

5.4. 2023-038 REGISTER OF PRE-QUALIFIED SUPPLIERS - ELECTRICAL, PLUMBING AND TRADES SERVICES

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DEPARTMENT Finance and Corporate Services

RECOMMENDATION

That Council resolves to:

- 1. Award contract 2023-038 Register of Pre-Qualified Suppliers (RoPS): Electrical, Plumbing and Trade Services, and appoints the list of suppliers provided, for a term of two years commencing on 1 March 2023, with the option of an extension of one year at Council's discretion; and**
- 2. Delegates authority under s 257 of the *Local Government Act 2009* to the Chief Executive Officer to enter into contracts, negotiate, finalise and execute any and all matters associated with or in relation to this contract/arrangement.**

EXECUTIVE SUMMARY

Pursuant to s 232 of the *Local Government Regulation 2012 (Qld)*, it is proposed to establish a Register of Pre-Qualified Suppliers (RoPS) for Plumbing, Electrical and Trade Services, which will enable Council to utilise the required services on an individual basis to perform work throughout the Shire, as and when required.

The RoPS is a register of suppliers that are pre-qualified and capable of responding to Council's operational requirements in a timely manner; and where Council can either:

- Directly engage a supplier from the RoPS on an as required basis utilising the rates provided within the Schedule of Rates; or
- Request quote(s) from one or more suppliers on the RoPS on an as required basis for fixed term services utilising the rates provided within the Schedule of Rates, or lump sum price as agreed.

Tenders were invited for Contract 2023-038, Register of Pre-Qualified Suppliers for Electrical, Plumbing and Trade Services via the electronic tendering platform, VendorPanel.

At the time of tender close, a total of thirty-six (36) submissions were received from contractors for services covering all eight of the categories requested.

After evaluation, three (3) submissions were deemed non-conforming, with thirty-three (33) contractors recommended for appointment to the register. Eighteen (18) of the recommended contractors are local businesses based within Douglas Shire.

Whilst Council encouraged all capable suppliers to tender, Council intends to utilise the RoPS to encourage development of competitive local business and industry. This may result in Council giving preference to local suppliers over non-local suppliers when engaging suppliers from the RoPS.

BACKGROUND

“A pre-qualified supplier is a supplier who has been assessed by the local government as having the technical, financial and managerial capability necessary to perform contracts on time and in accordance with agreed requirements.”

Council does not currently have a Register of Pre-Qualified Suppliers in place for trades and maintenance services. The proposed RoPS will include eight categories of trades services:

1. Building and Carpentry
2. Concreting
3. Electrical Services
4. Fencing
5. Metal Fabrication and Welding
6. Painting and Decorating
7. Plumbing Services
8. Pressure Cleaning

The intent of this tender is:

- To obtain value for money
- To ensure open and effective competition
- To ensure timely and efficient supply of services to Council

The use of a Register of Pre-Qualified Suppliers (RoPS) complies with legal and policy procurement requirements and reduces administration load for Council and contractors.

It also allows Council to utilise suppliers at short notice for various works and engagements with the knowledge that insurance, safety, environment, quality, and due diligence requirements are met.

The benefits of establishing a RoPS are:

- As suppliers on a RoPS have already been subject to a tender process there are increased efficiencies for both parties
- Actively engaging local businesses and contractors
- Schedule of rates obtained through competition of tender
- Enhanced forecasting as schedule of rates are provided by suppliers with their tender
- Increased accountability as invoices can be matched with schedule of rates
- Staff engaging suppliers from RoPS can be confident of their compliance to Council operations

Inclusion onto the RoPS does not provide any guarantee of work with Council.

COMMENTS

To establish a Register of Pre-Qualified Suppliers, Council must first invite suppliers to tender for inclusion on the register.

Legislation dictates that the invitation for tenders must:

- Be published on the local government’s website for at least 21 days, and
- Allow written tenders to be given to the local government while the invitation is published on the website, and
- Also, the Local Government must take all reasonable steps to publish the invitation for tenders in another way to notify the public about the tender process

Tender Process:

The tender was released on 27 October 2022, and advertised via the below channels:

- VendorPanel public tenders webpage (27/10/22 - 15/12/22)
- Council’s tenders page on the Council’s website (27/10/22 - 15/12/22)
- Council’s e-newsletter (04/11/22 & 18/11/22)
- Council’s Social media platforms (31/10/22 & 6/12/22)
- Council’s “Do it in Douglas” monthly e-newsletter (12/12/2022)

Sixty-two (62) of Council’s current/previous suppliers of the relevant services were notified via email of the tender release on 27 October 2022, with a follow up reminder sent on 9 November 2022, and a notification of tender deadline extension on 28 November 2022.

An optional tender briefing was also held in the Council Chambers at the Mossman Administration Building on Wednesday 16 November 2022. The tender briefing was attended by four (4) interested suppliers. Minutes of the briefing were uploaded to the VendorPanel tender request for review by all interested tenderers.

The tender closed at 5pm on 15 December 2022.

Tender Evaluation:

Tenders were checked for conformance against the requirements of the request for tender and evaluated in adherence with the sound contracting principles as stipulated in s 104 of the *Local Government Act, 2009*.

Each tender was assessed against the following criteria:

Table 1.

| Evaluation Criteria | Weighting (%) |
|--|---------------|
| Business Profile (Local, Social and Environmental) | 20% |
| Price / Value for Money | 20% |
| Relevant Experience, Skills and Technical Capacity | 30% |
| Resources and Key Personnel | 30% |
| Completion of all required response schedules | - |

Each member of the evaluation panel read and declared that they understood and accepted the probity requirements, which includes a declaration of conflicts of interest and confidentiality.

At the outcome of the evaluation process, it was recommended that all thirty-three (33) suppliers noted in Attachment One, be appointed to the Register of Pre-Qualified Suppliers.

Council may also, at its sole discretion, re-advertise by public tender and/or refresh this Register of Pre-Qualified Suppliers during the term of this arrangement at any time.

PROPOSAL

That Council resolves to:

1. Award Contract 2023-038 Register of Pre-Qualified Suppliers (RoPS): Electrical, Plumbing and Trade Services, and appoints the list of suppliers provided for a term of two years commencing on 1 March 2023, with the option of an extension of one year at Council's discretion; and
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FINANCIAL/RESOURCE IMPLICATIONS

Trades services are engaged on an as needed basis under a schedule of rates utilising approved budget for capital and operational expenditure. Historical expenditure for trade services was between \$2M - \$3M per annum. It is anticipated that the expenditure on these services will not be impacted by the introduction of the RoPS and will still be determined by the approved budget. The process of engagement of these services will be streamlined by the introduction of the RoPS.

RISK MANAGEMENT IMPLICATIONS

This contract is for a pre-qualification panel and does not commit Council to financial expenditure terms. Pre-qualification is a risk mitigation strategy.

The current procurement process is time consuming for both Council and contractors. The risk of not approving this recommendation is the time consuming process will continue.

SUSTAINABILITY IMPLICATIONS

Economic: The RoPS process is aimed at easing the time spent and hence the cost on engaging suppliers. Undertaking a process by which the suppliers are pre-qualified to be engaged to provide goods and/or services, saves time and expense for both Council and suppliers.

Environmental: Supplier will be required to work in compliance with Council's environmental plans and policies

Social: Pre-Qualified suppliers are generally locally based which assists with employment opportunities in the local government area.

CORPORATE/OPERATIONAL PLAN, POLICY REFERENCE

This report has been prepared in accordance with the following:

Corporate Plan 2019-2024 Initiatives:

Theme 2 - Fostering Sustainable Economic Growth

A robust economy is at the heart of a thriving community and enables investment in environmental protection. While our remoteness is a key attribute, it also presents challenges for attracting new business and investment. We must also meet the challenges of fierce competition in the tourism sector. Council will partner with industry to build, diversify and promote the Douglas economy. Council will design and deliver infrastructure, strategies and services that support the local economy and businesses.

Goal 1 - We will build appropriate infrastructure and deliver services that connect and support businesses.

Theme 5 - Robust Governance and Efficient Service Delivery

Strong governance and financial management are the foundations of the way in which Council will conduct its business and implement the initiatives of the Corporate Plan.

Goal 1 - We will conduct Council business in an open and transparent manner with strong oversight and open reporting.

Goal 3 - We will make sound financial decisions by ensuring robust strategic planning, financial management and reporting.

Operational Plan 2022-2023 Actions:

New project arisen during the financial year.

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:

Information Provider Council provides the community with important information on services, events, policies, rules, strategies, and any other relevant data that helps the community to stay informed. In performing this role, Council seeks to be open and transparent.

Regulator Council has a number of statutory obligations detailed in numerous regulations and legislative Acts. Council also makes local laws to ensure that the Shire is well governed. In fulfilling its role as regulator, Council will utilise an outcomes-based approach that balances the needs of the community with social and natural justice.

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: Discussed with Councillors at a Workshop held 21 February 2023.

Procurement Team, Building Facilities Team, Team Leader Resource Management, Coordinator Water & Wastewater, Plumbing Inspector, Trade Waste Inspector, WH&S.

External: FNQROC

COMMUNITY ENGAGEMENT

Emails were sent out to existing suppliers informing them of the tender release, and deadline extension.

Social Media posts, advertisement on Council's website, inclusion in Council's e-newsletter and Do it in Douglas e-newsletter.

ATTACHMENTS

1. Register of Pre-Qualified Suppliers - Electrical, Plumbing and Trade Services [5.4.1 - 1 page]

| Company | Building & Carpentry | Concreting | Electrical Services | Fencing | Metal Fabrication & Welding | Painting and Decorating | Plumbing Services | Pressure Cleaning |
|-------------------------------------|----------------------|------------|---------------------|---------|-----------------------------|-------------------------|-------------------|-------------------|
| Alphacool | | | ✓ | | | | ✓ | |
| Amptec Electrical | | | ✓ | | | | | |
| Austek | | | ✓ | | | | | |
| Becka Construction | ✓ | | | | | | | |
| Bello's | | | ✓ | | | | | |
| BH Electrics | | | ✓ | | | | | |
| BL Plumbing & Maintenance | | | | | | | ✓ | |
| CBS Building Group | ✓ | ✓ | | | | | | ✓ |
| Crichton Industrial | | | ✓ | | | | | |
| Diston Plumbing & Drainage | | | | | | | ✓ | |
| DWA Pressure Cleaning | | | | | | | | ✓ |
| Electropica | | | ✓ | | | | | |
| FNQ Electrical Contracting | | | ✓ | | | | | |
| Francisco Building & Maintenance | ✓ | ✓ | | ✓ | | ✓ | | ✓ |
| Hatfield Electrical | | | ✓ | | | | | |
| Hunter Carpentry & Maintenance | ✓ | | | | | | | |
| J Dwyer Building & Construction | ✓ | ✓ | | | | | | |
| James Construction | | | ✓ | | | | | |
| JM Switchboards | | | ✓ | | | | | |
| Lanmac Constructions | ✓ | ✓ | | ✓ | | | | |
| Mobile Fab n Welding | | | | | ✓ | | | |
| NDT Electrical & Air Conditioning | | | ✓ | | | | | |
| Norsafe | | | ✓ | | | | | |
| Papillon Landscapes | ✓ | ✓ | | ✓ | | | | ✓ |
| Paul Voerman Plumbing | | | | | | | ✓ | |
| Phoenix Protective & Marine Coating | | | | | | ✓ | | |
| Power Data Support Services | | | ✓ | | | | | |
| Pressure Wash FNQ Louries | | | | | | | | ✓ |
| Ram Metalworks | | | | | ✓ | | | |
| TFH Hire Services | | | | ✓ | | | | |
| Trinity Fire Services | | | ✓ | | | | | |
| Welcon Technologies | | | ✓ | | | | | |
| Zammataro Plumbing | | | | | | | ✓ | |