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# Supply of Industrial Control and Integration Support

## Contract # RCC1122-0014

Responsible Officer: Group Manager Operations (Adam Nesbitt)

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### Recommendation

That Council:

1. Accept the schedule of rates tender submitted by SAFEgroup Automation Pty Ltd for a period of up to 5 years.
2. Approve an upper limit contract value of up to \$750,000 ex GST per year.

### Background

As part of Rous County Council's (Rous) commitment to future planning and the effective delivery of services, we are seeking to enter a support contract with a suitably qualified control system integration provider who can demonstrate proven capability in the areas of design, configuration, implementation, and provision of emergency on-call support services for Council's SCADA, telemetry and industrial control systems.

Council has undertaken an open tender process for the procurement of industrial control system integration support services under a schedule of rates contract. The contract term is for one (1) year with an option to extend a further two (2) periods of two (2) years each period. Should the contract continue for the full term of five (5) years the upper limit for the contract value will be \$3.75M ex GST and as such an open tender process was deemed to match the needs of the tender.

### Examination of tenders

#### Pre-evaluation actions

The tendering process, including the advertisement, receipt and consideration of tenders, was conducted in accordance with the requirements of Part 7 of the *Local Government (General) Regulation 2005* (the 'Regulation').

A Tender Evaluation Plan was utilised by the Tender Evaluation Committee (consisting of three (3) Council staff from its Operations business unit) that was consistent with the evaluation criteria advertised in the Request for Tender ('RFT') documents, being weighted price and non-price evaluation criteria based on a **50:50** ratio.

### Evaluation of non-price

The information submitted by the Tenderers was evaluated against the specified non-price criteria. The Tender document nominated specific input that tenderers were required to submit for each Non-Price Criterion to demonstrate their understanding and capability to deliver the scope of services required. The following table shows a high-level summary of non-price criteria used for the evaluation of this RFT:

Non-price criterion	Weighting
Confirm / Tenderers demonstrated capability and previous experience and ability to value add (including relevant experience for similar projects)	15%
Tenderers proposed team including organisational structure, proposed key personnel, skills and expertise including qualifications and experience of the proposed team	15%

Non-price criterion	Weighting
Confirm / Tenderers availability and depth of local servicing/technical support	15%
Tenderers quality and safety management	5%

The non-price scores were weighted, totalled, and normalised and are summarised below.

Tenderer	Total normalised non-price score	Rank
SAFEgroup Automation Pty Ltd	50	1
Australian Control Engineering Pty Ltd	47	2
Parasyn Controls Pty Ltd	46	3
360 Engineering Pty Ltd	46	3
R & D Technology Pty Ltd	45	4

### Evaluation of price

The rates tendered from each Tenderer were evaluated through a benchmarking process to enable an evaluation of the price criteria. Local content weightings were applied where applicable in accordance with Council's 'Procurement' policy.

#### Omissions in Tender Proposals

Tenders submitted by Australian Control Engineering and R & D Technology advised no local engineers located within Rous LGAs. Insufficient details were provided as to where staff will need to travel for onsite support. As a result, the panel was unable to determine whether the rates tendered by these suppliers included travel costs to and from site or include accommodation expenses. However, this would be unlikely to change the outcome of the preferred tenderer and, therefore, no further clarification was sought from these suppliers.

#### Normalised price scores

The tenders were compared based on the Assessed Tender Amounts, calculated by adding the assessed values of qualifications and departures to the original Tender Amounts.

The Assessed Tender Amounts were used to calculate the weighted and normalised price scores using the method set out in the Tender Evaluation Plan. The price scores are summarised below.

Tenderer	Weighted price score	Ranking
SAFEgroup Automation Pty Ltd	50	1
Australian Control Engineering Pty Ltd	47	2
R & D Technology Pty Ltd	44	3
360 Engineering Pty Ltd	34	4
Parasyn Controls Pty Ltd	20	5

### Assessment of qualifications and departures

There were several minor qualifications and departures with the Tender submitted by SAFEgroup Automation Pty Ltd. The majority of these were in relation to commonly negotiated contract terms contained in the template *Deed of Standing Services Offer* provided as an annexure to the RFT. These qualifications and departures will be negotiated and resolved prior to contract award.

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## Selection of the most advantageous tender

Total scores were obtained for each of the tenders by adding the normalised total non-price score and weighted price score. The total overall scores are summarised below.

Tenderer	Total normalised non-price score	Weighted price score	Total score	Ranking
SAFEgroup Automation Pty Ltd	50	50	100	1
Australian Control Engineering Pty Ltd	47	47	94	2
R & D Technology Pty Ltd	45	44	89	3
360 Engineering Pty Ltd	46	34	80	4
Parasyn Controls Pty Ltd	46	20	64	5

The Tenderer has confirmed understanding of scope, contractual obligations and that the Tender Amount reflects all contractual obligations.

The Tender Evaluation Committee is in full agreement that the Tenderer with the highest total score, therefore representing the best value for money, was SAFEgroup Automation Pty Ltd.

### Commentary on the Tenderer's capability

SAFEgroup Automation Pty Ltd submission indicates a thorough understanding of scope and have demonstrated the capability to provide the range of services required.

The Tender Evaluation Committee considers SAFEgroup Automation Pty Ltd is capable of completing the required services under this contract satisfactorily.

### Estimation of upper limit for the annual contract value

The scope of services to be supplied under this contract includes, design, configuration, and implementation of a range of services related to operating, maintaining and upgrading Council's SCADA, telemetry and industrial control systems.

Below is a summary of estimated price breakdowns for determining the annual upper fee limit:

Service description	Upper Limit of Annual Expenditure
Operations and Maintenance Support	\$55,000
System Integration for Planned Capital Works	\$550,000
Data Analytics Development	\$20,000
<i>Sub-total</i>	<i>\$625,000</i>
Contingency (20%)	\$ 125,000
<b>Total Annual Upper Limit Fee</b>	<b>\$750,000</b>

### Finance

It should be noted that the \$750,000 per annum limit represents that maximum expenditure required across several different projects for works undertaken by this supplier. The required funds are already available within Council's Long-Term Financial Plan forecasts and no additional funds are required at this stage.

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**Legal**

As the value of the contract was expected to exceed \$250,000 (incl GST), an open tender process was undertaken in conformance with the requirements of the *Local Government Act 1993* and the *Local Government (General) Regulation 2021*.

Should Council resolve to accept the tender submitted by SAFEgroup Automation Pty Ltd, the details of the contract will be recorded in Council's contracts register available on its website in accordance with legislative requirements.

**Conclusion**

Open tenders for the proposed 'Contract RCC1122-0014 Industrial Control Integration Support 2023, were called through an open Request for Tender process via Councils eTendering platform.

At the conclusion of the evaluation process, the preferred Tenderer is SAFEgroup Automation Pty Ltd for an upper limit contract value of \$750,000 per annum.