

Report _____ **PROPOSED EXPENDITURE SEARTG – IT AND COMMUNICATION EQUIPMENT**

- Attachment - Report No. RTG 022-13 Proposed Expenditure – IT Equipment
 - Quotations from suppliers Electek, AT & D (Telstra) and Focus Networks

The Board of the South East Avon Regional Transition Group (SEARTG) at its meeting held on 14 November 2013 gave consideration to proposals to expend portion of the Pre-Release funding provided by the State Government for the purpose of progressing the amalgamation process by the SEARTG member local governments.

The SEARTG Board resolved at its meeting that the Shire of York being the Host Council for the group, give consideration to authorising the following expenditure.

<u>Works and Services</u>	<u>Supplier</u>	<u>Amount (Excl. GST)</u>
- Data Cabling	ELECTEK	\$83,248

The above quotation is for data cabling at the Shires of Cunderdin, Quairading and Tammin. Cabling for the Shire of York Administration Centre and Depot is estimated at \$12,000 to \$15,000. Electek will be requested to supply a formal quotation for the proposed works.

Note: Two (2) suppliers were requested to supply quotations. Active Electrical submitted a quotation amounting to \$123,170 excluding GST.

- Information and Communication Technology Systems	AT & D (Telstra)	\$105,000
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The above quotation is for the upgrade of the Shires of Cunderdin, Quairading, Tammin and York Information and Communications Technology systems (ICT).

The SEARTG Board have requested that AT & D submit a revised quotation based on upgrading 20 of the 76 IP telephone handsets from an 5330E to 5360 model. The estimated additional cost is \$2,600.

Note: One quotation was obtained for the supply of the VOIP communication on the basis that Telstra is an approved supplier on the Government of Western Australia Department of Finance Common Use Agreement (CUA).

- Technical and Project Management	Focus Networks	\$11,419
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Focus Networks were engaged by the SEARTG to undertake the initial audit of the member local governments ICT systems and have arranged for the above mentioned quotations.

The Total Cost for the undertaking of the above mentioned works and services are summarised as follows:

<u>Supplier</u>	<u>Works and Services</u>	<u>Cost (Excluding GST)</u>
Electek	Data Cabling Tammin, Cunderdin, Quairading	\$ 83,248
Electek	Data Cabling York (Estimate only)	\$ 15,000
AT & D (Telstra)	ICT Systems	\$105,000
AT & D (Telstra)	ICT Systems Upgrade of 20 handsets from 5330E to 5360 model (estimate only)	\$ 2,600
Focus Networks	Technical and Project Management	<u>\$ 11,419</u>
	Total Estimated Cost	<u>\$ 217,267</u>

Pre-Release funding available for the project \$245,000.

The Shire of York is required to comply with its Purchasing Policy and requirements prescribed in the Local Government (Functions and General) Regulations 1996 in relation to tendering.

Section 3.57 (1) of the LG Act 1995 states:

"A local government is required to invite tenders before it enters into a contract of a prescribed kind under which another person is to supply goods or services."

Regulation 11 of the Local Government (Functions and General) Regulations states that tenders have to be publicly invited if a contract is worth more than \$100,000.

Regulation 11 (2) of the Local Government (Functions and General) Regulations 1996 in part states:

"Tenders do not have to be publicly invited according to the requirements of this division if –

- (b) The supply of the goods or services is to be obtained through the Council Purchasing Service of WALGA; or*
- (e) The goods or services are to be supplied by or obtained through the government of the State or the Commonwealth or any of its agencies.*

The SEARTG has obtained two (2) quotations in relation to the data cabling proposal and the Electek's quotation is below the \$100,000 threshold. The AT & D (Telstra) proposal for the ICT Systems is exempt from the tendering requirements, on the basis that the supply of goods and services is obtained through the State Government via a Common Use Agreement (CUA) and Telstra is approved supplier. Focus Networks proposal is below the \$100,000 threshold and the obvious supplier based on the previous and current services provided by the firm in relation to the planned works.

RECOMMEND:

- (1) That the Shire of York accept the following quotations:*
 - Electek, for the data cabling of the Shires of Cunderdin, Quairading and Tammin at a cost of \$83,248.*
 - AT & D (Telstra,) for the installation of ICT systems at the Shires of Cunderdin, Quairading, Tammin and York at a cost of \$105,000.*
 - Focus Networks, for Technical and Project Management services at a cost of \$11,419.*
- (2) That the Chief Executive Officer be authorised to give consideration and to approve the following additional expenditure.*
 - Additional Data Cabling for the Shire of York Administration Centre and Depot.*
 - The upgrade of 20 IP telephone handsets from 5330E to 5360 model.*
- (3) Subject to (1) and (2) above the Chief Executive Officer be authorised to issue the purchase orders and/or sign supplier agreements.*