

## **TENDER RECOMMENDATION REPORT**

**TO:** CHIEF EXECUTIVE OFFICER

**CC:** ACTING MANAGER PARKS AND CONSERVATION  
MANAGEMENT

**FROM:** ACTING DIRECTOR ASSETS

**FILE REF:** 22/435559

**DATE:** 16 January 2023

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**TENDER 22119: SUPPLY, INSTALLATION AND MAINTENANCE OF BORES  
PUMPING UNITS AND LAKE INFRASTRUCTURE**

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### **Issue**

To consider Tender No: 22119 for the Supply, Installation and Maintenance of Bore Pumping Units and Lake Infrastructure.

### **Background**

Maintenance of the City's bores, pumping units and Lake Infrastructure has previously been undertaken by a term contractor. This model of service delivery is likely to continue into the foreseeable future given the specialised nature of the works.

The services are currently provided by Hydroquip Pumps under contract 17236 which expires 28 January 2023 with no further contract extensions available.

### **Detail**

Tender 22119 for the Supply, Installation and Maintenance of Bore Pumping Units and Lake Infrastructure was advertised on 14 September 2022 and closed on 04 October 2022. No Addenda 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	2 Years
Commencement Date	29 January 2023
Expiry Date	28 January 2025
Extension Permitted	Yes, 2 periods of 12 months or part thereof

One conforming Tender submission was received from the following company:

<b>Legal Name</b>	<b>Trading Name</b>	<b>Abbreviation</b>
Acemark Investments Pty Ltd ATF The McFadden Trust	Hydroquip Pumps & Irrigation	Hydroquip

The Tender Evaluation Panel comprised:

- Coordinator Parks Technical – Parks and Conservation Management
- Project Manager – Infrastructure Capital Works
- Project Officer Irrigation - Parks and Conservation Management

### **Probity Oversight**

Oversight to the RFT assessment process was undertaken by William Buck Consulting (WA) Pty Ltd and in conjunction with the City's Contracts Officer.

Please refer to the Confidential Attachment for reference to the external Probity Advisor Final Report.

Tender submissions were evaluated in accordance with the Procurement and Evaluation Plan (PEP) which included the following selection criteria:

<b>Item No</b>	<b>Description</b>	<b>Weighting</b>
1	Sustainable (Corporate Social Responsibility) Procurement a. Environmental Considerations 5% b. Buy Local 10% c. Reconciliation Action Plan 2.5% d. Disability Access and Inclusion 2.5%	20%
2	*Work Health & Safety (WHS)	25%
3	*Demonstrated capacity to undertake required works within given timeframes	25%
4	*Demonstrated experience in type of works required within this contract	30%

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.

Hydroquip provided good detail of their environmental considerations within Schedule 3A.

**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.

Hydroquip are not based locally, although they have some staff who live locally, utilize a local sub-contractor and purchase goods from with the City of Wanneroo.

**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.

Hydroquip, while not a member of any relevant directory they provided a response to this criterion demonstrating their understanding of the City's vision in relation to reconciliation.

**Sub Criteria d) Access & Inclusion Plan (AIP) (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.

Hydroquip provided a response to this criterion demonstrating a commitment to

inclusivity with equal opportunities for all.

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

The overall assessment of the Sustainable Procurement criteria has resulted in Hydroquip receiving an adequate score for this criterion.

### **Evaluation Criteria 2 - Tenderer's Safety Management Systems 25%)**

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.

Hydroquip provided a very good response for WHS in relation to the scope of the services.

### **Evaluation Criteria 3 - Demonstrated capacity to undertake required works within given timeframes (25%)**

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 manage the contract.

Hydroquip provided a good response to demonstrate capacity to provide the services under this contract.

### **Evaluation Criteria 4 - Demonstrated experience in type of works required within this contract (30%)**

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.

Hydroquip provided a superior response to demonstrate experience in the provision of similar services with achievement of client satisfaction.

### **Overall Qualitative Weighted Assessment and Ranking**

The submission from Hydroquip achieved the minimum requirements for the mandatory qualitative criteria and satisfied the overall qualitative requirements in accordance with the assessment criteria and weightings as detailed in the Procurement and Evaluation Plan.

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

An assessment of pricing was based on the quoted schedule of rates in the submission with comparison to previous rates. Refer to the Confidential Attachment for the pricing analysis.

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### Value for Money Assessment

The combined assessment of Price vs Qualitative Scores considered Hydroquip's submission value for money for the City.

### Overall Assessment and Comment

The submission from Hydroquip achieved adequate scores for all qualitative criteria and satisfied the overall value for money assessment in accordance with the assessment criteria and weightings, and is therefore recommended as the successful tenderer.

### Consultation

Nil

### 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:

“Goal 5

Priority 5.3

Wanneroo will be a City known for having high quality new and existing assets that are well maintained to be fit for purpose and valued by local communities. The City's assets will be future proofed by design and also provide maximum return on investment into the future.

### Risk Appetite Statement

*In pursuit of strategic objective goal 7, we will accept a Medium level of risk as the City balances the capacity of the community to fund services through robust cost-benefit analysis and pursues evidence-based decision making to be effective stewards of the Council and City for future generations.*

### Enterprise Risk Management Considerations

Risk Title	Risk Rating
CO-O13 Workplace Health and Safety	Low
Accountability	Action Planning Option
Corporate Strategy and Performance	Manage
Risk Title	Risk Rating
CO-O22 Environmental Factors	High
Accountability	Action Planning Option
Corporate Strategy and Performance	Manage

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<b>Risk Title</b>	<b>Risk Rating</b>
CO-O08 Contract Management	Low
<b>Accountability</b>	<b>Action Planning Option</b>
Corporate Strategy and Performance	Manage

**Financial and Performance Risk**

Financial Risk

A financial risk assessment was undertaken as part of the tender evaluation process and the outcome of this independent assessment advised that Hydroquip has been assessed with a 'sound' financial capacity to meet the requirements of the contract.

Performance Risk

Hydroquip pumps are currently the City's pump maintenance contractor, during their current contract they have no history of notices or disputes and have provided a high-quality service to the City.

Independent reference checks have also indicated that the recommended tenderer has undertaken similar works for other local authorities to a high standard.

**Policy Implications**

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

**Financial (Budget) Implications**

The costs associated with the Supply, Installation and Maintenance of Bore Pumping Units and Lake Infrastructure are included in the Parks and Conservation Management Operational Budget.

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**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 Acemark Investments Pty Ltd ATF The McFadden Trust T/A Hydroquip Pumps for Tender 22119 for the Supply, Installation and Maintenance of Bore Pumping Units and Lake Infrastructure, as per the schedule of rates in the tender submission subject to appropriate funding availability, for each of the financial years within the two (2) year initial contract term and with two x 12 month (or part thereof) options to extend at the City's discretion.**