

## Management report to Council

Agenda item 6.6

### eDocs Support and Maintenance contract: No 3535

Council

Presenter: Colin Fairweather, Chief Information Officer

15 December 2015

#### Purpose and background

1. The purpose of this report is to award a tender for the provision of support and maintenance for the eDocs application for one year with three, one year extension options.
2. eDocs is Councils current Document Management System. Under the refreshed Technology Strategy the replacement of the Document Management system has been identified as a priority. Until the Document Management system is replaced ongoing maintenance is required
3. The current support and maintenance for the eDocs application expires on 31 December 2015. A new contract will ensure continued support services and improvement for this core Council application.
4. Our original contract when purchasing the eDocs licences outlined support and maintenance costs will be calculated at 20 percent of the original purchase price of the licences plus 3 to 5 percent annual increase depending on the length of contract renewal.
5. The tender was advertised in 'The Age' newspaper on Saturday 3 October 2015. One tender submission was received and it was compliant.
6. The weightings of the evaluation criteria were declared in the Invitation to Tender documents and were Cost (60 per cent), Experience and Capability (30 percent), IT Solution and Work Plan (10 percent), with a pre-qualification of Supplier Compliance Management.
7. The tender evaluation summary is contained in Attachment 1.

#### Key issues

8. The response received by Knowledge Partners Pty Ltd (the current incumbent) was of a high quality and met the technical specification. The quality of the service previously provided by Knowledge Partners Pty Ltd met our contracted agreement.
9. The cost to Council of appointing the recommended tenderer is \$237,248.37 for year one of the contract which is in line with the contractual calculation of support and maintenance and represents a 4.9 percent yearly increase.

#### Recommendation from management

10. That Council awards the contract for the provision of eDocs Support and Maintenance to Knowledge Partners Pty Ltd for a term of one year commencing on 1 January 2016 with options to extend the contract term by up to a further three one year extension options for an annual contract sum of \$237,248.37 and otherwise in accordance with the negotiated terms and conditions of contract.

#### Attachments:

1. Supporting Attachment
2. Memorandum, Tender Evaluation Report for Contract

**Supporting Attachment**

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**Legal**

1. Pursuant to section 186 of the Local Government Act 1989 (Vic), before a Council enters into a contract for the purchase of goods or services to the value of \$150,000 or more (levels increased by Order in Council dated 7 August 2008), the Council must give public notice of the purpose of the contract and invite tenders from persons wishing to undertake the contract.

**Finance**

2. The cost to Council of appointing the recommended tenderer is \$237,248.37. The first 6 months of this cost has been budgeted for in the Technology Services 2015-16 Operating Budget.

**Tender evaluation summary**

3. The membership of the tender evaluation panel was as follows.

Title and/or company	Generalist or Nominated Speciality	Full / Advisory Member
Senior Application Analyst, CoM	Specialist (Chair)	Full
Information Management Project Manager, CoM	Specialist	Full
Business and Project Support, CoM	Generalist	Full
Procurement Advisor, CoM	Generalist	Advisory
Financial Analyst, CoM	Finance	Advisory

4. The summary of final scoring for the one conforming tenderer is shown below:

Summary of final scoring				
Company	Price <i>(Refer to Note 1)</i>	Financial score	Non-financial score	Total score
Knowledge Partners Pty Ltd	\$237,248.37	42	33	75

Note 1: this price applies to the lump sum component of the service for Year 1

**Conflict of interest**

5. No member of Council staff, or other person engaged under a contract, involved in advising on or preparing this report has declared a direct or indirect interest in relation to the matter of the report.

**Stakeholder consultation**

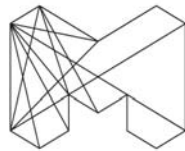
6. Consultation with external stakeholders was not undertaken as the support and maintenance for eDocs is for an internal Council application.

**Relation to Council policy**

7. This tender process and recommendations have been managed in accordance with Council policies. Strong consideration was given to the outcomes and priorities contained within Council Plan 2013-17, in particular ensuring Resources are Managed Well.

**Corporate social responsibility**

8. The tender process included emphasis on sustainability and corporate social responsibility and the tender required that respondents provide information to demonstrate that their organisation met key criteria in this area. Knowledge Partners Pty Ltd parent company Konica Minolta has published information on their Corporate Social Responsibility policy which met these criteria.



CITY OF MELBOURNE

## Memorandum

<b>Attention:</b>	<b>Colin Fairweather</b>	<b>Date:</b>	20/11/2015
<b>Sender:</b>	Elisha Hanna	<b>File Number:</b>	9536058
<b>Subject:</b>	<b>Tender Evaluation Report for Contract</b>		
<b>Contract Name:</b>	eDOCS DM		
<b>Contract Number:</b>	3535		

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### 1 Purpose

The purpose of this Tender Evaluation Report is to provide details on the tendering program undertaken for this project, the evaluation processes and the findings reached, together with a recommendation to enable the relevant Manager to advance the tendering process to the stage of awarding a contract for the specified works.

The standards, processes and templates utilised for the tendering process complied with the CoM Corporate Contract Management System

Supporting documentation is included as attachments to this report.

### 2 Scope of IT Goods & Services

The scope of the required IT Goods & Services includes;

The approved key deliverables are

- Provision of annual maintenance and support for CoM's existing eDOCS DM licences
- an expandable support agreement that allows coverage of any additional modules and associated licences procured during the term of the contract.

The IT Goods & Services are in the current Council Works Program with a budget of \$230,000

### 3 Tendering Process Timetable

The timetable for the tendering process was as follows:

03/10/2015	Advertised Tender
26/10/2015	Tender Application Closed
31/10/2015	Expressions of Interest evaluated & short-list compiled
19/11/2015	Tender Panel Evaluated Tender Applications
30/12/2015	Proposed Award of Contract

#### 4 Tender Evaluation Panel

The responses to the Tender (ITT) were evaluated by a Tender Evaluation Panel (TEP) comprising:

Colin Fairweather	CIO	Chairperson	Technology Services
Richard Frost	Senior Applications Analyst	Full	Technology Services
Stacy Foote	Information Management Project Manager	Full	Technology Services
Marianna Blazevic	Business & Project Support	Full	Parks & Waterways
Ibrahim Elkojje	Procurement Advisor	Advisory	Finance & Procurement
Daniela Mazzone	Strategic Analyst	Advisory	Technology Services
Elisha Hanna	IT Project Support	Advisory	Technology Services
Marcus Stella	Finance & Investment Officer	Finance Advisory	Finance & Procurement

All members of the TEP have completed and signed the Discloseable Interests and Confidentiality Declaration.

#### 5 Evaluation Criteria

The following table lists the evaluation criteria that were stated in the EOI and ITT documents. The criteria are listed in order of importance, the most important being at the top of the list. The weightings for the evaluation criteria were declared to tenderers.

Criteria	Weightings
<p><b>Cost</b></p> <ul style="list-style-type: none"> <li>Lump sum price breakdown</li> </ul>	60 %
<p><b>Experience, Capability &amp; Past Performance</b></p> <ul style="list-style-type: none"> <li>Past performance</li> <li>Current commitments</li> <li>Social, Environmental &amp; Economic Sustainability</li> </ul>	30 %
<p><b>IT Solution &amp; Work Plan (For IT Goods and Services)</b></p> <ul style="list-style-type: none"> <li>Compliant to Technical Specification</li> <li>Continuing Availability of Resources</li> <li>Specified Personnel</li> <li>Subcontractors</li> </ul>	10 %

Criteria	Weightings
<p><b>Supplier Compliance Management (Pre-qualification)</b></p> <p>Tenderers must register online for pre-qualification with the compliance system and respond to all of the compliance questions by the closing time for:</p> <ul style="list-style-type: none"> <li>• Quality Assurance</li> <li>• Risk Management</li> <li>• Occupational Health &amp; Safety (OHS)</li> <li>• Equal Opportunity Management</li> </ul> <p>Required insurances</p>	Compliant

## 6 Probity Management

Council's Probity Management was adhered to as detailed in the Procurement Plan.

### 6.1 Initial Evaluation

The Panel examined all of the responses in detail before assessing the registrants' acceptability against each criterion.

Council's Financial Analyst (and member of the Panel) conducted an assessment of the financial viability of the registrants. This consisted of examining the financial reports provided by the registrants to ensure that they had the equity and asset base, liquidity, financial strength and corporate support to execute a contract of this size.

Referee checks were also conducted on all registrants. Referee checks generally supported the conclusions reached by the Panel in assessing the EOI's lodged by the registrants.

## 7 Invitation To Tender (ITT) Process

State *EITHER*:

### 7.1 ITT Advertisement

The ITT was advertised in the Age Newspaper on Saturday 3<sup>rd</sup> of October 2015.

### 7.2 Tender Briefing

A briefing session for Tenderers was not conducted.

### 7.3 Tender Responses

Responses to the ITT closed on Monday 26<sup>th</sup> October 2015. Tenders were received from the organisations listed below:

Knowledge Partners

#### 7.4 Tender Evaluation Panel Meetings

The Tender Evaluation Panel met on Thursday 19<sup>th</sup> November to evaluate the Tender and finalise the Tender Evaluation Report.

#### 7.5 Tender Evaluation

The TEP examined all of the Tender responses in detail before assessing the respondents' acceptability against each criterion.

#### 7.6 Results of the Tender Evaluation

A summary of the perceived strengths and weaknesses of the Tenderers and the scores assessed were documented by the TEP. The relative ranking of respondents, as determined from the total weighted scores, is shown on the Tender Evaluation Spreadsheet that is provided as Attachment 1.

From the rankings, the TEP has nominated Knowledge Partners as the Preferred Tenderer.

### 8 Funding

The works are to be funded through 237-36400-23062

### 9 City Plan

Ensure that reference to any Triple Bottom Line issues that should be taken into account in the consideration of this matter is included under this heading.

### 10 Relation to Council Policy

As Council aims to deliver quality services that are responsive to business and community expectations, are demonstrably cost-effective and are subject to public accountability, this Section should discuss how the recommended outcome will meet that aim.

### 11 Recommendation of the Tender Evaluation Panel

The Tender Evaluation Panel recommends that. insert name of tenderer be awarded insert contract no. and name for insert details of contract price.

**Signed by the Chairperson and Full Members of the Tender Evaluation Panel:**

**Name** Richard Frost Senior Applications Analyst  
**(Chairperson):**  
**Signature:** \_\_\_\_\_ **Date:** 25/11/2015

### 12 Attachments

- Attachment 1 - Summary Worksheet
- Attachment 2 - Tender Evaluation Spreadsheet
- Attachment 3 - Probity Audit (*optional*)

**APPROVAL BY BRANCH MANAGER**

I agree with the recommendation of the Tender Evaluation Panel.

I certify that the recommendation is in accord with the Tender advertisement and the Invitation to Tender.

**Branch Manager**     Colin Fairweather, CIO

**Signature:** \_\_\_\_\_ **Date:** 26/11/2015