Open Market Expression of Interest Process
- RFP Phase: Proponent 1
- Evaluation of Proposals
- Initial Alliance Phase (WNSW, Contractor, Designer)
Project procurement

Mole River Dam

$355M Estimated cost 100GL Storage capacity

Commitment: $24M for final business case

Main Dam Wall Construction

- Delivery Model: Construct Only with Early Tenderer Involvement
- Construction Start: October 2022

Estimated cost: $355M
Storage capacity: 100GL

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WaterNSW
Project procurement

Dungowan Dam & Pipeline

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Commitment: **$480M** to construct dam & pipeline

### Early Works: Stage 1 of Pipeline

- Delivery Model: Design & Construct with Early Contractor Involvement
- Construction Start: October 2020

### Main Dam Wall Construction

- Delivery Model: Construct only with Early Tenderer Involvement
- Construction Start: October 2021

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**Q1 2020**

- **Q1 2020**
- **Q2 2020**
- **Q3 2020**
- **Q4 2020**

**Q1 2021**

- **Q1 2021**
- **Q2 2021**
- **Q3 2021**
- **Q4 2021**

**Q1 2022**

- **Q1 2022**
- **Q2 2022**
- **Q3 2022**
- **Q4 2022**

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**WaterNSW**
Construction procurement next steps

✓ All major construction procurement will be notified and managed through the eTender website

✓ Proponent will be required to address the key selection criteria for evaluation and progression at each stage

✓ Local businesses interested in engagement for support services can register interest on the Project websites

- Watch the eTender website for release of procurement packages
- Must address selection criteria to be evaluated for progression through process
- Local businesses registered to be supplied to major contractors
Maximising Local Benefits,
Creating local jobs
Partnering with
local industry

David Hogan,
Head of Engagement
and Communications
What we will be expecting of you

The CSSI Dams projects provide major opportunities for local communities and economies. We are committed to maximising local opportunities at every step of the project.

**Demonstrated track record in use of local contractors and suppliers**
- Will form part of the selection criteria for tenders

**Monthly reporting of local employment and use of local businesses**
- All project contractors will be required to report monthly on use local employees as % of total workforce, number of local businesses engaged and value of local investment;

**Processes and payments to support local businesses**
- Faster payment systems for local businesses to support cashflow and notice period for tenders.

**Work Closely with local business and industry groups**
- WaterNSW has already commenced a local business registration and you will be expected to give every opportunity to business who have registered. Along with working positively with local groups

**Actively identify and develop opportunities with WaterNSW for Training**
- Partnering with local TAFE, training providers and local groups to secure training programs and opportunities.
CSSI Dam Project Business registration portal launched 2 weeks ago by Minister Pavey

The details of all registrants will be provided to support local business opportunities

All tenders will be emailed directly to local businesses to identify opportunities and give time to tool up and tender.

Maximising Local Opportunities

- Business Portal Now open
- We expect all tenderers to engage with and identify local suppliers
- Business Registration Portal Contact lists.
Focus on local opportunities

MEDIA RELEASE

Saturday, 10 July 2020

STAGE 1 BEGINS ON STATE SIGNIFICANT DAMS

The NSW Government has today announced $245 million to commence Stage 1 of the delivery of the Wyangala Dam and Dungowan Dam projects in NSW and investigations into a third dam on the Mole River.

All three projects have been declared Critical State Significant Infrastructure and the funding will contribute to final business cases, pre-construction and preliminary works for the Wyangala Dam Wall raising and the new Dungowan Dam.

Deputy Premier John Barilaro said the Wyangala, Dungowan and Mole River projects all have the potential to create hundreds of regional jobs, secure water for their communities, and provide economic and social benefits to hundreds of residents and businesses.

"The time is now to build dams in NSW, to be bold in our vision for regional communities and take control of our future," Mr Barilaro said.

"We are disadvantage future generations if we don't learn our lesson in this drought and build more dams now.

"Today sets a new precedent for building dams in NSW and will act as the blueprint for growing the prosperity in our regions by investing in our state's water security," Minister for Water, Property and Housing Melinda Pavey said these works are desperately needed to ensure more water can be stored to sustain local communities between periods of drought.

"Last year the NSW Government made a commitment to build new dams in NSW and despite the challenges of COVID we are getting on with the job of delivering these essential projects, which will benefit local communities now and into the future," Mrs Pavey said.

"Once-in-a-generation infrastructure projects will improve water security for farming, irrigation, industry and homes and boost local economies.

"Raising Wyangala Dam's wall will increase its storage capacity by 53 percent, or an additional 650 gigalitres, increasing drought resilience for the entire Lachlan Valley."

All three dams are part of the NSW Government's $1 billion water infrastructure package announced last year, co-funded with the Commonwealth Government.

Media: Jennifer Lugsdin | Deputy Premier | 0427 930 922
Jessica Cole | Minister Pavey | 0448 722 437
Questions?

- All attendee microphones and cameras will remain switched off.
- Q&A will be managed via the chat function.

Moderated by: Shawn Lee
Procurement Adviser

Greg Taylor, Major Projects Portfolio Director
Alex Fisher, Program Director
David Hogan, Head of Engagement and Communications
Broader opportunities

- We encourage industry to partner or to form professional relationships, including with local businesses, for the delivery of each project

- We will continue to procure many of the professional and support services required to support project development through to Final Business Case

- We encourage local businesses to register their interest and to make contact with larger industry players

- We are interested in hearing from the construction industry in terms of ideas for the projects and lessons learnt

- We encourage you to help WaterNSW deliver this exciting program of Regional Priority Dams Projects
Where to next

Presentation from today’s briefing will be made available on 14 May 2020 through the WaterNSW website.

Project information and updates are also available through the WaterNSW website.

Construction packages for each project will be publicly advertised on the NSW E-Tenders website as they become available. Each advertisement will provide specific details on how to participate and submit your tender for the relevant package.