



TENDER RECOMMENDATION REPORT

TO: CHIEF EXECUTIVE OFFICER

FROM: DIRECTOR ASSETS

FILE REF: 44806 22/370024

DATE: 21 OCTOBER 2022

TENDER 22026 SUPPLY AND DELIVERY OF THERMOPLASTIC DRAINAGE CHAMBERS AND ASSOCIATED PRODUCTS

Issue

To consider Request for Tender (RFT) No: 22026 Supply and Delivery of Thermoplastic Drainage Chambers and Associated Products.

Background

The City is seeking to appoint a suitable qualified and experienced contractor to supply and deliver thermoplastic drainage chambers and associated products. This RFT is required to source a suitable contractor to provide this supply service on an as needed basis to replace Contract 19129 which expires on 3 December 2022.

Detail

Tender No: 22026 Supply and Delivery of Thermoplastic Drainage Chambers and Associated Products was advertised on 23 July 2022 and closed on 16 August 2022. No addenda were 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, 2 periods of 12 months or part thereof.
Rise and Fall	Maximum Perth All Groups CPI increases upon extensions.

- Residential addresses of staff and subcontractors; and
- Requirement for new employees arising from award of the contract.

The sole respondent, Tunnelwell, utilises a product manufacturing partner company which is located in Wangara.

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

An assessment was made to determine suitable scoring based on the response 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, development and mentoring

The sole respondent has a general formalised statement of respect for indigenous culture although the acknowledgement of reconciliation commitment does not define any specific objectives.

Sub Criteria d) Disability Access & Inclusion Plan (DAIP) (2.5%)

An assessment was made to determine suitable scoring based on the response provided that relate to:

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

The sole respondent maintains its website in accordance with universal accessibility needs with no other stated specific disability access and inclusion initiatives.

Tender submissions were received from the following:

Legal Name	Trading Name	Abbreviation
Sentry Holdings Pty Ltd	Tunnelwell	Tunnelwell

Probity Oversight

Oversight to the tender assessment process was undertaken by the City's Contracts Officer.

The sole tender submission was 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 10% c. Reconciliation Action Plan 2.5% d. Disability Access & Inclusion 2.5%	20%
2	*WHS demonstrated working documents	20%
3	*Demonstrated organisational experience	40%
4	*Methodology, resources and capacity	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.

The tender received was fully compliant and conforming. The City did not need to seek any clarifications from tenderer during the evaluation process.

Pricing is not included in the qualitative criteria but considered in the overall value for money assessment.

Evaluation Criteria 1 – Sustainable Procurement (20%)

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, Tunnelwell, is not ISO 14001 certified but has a strong commitment to recycling and responsible water management.

Sub Criteria b) Buy Local (10%)

An assessment was made to determine suitable scoring based on the response provided, detailing the following information:

- Purchasing arrangements through local businesses;
- Location of tenderer's offices and workshops;

Overall Sustainable Procurement Summary

The sole respondent achieved a satisfactory overall score with a key focus on environmental conservation and responsible water management practices.

Evaluation Criteria 2 - Tenderer's Workplace Health and Safety Management (20%)

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

The sole respondent achieved an overall acceptable pass score.

Evaluation Criteria 3 - Tenderer's demonstrated organisational experience (40%)

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 has metropolitan large project experience with City of Stirling and City of Victoria Park projects demonstrating recent relevant local government involvement.

Evaluation Criteria 4 – Tenderers' Methodology, Resources and Capacity to meet the requirements of the Contract (20%)

Assessment of this criterion considered the tenderers' staff resources, vehicles, plant/equipment and sub-contractors to manage the contract, including the proposed methodology for completing the requirements.

The sole respondent has been assessed to have satisfactory resourcing, capacity and methodology with an 800 unit per month local manufacturing production capacity through sub-contract arrangements with a local Wangara manufacturing company. A six to eight week lead time supply arrangement is well established.

Overall Qualitative Weighted Assessment and Comment

The sole respondent provided a submission that was reviewed in accordance with the assessment criteria and weightings as detailed in the Procurement and Evaluation Plan with the following key observations:

- Price is not weighted and is included in the overall value for money assessment.
- Based on the information supplied for assessment, the sole tenderer achieved above minimum acceptable scores for qualitative criteria having the necessary resources, previous experience, capability, and safety management systems to undertake the contract service.

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

Tunnelwell provided rates for the option of Schedule 1B chambers which have a longer forecast asset design life than the option of Schedule 1A products which typically require more maintenance and more frequent asset replacement. The company product is a local design and innovative in that it is not necessary for crushed aggregate infill surrounds and geotextile thereby eliminating the associated periodic maintenance cleaning requirements. Other key factors of the innovative design relate to the following savings in comparison to the option Schedule 1A conventional chamber product:

- 40% less spoil
- 30% less backfill
- 25% less storage volume required
- Longer design life that extends the asset replacement requirement by eliminating the 20 year retrofit liability. (This non-geotextile drainage system typically should have a 50 year design life)

The tender submission from the Tunnelwell tender satisfied the overall value for money assessment requirements and offered whole of asset life advantages.

The panel recommends the tender be awarded to Tunnelwell.

The historical utilisation of this service forms the basis of the matrix price assessment of the forecast annual expenditure and consideration of whole of asset life costing.

The Confidential Attachment provides a reference to the price assessment outcome.

Consultation

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

Following the tender assessment, further internal consultation occurred to ensure Engineering Maintenance acceptance of the associated use of the option Schedule 1B products.

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 3: A vibrant, innovative City with local opportunities for work, business and investment.

Priority 3.2 Attract and support new and existing business

“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 undertaken on Tunnelwell. The company has an acceptable level of working capital for this contract.

Performance Risk

Tunnelwell has been assessed as capable of achieving the contract quality requirements and no performance risks were identified. A reference was provided by Subiaco Building Company which rated Tunnelwell highly with the following comment: *“Subject met its supply obligation in an efficient, timely and professional manner. Will re-engage in the future.”*

It has also been determined that Tunnelwell is able to meet all contract WHS 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 tenderers' schedule of rates, the projected quantities associated with the likely annual construction requirement was undertaken.

It is confirmed the annual cost can be accommodated within the existing capital works budget with maintenance related components funded from the 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 Tunnelwell for Tender 22026, for the Supply and Delivery of Thermoplastic Drainage Chambers and Associated Products for an initial term of three (3) years with two (2), twelve (12) month (or part thereof) options to extend at the City's discretion and as per the schedule of rates in the tender submission.