### PUBLIC CONTRACTS REVIEW BOARD

### **Case No. 676**

### WSM 226/2013

# Period Contract for the Supply and Delivery of Heating Gas Oil to SAWTP.

The tender was published on the 20<sup>th</sup> September 2013. The closing date was the 11<sup>th</sup> October 2013. The estimated value of the Tender was €100,424 (Exclusive of VAT).

Three (3) bids had been received for this tender.

On the 27<sup>th</sup> January 2014 Cassar Petroleum Services Ltd. filed an objection against the award of the tender.

The Public Contracts Review Board composed of Dr Anthony Cassar (Chairman), Dr Charles Cassar and Mr Lawrence Ancilleri as members convened a hearing on Thursday the 27<sup>th</sup> February 2014 to discuss the objection.

Present for the hearing were:

## **Cassar Petroleum Services Limited - Appellant**

Mr Darren Marmara Representative

## San Lucian Oil Company Limited - Preferred Bidder

Mr Joseph Falzon Representative
Dr Yvanka Vella Legal Representative

## **WasteServ Malta Limited - Contracting Authority**

Ms Joanne Camilleri Representative Mr Marvic Fenech Adami Representative

Dr Victor Scerri Legal Representative

The appellant's representative was invited to make his submissions following a brief introductory address by the Chairman.

Mr Darren Marmara on behalf of the appellant stated that the present objection was identical to another similar one. He explained that the contracting authority had issued a tender for a period of three years for the supply of heating oil, but during the evaluation process of that main tender had issued another call for two six month tenders. He said that his company, the appellant had in fact been awarded the main tender for a period of three years starting from January 2014. To safeguard the interests of the appellant therefore the present objection against the award for the six month tender had been filed. A problem would arise if the tenders, the present, one from which the objection was raised, and the main three year tender were exercised. He contended that the present tender should not have been issued.

Ms Joanne Camilleri on behalf of the contracting authority, replying to a question by the Chairman said that the main three year tender was signed with the appellant at the end of January 2014 for a period of three years.

Dr Victor Scerri for the contracting authority said that the present short-term six month tender was issued on the 20<sup>th</sup> September 2013 and closed on the 11<sup>th</sup> October 2013. This short-term tender was issued in order for the contracting authority to be supplied with fuel while the main tender was being processed. It was for a period of six months with the condition that the supply would be on an if and when required basis.

At this point the hearing was brought to a close.

### This Board,

Having noted the Appellant's objection, in terms of the 'Reasoned Letter of Objection' dated 27<sup>th</sup> January 2014 and also through Appellant's verbal submissions during the hearing held on 27<sup>th</sup> February 2014, had objected to the decision taken by the pertinent Authority, in that:

a) Appellant questions the fact that while the evaluation process of the main tender was in progress, the Contracting Authority issued two short term tenders for the same services.

Having considered the Contracting Authority's verbal submissions during the hearing held on 27<sup>th</sup> February 2014, in that:

a) The Short term tenders were issued to ensure constant supply until the main period tender is awarded.

### **Reached the following conclusions:**

From submissions made by both the Appellant and the Contracting Authority, it was made vividly clear that the Contracting Authority had the responsibility to ensure that constant supply was forthcoming and in this regard same Authority acted diligently in issuing short term tenders until the period tender was finalised and awarded.

In view of the above, this Board finds against the Appellant Company and recommends that the deposit paid by the Appellant should not be reimbursed.

Dr. Anthony Cassar Chairman Dr. Charles Cassar Member Mr. Lawrence Ancilleri Member

20 March 2014