

BACKGROUND SUMMARY OF CONTRACT

Sydney Water Corporation (Sydney Water) provides drinking water, recycled water, wastewater services and some stormwater services to more than four million people in Sydney, Illawarra and the Blue Mountains. The area of operations, totalling almost 13,000 square kilometres, extends from the Hawkesbury River in the north to Gerroa in the south, and from the Pacific Ocean westward to Mount Victoria in the Blue Mountains. Further details about Sydney Water are available at www.sydneywater.com.au

Sydney Water and its contractors require Magflow meters and pressure transmitters to be used in various Sydney Water operational facilities. The total value of the equipment to be procured over the next ten years is estimated at \$4.5 million for Magflow meters and \$3 million for pressure transmitters. Sydney Water may procure some of the equipment directly under this contract. Contractors of Sydney Water will procure the majority of the equipment directly under separate contractual arrangements.

The purpose of this procurement is for Sydney Water to enter into a head contract with a suitable supplier (or suppliers) for the supply and delivery of the following equipment.

- Separable Portion 1 – Supply & Delivery of Magflow Meters.
- Separable Portion 2 – Supply & Delivery of Pressure Transmitters.

The head Contract also contains an optional Separable Portion 3 for the ongoing maintenance of the Magflow Meters and/or Pressure Transmitters supplied.

The contract period will be for a minimum of five [5] years, with options for Sydney Water to extend at its discretion for a further three [3] years and again a further two [2] years. The head contract will be on a non-exclusive basis without commitment to specified quantities. When the equipment is required, Sydney Water would issue individual purchase orders under the conditions of this head contract. Payment would be made directly by Sydney Water.

When an order is placed by a contractor of Sydney Water, the Supplier will be entering into a separate contract agreement with that contractor to supply the required equipment based on the general and technical specifications of this head Contract and the accepted equipment model. Payment would be made directly by the Sydney Water's contractor who made the order.

Tenderers with relevant capabilities may tender for any one or more Separable Portions for the different categories of Magflow Meters and Pressure Transmitters as set out in the attached Tender Schedules. (Tenderers must tender for a complete Separable Portion in order to be considered for award of one or more Separable Portions.) Sydney Water reserves the right to split the scope of work and award one or more contracts to different tenderers under any one separable portion of work. Sydney Water's intention is to award head Contracts to a maximum of two suppliers for each separable portion.

The awarding of a Head Contracts will ultimately depend on the merits of the tender response including the following.

- Tenderer's demonstrated experience in supply of Magflow meters and/or pressure transmitters
- Quality of equipment meeting Sydney Water's technical requirements
- Tenderer's business systems showing adequate resources to support the delivery of the goods ordered
- Tenderer's capability in providing quality local technical support services for the support and maintenance of Magflow meters and pressure transmitters