

TENDER RECOMMENDATION REPORT

TO: CHIEF EXECUTIVE OFFICER

CC: COORDINATOR CONSTRUCTION
MANAGER INFRASTRUCTURE CAPITAL WORKS

FROM: DIRECTOR ASSETS

FILE REF: 42874 22/64611 (Confidential Attachment 22/ 64612)

DATE: 15 March 2022

TENDER 21121 PROVISION OF ELECTRICAL DESIGN AND AUDIT SERVICES

Issue

To consider the approval of Tender No. 21121 for the Provision of Electrical Design and Audit Services.

Background

Currently there are no term contract arrangements for the procurement of electrical design and audit services associated with capital projects and such service requirements have historically been secured on a project specific quotation basis.

It was determined that a new term contract is the most efficient and cost effective procurement method to meet future capital works program needs. The new contract provides for an initial 12 month contract term with provision for two, 12 month (or part thereof) contract extensions.

Detail

Tender 21121 for the Provision of Electrical Design and Audit Services was advertised on 11 December 2021 and closed on 1 February 2022. No addenda were issued.

Essential details of the proposed contract are as follows:

Item	Detail
Contract Form	Consultancy Services
Contract Type	Schedule of Rates
Contract Duration	12 Months
Commencement Date	1 April 2022
Expiry Date	31 March 2023
Extension Permitted	Yes, two (2) extension periods of 12 months
Rise and Fall	Maximum Perth All Groups CPI increases upon extensions. No other rise and fall provisions apply.

At the expiry of the initial contract period, provision exists to extend the contract for two additional periods of one year each or part thereof. Any extension would be in accordance with the terms and conditions of the contract and at the discretion of the City.

Tenders Received

Tender submissions were received from the following companies:

Tenderer's Legal Name	Trading Name	Abbreviation
GHD Pty Ltd	GHD Pty Ltd	GHD
HFM Asset Management	HFM Asset Management	HFM
Sage Consulting Engineers Pty Ltd	Sage Consulting Engineers	Sage Consulting
V Lambda Lighting Design	Lightplan Professional Lighting Designers	Lightplan
Powerlyt Group Pty Ltd	Powerlyt Group Pty Ltd	Powerlyt
Focus Consulting WA Pty Ltd	Focus Consulting WA	Focus Consulting

All submissions were accepted for assessment on the basis that they were compliant.

The Tender Evaluation Panel (**TEP**) comprised the following roles:

- Two Project Managers Construction, Infrastructure Capital Works
- Landscape Designer, Infrastructure Capital Works
- Coordinator Safety Systems

Probity Oversight

The City's Contracts Officer undertook oversight of the tender assessment process.

Tender submissions were evaluated in accordance with the Procurement and Evaluation Plan (**PEP**). The PEP included the following selection criteria:

Item No	Description	Weighting
1	Sustainable (Corporate Social Responsibility) Procurement a. Environmental Considerations 5% b. Buy Local 15% c. Reconciliation Action Plan 2.5% d. Disability Access & Inclusion 2.5%	25%
2	*OSH	20%
3	*Experience	35%
4	*Resources, Capacity and Methodology	20%

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Tenderers must achieve a minimum acceptable qualitative score as determined by the City for each of the qualitative criteria (*) detailed above which were incorporated in the evaluation considerations.

Evaluation Criteria 1 – Sustainable Procurement (25%)

Evidence of Sustainable (Corporate Social Responsibility) Procurement was assessed based on the Tenderers' responses provided within the Questionnaires provided in Schedules 3A, 3B, 3C and 3D that were included in the tender documentation.

Sub Criteria a) - Environmental Considerations (5%)

The City is committed to procuring goods and services that provide the most positive environmental, social and economic impacts over the entire life cycle of a product or service. Tenderers are encouraged to provide credentials of any environmental claims of the goods and/or services submitted in this Tender.

All tenderers provided details of their environmental considerations within Schedule 3A, with the following ranking:

Tenderer	Ranking
HFM	1
Powerlyt	2
GHD	3
Focus Consulting	4
Sage Consulting	5
Lightplan	6

Sub Criteria b) - Buy Local (15%)

The City encourages the development of competitive local businesses within the geographical boundaries of the City first and secondly within the broader region. This commitment includes, but is not limited to:

- Purchasing locally made and sourced goods/services;
- Inviting local businesses to participate in quotation, tender and expressions of interest opportunities;
- Providing an advantage to businesses based within the City's boundaries;
- Providing an advantage to businesses, which can demonstrate economic benefit to the City's community such as employing local residents/sub-contractors and/or purchasing goods/services from local providers.

All Tenderers provided details of their buy local considerations within Schedule 3B, with the following ranking outcome:

Tenderer	Ranking
Powerlyt	1
Focus Consulting	2
HFM	3
Sage Consulting	3
GHD	5

Lightplan	5
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Sub Criteria c) - Reconciliation Action Plan (RAP) (2.5%)

The City’s vision for reconciliation is to create an inclusive community with strong relationships across cultures based on mutual respect and understanding. The Reconciliation Action Plan (RAP) was developed to achieve this vision.

As part of the RAP, the City is committed to procuring goods/services from suitably qualified Aboriginal and Torres Strait Islander businesses where practical.

Tenderers were encouraged to demonstrate how their Tender submission can contribute to the achievement of this/these outcome(s), or what similar initiatives are undertaken within their own company.

Key consideration of how responses provided relate to:

- RELATIONSHIPS - building positive relationships between indigenous and non-indigenous people
- RESPECT – recognising the contribution of Indigenous people to Australia and learning more about the history, culture and diversity in a two-way communication process
- OPPORTUNITIES – attracting, developing and retaining organisational talent to build opportunities for aboriginal employment, training, development and mentoring.

All Tenderers provided details of their RAP, with the following ranking outcome:

Tenderer	Ranking
GHD	1
HFM	2
Powerlyt	3
Focus Consulting	4
Sage Consulting	5
Lightplan	5

Sub Criteria d) Access & Inclusion Plan (AIP) (2.5%)

The City’s commitment to access and inclusion is also demonstrated within the City’s core business and Strategic Community Plan 2021 – 2031. Consistent with the Strategic Community Plan and the City’s AIP, agents and contractors are required to read and to the extent practicable, implement the relevant strategies of the City of Wanneroo AIP.

The City encourages its agents and contractors to adopt similar initiatives as outlined in the City’s AIP within their own organisations. Tenderers are encouraged to demonstrate how their Tender submission can contribute to the achievement of this/these outcome(s), or what similar initiatives are undertaken within their own organisation.

Evaluation of this sub criteria resulted in the following ranking:

Tenderer	Ranking
GHD	1

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HFM	2
Focus Consulting	3
Lightplan	3
Sage Consulting	3
Powerlyt	3

Overall Sustainable Procurement Ranking Summary

The following presents the overall Sustainable Procurement criterion ranking:

Tenderer	Ranking
Powerlyt	1
HFM	2
Focus Consulting	3
GHD	4
Sage Consulting	5
Lightplan	6

Evaluation Criteria 2 - Tenderer's Safety Management Systems (20%)

All companies' responses to the Safety Management System Questionnaire questions have been assessed with some determined to have inadequate safety management measures established which do not meet minimum requirements.

The tenderers were ranked as shown below under this criterion:

Tenderer	Ranking
Powerlyt	1
GHD	2
HFM	3
Sage Consulting*	4
Lightplan*	5
Focus Consulting*	6

*Occupational Health and Safety minimum requirements were not met by the submissions from Sage Consulting, Lightplan and Focus Consulting.

Evaluation Criteria 3 – Tenderer's demonstrated experience relative to this Tender (35%)

The tenderers' relevant experience in demonstrating the achievement of meeting client expectations as presented in their tender submissions was assessed in order to evaluate their capability to meet the requirements of the contract. Assessment of the tender submissions against this criterion closely examined the tendering entity's credentials to fulfil the requirements of the contract.

The tenderers were ranked as shown below under this assessment criterion:

Tenderer	Ranking
Focus Consulting	1

Sage Consulting	1
Powerlyt	3
GHD	4
HFM	5
Lightplan*	6

*Lightplan did not achieve the minimum requirements for this criteria.

Evaluation Criteria 4 - Tenderer’s resources, capacity and methodology to meet the requirements of the Contract (20%)

The tenderers’ methodology and resources as presented in their tender submissions were assessed in order to evaluate their capacity to meet the requirements of the contract. Assessment against this criterion considered the tenderers’ staff resources, vehicles, plant/equipment and supply approach to manage the contract.

The tenderers ranked as shown below under this assessment criterion:

Tenderer	Ranking
Sage Consulting	1
Focus Consulting	2
Powerlyt	3
GHD*	4
HFM*	4
Lightplan*	6

*GHD, HFM and Lightplan did not achieve the minimum requirements for this criteria.

Overall Qualitative Weighted Assessment and Ranking

Tenderers submissions were reviewed in accordance with the Procurement and Evaluation Plan with the following key observations:

- Price is not weighted and in this instance although an overall value for money comparison assessment of all tenders was undertaken, only one company, Powerlyt, scored a minimum acceptable score in all of the mandatory criteria.
- The tender submissions were evaluated in accordance with the qualitative criteria and weightings as detailed in the Procurement and Evaluation Plan, and were assessed against sustainable procurement as well as the necessary experience, resources, methodology and safety management systems required to undertake the contract requirements.
- The top ranked company provided a strong submission with the final assessment result determining that Powerlyt was the top ranked tender submission with strong evidence that the company has the necessary resources, previous experience, ability and adequate management systems to undertake the contract, subject to an independent financial check audit.

The tenderers ranked overall as shown below under this criterion:

Tenderer	Ranking
Powerlyt	1

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Sage Consulting*	2
Focus Consulting*	3
GHD*	4
HFM*	5
Lightplan*	6

*Tenderers did not meet minimum requirement of one or more mandatory criteria

Pricing Assessment

Pricing was not included in the qualitative criteria but was to be considered in the overall value for money assessment. Only Powerlyt scored above the minimum acceptable scores in the mandatory qualitative criteria, however a pricing comparison across all tenderers was undertaken and determined that Powerlyt submitted the best value for money tender.

The typical historical utilisation of this type of service for individual completed projects forms the basis of the matrix to formulate the price assessment scenario of the likely annual expenditure forecast. The Confidential Attachment provides a reference to the price assessment outcome.

Overall Assessment and Comment

In summary, Powerlyt provided a tender submission in accordance with the terms of the tender document, meeting the City's tender criteria and based on the value for money assessment, their tendered rates were assessed to be market competitive.

The company is a long established Perth metropolitan company with a strong performance record delivering electrical design and auditing services to many metropolitan local authorities and there is a strong degree of confidence in the company's potential to fulfil the needs of this contract in a proficient manner.

Consultation

The primary stakeholders Asset Maintenance and Infrastructure Capital Works were engaged in advance of the tender process to ensure procurement arrangements fully meet operational requirements.

Statutory Compliance

Tenders were invited 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 2021 – 2031:

“Goal 5: A well-planned, safe and resilient City that is easy to travel around and provides a connection between people and places.

Priority 5.3 - Manage and maintain assets

Wanneroo will be a City known for having high quality new and existing assets that are well managed, maintained to be fit for purpose and valued by local communities. The City's assets will be future proofed by design and also provide maximum return on investment into the future."

Enterprise Risk Management Considerations

Risk Title	Risk Rating
CO-007 Purchasing	Low
Accountability	Action Planning Option
Director Corporate Strategy and Performance	Manage
Risk Title	Risk Rating
CO-008 Contract Management	Low
Accountability	Action Planning Option
Director Corporate Strategy and Performance	Manage
Risk Title	Risk Rating
CO-017 Financial Management	Moderate
Accountability	Action Planning Option
Director Corporate Strategy and Performance	Manage
Risk Title	Risk Rating
CO-O23 Safety of Community	Moderate
Accountability	Action Planning Option
Director Community & Place	Manage

Purchasing Policy Implications

Tenders were invited in accordance with the requirements of the City's Purchasing Policy.

Financial and Performance Risk

Financial Risk

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An express credit check was undertaken which providing a 'very strong' financial rating. The preferred Tenderer is a WALGA Panel member, with the cost of each of the services required for this contract being relatively low value and paid for on completion of each assignment.

Performance Risk

Given the nature of this contract and the established reliable service track record of Powerlyt to the Perth market, particularly the metropolitan local government sector, with no known performance shortcomings, performance risk is assessed as minimal.

Financial (Budget) Implications

The extent of expenditure associated with this contract is dependent on the type of capital works projects approved in the Capital Works Program. The cost of such works will be directly charged to projects. Expenditure will also be incurred for maintenance works, with costs incurred to be charged to Maintenance Operating Budget allocations.

Based on service requirements similar to recent years the estimated annual cost of providing electrical design and audit services is estimated to be approximately \$120,000 per annum.

Recommendation:

That the Chief Executive Officer, in accordance with Delegation 1.1.14 - Choice of Most Advantageous Tender of the Delegated Authority Register for the awarding of tenders ACCEPTS the tender submitted by Powerlyt Group Pty Ltd for Tender 21121, for the Provision of Electrical Design and Audit Services, as per the schedule of rates in the tender submission for a period of 12 months with options to extend for a further two, 12 month periods or part thereof.