



## **TENDER RECOMMENDATION REPORT**

**TO:** ACTING CHIEF EXECUTIVE OFFICER

**CC:** SPECIALIST COASTAL ENGINEER  
MANAGER ASSETS MAINTENANCE

**FROM:** DIRECTOR ASSETS

**FILE REF:** 21/146399

**DATE:** 12 APRIL 2021

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**TENDER 21045: SUPPLY AND DELIVERY OF SAND FOR BEACH  
RENOURISHMENT**

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### **Issue**

To consider Tender No: 21045 for the Supply and Delivery of Sand for Beach Renourishment.

### **Background**

Beach Renourishment is currently undertaken annually at the City's vulnerable coastal locations of Quinns Beach (multiple sites) and Yanchep Lagoon. This is typically undertaken as a preventative measure in March/April in order to provide a beach width buffer against early winter storm events. This ensures that the impacts and damage to coastal infrastructure and the dune environment from storm induced coastal erosion are kept to a minimum. Reactive beach renourishment works are also undertaken as needed which typically occurs following severe coastal erosion and is dependent on the severity and frequency of winter storms events. The required locations and sand volumes placed on the beach each year are determined by the City's Coastal Monitoring Programme which includes both qualitative photographic monitoring and quantitative analysis of coastal survey information. On average, the City places approximately 10,000 tonnes per year, generally with a focus on various locations along Quinns Beach. This sand quantity may decrease into the future as the effects of the recently constructed/extended groyne structures are realised.

In recent years, the Department of Transport has partially funded beach renourishment at the City under the Coastal Adaptation and Protection Grant Programme as follows:

- 2017/18 - \$299,212.00 for Stage 1 of the Quinns Beach Coastal Management Works which included Groyne 4 construction and beach renourishment;
- 2018/19 - \$147,349.77 for beach renourishment at Quinns Beach;
- 2019/20 - \$106,844.97 for beach renourishment at Quinns Beach; and
- 2020/21 - \$150,000.00 for beach renourishment at Quinns Beach.

## Tender 21045 Supply and Delivery of Sand for Beach Renourishment

The City intends to continue to submit funding applications for beach renourishment works each year. The 2021/22 CAP Grant submission of \$150,000 for beach renourishment at Quinns Beach and Yanchep Lagoon was recently submitted to the Department of Transport on 30 March 2021.

Tender No 21045 will replace an existing 5 year contract (Contract No. 01607) for the supply and delivery of sand for beach renourishment which is due to expire on 12 May 2021.

Note that the City also recently engaged coastal engineering consultant, Cardno, to undertake a feasibility study investigating alternate sand sources for beach renourishment purposes. This study will include consideration of a number of additional sand sources to future proof the City's long term coastal management practices including but not limited to offshore dredging, nearshore sediments, coastal development sites, sand quarries and accreting beaches.

### Detail

Tender 21045 for the Supply and Delivery of Sand for Beach Renourishment was advertised on 20 February 2021 and closed on 9 March 2021.

No Addendums were issued during the tender period.

Essential details of the proposed contract are as follows:

Item	Detail
Contract Form	Goods and/or Services
Contract Type	Schedule of Rates
Contract Duration	3 years
Commencement Date	May 2021
Expiry Date	May 2024
Extension Permitted	Yes. 2 x 12 months

Tender submissions were received from the following:

- WA Limestone; and
- Carramar Resource Industries.

The Tender Evaluation panel comprised:

- Specialist Coastal Engineer, Assets Maintenance;
- Coastal Engineer; Assets Maintenance;
- Acting Coordinator Parks Operations, Parks and Conservation Management; and
- Coordinator Safety Systems, People & Culture

### Probity Oversight

Oversight to the tender assessment process was undertaken by the City's Contracts Officer. Tender submissions were evaluated in accordance with the Procurement and Evaluation Plan (PEP) which included the following selection criteria:

Tender 21045 Supply and Delivery of Sand for Beach Renourishment

Item	Description	Weighting
	Price (assessed under Value for Money)	Not Weighted - VFM
1	Sustainable Procurement <ul style="list-style-type: none"> <li>• Environmental Considerations 5%</li> <li>• Buy Local 10%</li> <li>• Reconciliation Action Plan 2.5%</li> <li>• Disability Access &amp; Inclusion 2.5%</li> </ul>	20%
2	*Occupational Health and Safety	20%
3	*Compliance with Sand Specifications	20%
4	Resources and Capacity	20%
5	Capability and Organisation Experience	20%

Pricing is not included in the qualitative criteria and is considered as part of the overall Value for Money (VFM) assessment. Acceptable minimum scores are required for each qualitative criterion indicated with \* above.

**Pricing for the Works Offered (Not Weighted)**

An assessment was made to determine the ranking based on the schedule of rates provided by each tenderer. Please refer to the Confidential Attachment for details on the assessment of tenderer's schedule of rates.

Based on the price schedules provided in each submission, tenderers have been ranked on pricing as follows:

Tenderer	Lump Sum Price Ranking
WA Limestone	1
Carramar Resource Industries	2

**Evaluation Criteria 1 - Sustainable Procurement (20%)**

• **Environmental Considerations (5%)**

An assessment was made to determine the ranking based on Tenderer's Environmental Policy and Practices.

The assessment of this sub criterion resulted in the following ranking:

Tenderer	Ranking
WA Limestone	1
Carramar Resource Industries	2

• **Buy Local (10%)**

The assessment for buy local considerations was based on the Tenderer's responses to the Buy Local Questionnaire included within the Tender documentation.

The assessment of this sub criterion resulted in the following ranking:

Tenderer	Ranking
Carramar Resource Industries	1
WA Limestone	2

## Tender 21045 Supply and Delivery of Sand for Beach Renourishment

- **Reconciliation Action Plan (RAP) (2.5%)**

An assessment was made to determine the ranking based on how Tenderers can contribute to the City's RAP outcomes.

The assessment of this sub criterion resulted in the following ranking:

<b>Tenderer</b>	<b>Ranking</b>
WA Limestone	1
Carramar Resource Industries	2

- **Access and Inclusion (2.5%)**

An assessment was made to determine the ranking based on Tenderer's access and inclusion practices.

The assessment of this sub criterion resulted in the following ranking:

<b>Tenderer</b>	<b>Ranking</b>
Carramar Resource Industries	1
WA Limestone	2

The overall assessment of this Sustainable Procurement evaluation criterion has resulted in the following overall ranking:

<b>Tenderer</b>	<b>Ranking</b>
Carramar Resource Industries	1
WA Limestone	2

### **Evaluation Criteria 2 – Occupational Health and Safety (20%)**

Evidence of safety and quality 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. The assessment of this criterion resulted in the following ranking:

<b>Tenderer</b>	<b>Ranking</b>
Carramar Resource Industries	1
WA Limestone	2

### **Evaluation Criteria 3 – Compliance with Sand Specifications (20%)**

The tenderer's ability to comply with the City's sand specification was assessed based on photographs of sand samples and Particle Size Distribution tests included with tender submissions.

The assessment of this criterion has resulted in the following ranking:

<b>Tenderer</b>	<b>Ranking</b>
WA Limestone	1
Carramar Resource Industries	2

#### **Evaluation Criteria 4 – Resources and Capacity (20%)**

The tenderer's resources and capacity was assessed based on evidence provided within tender submissions and proof of available suitable sand quantities to cover the City's requirements over a 5 year period.

The assessment of this criterion has resulted in the following ranking:

<b>Tenderer</b>	<b>Ranking</b>
WA Limestone	1
Carramar Resource Industries	2

#### **Evaluation Criteria 5 – Capability and Organisation Experience (20%)**

The tenderer's capability and organisation experience was assess based on tender's capability statements and examples of previous projects relating to the supply of sand to the City of Wanneroo or other organisations.

The assessment of this criterion has resulted in the following ranking:

<b>Tenderer</b>	<b>Ranking</b>
Carramar Resource Industries	1
WA Limestone	2

#### **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.
- The tender submissions were evaluated in accordance with the qualitative criteria and weightings as detailed in the Procurement and Evaluation Plan, and were assessed against sustainable procurement as well as the necessary compliance with specifications, resources and capacity, experience and safety management systems required to undertake the contract requirements.

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

<b>Tenderer</b>	<b>Ranking</b>
WA Limestone	1
Carramar Resource Industries	2

#### **Value for Money Assessment**

Both WA Limestone and Carramar Resource Industries have met the minimum acceptable baseline for Qualitative Criteria and therefore progressed to the Value for Money Assessment.

Refer to the Confidential Attachment for details on the relative value for money outcome.

### Overall Assessment and Comment

The tender submission from WA Limestone had the highest qualitative ranking and provided the best overall value for money outcome in accordance with the assessment criteria and weightings. Therefore, WA Limestone is recommended as the successful tenderer.

### Consultation

Consultation with the local community will be undertaken via on site signage prior to Beach Renourishment Works each year. Upcoming coastal management works and the impacts of coastal erosion events are also discussed in detail with the Quinns Beach Long Term Coastal Protection Advisory Group which meets quarterly to discuss all Quinns Beach coastal management matters. This group consists of the Mayor, North Coast Ward Elected Members, Community Representatives, Department of Transport Representatives and City of Wanneroo staff.

The Department of Transport is also regularly consulted with on coastal management matters and all contract documentation, project scopes and monitoring/works photographs are shared with DoT regularly in accordance with the terms of the CAP Grant Funding Agreement. Ongoing collaboration and financial support from DoT is evident of the State Government's support for the City's coastal management actions.

### 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 objectives with the Strategic Community Plan 2017 – 2026:

- “3 A healthy and sustainable natural and built environment
  - 3.1.1 Minimise the impacts of climate change;
  - 3.2.1 Maximise the environmental value of beaches, natural reserves and parklands; and
  - 3.2.3 Optimise retention of significant vegetation and habitat.”

### Enterprise Risk Management Considerations

<b>Risk Title</b>	<b>Risk Rating</b>
ST-S06 Climate Change	Moderate
<b>Accountability</b>	<b>Action Planning Option</b>
Director Planning and Sustainability	Manage
<b>Risk Title</b>	<b>Risk Rating</b>
IN-O29 Asset Maintenance	Low
<b>Accountability</b>	<b>Action Planning Option</b>
Manager Assets Maintenance	Manage

## Tender 21045 Supply and Delivery of Sand for Beach Renourishment

The above risks relating to the issue contained within this report have been identified and considered within the City's Strategic/Corporate/Operational risk registers. Action plans have been developed to manage/mitigate/accept this risk to support existing management systems.

### **Financial and Performance Risk**

#### Financial Risk

As the City has multiple recent and ongoing contracts with WA Limestone, a financial assessment undertaken in November 2020 resulted in a 'strong' rating provided. Further verification undertaken by the City confirms that the company is within appropriate capacity and risk-based thresholds to undertake the proposed contract. The following conditions have been incorporated into the contract in accordance with the recommendations of the financial assessment.

- Ongoing financial assessments will be undertaken throughout the duration of the project;
- A termination clause is included in the contract document in the event of an unsatisfactory financial assessment; and
- Payment will only be made upon satisfactory completion of the service in accordance with the scope of works.

#### Performance Risk

WA Limestone has demonstrated the capacity and experience to deliver this contract effectively, based on their previous recent contracts with the City and other Local Councils.

Reference Checks have also indicated that the recommended tenderer has completed recent works to excellent standards and within agreed timeframes and budgets.

### **Purchasing Policy Implications**

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

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

Beach Renourishment works are funded by the City's Assets Maintenance Operational Budget which includes an allocation of \$300,000 per year. This budget allows the approximately 10,000 tonnes of sand to be supplied and delivered to site (covered under this Contract) plus placement onto the beach via hire of loaders, excavators and operators (which is covered under the City's Plant Hire contract with Mayday Earthmoving – Contract No. 18147). The budget allocation per year towards supply and delivery of sand only is \$250,000.

Each year the City submits a grant submission for the Department of Transport's Coastal Adaptation and Protection Grant Programme to cover 50% of the beach renourishment budget. Award of this grant is subject to review and approval by the Department of Transport each year.

**Recommendation**

**That the Acting Chief Executive Officer, in accordance with Delegation 1.1.14 - Choice of Most Advantageous Tender of the Delegated Authority Register for the awarding of tenders ACCEPTS the tender submitted by PMR Quarries Pty Ltd ATF WA Limestone Unit Trust T/A WA Limestone for Tender 21045, for the Supply and Delivery of Sand for Beach Renourishment for a period of three (3) years with two (2) twelve (12) month, or part thereof, options to extend at the discretion of the City..**