

## **TENDER RECOMMENDATION REPORT**

**TO: CHIEF EXECUTIVE OFFICER**

**CC: MANAGER PARKS AND CONSERVATION MANAGEMENT**

**FROM: DIRECTOR ASSETS**

**FILE REF: 22/450987**

**DATE: 22 DECEMBER 2022**

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### **TENDER 22123 : PROVISION OF PARK AND STREETSCAPES MAINTENANCE FOR BUTLER WEST**

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#### **Issue**

To consider Tender No: 22123 for the Provision of Park and Streetscape Maintenance Services for Butler West for an initial period of two (2) years with one 12 month option to extend at the City's discretion.

#### **Background**

The City is seeking to appoint suitably qualified and experienced contractor/s to provide park and streetscape maintenance services to the suburb/area known as Butler West, for a period of two (2) years with an option to extend at the City's discretion one (1) year term or part thereof.

The works are currently undertaken under Contract #17222 which expired 3 December 2022.

#### **Detail**

Tender 22123 for the Provision of Parks and Streetscapes Maintenance for Butler West was advertised on 8<sup>th</sup> October 2022 and closed on 1<sup>st</sup> November 2022. No Addenda was issued. A copy of the Request for Tender document is available at HPE 22/294158.

Essential details of the proposed contract are as follows:

<b>Item</b>	<b>Detail</b>
Contract Form	Goods/Services
Contract Type	Schedule of Rates
Contract Duration	2 Years
Commencement Date	16 January 2023
Expiry Date	15 January 2025
Extension Permitted	Yes, one period of twelve months

Tender submissions were received from the following companies:

Legal Name	Trading Name	Abbreviation
Environmental Industries Pty Ltd	Environmental Industries	EI
Landscape Elements Pty Ltd	Landscape Elements	Landscape Elements
Pinochle Holdings Pty Ltd	Landscape Australia Construction	Landscape Australia
Horizon West Landscape and Irrigation Pty Ltd	Horizon West Landscape and Irrigation	Horizon West

The Tender Evaluation Panel comprised:

- Coordinator Parks Contracts
- Technical Officer – Horticulture
- Project Manager – Infrastructure Capital Works

### Probity Oversight

Oversight to the tender assessment process was undertaken by an external Probity Advisor, (William Buck Consulting (WA) Pty Ltd) and the City's Contracts Officer. Details of the external Probity Advisor Letter is included within the Confidential Attachment.

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 10% c. Reconciliation Action Plan 2.5% Disability Access and Inclusion 2.5%	20%
2	*Work Health & Safety (WHS)	20%
3	*Demonstrated Experience relative to the Request for Tender	20%
4	*Methodology for Parks and Streetscapes Maintenance Services	20%
5	*Demonstrated Capacity and Resources	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 (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.

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

<b>Tenderer</b>	<b>Ranking</b>
EI	1
Horizon West	2
Landscape Australia	2
Landscape Elements	2

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

The City encourages the development of competitive local businesses within the geographical boundaries of the City first and secondly within the broader region. This commitment includes, but is not limited to:

- Purchasing locally made and sourced goods / services;
- Inviting local businesses to participate in quotation, tender and expressions of interest opportunities;
- Providing an advantage to businesses based within the City's boundaries;
- Providing an advantage to businesses which can demonstrate economic benefit to the City's community such as employing local residents / sub-contractors and/or purchasing goods / services from local providers.

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

<b>Tenderer</b>	<b>Ranking</b>
EI	1
Horizon West	2
Landscape Elements	3
Landscape Australia	4

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

The City's vision for reconciliation is to create an inclusive community with strong relationships across cultures based on mutual respect and understanding. The Reconciliation Action Plan (RAP) was developed to realise this vision. As part of the RAP, the City is committed to procuring goods/services from suitably qualified Aboriginal and Torres Strait Islander businesses where practical.

Tenderers were encouraged to provide how their Tender submission can contribute to the achievement of this/these outcome(s), or what similar initiatives undertaken within their own organisation.

All Tenderers provided details of their RAP considerations within Schedule 3C, with the following ranking:

<b>Tenderer</b>	<b>Ranking</b>
El	1
Landscape Elements	1
Horizon West	3
Landscape Australia	4

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

The City's commitment to access and inclusion demonstrated within the City's core business and *Strategic Community Plan 2017/18 – 2026/27*. Consistent with the Strategic Community Plan and the City's AIP, agents and contractors are required to read and to the extent practicable, implement the relevant strategies of the City of Wanneroo AIP.

The City encourages our agents and contractors to adopt similar initiatives as outlined in the City's AIP within their own organisations. Respondents are encouraged to provide how their request for quote submission can contribute to the achievement of this/these outcome(s), or what similar initiatives undertaken within their own organisation.

All Tenderers provided details of their AIP considerations within Schedule 3D, with the following ranking:

<b>Tenderer</b>	<b>Ranking</b>
Landscape Elements	1
El	2
Landscape Australia	3
Horizon West	4

#### **Overall Sustainable Procurement Ranking Summary**

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

<b>Tenderer</b>	<b>Ranking</b>
El	1
Horizon West	2
Landscape Elements	3
Landscape Australia	4

#### **Evaluation Criteria 2 - Respondent's Work Health and Safety Management Systems (20%)**

Evidence of safety management policies and practices were 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>
Landscape Elements	1
Landscape Australia	2
El	3
Horizon West	4

**Evaluation Criteria 3 – Demonstrated experience relative to the Request for Tender (20%)**

The Tenderers demonstrated relevant experience in meeting similar contracts and within similar time frames, as presented in their respective submissions which were assessed in order to evaluate their capacity to meet the requirements of the contract.

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

<b>Tenderer</b>	<b>Ranking</b>
Landscape Elements	1
EI	1
Landscape Australia	3
Horizon West	3

**Evaluation Criteria 4 – Methodology for Parks and Streetscapes Maintenance Services (20%)**

Assessment of this evaluation criterion considered the Respondent’s ability to demonstrate a clear understanding of Park and Streetscape maintenance services required within an urban environment, including why it is carried out and what is to be achieved in order to manage the contract and their proposed methodology for performance of the services.

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

<b>Tenderer</b>	<b>Ranking</b>
Landscape Elements	1
EI	1
Landscape Australia	3
Horizon West	4

**Evaluation Criteria 5 – Respondent’s Demonstrated Capacity and Resources (20%)**

Assessment of this evaluation criterion considered the Tenderer’s ability to demonstrate adequate capacity and resources to meet the terms of the contract including staff, qualifications, and plant and equipment assigned to the contract.

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

<b>Tenderer</b>	<b>Ranking</b>
Landscape Elements	1
EI	1
Landscape Australia	3
Horizon West	3

**Overall Qualitative Weighted Assessment and Ranking**

The 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

- Responses evaluated were in accordance with the selection criteria as to having the necessary resources, previous experience, and capability and safety management systems to undertake the contract.

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

<b>Tenderer</b>	<b>Ranking</b>
EI	1
Landscape Elements	2
Landscape Australia	3
Horizon West	4

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

The Price assessment was made to determine the ranking based on the fixed lump sum pricing as listed in Price Schedule 1B and 1C. Prices are ranked from lowest to highest with all details listed in the **Confidential Attachment (Attachment 1)**.

Based on the information provided, tenderers are ranked as follows:

<b>Tenderer</b>	<b>Ranking</b>
EI	1
Landscape Elements	2
Landscape Australia	3
Horizon West	4

### **Value for Money Assessment**

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

<b>Tenderer</b>	<b>Ranking</b>
EI	1
Landscape Elements	2
Landscape Australia	3
Horizon West	4

### **Overall Assessment and Comment**

The tender submission from Environmental Industries 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.

### **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 2021-2031:

*5 – A well planned, safe and resilient City that is easy to travel around and provides a connection between people and places*

*5.3 – Responsibly managed and maintained assets*

*4 - A sustainable City that balances the relationship between urban growth and the environment*

*4.3 - Manage natural assets and resources*

## **Risk Appetite Statement**

*In pursuit of strategic objective goal 5, we will accept a Medium level of risk, extended to High in the areas of Community / Reputation & Financial / Commercial impacts. Shifting transport modes and usage in the City may require short term pain for longer term gain as the City supports the development, maintenance and connection of alternatives to car use (e.g. cycle ways) and the supporting infrastructure.*

## **Enterprise Risk Management Considerations**

<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
<b>Risk Title</b>	<b>Risk Rating</b>
CO-O20 Productive Communities	Moderate
<b>Accountability</b>	<b>Action Planning Option</b>
Director Community & Place	Manage
<b>Risk Title</b>	<b>Risk Rating</b>
CO-016 Risk Management	Low
<b>Accountability</b>	<b>Action Planning Option</b>
Executive Manager Governance & Legal	Manage
<b>Risk Title</b>	<b>Risk Rating</b>
IN-029 Asset Maintenance	Moderate
<b>Accountability</b>	<b>Action Planning Option</b>
Director Assets	Manage

The above risks relating to the issue contained within this report have been identified and considered within the City's Corporate Risk Register. Action plans have been developed to manage this risk to support existing management systems.

## Financial Risk

An independent financial assessment was not undertaken as the most recent assessment of the recommended entity was requested in August 2022 and was assessed with a 'strong' financial capacity to meet the requirement of the contract. All payments are made on satisfactory provision of the services.

Please see the Confidential Attachment for details of the recent financial assessment.

### Performance Risk

Environmental Industries holds a number of maintenance contracts for local, state and government agencies. Independent reference checks confirm that the recommended tenderer is able to meet the requirements of the tender.

Refer to the Confidential Attachment for details of the reference check.

Before any contract activity proceeds, in accordance with WHS Contract Management instructions that form part of the City's Contract 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 were invited in accordance with the requirements of the City's Purchasing Policy.

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

The costs associated with Parks and Streetscapes Maintenance for Butler West are included/listed for consideration in the Parks and Conservation Management Annual Operational (approved and draft) Budgets. The scheduled maintenance is as per the scope and specification of the contract with fixed pricing per year. All additional works required are reactive and ad hoc and undertaken using the schedule of rates listed in the price schedules.



**Recommendation:**

**That the Chief Executive Officer, in accordance with Delegation 1.1.13 - Choice of Most Advantageous Tender of the Delegated Authority Register for the awarding of tenders ACCEPTS the tender submitted by Environmental Industries for Tender 22123, for the PROVISION OF PARKS AND STREETSCAPE MAINTENANCE IN BUTLER WEST for the Fixed Lump Sum of \$896,944.02 and as per schedule of rates detailed within the tender submission and subject to appropriate funding availability for each of the financial years within the initial two year contract term.**