



TENDER RECOMMENDATION REPORT

TO: CHIEF EXECUTIVE OFFICER
CC: MANAGER CUSTOMER & INFORMATION SERVICES
FROM: DIRECTOR CORPORATE STRATEGY & PERFORMANCE
FILE REF: 41782 21/43797
DATE: 25 March 2021

TENDER 20141 – LoRaWAN Network and Associated Goods and Services

Issue

To consider the decline of tenders relating to Restricted Tender 20141 for the provision of a LoRaWAN Network and associated Goods and Services.

Background

In February 2020, the City went to market with an Expression of Interest (EOI), EOI No: 20029, to determine if there were technology partners interested in building, owning and operating a LoRaWAN low bandwidth network and subsequently enter into a commercial arrangement with the City for access to the service with no upfront investment required.

The EOI received 10 submissions, of those, five (5) submissions were determined as acceptable responses to proceed to the Restricted Request for Tender (RFT) stage of the process. In November 2020, a Restricted Request for Tender, Tender 20141, issued to the successful Expression of Interest vendors, with the intent of entering into a contract to establish a network and its associated infrastructure funded by the successful tenderer.

Detail

Restricted Tender No: 20141 for the provision of a LoRaWAN Network and Associated Goods and Services issued on 23 November 2020 and closed on 15 January 2021.

One addenda issued extended the Tender closing date by one week.

Essential details of the proposed contract are as follows:

Item	Detail
Contract Form	Supply of Goods and/or Provision of Services
Contract Type	Lump Sum or Schedule of Rates
Contract Duration	3 year Term
Commencement Date	Proposed March 2021
Expiry Date	Proposed March 2024
Extension Permitted	Yes, 2 periods of 3 years.

The Restricted Tender process invited the following companies:

- A&A Teleservices Pty Ltd
- Acurix Networks Pty Ltd
- BSA / Maintain
- NNNCO Pty Ltd
- RaptorTech Pty Ltd

At close of Tenders, One (1) tender submission received from National Narrowband Network Communications Pty Ltd (NNNCo)

Tender Evaluation Panel (TEP)

The TEP comprised:

- Manager Customer and Information Services
- Technical Project Manager
- Economic Development Officer
- ICT Policy Developer
- Coordinator Safety Systems

Probity Oversight

The City's Contracts Officer provided oversight to the tender assessment process with William Buck Consulting (WA) Pty Ltd attending as the independent Probity Advisor.

Tender submissions evaluated in accordance with the Procurement and Evaluation Plan (**PEP**), including the following selection criteria:

Item No	Description	Weighting
1	Sustainable Procurement	15%
2	OSH	5%
3	Overall Solution	50%
4	Experience	30%

Pricing is not included in the qualitative criteria and considered as part of the overall value for money assessment.

Compliance Check

The initial pre-evaluation review deemed the NNNCo submission non-conforming, based on responses to clarification requests regarding Price Schedule item 1.01 – NNCO network access services (One Off). The non-conformance confirmed by the independent probity advisor. A copy of the Probity Advisory letter is attached.

The restricted tender document was clear that the Contractor was to be responsible for all costs associated with the establishment of the network. The inclusion of NNNCO's Price Schedule - Item 1.01 – NNNCo Network Access Services (One Off) Fee requires the City to pay for certain equipment.

The submission does not adhere to the Tender document requirements and excludes from further assessment.

Overall Assessment and Comment

The TEP recommends the decline of the tender submission and the tender publicly reissued to include an option for up-front infrastructure investment by the City. The City will amend its conditions of tendering/contract in the new procurement process to align with the new requirements.

Statutory Compliance

The invite of Tenders is in accordance with the requirements of Section 3.57 of the *Local Government Act 1995*. The tendering procedures and evaluation complied with the requirements of Part 4 of the *Local Government (Functions and General) Regulations 1996*.

Strategic Implications

The proposal aligns with the following objective with the Strategic Community Plan 2017 – 2027:

“3 Economy – Progressive, connected communities that enable economic growth and employment.

3.3 Easy to get around – The community is well connected and accessible with and integrated transport approach for all.”

Enterprise Risk Management Considerations

Risk Title	Risk Rating
ST-S24 Strategic Asset Management	Moderate
Accountability	Action Planning Option
Director Assets	Manage

Risk Title	Risk Rating
CO-O02 Technological Advancement	Moderate
Accountability	Action Planning Option
Director Corporate Strategy and Performance	Manage

Risk Title	Risk Rating
CO-O05 Corporate Systems	Moderate
Accountability	Action Planning Option
Director Corporate Strategy and Performance	Manage

Policy Implications

The invite of Tenders is in accordance with the requirements of the City's Purchasing Policy.

RECOMMENDATION:

That the Chief Executive Officer, in accordance with the Delegated Authority, (Delegation 1.1.14 (2) Choice of Most Advantageous Tender), **DECLINES** the Tender submission received for Restricted Tender 20141 LoRaWAN Network and Associated Goods and Services.