

## ***TENDER RECOMMENDATION REPORT***

**TO:** CHIEF EXECUTIVE OFFICER

**CC:** MANAGER INFRASTRUCTURE CAPITAL WORKS

**FROM:** DIRECTOR ASSETS

**FILE REF:** 38001 - 19/284336

**DATE:** 22 August 2019

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### **TENDER 19124: Provision of Seed Collection and Propagation Services**

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#### **Issue**

To consider Tender No: 19124 for the Provision of Seed Collection and Propagation Services

#### **Background**

The City has a requirement for a contractor to undertake the collection of native plant seed and provide plant propagation services for the City's Offset sites, Conservation and Foreshore reserves. Contracts to provide services to these areas have been in place since 2010.

Due to the expiry of the current Contracts on 30 October 2019, and there being no contract extension provisions remaining, it is necessary to procure new term contract service provision arrangements.

The tender works are split into separable portions by activity and by plant type. The seed collection component of the tender occurs in the first year of the tender and precedes the plant propagation component, which occurs in the second year of the tender. If approved, this sequence of tender works will extend into the proposed contract extension periods.

The tender is also split by plant type into Schedules 1B and 1C. Schedule 1B comprises the majority of the plant species and Schedule 1C comprises Spinifex species only.

Tender 19124 addresses the City's requirement for seed collection and plant propagation services under its capital works program and Tree & Conservation maintenance activities. The proposed expenditure attributed to Tender 19124 will be allocated to operational and capital works budgets.

The Strategic Asset Management and Tree & Conservation Maintenance service units were consulted prior to compiling the Tender 19124 documentation to ensure the most effective procurement strategy was deployed.

### Detail

Tender 19124 for the Provision of Seed Collection and Propagation Services was advertised on 15 June 2019 and closed on Tuesday 2 July 2019. No Addenda were issued for Tender 19124.

Essential details of the proposed contract are as follows:

Item	Detail
Contract Form	Goods and Services
Contract Type	Schedule of Rates
Contract Duration	2 Years
Commencement Date	01/11/2019
Expiry Date	30/10/2021
Extension Permitted	Yes, 2 periods of 2 years.
Rise and Fall	Maximum Perth All Groups CPI increases upon extensions.

Tender submissions were received from the following:

- Plant Force Investments T/A Plantrite
- Natural Area Holdings T/A Natural Area Consulting Management Services

It should be noted that Plantrite only tendered for the plant propagation component of the tender. Natural Area Holdings tendered for both the seed collection and plant propagation components.

The Tender Evaluation panel comprised:

- Coordinator Construction – Chairperson
- Occupational Safety and Health Officer – Voting Member
- Project Officer Environmental – Voting Member
- Environmental Asset Officer – Voting Member
- Conservation Maintenance Officer – Voting Member

### 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	Price (assessed under Value for Money)	Not Weighted
2	Tenderers' Experience	30%
3	Tenderer's Resources	25%
4	Methodology	25%
5	Safety Management	20%

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

All tender submissions were received as conforming.

## **SEPARABLE PORTION 1 – PLANT PROPAGATION**

### **Evaluation Criteria 1 - 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. Refer to Confidential Attachment 1 for details of the assessment of this criterion.

<b>Tenderer</b>	<b>Ranking</b>
Natural Area Holdings	1
Plantrite	2

### **Evaluation Criteria 2 - Tenderer's relevant experience with achievement of meeting client expectations (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. The assessment of this criterion has resulted in the following ranking:

<b>Tenderer</b>	<b>Ranking</b>
Natural Area Holdings	1
Plantrite	1

### **Evaluation Criteria 3 - Tenderer's resources and capacity to meet the requirements of the Contract 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. The assessment of this criterion has resulted in the following ranking:

<b>Tenderer</b>	<b>Ranking</b>
Natural Area Holdings	1
Plantrite	1

### **Evaluation Criteria 4 – Tenderer's methodology to undertake the tender works. (25%)**

The tenderer's methodology as presented in their tender submission was assessed in order to confirm their experience. Assessment of this criterion considered the particulars of how the tenderers would undertake the tender works.

<b>Tenderer</b>	<b>Ranking</b>
Natural Area Holdings	1
Plantrite	1



### **Evaluation Criteria 5 - Tenderer's Safety and Quality Management Systems (20%)**

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 and evidence presented of safety and quality management policies and practices.

Both tenderers provided details of their safety management systems with the following ranking:

<b>Tenderer</b>	<b>Ranking</b>
Natural Area Holdings	1
Plantrite	2

### **Separable Portion 1 Qualitative Weighted Assessment and Ranking**

The tenderers submissions were reviewed in accordance with the Procurement and Evaluation Plan with the following key observations:

Both tenderers provided quality submissions, however the submission from Natural Area Holdings (NAH) ranked higher overall..

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

<b>Tenderer</b>	<b>Ranking</b>
Natural Area Holdings	1
Plantrite	2

### **Value for Money Assessment**

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

### **Plant Propagation**

<b>Tenderer</b>	<b>Ranking</b>
Natural Area Holdings	1
Plantrite	2

## **SEPARABLE PORTION 2 – SEED COLLECTION**

### **Evaluation Criteria 1 - 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. Refer to Confidential Attachment 1 for details of the assessment of this criterion.

<b>Tenderer</b>	<b>Ranking</b>
Natural Area Holdings	1
Plantrite	NA

## **Evaluation Criteria 2 - Tenderer's relevant experience with achievement of meeting client expectations (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. The assessment of this criterion has resulted in the following ranking:

<b>Tenderer</b>	<b>Ranking</b>
Natural Area Holdings	1
Plantrite	NA

## **Evaluation Criteria 3 - Tenderer's resources and capacity to meet the requirements of the Contract 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. The assessment of this criterion has resulted in the following ranking:

<b>Tenderer</b>	<b>Ranking</b>
Natural Area Holdings	1
Plantrite	NA

## **Evaluation Criteria 4 – Tenderer's methodology to undertake the tender works. (25%)**

The tenderer's methodology as presented in their tender submission was assessed in order to confirm their experience. Assessment of this criterion considered the particulars of how the tenderer would undertake the tender works.

<b>Tenderer</b>	<b>Ranking</b>
Natural Area Holdings	1
Plantrite	NA

## **Evaluation Criteria 5 - Tenderer's Safety and Quality Management Systems (20%)**

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 and evidence presented of safety and quality management policies and practices.

<b>Tenderer</b>	<b>Ranking</b>
Natural Area Holdings	1
Plantrite	NA

### **Separable Portion 2 Qualitative Weighted Assessment and Ranking**

The tenderers submission was reviewed in accordance with the Procurement and Evaluation Plan

### **Value for Money Assessment**

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

#### **Seed Collection**

<b>Tenderer</b>	<b>Ranking</b>
Natural Area Holdings	1
Plantrite did not submit for this portion	N/A

### **Overall Assessment and Comment**

The tender submission from Natural Area Holdings achieved the highest ranking and satisfied the overall value for money assessment for both separable portions, in accordance with the assessment criteria and weightings as detailed in the Procurement and Evaluation Plan and is therefore recommended as the successful tenderer.

Natural Area Holdings have the experience and resources to undertake all of the works required under Tender 19124. Natural Area Holdings is the City's current contractor for seed collection and propagation services and are familiar with the City's requirements.

### **Consultation**

The City's Strategic Asset Management and Tree and Conservation Maintenance service units were consulted prior to releasing the tender documents.

### **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 of the City's Strategic Community Plan 2017 – 2026:

“3 Natural Environment

3.2.1 Maximise the environmental value of beaches, nature reserves and parklands”



## Enterprise Risk Management Considerations

Risk Title	Risk Rating
CO-O22 Environmental Management	Moderate
Accountability	Action Planning Option
Director Planning and Sustainability	Manage

The above risk relating to the issue contained within this report has been identified and considered within the City's corporate risk register. The tender works involves the collection of native plant seed from the City's conservation and foreshore reserves and the propagation of the seed into plants for the City's reserves.

## Financial and Performance Risk

### Financial Risk

A financial risk assessment was undertaken as part of another recent tender evaluation process and the outcome of this independent assessment by Corporate Scorecard Pty Ltd advised that Natural Area Holdings has been assessed with a 'strong' financial capacity to meet the requirements of this contract.

### Performance Risk

Natural Area Holdings have provided a very good service to the City for the past six years under Contracts 01326NAMS and 16118NAMS and have no history of notices, disputes and claims with the City or other entities.

Independent reference checks indicate that the recommended tenderer is performing strongly in their current contracts.

## Social and Environmental Considerations

The submission from Natural Area Holdings detailed the steps taken by their organisation regarding social and environmental considerations. In broad terms, Natural Area Holdings has committed to aligning with 'One Planet's' sustainability principles and Environmental & Quality policy.

## Broader Economic Impact Implications for the City of Wanneroo

Natural Area Holdings has 16 employees who live within the Cities of Wanneroo and Joondalup.

## Policy Implications

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

## Financial (Budget) Implications

The proposed expenditure under Tender 19124 will be both operational and capital in type and a breakdown of the budgeted costs is provided below.

### Operational Budget:

The costs associated with Tender 19124 Provision of Seed Collection and Propagation Services are included in the Tree and Conservation maintenance

operational budget. Based on historical expenditure it is forecast that the City has budgeted \$70,000 for the initial contract period of 2 years.

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Capital Works:

Based on the tenderer's schedule of rates part of the tender, for the capital projects program, it is estimated the value of works for the initial contract period of 2 years will be approximately \$220,000 and is budgeted across multiple projects within the existing capital works budget.

The above proposed figures differ from the Tenderer's offer as calculated (refer Confidential attachment) because the second year of the two year tender period will have a seed collection component that is not yet costed. The cost of seed collection in the second year has been estimated and added to the expenditure under the tender to give a more accurate indication of the proposed expenditure.



### 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 Natural Area Holdings for Tender 19124, for the Provision of Seed Collection and Propagation Services, as per the schedule of rates in the tender submission

#### SUBMITTED BY COORDINATOR CONSTRUCTION

  
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SIGNATURE

22/8/19.  
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DATE

#### REVIEWED BY MANAGER CONTRACTS & PROCUREMENT

  
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#### ENDORSED BY MANAGER INFRASTRUCTURE CAPITAL WORKS

  
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#### RECOMMENDED BY DIRECTOR ASSETS

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#### APPROVED BY CHIEF EXECUTIVE OFFICER

  
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23.9.19  
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