

6.7. CONTRACT: 2024-021 ENGINEERING SCADA CONTROL SYSTEM SUPPORT

REPORT AUTHOR Peter White, Acting Manager Water and Wastewater

MANAGER Rachel Brophy, Chief Executive Officer

DEPARTMENT Water and Wastewater

RECOMMENDATION

That Council:

1. **Resolves to award Contract 2024-021 Engineering SCADA Control System Support to Welcon Technologies Pty Ltd (ABN 86 082 136 187) for a contract period of two years with an option to renew for two further one-year periods.**
2. **Delegates authority under s 257 of the *Local Government Act 2009* to the Chief Executive Officer to negotiate, finalise and execute any and all matters in relation to this contract.**

EXECUTIVE SUMMARY

Douglas Shire Council's (Council) existing Supervisory Control And Data Acquisition (SCADA) support contract requires renewal in accordance with procurement guidelines, due to expiry of the existing support contract.

BACKGROUND

Council operates several water and wastewater treatment plants, sewer pump stations, water reservoirs and pump stations as well as pumping systems situated across various locations within the Shire, which all require SCADA software systems support. The intent of this contract is to provide Council with engineering SCADA control systems support services for its facilities, working in conjunction with Council's nominated electrical contractors and Information Technology Department. The agreement will comprise all systems support services, software, maintenance, and licensing necessary to fulfil the requirements.

Service Locations: Water, Wastewater and Waste sites are located at Port Douglas, Mossman, Killaloe, Whyanbeel, DeMeio, and Daintree; also, the telemetry control and monitoring facilities throughout the Shire (sewer pump stations, water reservoirs, water sites, wastewater sites and waste sites).

Licensing: The contractor is responsible for managing Council's software support renewals including:

- Geo SCADA
- Historian
- Citect/Plant SCADA
- SCADAPhone

COMMENTS

A Request For Tender (RFT) was issued to the open market via Vendor Panel 29 August 2023. Tenders closed 20 September 2023 and Council received submissions from seven suppliers.

Evaluation of the received submissions was conducted by Council Officers.

Table 1. Evaluation panel members

Position	Department
Project Manager	Project Office
Acting Manager Water and Wastewater	Water and Wastewater
Team Leader Water Quality	Water and Wastewater
Team Leader Wastewater	Water and Wastewater

An initial compliance check was conducted on received submissions to determine nonconforming and alternative offers from the requirements of the RFT. This included compliance with the contractual requirements and provision of requested information.

Pricing was difficult to compare as each contractor offered an array of hourly rates. However, DSC estimated annual pricing for each contractor, which includes assumptions regarding hourly rate charged, travel and accommodation.

A summary of the compliance check and pricing is shown below. Note, this pricing is for 1 year.

Table 2. Tender submission conformance and pricing

Tenderer	Hourly rate comparison \$/hr	Estimated costs	Offer	Status
Welcon Technologies Pty Ltd	80-240	\$136,900	Comparative	Conforming
2	80-210	\$132,113	Comparative	Conforming
3	120-195	\$117,219	Comparative	Conforming
4	85-215	\$124,544	Comparative	Conforming
5	75-180	\$111,125	Comparative	Conforming
6	110-180	\$120,625	Comparative	Conforming
7	130-325	\$191,031	Comparative	Conforming

Each tender submission was checked for conformance, evaluated and scored based on the previously agreed qualitative criteria and percentage weightings. As pricing was similar across all offers, the local knowledge and proven ability of Welcon Technology Pty Ltd became the deciding factor and as they scored highest amongst all offers.

Table 3. Tenderer's ranking and scoring. Note that the price is evaluated based on hourly rates, licensing, maintenance and quarterly servicing and service support

Evaluation Criteria		Company						
Criteria	Weighting	Welcon Technologies Pty Ltd	Tenderer 2	Tenderer 3	Tenderer 4	Tenderer 5	Tenderer 6	Tenderer 7
Price	35%	60	60.8	58	58.3	56.8	61.5	50.8
Technical Capacity	35%	79.3	74.3	72.5	63.8	72.5	76.8	67.5
Business Profile	20%	77.3	72	76.3	60	76.3	78	65
Maintenance	10%	76.5	68.8	66	52	65.5	76	68
Score		293	275.8	272.8	234	271	292.3	251.3
Weighted Score		71.8	68.5	67.5	59.9	67	71.6	61.2
Weighted score without pricing		50.8	47.3	47.2	39.5	47.2	50.1	43.4

PROPOSAL

That Council:

1. Resolves to award Contract 2024-021 Engineering SCADA Control System Support to Welcon Technologies Pty Ltd (ABN 86 082 136 187) for a contract period of two years with an option to renew for two further one-year periods.
2. Delegates authority under s 257 of the *Local Government Act 2009* to the Chief Executive Officer to negotiate, finalise and execute any and all matters in relation to this contract.

FINANCIAL/RESOURCE IMPLICATIONS

Estimated annual costings include licensing, maintenance and quarterly servicing and service support.

Table 3. Estimated annual costings

Expenditure	1 Year Estimated Cost (Excl. GST)
Licensing	\$38,000.00
Maintenance and quarterly servicing	\$49,372.00
Service support	\$49,500.00
Total estimated costings	\$136,872.00

RISK MANAGEMENT IMPLICATIONS

As part of the contract, system backups are required for configuration and historical data. Additionally, maintenance, servicing and service support are to provide assurance for continuity of uninterrupted operations of water, wastewater and waste services. Engaging Welcon Technologies Pty Ltd will provide DSC with confidence of continued technical support and seamless transition into the new SCADA support contract.

SUSTAINABILITY IMPLICATIONS

Economic: SCADA system is essential for operations and delivery of water, wastewater and waste services.

Environmental: Nil

Social: Nil

CORPORATE/OPERATIONAL PLAN, POLICY REFERENCE

This report has been prepared in accordance with the following:

Corporate Plan 2019-2024 Initiatives:

Theme 3 - Leading Environmental Stewardship

Our visitors and residents deeply value the unparalleled environment in which we live. We recognise our responsibility in protecting and preserving our natural world for generations to come. We understand the strong link between the environment and the economy: they are interdependent. Douglas Shire will be at the forefront of environmental protection by developing strategies, setting policies, and working with all stakeholders to become the envy of and to inspire locations across Australia and the World.

Goal 3 - We will continue to build water infrastructure so that the Douglas Shire may enjoy water security and water quality.

Operational Plan 2023-2024 Actions:

Water treatment process upgrades - Part of the Douglas Shire water security strategy. Phase 2 of ultrafiltration membrane replacement program to reduce losses during the treatment process and reduce chemical usage (OPEX costs).

COUNCIL'S ROLE

Council can play a number of different roles in certain circumstances, and it is important to be clear about which role is appropriate for a specific purpose or circumstance. The implementation of actions will be a collective effort and Council's involvement will vary from information only through to full responsibility for delivery.

The following areas outline where Council has a clear responsibility to act:

Service Provider Council provides many services to the community from roads and waste services to libraries and recreational facilities. Services evolve over time, and it is the Council's mission to ensure that these services are appropriate, delivered efficiently, and designed with the customer at the centre.

CONSULTATION

Internal: Consultation has occurred across Water and Wastewater, Project Office and Procurement departments.
This matter was discussed at Councillor Workshop on 24 October 2023.

External: Tenders were received through open tender invitation.

COMMUNITY ENGAGEMENT

Not Applicable – Operational process requirement.

ATTACHMENTS

Nil