



## **TENDER RECOMMENDATION REPORT**

**TO: CHIEF EXECUTIVE OFFICER**

**FROM: DIRECTOR ASSETS**

**FILE REF: 44808 22/328733**

**DATE: 18 NOVEMBER 2022**

---

### **TENDER 22027 PROVISION OF MATERIAL DISPOSAL SITES**

---

#### **Issue**

To consider Request for Tender (Tender) No: 22027 for the Provision of Material Disposal Sites.

#### **Background**

The City is seeking to appoint a suitable qualified and experienced contractor to provide a material disposal sites to service the City's construction and maintenance waste needs.

This Tender is required to establish a suitable contractor to provide these services beyond the 31 October 2022 expiry of Contract 19121.

#### **Detail**

Tender No: 22027 for the Provision of Material Disposal Sites was advertised on 16 July 2022 and closed on 2 August 2022. No addendums were issued.

Essential details of the proposed contract are as follows:

<b>Item</b>	<b>Detail</b>
Contract Form	Goods and Services
Contract Type	Schedule of Rates
Contract Duration	3 Years
Commencement Date	December 2022
Expiry Date	December 2025
Extension Permitted	Yes, 2 periods of 12 months or part thereof.
Rise and Fall	Maximum Perth All Groups CPI increases upon extensions.

Tender submissions were received from the following companies:

Legal Name	Trading Name	Abbreviation
The Trustee for Borrello Family Trust	Carramar Resource Industries	CRI
Community Greenwaste Recycling Pty Ltd	Community Greenwaste Recycling	CGR
Brajkovich Demolition	Brajkovich Demolition	BD

The Tender Evaluation Panel comprised:

- 2 x Project Manager, Infrastructure Capital Works
- Technical Officer – Contract Administrator, Engineering Maintenance
- 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:

Item No	Description	Weighting
1	Sustainable (Corporate Social Responsibility) Procurement a. Environmental Considerations 10% b. Buy Local 10% c. Reconciliation Action Plan 2.5% d. Disability Access & Inclusion 2.5%	25%
2	*Work Health and Safety	20%
3	*Demonstrated Experience	35%
4	*Resources, capacity and 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.

### 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 (10%)

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.

Tenderers provided details of their environmental considerations within Schedule 3A, with the following ranking:

<b>Tenderer</b>	<b>Ranking</b>
CRI	1
BD	2
CGR	2

**Sub Criteria b) Buy Local (10%)**

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.

Tenderers provided details of their “Buy Local” considerations within Schedule 3B, with the following ranking:

<b>Tenderer</b>	<b>Ranking</b>
CRI	1
CGR	2
BD	2

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

An assessment was made to determine the ranking 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.

Tenderers provided information specifying differing levels of actions in relation to indigenous reconciliation action with assessment resulting in the following ranking:

<b>Tenderer</b>	<b>Ranking</b>
BD	1
CGR	2
CRI	3

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

An assessment was made to determine the ranking 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.

Tenderers provided information specifying considerations for access and inclusion provisions with assessment resulting in the following ranking:

<b>Tenderer</b>	<b>Ranking</b>
CGR	1
CRI	2
BD	3

**Overall Sustainable Procurement Ranking**

The overall assessment of the Sustainable Procurement criteria has resulted in the following overall ranking:

<b>Tenderer</b>	<b>Ranking</b>
CRI	1
CGR	2
BD	3

**Evaluation Criteria 2 - Tenderer’s Work Health and Safety (20%)**

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

All Tenderers provided details of their safety management systems resulting in pass scores with the following ranking:

<b>Tenderer</b>	<b>Ranking</b>
CRI	1
BD	2
CGR	3

**Evaluation Criteria 3 - Tenderer’s relevant experience (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 assessment of this criterion has resulted in the following ranking:

<b>Tenderer</b>	<b>Ranking</b>
CGR	1
CRI	2
BD	3

**Evaluation Criteria 4 - Tenderer’s Resources, Capacity and Methodology to meet the requirements of the Contract (20%)**

The tenderers’ resources as presented in their tender submissions’ were assessed in order to evaluate their capacity to meet the requirements of the contract. Assessment of this criterion considered the tenderers’ staff resources, vehicles and plant/equipment to manage the contract, including the proposed methodology for completing the requirements. The assessment of this criterion has resulted in the following ranking:

<b>Tenderer</b>	<b>Ranking</b>
CRI	1
CGR	1
BD	3

**Overall Qualitative Weighted Assessment and Ranking**

Tenderers’ submissions were reviewed in accordance with the assessment criteria and weightings as detailed in 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, both tenderers achieved a minimum acceptable score for qualitative criteria.

The tenderers’ bids were evaluated in accordance with the selection criteria and both tenderers were assessed as having the necessary resources, previous experience, capability, quality and safety management systems to undertake the tender.

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

<b>Tenderer</b>	<b>Ranking</b>
CRI	1
CGR	2
BD	3

**Pricing for the Goods/Services/Works Offered**

An assessment was made to determine the ranking based on the schedule of rates provided with the tender documentation resulting in CGR assessed to have provided pricing considerably lower than the other two competing tenders.

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 Confidential Attachment provides a reference to the price assessment outcome with tenderer ranking as follows.

<b>Tenderer</b>	<b>Ranking</b>
CGR	1
BD	2
CRI	3

### Relative Value for Money Assessment

The combined assessment of Price vs Qualitative Scores resulted in the following tenderer ranking (highest to lowest):

Tenderer	Ranking
CGR	1
CRI	2
BD	3

### Overall Assessment and Comment

The qualitative assessment outcome determined a strong and close assessment result for all tenderers with CRI ranking highest based on qualitative assessment criteria, with CGR offering the lowest price.

Based on a comprehensive analysis of the price differential, risks and qualitative scoring outcome, (refer to the confidential attachment) Administration recommends CGR as the preferred tenderer which is aligned with the relative value for money assessment lead ranking of CGR.

### Consultation

Internal consultations had 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-O22 Environmental Management	High
Accountability	Action Planning Option
Director Planning and Sustainability	Manage

## **Financial and Performance Risk**

### Financial Risk

A financial risk assessment was undertaken on CGR and the pass score outcome of this independent assessment indicated that CGR has been assessed with a 'sound' financial capacity to meet the requirements of the contract.

### Performance Risk

CGR has been assessed to be able to meet all contract quality requirements with no performance risks identified from the tender submission. The company has also previously been the City's provider of these services with identified issues acceptably addressed throughout the contract.

A CGR Worksite Assessment was undertaken as part of the final evaluation process, and this safety inspection recorded general compliance with WHS obligations apart from a high vertical peat stockpile face adjacent to the edge of the access road. The face was battered to a safe slope after the concern was expressed. Furthermore, GGR has committed to provide a stockpile management plan by 31 December 2022 to provide the ongoing assurance required that stockpile batters will be maintained safely to avert the risk of sudden stockpile collapse.

Also, before any contract activity proceeds, in accordance with the WHS Contract Management instructions that form part of the City's Contractor Management System, a Corporate Online WHS Induction will be undertaken and the Contract Start Up meeting will be utilised to validate compliance with all essential WHS requirements.

### **Policy Implications**

Tenders invited were 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 provision of a material disposal site pertaining to maintenance activities, forthcoming projects, types of construction works carried out and the capital projects program, a calculation was made to determine that the total annual estimated expenditure per annum value of the works for the contract period 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 Community Greenwaste Recycling for Tender 22027, for Provision of Material Disposal Site services 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.**