

## **TENDER RECOMMENDATION REPORT**

**TO:** ACTING CHIEF EXECUTIVE OFFICER  
**CC:** MANAGER PARKS AND CONSERVATION  
**FROM:** ACTING DIRECTOR ASSETS  
**FILE REF:** 37844, 19/343420  
**DATE:** 1 October 2019

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**TENDER 19106: PROVISION OF MAINTENANCE SERVICES FOR OCEAN REEF ROAD AND PINJAR ROAD ENVIRONMENTAL OFFSET SITES IN THE CITY OF WANNEROO FOR A PERIOD OF THREE YEARS**

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### **Issue**

To consider Tender No: 19106 for the Provision of Maintenance Services for Ocean Reef Road and Pinjar Road Environmental Offset Sites in the City of Wanneroo for a period of three years with two, twelve month, or part thereof, options to extend at the discretion of the City.

### **Background**

The City maintains two Environmental Offset sites at Pinjar Road and Ocean Reef Road. Maintaining these two Offset Sites is a Federal Government requirement, resulting from an Environmental Impact Assessment of the realignment and lengthening of Ocean Reef Road and Pinjar Road. The Environmental Protection and Biodiversity Conservation Act 1999 (EPBC Act) was triggered through this process requiring specific conditions to be met and maintained by the City. These conditions require the City to provide ongoing maintenance works to these two verge areas.

Tender 19106 will engage a Contractor to complete monthly maintenance works to maintain and improve native vegetation cover and condition, allow for public access and maintain aesthetics along the City's two Offset sites at Pinjar Road and Ocean Reef Road.

The monthly maintenance works include:

- a) Monthly maintenance – this includes:
  - Monitoring and watering of new plantings (as required);
  - Weed control;
  - Rubbish removal;
  - Pruning vegetation and removal of dead vegetation;
  - Mowing grassed areas;
  - Erosion control (as required); and
  - Reporting.
- b) Vegetation assessment (if required); and
- c) Infill planting (if required).

Tender Number 19106 - Provision of Maintenance Services for Ocean Reef Road and Pinjar Road Environmental Offset Sites in the City of Wanneroo

These sites are currently maintained under Contract 1531, with this contract due to expire on 30 September 2019.

**Detail**

Tender 19106 for the Provision of Maintenance Services for Ocean Reef Road and Pinjar Road Environmental Offset Sites in the City of Wanneroo was advertised on 15 June 2019 and closed on Tuesday 23 July 2019.

Essential details of the proposed contract are as follows:

Item	Detail
Contract Form	Goods and Services
Contract Type	Fixed Lump Sum
Contract Duration	3 years
Commencement Date	1 October 2019
Expiry Date	30 September 2022
Extension Permitted	Yes, 2 periods of 1 year
Rise and Fall	Maximum Perth All Groups CPI increases upon extensions

Tender submissions were received from the following:

- Environmental Industries Pty Ltd (Environmental Industries);
- Horizon West Landscape and Irrigation Pty Ltd (Horizon West);
- Natural Area Holdings Pty Ltd (Natural Area Holdings); and
- Sanpoint Pty Ltd, trading as LD Total (LD Total).

The Tender Evaluation Panel evaluated the tender submissions in accordance with the criteria provided in below, and comprised:

- Projects Officer (Environmental)
- Technical Officer Conservation
- Specialist Parks Contracts
- Acting Coordinator Safety Systems

**Probity Oversight**

Oversight to the tender assessment process was undertaken by the City’s Contracts Officer and by an independent Probity Advisor (William Buck Consulting WA Pty Ltd). Please see Confidential Attachment for Probity Report.

Tender submissions were evaluated in accordance with the Procurement and Evaluation Plan (PEP) which included the following selection criteria:

Item No	Description	Weighting
1	Price (assessed under Value for Money)	Not Weighted
2	Demonstrated experience in providing regular maintenance services such as weed control, rubbish removal and vegetation pruning, with a specific focus on natural areas and/or public open spaces, in the	30%

	last three years	
3	Demonstrated understanding of the Contract Specifications and methodology of applying pesticides in line with the requirements of these specifications	15%
4	Demonstrated capacity to undertake works in public spaces in accordance with a set timeline	15%
5	Demonstrated experience in completing vegetation audits, planting and/or mulching works in public spaces	15%
6	Occupational Health and Safety management systems, policies, practices and procedures and demonstrated compliance with those systems, policies, practices and procedures	25%

Pricing was not included in the qualitative criteria, however it was included as part of the overall value for money assessment. The minimum acceptable baseline for Qualitative Criteria is set at 50% with acceptable minimum scores required for each qualitative criterion.

On initial review of the tender submissions by the Tender Evaluation Team, it was confirmed that all tender submissions were deemed to be conforming tenders.

#### Evaluation Criteria 1 - Pricing for the Goods/Services

An assessment was made to determine the ranking based on the lump sum pricing provided with the tender documentation. The assessment of pricing has resulted in the following ranking:

Tenderer	Ranking
LD Total	1
Environmental Industries	2
Natural Area Holdings	3
Horizon West	4

#### Evaluation Criteria 2 - Demonstrated experience in providing regular maintenance services such as weed control, rubbish removal and vegetation pruning, with a specific focus on natural areas and/or public open spaces, in the last three years (30%)

The tenderer's relevant experience in demonstrating the achievement of meeting client expectations as presented in their tender submission were assessed in order to evaluate their capability to meet the requirements of the contract. Assessment of this criterion considered the tendering entity's credentials to fulfil the requirements of the contract. The assessment of this criterion has resulted in the following ranking:

<b>Tenderer</b>	<b>Ranking</b>
Environmental Industries	1
Natural Area Holdings	2
LD Total	3
Horizon West	4

**Evaluation Criteria 3 - Demonstrated understanding of the Contract Specifications and methodology of applying pesticides in line with the requirements of these specifications (15%)**

The tenderer's understanding of the Contract Specifications and methodology of applying pesticides were assessed to evaluate their capacity to complete the works as specified, while ensuring appropriate use of pesticides in public places, to ensure the environmental and social values of these areas are maintained. Assessment of this criterion considered the tenderer's methodology provided, including their understanding of suitable pesticide use and their pesticide management procedures. The assessment of this criterion has resulted in the following ranking:

<b>Tenderer</b>	<b>Ranking</b>
Natural Area Holdings	1
Environmental Industries	2
LD Total	3
Horizon West	4

**Evaluation Criteria 4 - Demonstrated capacity to undertake works in public spaces in accordance with a set timeline (15%)**

The tenderer's resources as presented in their tender submission were assessed in order to evaluate their capacity to meet the requirements of the contract. Assessment of this criterion considered the tenderer's staff resources, vehicles, plant/equipment and workshop support to manage the contract and their previous experience meeting timeframes on previous works. The assessment of this criterion has resulted in the following ranking:

<b>Tenderer</b>	<b>Ranking</b>
Natural Area Holdings	1
Environmental Industries	2
LD Total	3
Horizon West	4



**Evaluation Criteria 5 - Demonstrated experience in completing vegetation audits, planting and/or mulching works in public spaces (15%)**

The tenderer's relevant experience in completing specific works as requested was assessed to evaluate their capability to meet the requirements of the contract. Assessment of this criterion considered the tenderer's demonstrated previous experience completing similar works. The assessment of this criterion has resulted in the following ranking:

<b>Tenderer</b>	<b>Ranking</b>
Natural Area Holdings	1
Environmental Industries	2
LD Total	2
Horizon West	4

**Evaluation Criteria 6 - Tenderer's Occupational Health and Safety Management (25%)**

Evidence of safety management policies and practices was assessed from the tender submissions. The assessment for safety management was based on the tenderers' responses to an Occupational Health and Safety Management System Questionnaire included within the tender documentation.

All tenderers provided details of their safety management systems with the following ranking:

<b>Tenderer</b>	<b>Ranking</b>
Natural Area Holdings	1
Environmental Industries	2
Horizon West	3
LD Total	4

**Overall Qualitative Weighted Assessment and Ranking**

Tenderer's submissions were reviewed in accordance with the Procurement and Evaluation Plan with the following key observations:

- Price is not weighted and is included in the overall value for money assessment; and
- The tenderer's bids were evaluated in accordance with the selection criteria and were assessed as having the necessary resources, previous experience, capability and safety and quality management systems to undertake the tender.

The overall qualitative weighted assessment resulted in the following tenderer ranking:

<b>Tenderer</b>	<b>Ranking</b>
Natural Area Holdings	1
Environmental Industries	2
LD Total	3
Horizon West	4

### **Value for Money Assessment**

Tendered prices were applied in the overall value for money assessment for Tenderers that met the minimum Qualitative Criteria requirements. Please refer to the Confidential Attachment for the overall price assessment.

### **Overall Assessment and Comment**

All the tender submissions meet the City's minimum overall evaluation requirements, however Environmental Industries submission satisfied the overall value for money assessment, in accordance with the assessment criteria and weightings as detailed in the Procurement and Evaluation Plan. Environmental Industries demonstrated a high level of experience working in natural areas and is therefore recommended as the successful tenderer.

### **Consultation**

Nil

### **Statutory Compliance**

Tenders were invited in accordance with the requirements of Section 3.57 of the *Local Government Act 1995*. The tendering procedures and evaluation complied with the requirements of Part 4 of the *Local Government (Functions and General) Regulations 1996*.

### **Strategic Implications**

The proposal aligns with the following objective with the Strategic Community Plan 2017 – 2027:

"3 A healthy and sustainable natural and built environment.

3.2.1 Maximise the environmental value of beaches, nature reserves and parklands.

3.2.3 Optimise retention of significant vegetation and habitat."

## Enterprise Risk Management Considerations

The following Enterprise Risks have been identified from the City's Corporate Risk Register:

<b>Risk Title</b>	<b>Risk Rating</b>
CO-O08 Contract Management	Moderate
<b>Accountability</b>	<b>Action Planning Option</b>
Director Corporate Strategy & Performance	Manage
<b>Risk Title</b>	<b>Risk Rating</b>
CO-O22 Environmental Management	Moderate
<b>Accountability</b>	<b>Action Planning Option</b>
Director Planning & Sustainability	Manage

The condition of the City's Environmental Offset sites can deteriorate if not maintained to an acceptable level and can quickly lose aesthetics and accessibility if overgrown with vegetation, weeds or rubbish. Additionally, these Environmental Offset sites must be maintained to the standards as defined in the Environmental Impact Assessment requirements; if not properly maintained, the condition of these sites can deteriorate, resulting in the City not meeting its contractual obligations.

The inability of a contractor to supply these services will have several impacts:

- The City not providing the required standard of service to its ratepayers;
- Inappropriate use of pesticides, leading to off-target damage to native vegetation; and
- Rubbish and other materials accumulating, reducing social and environmental values.

It is imperative that the successful tenderer has the required experience, staff, equipment and financial capacity to meet the contract requirements.

## Financial and Performance Risk

### Financial Risk

No financial assessment was undertaken as Environmental Industries is a member of the WALGA Parks and Gardens Goods and Services Preferred Vendor Panel and services will be paid upon satisfactory completion of the works.

### Performance Risk

Environmental Industries have completed, or are currently completing, numerous landscaping and/or maintenance Contracts with the City of Wanneroo and have consistently met the requirements of the Contract Scope of Works. Environmental Industries have had no recent disputes.

Independent reference checks have also indicated that the recommended tenderer has completed recent similar works to acceptable standards and within agreed budgets.

## Social and Environmental Considerations

In accordance with section 19 of the City's Purchasing Policy the tender document included social and environmental considerations as non-weighted criteria. Environmental Industries have developed a certified Environmental Management

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System (ISO 14001:2015) to protect environmental values, and an Occupational Health and Safety Plan which includes measures to protect the public and employees from risks and hazards.

### **Broader Economic Impact Implications for the City of Wanneroo**

The tender document included broader economic impact implications as non-weighted criterion through the use of a 'Buy Local' questionnaire. Environmental Industries' response indicates that 14 of their staff live locally.

### **Policy Implications**

Tenders were invited to submit applications in accordance with the requirements of the City's Purchasing Policy.

### **Financial (Budget) Implications**

The costs associated with the Provision of Maintenance Services for Ocean Reef Road and Pinjar Road Environmental Offset Sites in the City of Wanneroo for a period of three years are included in the 2019/20 (and future years) Parks and Conservation Operational Budget. The value of work over the initial three year term of the contract is at a fixed price of \$289,778. The tender includes two (2), twelve (12) month, or part thereof, options to extend at the discretion of the City.



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**Recommendation**

That the Acting Chief Executive Officer, in accordance with Delegation 1.1.14 - Choice of Most Advantageous Tender ACCEPTS the tender submitted by Environmental Industries for Tender 19106 for the Provision of Maintenance Services for Ocean Reef Road and Pinjar Road Environmental Offset Sites in the City of Wanneroo for an initial period of three years, at a Fixed Lump Sum of \$289,778.45.

**SUBMITTED BY TECHNICAL OFFICER CONSERVATION**

  
SIGNATURE

11/10/2019  
DATE

**REVIEWED BY MANAGER CONTRACTS & PROCUREMENT**

  
SIGNATURE

11/10/2019  
DATE

**ENDORSED BY MANAGER PARKS & CONSERVATION MANAGEMENT**

  
SIGNATURE


8/10/2019  
DATE

**RECOMMENDED BY ACTING DIRECTOR ASSETS**

  
SIGNATURE

11/10/2019  
DATE

**APPROVED BY ACTING CHIEF EXECUTIVE OFFICER**

  
SIGNATURE

11.10.19  
DATE