



**INDUSTRY BRIEFING** 

October 2019

#### **AGENDA**





## **SUBMITTING QUESTIONS**



- (1) Go to PollEv.com
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- (3) Respond to activity



- 1 Text INLANDRAIL to **+61 427 541 357**
- 2 Text in your message

## **INLAND RAIL UPDATE**

#### **BRAD JACKSON**



## **INLAND RAIL BENEFITS**



GDP/GSP BOOST









**JOBS** 

16,000



7,200



NEW SOUTH WALES 5,000



**2,800** 

other states 1,000

### WHAT'S BEEN ACHIEVED



### TOTAL VALUE OF >320 LIVE CONTRACTS = >\$700 million

(at end September 2019)

- ► Construction contracts | ~\$300 million
- ► Ballast / capping supply | ~\$17 million
- ► Culverts | ~\$13 million
- ► Turnouts | ~\$2 million
- ► Concrete sleepers | ~\$45 million
- ► Steel rail | ~\$51 million

- ▶ 10 Reference Design Contracts awarded (including 3 x PPP Projects) | ~\$95 million
- ▶ 2 Detailed Design Contracts awarded | ~\$43 million
- Service providers e.g. accommodation, local shops – bakeries, cafés, retail, fuel and building supplies

# PARKES TO NARROMINE EMPLOYMENT AND LOCAL BENEFITS



#### INLAND RAIL ==

INLAND RAIL SOCIAL PERFORMANCE

**SNAPSHOT 2019** 

December 2018 to September 2019

ARTC

The Australian Government is delivering inland Rail through the Australian Rail Track Corporation IARTCI, in partnership with the private section.















\$41.2M

total spend with local businesses

\$5.3M

total spend with Indigenous businesses

# ACHIEVEMENTS | PARKES TO NARROMINE (P2N) CONSTRUCTION PROJECT



- Awarded in October 2018 to INLink (a JV between BMD and Fulton Hogan)
- ▶ \$300m Rail Upgrade Works between Parkes and Narromine
- North West Connection completed and opened, as scheduled, in September 2019
- Main Line works progressing to schedule with completion scheduled for Q2 2020
- ► Contractor has achieved 48% completion of the project
- Contractor is on schedule to complete in Q2 2020, as planned
- ARTC and INLink continue to work to meet the project requirements



## WHAT'S IMPORTANT TO US



- Social Performance
  - ► Local and Indigenous participation
  - Workforce Management (participation and development)
  - ► Housing and Accommodation
  - ► Health and Community Wellbeing
  - ► Community and Stakeholder Engagement
- Managing the skills shortage and sustainable capability
- Spreading local economic benefits
- Partnering



- Sustainability
  - ▶ Understand our commitment
  - Sustainability tender criteria
  - Collaborate to deliver sustainability rating

## **PROCUREMENT AND INDUSTRY ENGAGEMENT**

#### **MARC ALLEN**



### **PROBITY**





#### **PROBITY OBJECTIVES**

- ► Transparency of the tender process
- ► Obtaining best value for money
- ► Management of conflicts of interests
- **▶** Confidentiality
- ► Accountability of the process
- Monitoring and evaluating performance of the process

#### **ENSURES THAT**

- ► All Tenders are evaluated fairly
- ► No Tenderer is given an unfair advantage
- ► No Tenderer is unfairly disadvantaged



Inland Rail has two Probity Advisors:

1. BDO

PPP component (3 x projects)

2. O'Connor Marsden & Associates Pty Ltd Remainder of alignment (10 x projects)

# PROBITY ADVISOR ROLE AND INVOLVEMENT

- ► Confirms that appropriate processes are in place
- ► Attends all scoring evaluation meetings, and meetings with Tenderers
- ► Provides independent oversight of and reporting on evaluation process
- ► Resolves probity issues

#### **KEY SELECTION CRITERIA FOR ARTC**



- Previous experience in delivering the relevant type of works
- ► Compliance with Australian Government Building Code
- WHS Accreditation requirements including an Industrial Relations Management Strategy
- Confirmation of financial capacity to deliver the relevant type of works
- Accredited management processes for quality, safety, environment etc.
- Safety and Environmental performance
- ▶ Social Performance outcomes
- ▶ Demonstrated spread of local economic and community benefits
- Sustainability initiatives

## PROCUREMENT AND DELIVERY STRATEGY



PROJECT	STRATEGY
	Smaller Packages:
A2I	<ul> <li>Design &amp; Construct (D&amp;C) and/or Construct only: (Wagga station precinct, Albury Station Precinct, Junee Station Precinct)</li> <li>Proposed Third Party to Manage (TBC)</li> </ul>
I2S	Single Works Package delivered as a Design & Construct (D&C)
	Smaller Packages delivered as a Design & Construct (D&C) and/or Construct only:
S2P	<ul> <li>Daroobalgie Loop</li> <li>Lachlan River Bridge</li> <li>Wyndham Avenue Bridge</li> <li>Track slews at five loops/sidings (Wirrinya, Forbes, Bribbaree, Caragabal, Red Bend)</li> </ul>
N2N	Single Design & Construct (D&C) package or Collaborative arrangement
N2NS	Two Packages, one Works package delivered as a Construct Only, and one Structures package delivered as a Design & Construct (D&C)
NS2B	Single Design & Construct (D&C) package
B2G	Single Package delivered via a Design & Construct (D&C) with possible ECI
K2ARB	Single Works Package delivered as a Design & Construct (D&C)

#### PROJECT AND PACKAGE INFORMATION



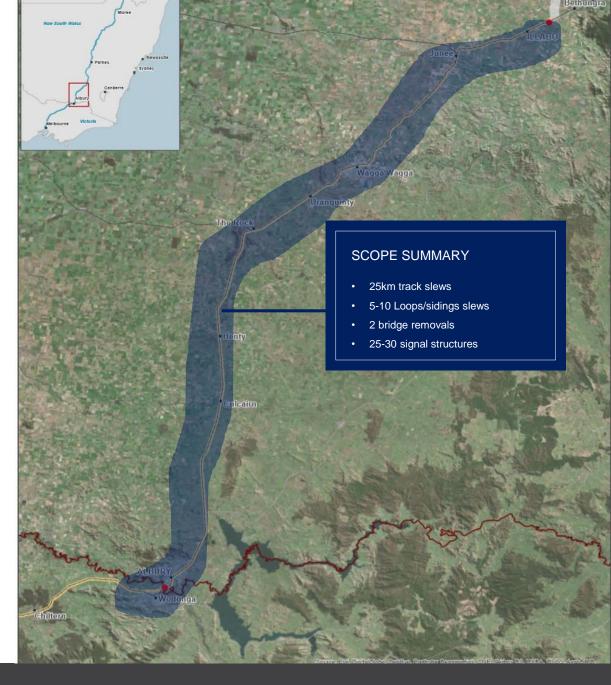
PROJECT	PACKAGE	CONTRACT TYPE	ESTIMATED VALUE	ESTIMATED TIMING	
				Commence Procurement	Construction Completion
T2A	Delivered by Interstate				
A2I	Multiple Works Packages	D&C / Construct only	<\$250 million	Q4 2020	Q4 2025
128	Single Works Package	D&C	<\$250 million	Q3 2020	Q3 2023
S2P	Multiple Works Packages	D&C / Construct only	<\$250 million	Q4 2019	Q3 2023
N2N	Single Works Package	Collaborative	>\$750 million	Q4 2020	Q3 2025
NoNO	SP1 Works Package	Construct only	>\$400 million	Q4 2019	Q2 2024
N2NS	SP2 Structures Package	D&C	>\$100 million	Q1 2020	Q2 2024
NS2B	Single Works Package	D&C	\$250-\$500 million	Q3 2020	Q2 2024
B2G	Single Works Package	D&C / ECI	>\$750 million	Q4 2020	Q4 2025
K2ARB	Single Works Package	D&C	<\$250 million	Q4 2021	Q3 2024





# **ALBURY TO ILLABO (A2I)**

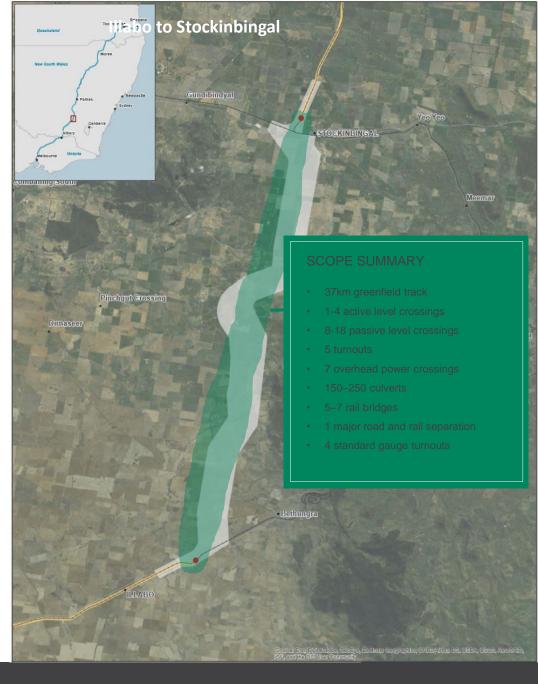
PACKAGE	Multiple Works Package
CONTRACT TYPE	D&C and/or Construct only
ESTIMATED VALUE	<\$250 million
PROCUREMENT STARTS (EST)	Q4 2020
CONSTRUCTION FINISHES (EST)	Q4 2025
SCOPE SUMMARY	<ul> <li>▶ 25km track slews</li> <li>▶ 5-10 loops/sidings slews</li> <li>▶ 2 bridge removals</li> <li>▶ 25-30 signal structures</li> </ul>





# **ILLABO TO STOCKINBINGAL (12S)**

PACKAGE	Single Works Package
CONTRACT TYPE	D&C
ESTIMATED VALUE	<\$250 million
PROCUREMENT STARTS (EST)	Q3 2020
CONSTRUCTION FINISHES (EST)	Q3 2023
	► 37km greenfield track
	► 1-4 active level crossings
	▶ 8-18 passive level crossings
	▶ 5 turnouts
SCOPE SUMMARY	▶ 7 overhead power crossings
	▶ 150–250 culverts
	► 5–7 rail bridges
	► 1 major road and rail separation
	▶ 4 standard gauge turnouts





# **STOCKINBINGAL** TO PARKES (S2P)

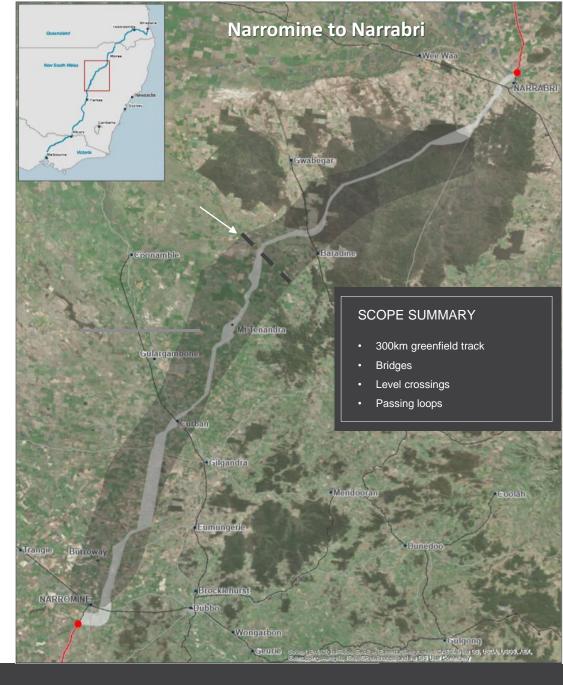
PACKAGE	Multiple Works Packages
CONTRACT TYPE	D&C and/or Construct only
ESTIMATED VALUE	<\$250 million
PROCUREMENT STARTS (EST)	Q4 2019
CONSTRUCTION FINISHES (EST)	Q3 2023
	► Lachlan River Bridge
COORE CLIMANA DV	► 5 loops/sidings to be horizontally cleared
SCOPE SUMMARY	▶ 1 new loop





# **NARROMINE TO NARRABRI (N2N)**

PACKAGE	Single Works Package
CONTRACT TYPE	Collaborative
ESTIMATED VALUE	>\$750 million
PROCUREMENT STARTS (EST)	Q4 2020
CONSTRUCTION FINISHES (EST)	Q3 2025
	➤ 300km greenfield track
SCOPE	▶ Bridges
SUMMARY	► Level crossings
	► Passing loops





# **NARRABRI TO NORTH STAR (N2NS)**

PACKAGE	Two Works Packages		
CONTRACT TYPE	SP1 Construct only Works Package	SP2 D&C Structures Package	
ESTIMATED VALUE	>\$400 million	>\$100 million	
PROCUREMENT STARTS (EST)	Q4 2019	Q1 2020	
CONSTRUCTION FINISHES (EST)	Q2 2024	Q2 2024	
SCOPE SUMMARY	► Covered later	► Covered later	





# NORTH STAR TO BORDER (NS2B)

PACKAGE	Single Works Package
CONTRACT TYPE	D&C
ESTIMATED VALUE	\$250–\$500 million
PROCUREMENT STARTS (EST)	Q3 2020
CONSTRUCTION FINISHES (EST)	Q2 2024
	▶ 39km of new track
	▶ 1 passing loop
	<ul><li>▶ 13 rail bridges, incl 1.7km bridge,</li><li>3.8km total bridge length</li></ul>
SCOPE SUMMARY	► ~400 culverts
	► Rail formation height 1-3m
	► 4 active level crossings
	▶ 5 passive level crossings
	► 7 upgrades or realignment of roads



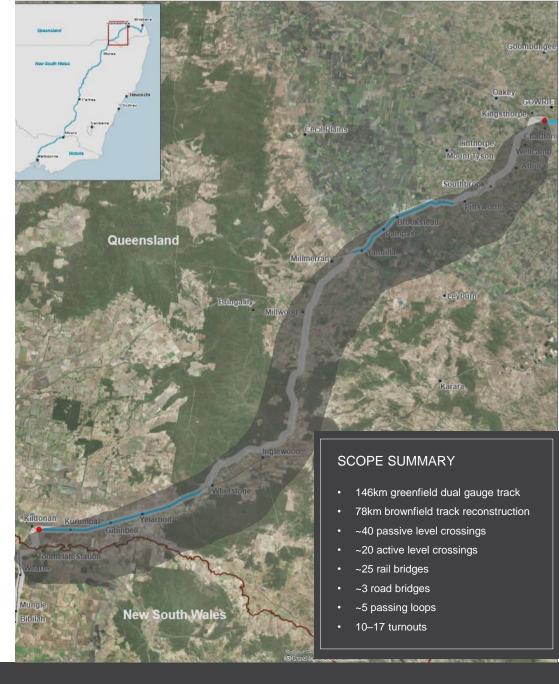
#### **QUEENSLAND ALIGNMENT**



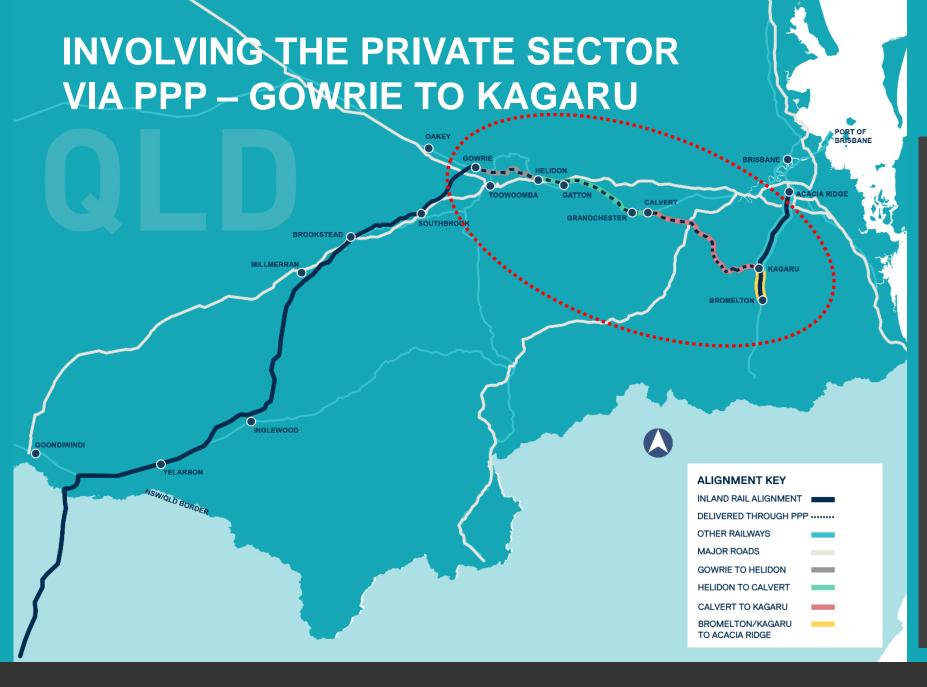


# **BORDER TO GOWRIE (B2G)**

PACKAGE	Single Works Package
CONTRACT TYPE	D&C with possible ECI
ESTIMATED VALUE	>\$750 million
PROCUREMENT STARTS (EST)	Q4 2020
CONSTRUCTION FINISHES (EST)	Q4 2025
	► 146km greenfield dual gauge track
	➤ 78km brownfield track reconstruction
	► ~40 passive level crossings
SCOPE SUMMARY	► ~20 active level crossings
	► ~25 rail bridges
	► ~3 road bridges
	► ~5 passing loops
	► 10–17 turnouts







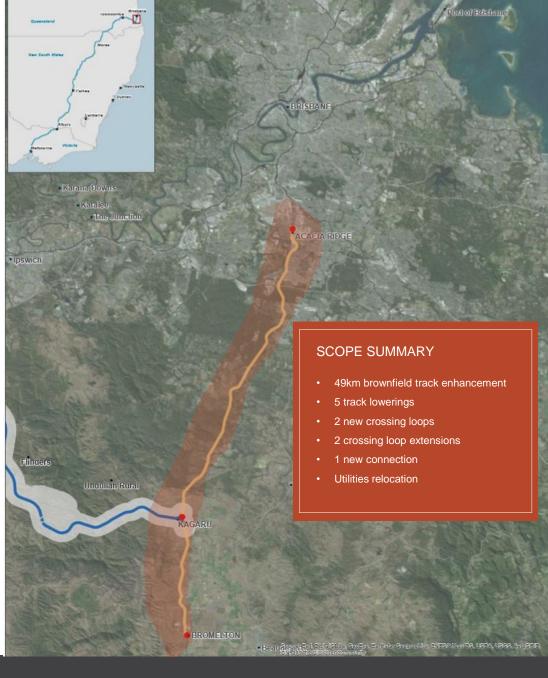


The 126km section from Toowoomba to Kagaru, including large scale tunneling, will be delivered through a Public Private Partnership (**PPP**).

Generally follows the protected Gowrie to Grandchester corridor and the Southern Freight Rail Corridor as per request of Queensland Government.

# KAGARU TO ACACIA RIDGE AND BROMELTON (K2ARB)

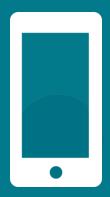
PACKAGE	Single Works Package
CONTRACT TYPE	D&C
ESTIMATED VALUE	<\$250 million
PROCUREMENT STARTS (EST)	Q4 2021
CONSTRUCTION FINISHES (EST)	Q3 2024
SCOPE SUMMARY	<ul> <li>▶ 49km brownfield track enhancement</li> <li>▶ 5 track lowerings</li> <li>▶ 2 new crossing loops</li> <li>▶ 2 crossing loop extensions</li> <li>▶ 1 new connection</li> <li>▶ Utilities relocation</li> </ul>



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## PROGRAM ENABLING AND EXPRESSION OF INTEREST FOR THE SUPPLY OF PROGRAM-WIDE SLEEPERS

#### **ROB STOREY**



#### PROGRAM ENABLING



The Program Enabling Project operates across all projects to deliver a number of elements that are critical to the success of the Inland Rail Program.

- 1. Construction accommodation strategy
- Water
- 3. Signalling
- 4. Communications and Data
- 5. Survey and Geotech
- 6. Procurement of Rail, Turnouts and Sleepers
- 7. Utilities and Third Parties

"Thirteen individually successful projects does not make a successful program"

Richard Wankmuller - CEO Inland Rail

#### **UTILITIES**

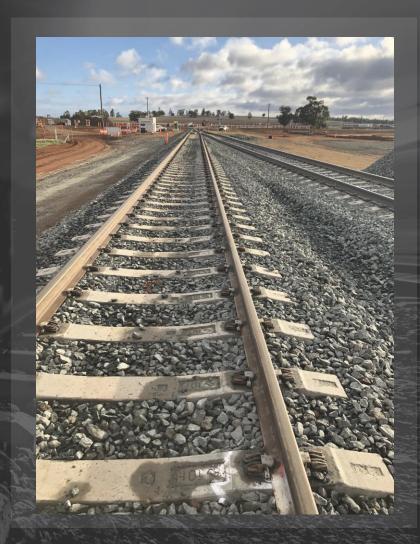


- ► More than 100 Utility Authorities and 32 Local Councils across the Program
- ► 4,000 utility conflicts that will require treatment
- ► Queensland 400 Powerlines
- ► New South Wales and Victoria 650 Powerlines
- ► 1,300 conflicts with Telstra assets

#### **UTILITIES – PROGRAM**



- Centralised Program team
- ► Agreements are in place with Program-wide Utility Authorities
- ► D&C panel for powerlines in New South Wales
- ► Energex and Ergon commissioned for Concept designs
- Specialist Telstra design team embedded
- ► Telstra relocation contractor awarded for all of Inland Rail Program
- ► Other coms carriers will use same contractor



### **UTILITIES – REFERENCE DESIGN PHASE**



#### Reference Design Phase Requirements

- ► All Utilities to achieve +/- 500mm of Spatial accuracy
- ► Scope of Work and Technical Criteria for each Utility Owner
- ► SWTC to include a concept treatment design for each conflict
- ► Agreements with Utility Authorities
- ► Known risk position D&C

## **REQUEST FOR EOI – SLEEPERS**



- ➤ 825,000 Standard Gauge and 615,000 Dual Gauge concrete sleepers
- ► Supply period July 2020 to July 2023



#### **INLAND RAIL STRATEGIC PRIORITIES**



## **Program Sleeper Supply**

# SECURITY OF SUPPLY

- Tendering process open for all of market participation
- 2. Manufacture in advance
- Storage in excess of demand

# TURNKEY SUPPLY CHAIN

- Manufacture
- 2. Storage
- 3. Logistics
- 4. Inventory Management

# INNOVATION AND LOCAL SUPPLY

- 1. Opportunity to develop sustainable regional capability
- 2. Opportunity for manufacturer and local industry to partner
- 3. Pathway for achieving Type Approval for new product

# **EXPRESSION OF INTEREST FOR THE NARRABRI TO** NORTH STAR (N2NS) SP1 WORKS

**COLIN FORDE** 



# NARRABRI TO NORTH STAR (N2NS) SP1



#### **OVERVIEW**

- ► N2NS construction to commence Q3 2020
- ► The second of 13 projects within the Inland Rail Program to reach Construction phase
- ► Key operational line within the ARTC network, with key passenger and grain customers
- Strategic location along the Inland Rail route as it provides connectivity to Newcastle
- ► EIS approval is expected in Q1 2020
- ► IFC completed for track and civils
- ▶ IFC for signalling scheduled for completion Q2 2020



# NARRABRI TO NORTH STAR (N2NS) SP1 – SCOPE



- ► N2NS SP1 is a brownfield section and involves upgrading works within the existing ARTC rail corridor
- ► Key features:
  - ► 186km of track upgrade
  - ► Recycle 90% of sleepers, rail and fastenings
  - ▶ Re-use of existing excavated material where possible back into embankments
  - ▶ 5 new crossing loops
  - ► Renewal/upgrade of existing turnouts on the main line
  - ► Improvement works through Moree and modifications to platforms at Moree Station
  - ▶ 222 new culverts and 20 new bridges to meet the 30 TAL
  - ► 85 level crossings
  - ▶ Utility relocations in ~470 locations
  - Works associated with the Newell Highway overbridge
  - ► Option for overbridge at Jones Avenue, Moree
  - ► Ancillary works



## **CLIENT-SUPPLIED MATERIALS**



#### MATERIALS SUPPLIED BY ARTC

- ► The following key materials are to be free-issue to the construction contractor:
  - ► 60kg Australian Standard plain carbon rail, and transition rails (mainline only)
  - ➤ 30 TAL heavy duty concrete sleepers and special level crossing sleepers where required
  - ► Turnouts, bearers and turnout rodding and motors



# NARRABRI TO NORTH STAR (N2NS) SP1 – OUR PARTNER



# MANDATORY CRITERIA – MINIMUM REQUIREMENTS:

- ➤ Financial | appropriate financial capacity appropriate insurances
- ➤ Systems | quality to ISO 9001 and environmental management to ISO 14001
- Compliance | Building Code and WHS Accreditation Scheme
- ► Environmental | capability and experience to achieve ARTC and SSIP (NSW) requirements
- ► Rail Safety Scenario | demonstrate an understanding of safety within rail industry

#### **EVALUATION CRITERIA:**

- ➤ Social Performance | demonstrable commitment to spread of local economic and social benefit
- WHS | demonstrable commitment to safety and proven WHS record
- Sustainability | policy, resources and previous experience with ISCA projects
- Capacity | current and future workloads, availability of resources and overall capacity in rural NSW
- Capability | in managing all aspects of large rail infrastructure projects
- Industrial Relations (IR) | ABCC Code compliance,
   IR statistics and experience, workforce make-up,
   industrial instruments and risks

## NARRABRI TO NORTH STAR (N2NS) SP1



#### TWO-PHASED PROCUREMENT PROCESS

#### Phase 1 | Open Market EOI

- Evaluation of financial capacity, technical capability and capacity, compliance with the Building Code and WHS Accreditation, approach to safety, quality, environment, sustainability, social performance, local participation and industrial relations
- ► The outcome of this phase will be a shortlist of a maximum of three proponents to proceed to the Request for Proposal (RFP) phase
- Shortlisted proponents will be allowed to bid for the N2NS SP2 project

#### Phase 2 | RFT

- ► The purpose of the RFT Phase is to select a preferred proponent to deliver the N2NS SP1 project
- ▶ Shortlisted proponents to prepare a competitive, comprehensive and compliant tender submission based on:
  - ▶ IFC design
  - Price strategy
  - ► Inland Rail's typical construct-only terms and conditions

# NARRABRI TO NORTH STAR (N2NS) SP1



#### **Procurement timetable**

Milestone	Indicative Timing
Release of EOI documents	4 October 2019 (Issued)
EOI responses received from participants	1 November 2019
Conclusion of EOI phase and selection of shortlist	22 November 2019
Release of RFT documents	29 November 2019
RFT submissions received from proponents	21 February 2020
Contract Award	June 2020
Construction Commencement	Q3 2020

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#### **SUMMARY**



- ▶ We welcome constructive engagement from industry; details to follow
- EOI for N2NS SP1 Works to be returned on 1 November 2019 at 14:00hrs (AEST)
- ► EOI for Program-wide Sleeper Supply to be returned on 11 November 2019 at 10:00hrs (AEST)
- ► Keep an eye out for the Daroobalgie Loop RFT in the next few weeks
- ► Go to inlandrail.com.au to keep up to date with the Program, or follow our Social Media channels.



# THANK YOU



The Australian Government is delivering Inland Rail through the Australian Rail Track Corporation (ARTC), in partnership with the private sector.