

## UPC6 Contract No: 2017/37 - Electrical Services Annual Supply

### Abstract

This report seeks Council endorsement for the award of Contract No. 2017/37, Electrical Services - Annual Supply. This contract will provide Council with a panel of electrical contractors for a maximum term of five years. This contract is a direct replacement of Contract No 2011/38 Electrical Services - Annual Supply which expires on 30 June 2017.

The estimated contract cost for a five-year maximum contract term is \$1,545,000 (including GST) and excluding any price adjustment due to rise and fall. The estimated cost to Council after return of GST Input Credits is \$1,405,500.

Confidential information is contained in **Attachment 1**, as circulated in the confidential section of the agenda attachments, in accordance with Section 89(2) of the *Local Government Act 1989*, as the information relates to contractual matters and premature disclosure of the information could be prejudicial to the interests of Council or other persons. This item has been included in the public agenda to facilitate transparency and accountability in Council's decision making.

If discussion of the confidential information in the attachments to this report is required in order for Council to make a decision, this item will be deferred to the confidential section of the agenda.

### Officers' recommendation

That Council resolve:

1. To award Contract No. 2017/37, Electrical Services - Annual Supply, to the following five recommended Tenderers that collectively will constitute a supply panel:
  - Werribee Electrical Contracting Service (ACN 062 075 914);
  - Wallgates Pty Ltd trading as Wallgates Electrical Services (ACN 096 477 842);
  - Omnigas Services Pty Ltd trading as Omni Trade Services (ABN 57 069 325 060);
  - City West Electrical Pty Ltd (ACN 115 931 710); and
  - H.A. Saunders Electrical Contracting (ACN 061 660 446).

at their tendered Schedule of Rates for an initial contract term of one year, with four possible extensions of one year increments to a maximum contract term of five years. The estimated contract cost for a five-year maximum contract term is \$1,545,500 (including GST) and excluding any price adjustment due to rise and fall. The estimated cost to Council after return of GST Input Credits is \$1,405,000. The estimated cost is based on labour rates and materials.

2. To authorise the Chief Executive Officer or such other person that the Chief Executive Officer selects for the purpose of giving effect to this resolution to execute the contract agreements with the above contractors.
3. To authorise the Chief Executive Officer or such other person that the Chief Executive Officer selects for the purpose of giving effect to this resolution to negotiate extensions to Contract No. 2017/37, Electrical Services - Annual Supply, with the above contractors to the maximum five year contract term.
4. To note that expenditure under this contract in 2016-17 will be in accordance with Council's adopted budget, and expenditure in future years will be in accordance with the approved budget allocations.

**Responsible director: Bruce Dobson  
Environment and Infrastructure**

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### **1. Purpose**

The purpose of this report is for Council to give consideration to the awarding of Contract No. 2017/37, Electrical Services - Annual Supply.

### **2. Policy implications and relevance to council plan**

This tender process has been carried out in accordance with the requirements of Council's Contracts and Tendering Probity Policy and Council's Procurement Policy.

This contract is aligned with Strategic Objective 13 "Managing Assets".

### **3. Background**

Council requires suitably experienced and qualified organisations to form a panel of contractors for the provision of electrical services. These services will generally be utilised to service electrical and related infrastructure within Council's building portfolio, however can relate to any asset category including parks and public realm (eg BBQ's and lighting).

This contract is a panel supply contract with no provider guaranteed a minimum supply of work. The contract structure is a schedule of labour rates contract, with materials charged on a cost-plus basis.

This contract will replace the existing current electrical services Contract No. 2011/38, which expires 30 June 2017.

#### **Invitation to tender**

In accordance with Council's tendering procedures and Section 186 of the *Local Government Act 1989*, Council invited public tenders from suitably qualified and experienced contractors to provide Electrical Services. An Invitation to Tender was advertised in the local government tenders section of "The Age" newspaper on Saturday 1 October 2016 and on Council's website. The closing date for submissions was 4pm, Tuesday 25 October 2016.

In response to the advertisement, Council received 14 submissions:

- City West Electrical Pty Ltd
- Commlec Services Pty Ltd
- Electrocom Solutions Pty Ltd
- H.A. Saunders Electrical Contractor Pty Ltd
- Harris HMC Interiors Pty Ltd trading as Harris HMC Electrics
- Elec-Trix Contractors Pty Ltd trading as Laser Electrical Narre Warren North
- Omnigas Services Pty Ltd trading as Omni Trade Services
- Randall Electrics and Trade Services Pty Ltd
- Relamp Electrical Services Pty Ltd

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- Total Trade Property Services Pty Ltd
- Sonec Services Pty Ltd trading as Ultralec Electrical Services
- Vicwide Electrics Pty Ltd
- Wallgates Pty Ltd trading as Wallgates Electrical Services
- Werribee Electrical Contract Service.

#### 4. Outline of key issues/options

It is not envisaged that there are any issues with this contract.

#### 5. Consultation/communication

Internal consultation across the appropriate services within the Parks and Infrastructure Department informed the development of the specification and associated tender documents.

#### 6. Financial and resource implications

Council's 2016/2017 budget contains provision of \$280,299 for electrical services (Account Number 23200-53070).

This is a Schedule of Rates contract and no guarantee of a minimum quantity of work in relation to any of the contract components has been made. The amount of works performed will be in accordance with the need and budgetary allocations each year. Payment will be made in line with the respective Tenderer's Schedule of Rates.

It is estimated that expenditure (excluding GST) under the contract will comprise the following breakdown:

Items	Amount per annum	Amount over 5 years
Labour	\$ 161,000	\$ 805,000
Materials	\$ 120,000	\$ 600,000
<b>Total</b>	<b>\$ 281,000</b>	<b>\$ 1,405,000</b>

Expenditure under this contract may be higher if contract is utilised for other Council services and projects.

#### 7. Governance issues

The implications of this report have been assessed in accordance with the requirements of the Victorian Charter of Human Rights and Responsibilities.

The officers responsible for this report have no direct or indirect interests requiring disclosure.

This tender process has been carried out in accordance with the requirements of Council's Contracts and Tendering Probity Policy and Council's Procurement Policy.

## 8. Social and environmental issues

There are minimal social or environmental issues with this contract. This panel can be utilised for implementing and maintaining energy efficiency infrastructure in Council's facilities.

## 9. Evaluation and review

A tender evaluation report is provided in **Confidential Attachment 1**.

As a result of the tender evaluation, the tender evaluation panel recommends that Council award Contract No. 2017/37, Electrical Services - Annual Supply to:

- Werribee Electrical Contracting Service (ACN 062 075 914);
- Wallgates Pty Ltd trading as Wallgates Electrical Services (ACN 096 477 842);
- Omnigas Services Pty Ltd trading as Omni Trade Services (ABN 57 069 325 060);
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**Manager:** Andrew Mackinnon, Group Manager Parks and Infrastructure

**Report officer:** Chad Henry, Essential Safety Measures Administrator