



## **TENDER RECOMMENDATION REPORT**

**TO:** CHIEF EXECUTIVE OFFICER

**CC:** MANAGER INFRASTRUCTURE CAPITAL WORKS  
COORDINATOR CONSTRUCTION

**FROM:** DIRECTOR ASSETS

**FILE REF:** 23689V02 19/389736

**DATE:** 5 November 2019

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**TENDER 19038 : PROVISION OF MINOR WORKS FOR HARDCASTLE PARK,  
LANDSDALE, UPGRADE PASSIVE PARK**

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### **Issue**

To consider Tender No: 19038 for the provision of minor works for the upgrade of passive park Hardcastle Park in Landsdale.

### **Background**

This project entails the design and development of Hardcastle Park, Landsdale, in accordance with Local Planning Policy 4.3: Public Open Space. Hardcastle Park is a passive Neighbourhood Park and currently has no amenities on site. The Park is located at 39 Hardcastle Avenue in Landsdale and is approximately one hectare in size. Due to the lack of quality playground facilities in the Landsdale locality that the Hardcastle Park concept focused on conventional play equipment and nature play theme incorporating the existing vegetation on site.

### **Detail**

Tender 19038 for the upgrade of Hardcastle Park, Landsdale, was advertised on 3 August 2019 and closed on Tuesday 3 September 2019. Three Addenda were issued.

Essential details of the proposed contract are as follows:

<b>Item</b>	<b>Detail</b>
Contract Form	Minor Works
Contract Type	Fixed Lump Sum Price
Commencement Date	November 2019
Contract Duration	Completion by 10 April 2020
Defects Liability	12 months
Extension Permitted	No
Rise and Fall	No

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Tender submissions were received from the following:

Horizon West Landscape Constructions (Horizon West)  
Phase3 Landscape Construction (Phase3)  
Total Eden Pty Ltd (Total Eden)  
Eighth St Pty Ltd T/A Ligna Construction (Ligna)  
Menchetti Consolidated Pty Ltd T/A MG Group WA (MG Group)

The Tender Evaluation Panel comprised:  
A/Coordinator Construction, Landscape Designer, Supervisor Parks Maintenance,  
A/Coordinator Safety Systems.

**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	Demonstrated Organisational & Key Personnel Experience	40%
2	Methodology and Timeframe	40%
3	OSH	20%
4	Price (assessed under Value for Money)	Not Weighted

Pricing is not included in the qualitative criteria and is considered as part of the overall value for money assessment. The minimum acceptable baseline for Qualitative Criteria is set at 50% with acceptable minimum scores required for each qualitative criterion.

On initial review of tender submissions, it was confirmed that all tender submissions were received as conforming tenders, and progressed for further evaluation.

**Evaluation Criteria 1 - Demonstrated Organisational and Key Personnel 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 and key personnel credentials to fulfil the requirements of the contract. The assessment of this criterion has resulted in the following ranking:

Tenderer	Ranking
MG Group*	1
Horizon West*	1
Phase3*	1
Total Eden*	4
Ligna	5

\*MG Group, Phase 3, Horizon West and Total Eden achieved acceptable scores for this criterion.

### **Evaluation Criteria 2 - Tenderer's Methodology and Timeframe (40%)**

The tenderer's methodology and timeframe 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 capability of the tenderers in understanding the scope of work and demonstrating through their proposal that they had the ability to complete works within the specified timeframe. The assessment of this criterion has resulted in the following ranking:

<b>Tenderer</b>	<b>Ranking</b>
MG Group*	1
Phase3*	2
Horizon West*	3
Total Eden*	4
Ligna	5

\*MG Group, Phase 3, Horizon West and Total Eden achieved acceptable scores for this criterion

### **Evaluation Criteria 3 - Tenderer's Safety Management Systems (20%)**

Evidence of safety management policies and practices was 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>
Horizon West*	1
MG Group*	2
Total Eden	3
Phase3	4
Ligna	5

\*MG Group and Horizon West achieved acceptable scores for this criterion

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

Tenderer's submissions were reviewed in accordance with the PEP with the following key observations:

- Price is not weighted and is included in the overall value for money assessment.
- The tenderers' submissions were evaluated in accordance with the selection criteria and were assessed against the necessary resources, previous experience, capability and safety management systems to undertake the tender.

The qualitative weighted assessment resulted in the following tenderer ranking:

<b>Tenderer</b>	<b>Ranking</b>
MG Group*	1
Horizon West*	2
Phase3	3
Total Eden	4
Ligna	5

\*Horizon West and MG Group were the only two Tenderers to achieve acceptable qualitative criteria scores against all qualitative criteria and therefore progressed to the overall value for money assessment.

#### **Evaluation Criteria 4 – Price (Non weighted)**

Refer to Confidential Attachment for the overall lump sum price assessment. The fixed lump sum price (Schedule 1A) plus all of the optional items (Schedule 1B) were applied in the overall value for money assessment for those tenderers that met the minimum qualitative criteria requirements. Based on preferred equipment to be installed in the new playground the City has chosen to exclude items 1, 3, 6 & 8 from the optional items in Schedule 1B.

#### **Overall Value for Money Assessment Comment**

In accordance with the PEP, the proposals were assessed for both City and Australian Standard compliance whilst satisfying the overall value for money assessment. Refer to Confidential Attachment for further detail.

The tender submission from MG Group satisfied the overall value for money assessment and is therefore recommended as the successful tenderer.

#### **Consultation**

Extensive community consultation occurred in 2017 as part of the concept and design development for this project. In accordance with Section 3.51 of the Local Act 1995 relating to minor construction works, general construction notice will be issued to the adjoining properties and signage will be installed on site.

#### **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*. Clearing Permit approvals have been finalised.

#### **Strategic Implications**

The proposal aligns with the following objective within the Strategic Community Plan 2026 - 2027:

1. Society
  - 1.1 Healthy and Active People
    - 1.1.1 Create opportunities that encourage community wellbeing and active and healthy lifestyles.

**Enterprise Risk Management Considerations**

<b>Risk Title</b>	<b>Risk Rating</b>
CO-O20 Productive Communities	Moderate
<b>Accountability</b>	<b>Action Planning Option</b>
Director of Community and Place	Manage

<b>Risk Title</b>	<b>Risk Rating</b>
C0-023 Safety of Community	Moderate
<b>Accountability</b>	<b>Action Planning Option</b>
Director of Community and Place	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 MG Group has been assessed as having 'very strong' financial capacity to meet the requirements of the contract.

Performance Risk

The recommended Tenderer has a minimum of 15 years' experience in the civil and landscaping construction services industry while working with various local governments across Western Australia, including a previous project with the City. In addition, the recommended tenderer has no disputes and claims history as stated in the submission.

Independent reference checks indicate that the recommended tenderer has a strong track record of working with local government for more than 5 years.

**Social and Environmental Considerations**

In consideration of the sustainable procurement requirements in accordance with section 15 of the City's Purchasing Policy, the tenderer's response to Schedule 3B Social and Environmental considerations was evaluated. The tenderer's submission demonstrated construction considerations specifically related to asset protection, recycling practices, and disposal of non-required material in accordance with industry best practice.

**Broader Economic Impact Implications for the City of Wanneroo**

The recommended tenderer response to schedule 3C demonstrated contribution in terms of labour and/or purchase goods which will directly benefit the local community. MG group are located in Osborne Park and the sub-contractors they will be engaging are all locally based.

**Policy Implications**

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

**Financial (Budget) Implications**

Based on the tenderer's lump sum, the historic quantity, types of construction works carried out and the capital projects program, a calculation was made to determine the

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total annual estimated value of the works for the contract period which is accommodated in the existing 19/20 capital works budget.

PR-3063 HARDCASTLE PARK, LANDSDALE

<b>Description</b>	<b>Expenditure</b>	<b>Budget</b>
1. Construction budget		\$703,429.00
2. Environmental Offset budget		\$258,196.00
<b>Total Project Budget</b>		<b>\$961,625.00</b>
<b>1. Construction Budget</b>		<b>\$703,429.00</b>
Historical Expenditures	\$123,926.00	
Capital Works Program 2019/2020		\$579,503.00
<b>Expenditure: Construction 19/20</b>		
Expenditures to date	\$8,890.00	
Commitment to date	\$40,942.00	
Construction Activities	\$422,815.01	
Other items	\$49,680.00	
Contingency	\$29,000.00	
<b>Total Expenditure 19/20</b>	<b>\$551,327.01</b>	
<b>Total Funding Construction Budget</b>		<b>\$675,253.01</b>
<b>2. Environmental Offsets Budget</b>		<b>\$258,196.00</b>
Historical Expenditures	\$12,484.00	
Capital Works Program 2019/2020		\$116,504.00
Capital Works Program 2020/2021 to 2023/2024		\$129,207.00
Expenditures to date	\$7,284.39	
Commitment to date	\$65,353.97	
Other items	\$15,000.00	
Contingency	\$9,000.00	
<b>Total Expenditure 19/20</b>	<b>\$96,638.36</b>	
Future Expenditures 2020/2021 to 2023/2024	\$134,207.00	
<b>Total Funding Environmental Offsets</b>		<b>\$225,845.36</b>
<b>Total Funding PR-3063</b>		<b>\$901,098.37</b>

**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 Menchetti Consolidated Pty Ltd t/as MG Group WA for Tender 19038, for the Provision Of Minor Works For Hardcastle Park, Landsdale, Upgrade Passive Park, at \$422,815.01 Fixed Lump Sum, including the main works and selected optional items.

**SUBMITTED BY LANDSCAPE DESIGN & PROJECTS OFFICER**

  
SIGNATURE

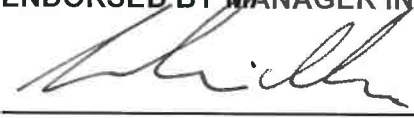
07/11/2019  
DATE

**REVIEWED BY MANAGER CONTRACTS & PROCUREMENT**

  
SIGNATURE


7/11/19  
DATE

**ENDORSED BY MANAGER INFRASTRUCTURE CAPITAL WORKS**

  
SIGNATURE

7/11/19  
DATE

**RECOMMENDED BY DIRECTOR ASSETS**

  
SIGNATURE

11/11/19  
DATE

**APPROVED BY CHIEF EXECUTIVE OFFICER**

  
SIGNATURE

13.11.19  
DATE