

TENDER RECOMMENDATION REPORT

TO: CHIEF EXECUTIVE OFFICER

CC: COORDINATOR CONSTRUCTION

FROM: DIRECTOR ASSETS

FILE REF: 44804 22/377545

DATE: 21 OCTOBER 2022

TENDER 22025: SUPPLY & DELIVER BITUMEN EMULSION STABILISED LIMESTONE AND CRUSHED ROCKBASE

Issue

To consider Tender No: 22025 for the Supply and delivery of bitumen emulsion stabilised limestone and crushed rockbase.

Background

Contract 18193 for Supply and Delivery of Bitumen Emulsion Stabilised Limestone Material expires on 30 November 2022. Forthcoming projects over the next 12 month period warrant re-establishment of 12 month term contract arrangements.

Detail

Tender No: 22025 for the Supply and delivery of bitumen emulsion stabilised limestone and crushed rockbase was advertised on 16 July 2022 and closed on 9 August 2022. 1 clarification addenda was issued.

Essential details of the proposed contract are as follows:

Item	Detail
Contract Form	Goods and Services
Contract Type	Schedule of Rates
Contract Duration	3 years
Commencement Date	1 December 2022
Expiry Date	30 November 2025
Extension Permitted	Yes, two periods of 12 months (or part thereof)

A tender submission was received from the following company:

Legal Name	Trading Name	Abbreviation
PMR Quarries Pty Ltd Trustee for WA Limestone Unit Trust t/as WA Limestone	WA Limestone Co	WA Limestone

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:

Item No	Description	Weighting
1	Sustainable (Corporate Social Responsibility) Procurement a. Environmental Considerations 5% b. Buy Local 15% c. Reconciliation Action Plan 2.5% Disability Access and Inclusion 2.5%	25%
2	*Work, Health & Safety (WHS)	20%
3	*Experience	35%
4	*Resources, Capacity & Methodology	20%

All tenderers must achieve a minimum acceptable score (as determined by the City) for each of the qualitative criteria detailed above (*) in order to be considered for further evaluation.

Pricing is not included in the qualitative criteria and is considered as part of the overall value for money assessment.

The received tender was conforming and proceeded for evaluation.

Evaluation Criteria 1 – Sustainable Procurement (25%)

Evidence of Sustainable (Corporate Social Responsibility) Procurement was assessed based on the Tenderer’s responses provided to the Questionnaires within Schedules 3A, 3B, 3C and 3D which formed part of the tender documentation.

Sub Criteria a) Environmental Considerations (5%)

The City is committed to procuring goods and services that provide positive environmental, social and economic impacts over the entire life cycle of a product or service. Respondents are encouraged to provide credentials of any environmental claims of the goods and/or services submitted in this tender.

The sole respondent, WA Limestone Co, is ISO 14001 certified with a strong commitment to recycling and has achieved an overall acceptable score.

Sub Criteria b) Buy Local (15%)

An assessment was made based on the response provided, detailing the following information:

- Location of tenderer’s offices and workshops;
- Residential addresses of staff and company addresses of subcontractors;
- Purchasing arrangements through local businesses;
- Requirement for new employees arising from award of the contract.

The sole respondent, WA Limestone Co based in Nowergup, provided details of their “Buy Local” considerations within Schedule 3B which identified some local employee

resourcing and evidence of supporting local economy so has achieved an overall acceptable score.

Sub Criteria c) Reconciliation Action Plan (RAP) (2.5%)

An assessment was made based on the responses provided that relate to:

- RELATIONSHIPS - building positive relationships between indigenous and non-indigenous people;
- RESPECT – recognising the contribution of Indigenous people to Australia and learning more about the history, culture and diversity in a two-way communication process;
- OPPORTUNITIES – attracting, developing and retaining organisational talent to build opportunities for aboriginal employment, training, and development and mentoring.

The sole respondent, WA Limestone Co, has an indigenous procurement policy and has provided evidence of indigenous engagement hence has achieved an overall acceptable score.

Sub Criteria d) Access & Inclusion Plan (AIP) (2.5%)

An assessment was made based on the responses provided that relate to:

- People with disabilities having the same buildings and facilities access opportunities as other people;
- People with disabilities receiving information in a format that will enable them to access information as readily as other people are able to access it;
- People with disabilities receiving the same level and quality of service from staff as other people receive;
- People with disabilities having the same opportunities as other people to make complaints;
- People with disabilities having the same opportunities as other people to participate in any employment opportunities.

The sole respondent, WA Limestone Co, adopts satisfactory business practice in this regard and has achieved an overall acceptable score.

Evaluation Criteria 2 - Tenderer's Work, Health and Safety Management Systems (20%)

Evidence of safety management policies and practices was assessed from the tender submission. The assessment for safety management was based on the tenderer's responses to a specific Questionnaire included within the tender documentation.

The sole respondent, WA Limestone Co, achieved an overall acceptable pass score.

Evaluation Criteria 3 - Tenderer's relevant experience with achievement of meeting client expectations (35%)

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 sole respondent, WA Limestone Co, has produced over 1M tonnes of bitumen emulsion stabilised limestone over past three decades and has achieved an overall acceptable pass score.

Evaluation Criteria 4 - Tenderer's resources, capacity and methodology to meet the requirements of the Contract (20%)

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 meet the requirements of the contract.

The sole respondent, WA Limestone Co, has satisfactory resourcing and capacity and has been assessed to have achieved an overall acceptable pass score.

Pricing for the Goods and Services Offered and Value of Money Assessment

Pricing was not included in the qualitative criteria but considered in the overall value for money assessment. The tender submission from WA Limestone has been assessed to provide overall value for money and the submitted prices are within market price movement expectations.

The typical historical utilisation of this service forms the basis of the matrix to formulate the price assessment scenario of the likely annual expenditure forecast. The accompanying supporting memorandum attachment provides a reference to the price assessment outcome.

Overall Value for Money Assessment and Comment

The tender submission from WA Limestone satisfied the overall value for money assessment in accordance with the assessment criteria and weightings as detailed in the Procurement and Evaluation Plan and is therefore recommended as the successful tenderer.

Consultation

Internal consultation occurred prior to tenders being called to ensure that the requirements were addressed by the specification and other contract provisions.

Broader community engagement is undertaken as required pending the site specific details and extent of work.

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 within the Strategic Community Plan 2021 – 2031:

“Goal 5: A well-planned, safe and resilient City that is easy to travel around and provides a connection between people and places.

Priority 5.3 Responsibly managed and maintained assets”

Enterprise Risk Management Considerations

Risk Title	Risk Rating
CO-007 Purchasing	Low
Accountability	Action Planning Option
Director Corporate Strategy and Performance	Manage
Risk Title	Risk Rating
CO-O08 Contract Management	Low
Accountability	Action Planning Option
Director Corporate Strategy and Performance	Manage
Risk Title	Risk Rating
CO-O17 Financial Management	Moderate
Accountability	Action Planning Option
Director Corporate Strategy and Performance	Manage
Risk Title	Risk Rating
CO-O23 Safety of Community	Moderate
Accountability	Action Planning Option
Director Community & Place	Manage

Financial and Performance Risk

Financial Risk

A financial risk assessment was recently undertaken and the outcome of this independent assessment advised that WA Limestone has been assessed with a 'very strong' financial capacity to meet the requirements of the contract.

Performance Risk

WA Limestone has been assessed to be able to meet all contract quality requirements with no performance risks identified from the tender submission. Before any contract activity proceeds, in accordance with the WHS Contract Management instructions that form part of the City's Contractor Management System, a Contractor Worksite WHS Induction and Pre-Contract Worksite Assessment will be undertaken to ensure compliance requirements are adequately met.

The Contract Start Up meeting will be utilised to validate compliance with all essential WHS requirements and an Initial City Worksite Assessment and Induction will be undertaken to ensure conformance with all WHS obligations.

WHS Performance Reviews will be undertaken on an ongoing basis throughout the contract and will ensure WHS performance is sufficiently administered and monitored throughout the contract.

Policy Implications

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

Financial (Budget) Implications

Based on the tenderer's schedule of rates, the projected quantities associated with the likely annual construction requirement (based on typical historical annual utilisation of product), a calculation was made to determine that the total annual estimated annual value of the supply for the contract period. The annual costs associated with the supply and delivery of bitumen emulsion stabilised limestone and crushed rockbase cost can be accommodated within the existing capital works budget with maintenance related components funded from the annual operational budget.

Recommendation:

That the 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 WA Limestone for Tender 22025, for the Supply and delivery of bitumen emulsion stabilised limestone and crushed rock base for an initial term of 3 years with options to extend for a further two, twelve month terms (or part thereof) at the City's discretion and as per the schedule of rates in the tender submission.