

DIRECTOR CORPORATE SERVICES

17 REQUEST FOR TENDER FOR THE AV CONTRACTOR FOR THE AUDIO VISUAL FITOUT OF 2 BIRIPI WAY, TAREE SOUTH

Report Author Chris Green, Manager Information Technology

File No. / ECM Index RFT No 2019-2020/13

Date of Meeting 22 April 2020

Authorising Director Steve Embry, Director Corporate Services

SUMMARY OF REPORT

This report provides the outcome of the Open Tender process to select an Audio Visual Contractor who is suitably qualified and experienced to undertake the AV fit out of Council's new Head Office.

SUMMARY OF RECOMMENDATION

That Council;

1. Award the contract for "AV Contractor for the Audio Visual Fit out of 2 Biripi Way Taree South" to Peace of Mind Installation and Integration Pty Ltd (POMT)

subject to;

- (i) Contract negotiations
- (ii) Financial viability check
- (iii) Insurance compliance checks

2. Authorise execution of the contract by the General Manager.

FINANCIAL/RESOURCE IMPLICATIONS

The Financing Strategy for Biripi Way presented to Council at the 31 October 2018 Ordinary Meeting

(Financing Strategy) notes that the Cost Plan does not include any allowance for AV/IT equipment.

"It has been excluded from the estimates on the basis that AV/IT costs will be incurred irrespective of whether Council makes a decision to proceed with a move to the Biripi Way site or to adopt a 'campus' model utilising existing sites. The required upgrades for either option will be funded through Council's regular budgeting process."

As such, the AV and IT components of the project have been funded separately to the construction project.

In terms of resourcing, the project is to be managed by CBRE (formerly Montlaur) with the assistance of an internal Program Manager.

LEGAL IMPLICATIONS

This RFT has been conducted in accordance with the requirements of the Local Government Act 1993 and the Local Government (General) Regulation 2005. It has also been conducted under the supervision of an external Probity Advisor to ensure due process has been adhered to.

Attachments:

Attachment A - Tender Evaluation Report Summary

Attachment B - Tender Evaluation Plan and Probity Plan

Attachment A and B have been classified as confidential and circulated to the Councillors and Senior Staff only. The Attachments have been classified as CONFIDENTIAL in accordance with Section 10A(2)(d)(i) of the Local Government Act 1993, which permits the meeting to be closed to the public for business relating to the following:

- (d) commercial information of a confidential nature that would if disclosed:
- (i) prejudice the commercial position of the person who supplied it

Request for Tender (RFT) details, should they be revealed, may result in commercial disadvantage to parties involved in the RFT process. Some information provided to Council by Respondents is provided on the basis that Council will treat it as commercial in confidence.

It is not in the public interest to reveal all details of these submissions or the assessment process. Respondents have provided sensitive information about their operations in the confidence that their details will not be made public by Council. The practice of publication of sensitive information provided by Respondents could result in the withholding of such information by Respondents and reduction in the provision of information relevant to Council's decision.

BACKGROUND

In December 2017 Council acquired the former Masters Site at 2 Biripi Way, Taree South. Following extensive due diligence it was determined that the building would be converted to Council's Head Office to allow co-location of staff following the merger.

During the investigation of both centralised and campus model options it was clear that investment in Information Technology and Audio Visual Technology would be required in both models to enable effective business operations across Council. As investment in IT and AV technology is a normal ongoing cost of business these costs were not included in the Project Cost for Biripi Way. It was also apparent in the investigation process that the cost of IT and AV in a campus model would be more expensive than centralised, as technology equipment and infrastructure is required over multiple sites rather than one centralised site.

In September 2019 Council engaged a technology specialist company to assist in developing a Workplace Technology Strategy and a Functional Brief to define a clear roadmap for the AV fitout for Biripi Way.

Subsequent to the adoption of the Workplace Technology Strategy and Functional Brief the consultant firm was engaged in December 2019 develop a detailed design and preparation of materials to allow Council to complete their tender documentation. The detailed design is to 90% and the AV Contractor, once appointed, will be responsible for finalising the design for construction.

The Open Tender process has been conducted and Council is now seeking to appoint the Preferred Respondent to undertake the services of the AV Contractor for the Project.

DISCUSSION

RFT Process

The RFT was issued via Council's e-tendering portal Tenderlink on 28 February 2020 and Respondents were given 21 days to respond, which is in line with the 21 days required under the Local Government Act 1993. The tender closed at 4pm on 20 March 2020.

At the close of Tenders submissions were received from five Respondents. Allcom Networks, Citadel, Lifelike Atmospheres, POMT and Rutledge.

Evaluation

The evaluation process was carried out;

- by the Evaluation Committee, comprising of Council staff members and CBRE; and
- was compliant with a previously approved Tender Evaluation Plan;

Some submissions did not fully comply with the requirements of the tender, however this is discussed further below.

Council's insurance team will confirm compliance of the successful tenderer's insurances prior to signing the Contract.

Compliance

All tenders complied with Conditions of Tendering. However only 3 of the 5 tenders complied fully with the Mandatory Selection Criteria. Two of the tenderers did not fully comply with third party accreditation for WHS. These were assessed by the TEC, CBRE and MidCoast council. Following this, CBRE performed a WHS reference for the two tenderers and collectively, it was decided that the WHS requirements for both were adequate for this project. Hence, the associated submissions were considered, although the mandatory third party WHS accreditation was not provided.

To ensure a rigorous evaluation process the Two Envelope system was used, which required that Tender Evaluation Committee completed the evaluation of the non-price criteria prior to receiving the pricing. This provides a better opportunity for the technical criteria to be evaluated without any pricing bias influencing the evaluation of the non-price criteria.

Tenders were scored against the non-price (technical) evaluation criteria separately without regard or knowledge of the pricing submission. These scores were then weighted against the selection criteria giving the Tender a Weighted Technical Score.

At the completion of the technical evaluation, an evaluation of pricing submitted by each Tender was completed. This included a review to ensure the pricing was measured on a like for like basis. The total score for the pricing submission was then weighted to give each Tender a Weighted Commercial Score.

The Tenders' Weighted Technical Score and the Weighted Commercial Score was combined to determine the Tenders overall total score. The Tender with the highest combined comparative score was deemed to be the Tender that provides the optimal Value for Money outcome.

The Evaluation Report Summary is provided in Confidential Attachment A.

Pricing Analysis

The budget for the Audio Visual Contract is \$1,400,000 excluding GST. All Tenders received were below budget.

Overall Comments

The Evaluation Committee considered that;

- POMT, Citadel and Rutledge have the ability and capacity to act as AV Contractor for fit out of the AV in the new office; and

The Evaluation Committee consider that POMT represented the best value for money and therefore **recommend** that;

- POMT be appointed to undertake the works as AV Contractor for the Project subject to;
 - Contract negotiations
 - Financial viability check
 - Insurance checks

ALIGNMENT WITH COMMUNITY PLAN/OPERATIONAL PLAN

The construction of the Council's new office aligns with the Delivery Program and Operational Plan by meeting and supporting the following objectives;

- **Strategy 13.2:** Provide the community with an efficient, convenient and professional experience when using council services

Operational Plan Action: Undertake office relocation project including a customer service outlet being provided from Biripi Way, Taree and progress customer service centre arrangements within the Civic Precinct Project, Forster

By bringing our staff together in one centralised location we will improve operating efficiency while creating a cohesive culture that allows us to provide services to our community in the most efficient way possible.

TIMEFRAME

Contract negotiations, as well as financial and insurance checks will begin immediately following endorsement of the tender award by Council. It is estimated that construction will commence in May with completion forecast for December 2020.

BUDGET IMPLICATIONS

The budget for the AV fit out was \$1,400,000 excluding GST. All Tenders received were below this budget.

Noting that if Council had adopted a 'campus' model utilizing existing sites the estimated budget for the AV of similar standard to the fit out would be in excess of \$1,700,000 excluding GST.

RISK CONSIDERATION

All Respondents were marked against their ability to manage risk. This included assessing their;

- Ability to mitigate risk associated with COVID-19;
- Ability to coordinate AV works with IT Integration;
- Work Health and Safety Systems; and
- Risk identification and management systems;

By selecting suitably qualified and experienced Respondents, the level of risk is reduced as their experience allows them to identify and manage risk based on past experience and the systems they have implemented to mitigate these risks.

Also, by using CBRE as an external Project Manager a further layer of risk management expertise is overlayed, as they have sound risk identification and mitigation procedures built into their Project Management Framework.

A Minor Works Contract is being utilised with amendments as advised by Council's Legal adviser. This will also assist in mitigating the risk associated with the works.

RECOMMENDATION

That Council:

1. Award the contract for "AV Contractor for the Audio Visual Fit out of 2 Biripi Way Taree South" to Peace of Mind Installation and Integration Pty Ltd (POMT)
subject to;
 - (i) Contract negotiations
 - (ii) Financial viability check
 - (iii) Insurance compliance checks
2. Authorise execution of the contract by the General Manager.