

Award of Contract

Tuesday, 13 December 2022

Council

Strategic Alignment - Enabling Priorities

Program Contact:

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Public

Approving Officer:

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EXECUTIVE SUMMARY

Council's Procurement Policy requires the Council to approve the award of contracts that exceed \$2,000,000 (ex GST). The City of Adelaide (CoA) approached the market for the following services:

1. Stormwater Data Survey, Visual Inspection and Condition Assessment - to retain accurate stormwater asset survey and condition data with spatial accuracy to enable the future development of stormwater flood models and a Stormwater Management Plan (SMP) that will inform future upgrade requirements and renewal programs.

The report outlines the procurement process undertaken, including the approach to market and evaluation process which has been undertaken in accordance with the approved CoA Procurement Policy, Procurement and Contract Management Operating Guidelines and associated Procurement and Contract Approvals Operating Guidelines.

Council approval is sought to award the contract to the preferred tenderer as determined by the evaluation panel. Authority is sought for the Chief Executive Officer, or delegate, to execute the contract, including the approval of any variation (financial and non-financial) to the contract awarded based on this procurement process.

RECOMMENDATION

THAT COUNCIL

1. Approves the award of contract to the preferred tenderer(s) as identified by the evaluation panel for the following services:
 - 1.1 Stormwater data survey, visual inspection and condition assessment across the City of Adelaide.
 2. Authorises the Chief Executive Officer or delegate to execute the relevant contract(s) including the approval of any variation (financial and non-financial) to the contract based on the procurement process conducted.
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IMPLICATIONS AND FINANCIALS

City of Adelaide 2020-2024 Strategic Plan	Strategic Alignment – Enabling Priorities
Policy	The tender process and proposed award of contract comply with Council's Procurement Policy (Link 1 view here)
Consultation	In accordance with Council's Procurement Policy, the published forward procurement plan available on our website for public viewing included the planned procurement for this contract.
Resource	Not as a result of this report
Risk / Legal / Legislative	Not as a result of this report
Opportunities	The tender market approach supports an open and transparent sourcing process to select the preferred tenderers. This allows the City of Adelaide to deliver an approach to data collection that can be used to inform future managerial approaches to Stormwater management.
22/23 Budget Allocation	The budget allocation is \$3.7m funded through the Resilient Flood Planning Grant.
Proposed 23/24 Budget Allocation	Not as a result of this report
Life of Project, Service, Initiative or (Expectancy of) Asset	5 year life expectancy per the Asset Management Plan
22/23 Budget Reconsideration (if applicable)	Not as a result of this report
Ongoing Costs (eg maintenance cost)	Not as a result of this report
Other Funding Sources	Not as a result of this report

DISCUSSION

Procurement Process

1. In accordance with Council's Procurement Policy, an open market approach was undertaken to ensure suitably qualified suppliers are appointed. The evaluation process consisted of following stages:
 - 1.1. Stage 1 – Preliminary Evaluation

The preliminary evaluation allows for receipt of tenders via the public call for tender submission. All documents are viewed and downloaded into the record management system. Conflict of interest forms are submitted to the evaluation panel members. Panel members are trained and educated in good governance to ensure probity and transparency in decision making.
 - 1.2. Stage 2 - Initial Short-listing of tenderers

Panel members complete individual evaluations and rate the tenderers prior to the formal evaluation meeting. The panel discusses the individual evaluations collectively at the formal meeting. Any major discrepancies in scores are identified through this process to ensure there is evidence-based decision making to shortlist preferred tenderers.
 - 1.3. Stage 3 – Final shortlisting of tenderers

Where applicable and identified in the procurement plan, external consultant advice is applied by issuing further clarifications to shortlisted tenderers to minimise risk points raised during the evaluation panel meeting. Final negotiations, reference checks and financial viability assessments are conducted where deemed necessary. Following closure of the due diligence process, the preferred tenderer is established, and relevant authorisations are sought for financial delegations and contract award.
2. Council approval is required for all contracts awarded over \$2 million in accordance with the City of Adelaide Procurement Policy and associated Contract Approvals Guideline.
3. This report seeks approval to authorise the Chief Executive Officer (or delegate) to execute the relevant contract(s) including the approval of any variation (financial and non-financial) to the contract(s) based on the procurement process conducted.

Stormwater Data Survey, Visual Inspection and Condition Assessment

4. Background and special considerations:
 - 4.1. Elements of City of Adelaide's (CoA) existing drainage systems were constructed over 100 years ago, with the current asset condition unknown for most Stormwater assets. As such, the performance of the stormwater system is not fully known and a performance review is required. The City of Adelaide does not currently have a consolidated Stormwater Management Plan (SMP) which provides direction for future drainage upgrade and flood mitigations costs and strategies.
 - 4.2. The CoA catchment covers a total area of 15km² with approximately 48% of the total area fully urbanised. The stormwater system comprises 16 different parent/sub-catchments. More broadly, stormwater from the Adelaide and North Adelaide discharge through the Adelaide Park Lands into River Torrens / Karrawirra Pari, Brown Hill Creek (to the south) and Keswick Creek (to the west).
 - 4.3. This project includes data survey and condition assessment of existing stormwater assets as well as locating and capturing attributes of new stormwater assets within the CoA boundary.
 - 4.4. The data captured from this engagement will enable CoA to develop a consolidated stormwater management plan (SMP) and an asset management plan (AMP). These plans will ensure future renewal and upgrade of the aged stormwater assets mitigate where practical the disaster risk, impacts and potential consequences associated with large scale-flooding across and within our city.

5. The evaluation criteria for this contract award were set by the Project Manager in collaboration with Procurement prior to agreeing the procurement methodology and are as follows:
 - 5.1. Resource and experience - demonstrated appropriate skills, knowledge, and past performance in implementing the proposed solution in similar projects.
 - 5.2. Methodology and Program - clear and comprehensive methodology which demonstrates ability to meet all key timeframes of the project and detailing the approach in undertaking the stakeholder management.
 - 5.3. Capacity - existing workload is manageable and proof that their team and sub-contractors can manage this program.
 - 5.4. Employment Contribution Test - % of labour hours performed in South Australia.
 - 5.5. Price - price and costing for the services is comprehensive of value and considers all aspects of requirements as set out in the relevant specification.
6. The evaluation panel consisted of five stakeholders with relevant expertise in the Infrastructure and Procurement workgroups. In accordance with Procurement Policy (Link 1 view [here](#)), integrity and probity in the evaluation process has occurred and been documented.
7. Two tenders were submitted by bidders for the proposed works package. In accordance with the evaluation process, short lists were created based on the tenderers' ability to complete the work and their capacity to deliver Survey Stormwater Data, Visual Inspection and Condition Assessment across City of Adelaide and North Adelaide based on program delivery requirements. Each tenderer was determined as meeting evaluation criteria.
8. Following evaluation, two tenderers were identified as the preferred tenderers. Both tenderers achieved the highest weighted average scores at the conclusion of the evaluation process.
9. It is recommended that two contracts be executed with the preferred tenderers, with projects allocated based on their capacity to deliver in accordance with established CoA deliverables and works programs. This approach mitigates risk in delivery as it enables the project team to achieve value for money by engaging with the supplier who has capacity and capability to deliver the project works. This will ensure timely delivery to Survey Stormwater Data, Visual Inspection & Condition Assessment across City of Adelaide and North Adelaide, ensuring the best outcome for stakeholders and rate payers.

DATA AND SUPPORTING INFORMATION

Link 1 – Procurement Policy

ATTACHMENTS

Nil

- END OF REPORT -