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15.1 Award of Tender 2017-12 ‘Supply of Project Management and Site Supervision to a Panel of Project Management Consultants’

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Applicant/ Proponent:	N/A
Subject Land/ Locality:	N/A
Date:	13 September 2017
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Authorising Officer:	Gerard Sherlock, Director Infrastructure & Town Services
Disclosure of Interest from Author:	Nil
Authority/Discretion:	<input type="checkbox"/> Advocacy <input checked="" type="checkbox"/> Executive <input type="checkbox"/> Legislative <input type="checkbox"/> Quasi-Judicial <input type="checkbox"/> Information Purposes

Attachments:

1. Evaluation Report (Confidential – Under Separate Cover)

OFFICER RECOMMENDATION

That with respect to Request for Tender (RFT) 2017–12 Supply of Project Management and Site Supervision Services, Council endorse the recommendation of the evaluation panel. The contract is for an initial period of one (1) year with an option to extend the contract for a further two (2) x 12 month periods at the absolute discretion of the Town.

SIMPLE MAJORITY VOTE REQUIRED

EXECUTIVE SUMMARY

The purpose of this report is to provide a summary of the assessment of submissions received for the Request for Tender (RFT) 2017–12 Supply of Project Management and Site Supervision Services and to endorse the evaluation panel's recommendation of forming a panel of two (2) preferred tenders to provide these services.

DETAIL

The Town of Port Hedland (ToPH or Town) is seeking to appoint a panel of two (2) professional Project Management Consultants possessing appropriate expertise and experience to provide assistance with a number of projects within the Town's boundaries. The appointment will be based on a term contractual arrangement with an initial period of one (1) year with an option to extend the contract for a further two (2) x 12 month periods at the absolute discretion of the Town.

At present the Town engages Project Managers, Engineers and Site Supervisors on an as needed basis. These services help to complement the existing skills and knowledge base available within the Town as well as providing valuable skills and knowledge outside of what the Town currently has. Having a panel of preferred tenderers allows the Town to more accurately budget for its expenditure going forward and also greatly reduces the time required to engage these crucial services.

This is a non-exclusive tender and the Town reserves the right at its absolute discretion to source project management consultancy services outside of this RFT for projects as and if required.

Request for Tender

The documentation for RFT 2017–12 Supply of Project Management and Site Supervision Services was released on Wednesday 9 August 2017. When the Tender submissions closed on Thursday 24 August 2017, 11 submissions were received.

Submissions were received from the companies listed below:

Company name	Registered Address
Cushman Wakefield Pty Ltd	Level 17 / 141 St Georges Terrace, Perth WA 6000
GHD Pty Ltd	Unit 186, 26 Sharpe Avenue, Karratha WA 6714
NS Projects Pty Ltd	Suite 4, Level 1, 437 Roberts Road, Subiaco WA 6008
Practised	44 Willcock Street, Ferndale WA 6148
Pro Earth Civil	183 Falls Road, Lesmurdie WA 6076
RFF Pty Ltd	17/44 Counihan Crescent, Port Hedland WA 6721
Shawmac Pty Ltd	Level 1 / 908 Albany Highway, East Victoria Park 6981
Talis Consultants	66B Queens Crescent, Mount Lawley WA 6050
TEC Services Group Pty Ltd	Lot 2 Hardie Street, Port Hedland WA 6721
Engenuity Engineering Pty Ltd	Level 4 / 1101 Hay Street, West Perth WA 6005
Worley Parsons Services Pty Ltd	QV1 Building, Level 7, 250 St Georges Terrace, Perth WA 6000

Tender Assessment

All compliant tender submissions have been evaluated by a panel of three (3) Town employees whose main objectives were:

- (a) Make a recommendation to the CEO, as to the Tenderer that best represents value for money;
- (b) Ensure the tender submissions are assessed fairly in accordance with a predetermined weighting schedule;
- (c) Ensure adherence to Local Government policies and legislation; and
- (d) Ensure that the requirements specified in the Request are evaluated in a way that can be measured and documented.

Evaluation Panel consisted of:

- Manager Depot Operations, Voting Member
- Coordinator Maintenance, Voting Member

- Director Infrastructure & Town Services, Voting Member
- Procurement Officer, Non-Voting Member

Out of the 11 submissions, only nine (9) were deemed compliant and assessed against the tender assessment criteria of; price (inclusive of application of Regional Preference Policy), previous relevant experience, key personnel and provision to supply multiple resources, complete contract works and self-sufficiency. The approved weighting for the qualitative criteria is shown in the table below:

Criteria	Weighting
Price, inclusive of application of Regional Preference Policy	40%
Previous Relevant Experience	20%
Key Personnel	20%
Provision to supply multiple resources, complete contract works and self-sufficiency	20%

A summary of the assessment results of submissions received for RFT 2017–12 is included in the confidential attachment.

BASIS FOR PANELS DECISION

Quality

The preferred tenderers are highly experienced contractors/consultants having spent several years working in the Pilbara region. Both companies are highly experienced and have a very diverse and knowledgeable team. They have undertaken both medium and large scale projects and have an excellent track record.

Having both a local and non-local contractor/consultant will provide the reliability and knowledge base required to ensure a quality service is delivered for the Town.

Price

Both preferred tenderers submitted highly competitive rates and have demonstrated clear value for money for the Town.

In summary, the preferred tenderers nominated by the evaluation panel are best suited to meet the request requirements at a competitive price and therefore represents value for money for the Town.

Engagement and Communications

Internal consultation has taken place with reference to the development of the RFT and in identifying proposed projects to be undertaken by the Project Management Consultants.

Discussions have also taken place with Governance and Risk in relation to compliance and non-compliance related matters.

LEGISLATION AND POLICY IMPLICATIONS

The Local Government Act and Town of Port Hedland's Procurement Policy were observed when preparing and awarding this tender.

The *Local Government Act (1995)* section 3.57 and the *Local Government (Functions and General) Regulations 1996* part 4, division 2 provide statutory requirements for the release, assessment, and award of tenders.

RFT 2017–12 was conducted in accordance with the following policies: The Town of Port Hedland's Procurement Policy 2/007, Tender Policy 2/011, and Regional Price Preference Policy 2/016.

Sections of this report pertaining to price submissions from tenderers have been deemed confidential in accordance with the *Local Government Act (1995)* section 5.23 part 2(e) (iii).

FINANCIAL IMPLICATIONS

All costs associated with engaging the Project Management Consultants will be capitalised and allocated against each individual project.

STRATEGIC AND RISK IMPLICATIONS

Environmental

There are no significant identifiable environmental impacts arising from adoption of the officer's recommendation.

Economic

There are no significant identifiable economic impacts arising from adoption of the officer's recommendation.

Social

There are no significant identifiable social impacts arising from adoption of the officer's recommendation.

Financial

There are no apparent financial risks associated with the item. Each engagement will be provided with a clear scope of works and an agreement to deliver accordingly. Should any financial risks become apparent in the future, the contract can be varied to address these risks.

Strategic

As part of the Strategic Community Plan 2014-2024, section 3.1 Sustainable services and infrastructure states the need for Port Hedland to be a nationally significant gateway city and destination and one of the success indicators is to improve road transport infrastructure.

Risk

There is a risk rating of High (12) assigned to the risk that there could be compliance and reputation ramifications if the Town do not assign the right expertise and experience required to undertake a specific project.

OPTIONS

Option 1 - Adopt Officers Recommendation

Option 2 - Amended Officers Recommendation

Option 3 – Do not adopt Officers Recommendation

That the Council does not award and endorse the recommendation of utilising a panel of Project Management Consultants as the preferred tenderers and instead opts to call individual quotations and tenders every time additional resource and expertise are required. This option is not supported by Officers due to the volume of administrative effort this would require, the delay in project commencement and the potential to have higher costs to engage consultants on an as need basis.

CONCLUSION

Town Officers recommend the awarding of RFT 2017–12 to the preferred tenderers indicated in the Tender Evaluation Report. They have met and exceeded all selection criteria requirements and also represent best value for money for the Town of Port Hedland.