



# NWRWTP

North Wales Residual Waste Treatment Project

## AGENDA ITEM NO: 5

**REPORT TO:** NWRWTP JOINT COMMITTEE

**DATE:** 31<sup>st</sup> OCTOBER 2018

**REPORT BY:** CONTRACT MANAGER

**SUBJECT:** CONSTRUCTION PROGRESS REPORT

### **1. PURPOSE OF REPORT**

- 1.1. To update the Joint Committee on progress on the construction of the Parc Adfer facility

### **2. BACKGROUND**

- 2.1. Financial Close on the NWRWTP procurement was reached in mid-December 2016 and the contract formally awarded to Wheelabrator Technologies Inc (WTI).
- 2.2. WTI's Engineering Procurement and Construction (EPC) contractor is CNIM, whose Civil Engineering sub-contractor is Clugston. Both CNIM and Clugston are highly experienced contractors in the Energy from Waste (EfW) market. Furthermore, they have a well-established relationship, with Parc Adfer being their 10<sup>th</sup> EfW construction project together.
- 2.3. A Liaison Procedure for reporting progress of the construction against the timetable is set out in the Project Agreement (PA). To comply with the with PA's requirements a formal Monthly Construction Progress Report is submitted to the authority by WTI. Monthly meetings (Contract Management Board) are held with WTI and their contractors to formally report on progress, issues on site and any potential known risks to the programme.
- 2.4. The NWRWTP are represented on the Contract Management Board (CMB) and all output and discussions of the CMB is reported to the Technical Officers Group and the Project Board. The Contract Manger also attends the Monthly Progress meeting on site between WTI and the main contractors.
- 2.5. As well as the above, the authority's Contract Manager visits the site weekly, although flexibility remains to visit the site at other times should the need arise.

### **3. CONSIDERATIONS**

#### Overview and key areas of progress

- 3.1. Below is a summary of progress of the construction of Parc Adfer.



## Overall progress

- 3.2. The works have continued on the focused on the fire water tank and pump room, cladding of the buildings, switchgear rooms, administrative building and Incinerator Bottom Ash (IBA) storage area. The main focus on site in September was site drainage, fire water main ring and cladding of the boiler.
- 3.3. Work is continuing on the visitor centre, with meetings between the Partnership and WTI being scheduled for November and going forward to work on detail such as messaging, how to manage group visits etc.
- 3.4. Overall, progress on site has been good with no changes to the programme.

## Health and Safety

- 3.5. The Health and Safety record on site remains extremely good. There has been one Health and Safety reportable (Riddor) incident since the start of construction in January 2017 with over 650,000 work hours completed since then.

## Planning and Permit

- 3.6. As previously reported to the Joint Committee, a number of minor amendments were made to the planning and permit, which have both been approved by the relevant bodies. It is expected that there will be further set of non-material amendments towards the end of the construction.

## Risk to programme

- 3.7. WTI's assessment of the overall risk to the timetable remains low.
- 3.8. One area which has been highlighted as medium is Industrial Relations, specifically action by Unions (see agenda item 7 (Part 2 item), separate report).

## Reported key dates

- 3.9. WTI's reported Planned Service Commencement date is remains at 14<sup>th</sup> October 2019 and Planned Readiness Date remains at 21<sup>st</sup> May 2019. The Planned Readiness Date is a key date for the authorities as it is the date when the commissioning of Parc Adfer begins and waste from the authorities starts going to into the facility Other key dates are shown in table 2 below :-

Activity	Key Date	Achieved
Financial Close / Effective Date	15th December 2016	
Procurement of all long lead time items complete	27th March 2018	31 <sup>st</sup> July 2017
Commencement of Grid Connection Works by DNO	11th April 2018	4 <sup>th</sup> October 2017



Design works complete	7th August 2019	
Bunker excavation and concrete works complete	8th October 2018	
Site hand-over from Clugston to CNIM complete	28th June 2019	4 <sup>th</sup> December 2017
Long lead time items all on site	27th September 2018	
Long lead time items installed	31st December 2018	
Boiler pressure test	2nd August 2018	
Grid Connection G59 Test / Completion by SPEN	22nd August 2018	
Commencement of O&M Contractor staff training	18th March 2019	
Issue of Construction Completion Certificate	21st May 2019	
Issue of Readiness Test Certificate	21st May 2019	
Issue of Acceptance Test Certificate	14th October 2019	
Planned Service Commencement	14th October 2019	
EPC Contractor's Longstop Completion Date	14th October 2020	
Credit Agreement Longstop Date	15th January 2021	

3.10. Whilst the date above is the officially reported programme, indications from the contractors on site are that they are a little ahead of schedule. This is being continuously monitored by the Contract Manager and reported to the partner authorities.

#### 4. RECOMMENDATIONS

The Joint Committee is asked to:-

4.1. Note the content of this report.

#### 5. RESOURCE IMPLICATIONS

5.1. The financial implications of the contract have previously been through an approvals process within all partner authorities.

#### 6. ANTI-POVERTY IMPACT

6.1. Not applicable.

#### 7. ENVIRONMENTAL IMPACT

7.1. The environmental implications of the contract have previously been through an approvals process within all partner authorities.



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## **8. EQUALITIES IMPACT**

8.1. Not applicable.

## **9. PERSONNEL IMPLICATIONS**

9.1. Not applicable.

## **10. CONSULTATION REQUIRED**

10.1. As set out within the report.

## **11. CONSULTATION UNDERTAKEN**

11.1. Not applicable.

## **LOCAL GOVERNMENT ACCESS TO INFORMATION ACT 1985**

### **Background Documents:**

None

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