



## Ministerial Statement

By

**Lt. Col. the Hon. David A. Burch, OBE (Mil), ED, JP, MP**

**Minister of Public Works**

**PGA Preparations at Port Royal**

**27<sup>th</sup> September 2019**

Good Morning **Mr. Acting Speaker**.

As you know we are just a few weeks away from hosting our first-ever mainstream PGA Tour event, the Bermuda Championship so I rise this morning to provide an update on preparations at the Port Royal Golf Course.

Before doing that however, **Mr. Acting Speaker**, it's worth setting out the process for conducting this work. From some of the utterances from those on the other side there is clearly a complete lack of understanding of the procurement process. No surprise there though, as we all know that when they were in Government they simply chose if and when to ignore those processes that were designed to guarantee transparency in procurement.

For this exercise – let's review the procurement process for Bunker Sand at Port Royal. **Mr. Acting Speaker**, you will know that I am not a golfer but I am advised that Bunker sand is a vital part of any decent golf course and from time to time additional sand has to be procured to keep the course in good shape and in this instance – to meet the stringent PGA standards. It is reasonable to expect that sand is replaced in this manner every 3 to 5 years.

In this particular case a Request for Proposal for the supply and delivery of 4,000 metric tons of Golf Course quality sand was posted on the Government portal on July 16<sup>th</sup>, 2019.

**Mr. Acting Speaker**, I am further advised that heretofore – only 3 companies in Bermuda have imported sand for this purpose – East End Asphalt, Island Construction and Bermuda Stone Company Limited. East End indicated at the outset that they would not be submitting a bid.

Completed Tenders were received and opened publicly following the closing of bids on July 25<sup>th</sup> 2019.

**Mr. Acting Speaker**, the Ministry received two completed tenders – one from Bermuda Stone Company Limited at a tender price of **\$1,815,000** and the other from Island Construction Services Ltd. at a tender price of **\$546,000**.

The Ministry of Public Works estimate was **\$588,397.50**.

Island Construction's bid was 300% lower than the next lowest bidder and 7% lower than the Ministry of Public Works' estimate.

**Mr. Acting Speaker,** the tenders were checked for arithmetical accuracy and financial quality, bidder interviews were conducted by the Chief Engineer and the Senior Structural Engineer. Tenders were rated by each member of the evaluation team and an average rating was determined using the criteria set out in the Tender documents.

Ministry of Public Works' technical officers determined that the tender submitted by Island Construction Services Ltd. for the proposed works was the best value, they displayed their understanding of the Ministry's requirements and budgeted accordingly - while maintaining a competitive price. As a result it was deemed the submitted price is competitive and the overall quality of their submission was adequate.

As such, it was recommended that the contract for the provision and delivery of Bunker Sand at Port Royal Golf Course, be awarded to Island Construction Services Ltd. in the sum of \$ 546,000.

**Mr. Acting Speaker,** all of the above actions were carried out and are always carried out **without** any involvement of the Minister of Public Works. The first time the Minister is made aware of any contract recommendation is when a draft Cabinet Paper and Contract Award Recommendation is submitted for consideration by the Cabinet.

**Mr. Acting Speaker,** I have deliberately taken the time this morning to explain the procurement process - not just for the general public's understanding but for members of the Opposition benches, especially their leader, who as a former Works Minister should be aware of the procurement process, but sadly he has demonstrated an incredible lack of understanding of procurement processes by his repeated public utterances that a sitting minister of the Government should recuse themselves from bidding on government contracts. **Mr. Acting Speaker,** a blind man could see the hypocrisy in such a statement – that was never uttered under either a UBP or OBA government that he led with sitting Ministers whose companies successfully bid on Government contracts or were simply arbitrarily awarded them.

Now, **Mr. Acting Speaker,** let me turn to the current state of play at Port Royal. I can report that excitement is growing for the tournament and staff at Port Royal are working flat out to make this tournament a success.

This is a combined effort of not just the Ministries of Public Works & Tourism & Transport but many other local entities not associated with Port Royal. As an example – during a recent tour of the St. Regis Hotel & Golf Course in St. Georges - the developers Mr. Miguel & Ms. Laura Purroy offered the help of their resident agronomist. Additionally, they have indicated that the full complement of staff will be at Port Royal for the week of the tournament to assist in any way they can. Their view is that the benefits of this tournament will help tourism and all golf courses on Island.

**Mr. Acting Speaker,** needless to say the recent hurricane has caused some damage to foliage on the course but I can report that much of the bunker work was not been impacted and progress on the remaining bunkers is proceeding apace with the 9 back holes being completed thus far.

Additional personnel from the Department of Parks, the Skills Development Programme and the BHC's Hustle Truck have been pressed into service to assist with the removal of trees felled during the recent hurricane and general clean up.

As well 11 unemployed individuals from the West End have been hired to work on the course.

While the budget for course improvements is being sourced jointly from internal ministry resources – the approach is one of carving out regular operational costing versus specific PGA costs. At this stage the bunker sand is the most expensive item – which would have been required with or without the PGA event. I would add, **Mr. Acting Speaker**, that we have brought enough sand to stockpile replenishments for future years.

I would also like to remind that this is a 5 year commitment – so budgeting will be spread out for the entire period to continue enhancements to the golf course to not only benefit the PGA event but all users of the course.

The entire team led by Bruno Event Team – the organizers of the tournament here in Bermuda have been meeting weekly with all the players from Port Royal, the BTA, Department of Planning, Department of Health, the Ministries of Public Works and Tourism & Transport to coordinate all aspects of the tournament. In order to enhance the coordination of the Governments support we are assigning and posting to Port Royal one of our young engineers, Ricardo Graham-Ward to be onsite to manage any challenges leading up to the tournament.

**Mr. Acting Speaker**, every day someone else is offering assistance to make this a success for Bermuda but what is most impressive about preparations for this tournament is the absolute enthusiasm, commitment and dedication of the Board, management and staff at Port Royal. The staff in particular – have taken ownership of this venture and are personally vested in ensuring its success. Anyone who visits Port Royal and engages with them will readily experience their enthusiasm. I wish to publicly thank them for all their efforts in making this a success and to record that we sincerely appreciate their commitment.

Thank you, **Mr. Acting Speaker**.