

TENDER RECOMMENDATION REPORT

TO: CHIEF EXECUTIVE OFFICER
CC: MANAGER INFRASTRUCTURE CAPITAL WORKS
FROM: DIRECTOR ASSETS
FILE REF: 23756V07 19/300914
DATE: 17 October 2019

TENDER 19062
PROVISION OF MAJOR WORKS, HALESWORTH PARK, BUTLER - NEW
SPORTS FACILITIES

Issue

To consider the decline of Tender No. 19062 for the Provision of Major Works, Halesworth Park, Butler - New Sports Facilities.

Background

At its meeting on 30 July 2019, Council considered this item and resolved as following:
That Council:

1. NOTES that appeals have been submitted to the Appeal Convener against the clearing permit CPS 7982/1 seeking to clear native vegetation to construct Halesworth Park, Butler – New Sports Facilities;
2. NOTES that Administration is liaising with the Appeals Convener to ensure an early conclusion of the appeals process;
3. NOTES that Administration is liaising with all stakeholders including the Department of Education to determine alternate arrangements for the new school as the construction of the southern oval at Halesworth Park (as a joint use facility) is now unlikely to be completed before the commencement of the 2020 school year; and
4. DELEGATES, BY ABSOLUTE MAJORITY to the Chief Executive Officer, the authority to DETERMINE and ACCEPT or REJECT Tender No. 19062, for Provision of Major Works Halesworth Park, Butler – New Sports Facilities.

The City sought to appoint a suitably qualified and experienced contractor to undertake the following civil and landscaping works associated with the construction of two sports ovals, site amenities, road and pedestrian infrastructure, and pad sites for two proposed buildings at Halesworth Park, Butler.

The scope of works included (but was not limited to):

- Clearance of the site (in accordance with Environmental Permit requirements)
- Bulk earthworks;
- Retaining walls;
- Stormwater drainage;
- Power and lighting;
- Roadworks;
- Paths;
- Hardcourts;
- Sports oval construction (turfed areas);
- Landscaping planting;
- Landscaping reticulation;

The two buildings proposed on site do not form part of this tender.

The site is currently undeveloped bushland, bounded by Santorini Promenade and Halesworth Parade (with residential properties adjacent), John Butler Primary College and Butler North Secondary School (opening 3 February 2020) and rail reserve for the future Yanchep Rail Extension.

The project was to be delivered in two separable portions:

- a) Separable Portion 1 – Stage 1 Southern Oval.
Provide a playable sports surface for the Department of Education Butler Senior School, which opens 3 February 2020; and
- b) Separable Portion 2 – Stage 2
Balance of all works to complete the Southern Oval amenities and delivery of the Northern Oval and associated amenities by 14 May 2020.

Detail

Tender No. 19062 for the Provision of Major Works, Halesworth Park, Butler - New Sports Facilities was advertised on 9 March 2019 and closed on Tuesday 2 April 2019. Subsequent bid validity was extended with the preferred Tenderer.

A non-mandatory site inspection and tender briefing was held at 10am on Thursday 14 March 2019 to provide tenderers the opportunity to seek clarification to the Request for Tender documentation.

During the tender period there were eight tender addendums issued; all tenderers confirmed receipt.

Essential details of the proposed contract were as follows:

Item	Detail
Contract Form	Major Works – AS4000-1997
Contract Type	Lump Sum
Contract Duration	52 weeks
Commencement Date (Subject to Tender Award)	2 weeks after receipt of Letter of Award or 28 days after the clearing permit is granted whichever occurs later
Date for Practical Completion	Separable Portion SP1 <i>Stage 1 – Works associated with delivering the Southern Oval by 16 December 2019.</i>
	Separable Portion SP2 <i>Stage 2 – Balance of all works to complete the Southern Oval amenities and delivery of the Northern Oval and associated amenities by 14 May 2020</i>
Defects Liability Period	12 Months for each separable portion
Extension Permitted	No
Rise and Fall	No

Tender submissions were received from the following companies:

Company (full entity name)	Company (abbreviated name)
D.B.Cunningham Pty Ltd t/a Advantearing Civil Engineers	Advantearing
Environmental Industries Pty Ltd	Environmental Industries
McCorkell Constructions WA Pty Ltd	McCorkell
Menchetti Consolidated Pty Ltd	Menchetti
Murphy Group Contracting Pty Ltd Trading as MGC Civil	MGC Civil
Ralmana Pty Ltd T/A RJ Vincent & Co. (RJV)	RJ Vincent
TRACC Civil Pty Ltd	TRACC Civil
Wormall Civil Pty Ltd	Wormall

Tender Evaluation Panel

The Tender Evaluation Panel comprised:

- Project Manager Major Buildings - Infrastructure Capital Works
- Principal Technical Advisor, Parks & Conservation Management
- Representative from Civil Engineering Consultant
- Representative from Emerge Associates Landscape Design
- OSH Officer Safety and Injury Management

Tender submissions were evaluated in accordance with the following weighted selection criteria:

Item No	Description	Weighting
1	Organisational Experience	25%
2	Key Personnel Experience	25%
3	Methodology	25%
4	Occupational Health & Safety	25%

Price was not included in the Qualitative Criteria, but was considered as part of the overall value for money assessment and the minimum acceptable baseline for Qualitative Criteria being set at 50%.

Probity Oversight

Oversight to the tender assessment process was undertaken by the City's Contracts Officer and William Buck Consulting (WA) Pty Ltd provided external probity services.

Tender submissions were evaluated in accordance with the Procurement and Evaluation Plan (PEP).

On initial review of the tender submissions by the City's Contracts Officer confirmed that the tender submission from TRACC Civil was deemed to be a non-conforming tender due to incomplete tender submission, and excluded from further consideration.

All other tender submissions were deemed to be conforming and included for further consideration.

Consultation

Throughout the design phase of the project, the City worked collaboratively with key stakeholders; Department of Education, Property Developers LWP Property Group and Satterley Property Group (LWP and Satterley), sports clubs and user groups.

The public comment process was undertaken through July to August 2015 with property developers, LWP and Satterley, nearby residents, various sporting clubs and user groups.

As reported in CD03-11/15 Outcomes of Community Consultation for Butler North District Open Space, the public comment process for the project was undertaken via an initial online survey, which was open for a period from 27 July 2015 to 7 August 2015. The survey was promoted through the City's SmartClubs newsletter (circulation of 130), website, Facebook and Twitter pages.

In addition, this survey was also sent to LWP and Satterley to forward to residents via their respective mailing lists. Though survey respondents were provided a copy of the master plan, it resulted in a limited number of submissions. As a result, Administration decided to re-open the survey and undertook a mail-out to residents within a 400m radius of the reserve (1,871 households) for a further four weeks from 21 September to 16 October 2015. This resulted in an additional 74 submissions.

extend Tenders again due to the expiration of the validity period of the tenderer's bid being seven months after tenders closed. Furthermore, changes in the market impacting on tenderer costs may be realised. Therefore the City recommends that Tenders be declined.

Once the Clearing Permit appeal is assessed by the OAC and the Minister DotEE provides determination on the Clearing Permit. City Administration will review the Clearing Permit conditions and any requirements set by DotEE, before retendering these works in accordance with the new procurement policy.

Procurement of the Consultancy Services for the design of the two Sports Buildings is presently on hold pending outcome of further design reviews by City Administration. This is following further consultations with community and user groups, and internal stakeholders regarding similar facilities. Once completed; City Administration will issue a request for tender for these consultancy services in accordance with the new procurement policy. Timing for this is not anticipated to impact the overall delivery of the project.

Strategic Implications

The proposal aligns with the following objective within the Strategic Community Plan 2017 – 2027:

"1 Society

1.1 Healthy and Active People

1.1.1 Create opportunities that encourage community wellbeing and active and healthy lifestyles"

"1 Society

1.1 Healthy and Active People

1.1.2 Facilitate opportunities within the City to access peak and elite activities"

"3 Environment (Built)

3.4 Activated Places

3.4.2 Provide safe spaces, centres, and facilities through our infrastructure management and designs for community benefit and recreation"

"3 Environment (Built)

3.4 Activated Places

3.4.4 Improve local amenity by retaining and complementing natural landscapes within the built environment"

Enterprise Risk Management Considerations

The below risks relating to the issue contained within this tender have been identified and considered within the City's Strategic and Corporate risk register. Action plans have been developed to manage/mitigate/accept these risks to support existing management systems.

The survey results indicated support for the proposed Master Plan.

Additional public comment processes were undertaken as part of the Department of Water and Environmental Regulation's clearing permit application assessment process.

Post tender award and during the construction phase, the City shall provide regular progress updates on key project milestones or events; posting of information on City's webpage and media channels in addition notifying DoE, DLGSCI, Developers, local residents, John Butler Primary College, relevant sports and user groups.

Comment

Tenders were evaluated in accordance with the Procurement and Evaluation Plan.

Statutory Compliance

Tenders were invited in accordance with the requirements of Section 3.57 of the *Act*. The tendering procedures and evaluation complied with the requirements of Part 4 of the *Local Government (Functions and General) Regulations 1996*.

Proposed Works – Development Approval / Clearing Permit and Appeal Process

The proposed works being undertaken by the City received Development Approval on 16 May 2018.

The State Government (DWER - Department of Water and Environment Regulation) approved the City's application for a clearing permit on 5 June 2019.

During the 21 days statutory appeal period, the Federal Government (DotEE - Commonwealth Department of Environment) received 4 No. public appeals.

The process of appeal is assessed by the Office of the Appeals Convenor (OAC), who advises the Minister DotEE of their recommendations. The Minister DotEE then provides determination on the Clearing Permit.

The City Officers met with the OAC on 15 August 2019 to discuss the appeals process and the DWER advice that the OAC had received on 26 July 2019. The OAC confirmed that they were still assessing the appeals. As a result, the City decided to maintain the validity of the recommended tenderer's bid; extending it by agreement for a further three months. This was done in anticipation that determination from the OAC regarding the Clearing Permit would be received during this extended validity period.

The extended validity period of the tenderer's bid came to an end 1 October 2019. The City sought advice from the OAC on the status of their assessment of the Environmental Clearing Permit; to which on 8 October 2019 the OAC confirmed that the process of assessment was ongoing and no timescale was given for its determination.

In the absence of a final determination received from the Office of Appeals Convenor and The Minister of Environment; the advice from Contracts and Procurement was not to

Risk Title	Risk Rating
CO-O08 Contract Management	Moderate
Accountability	Action Planning Option
Director Corporate Strategy and Performance	Manage
Risk Title	Risk Rating
ST-S23 Stakeholder Relationships	Moderate
Accountability	Action Planning Option
Chief Executive Officer	Manage
Risk Title	Risk Rating
CO-O17 Financial Management	Moderate
Accountability	Action Planning Option
Director Corporate Strategy and Performance	Manage

Social and Environmental (Sustainable Procurement) Considerations

The tender document included this consideration as a non-weighted criterion.

Broader Economic Impact Implications for the City of Wanneroo

The tender document included broader economic impact implications as a non-weighted criterion through the use of a *Buy Local* questionnaire.

Policy Implications

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

Recommendation

That the Chief Executive Officer, in accordance with Council Resolution AS12-07/19: Declines all Tenders submitted for Tender No. 19062, Provision of Major Works Halesworth Park, Butler – New Sports Facilities.

SUBMITTED BY PROJECT MANAGER MAJOR BUILDINGS


SIGNATURE

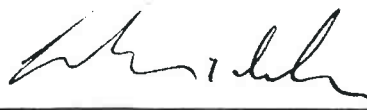
17/10/19
DATE

REVIEWED BY MANAGER CONTRACTS & PROCUREMENT


SIGNATURE

17/10/19
DATE

ENDORSED BY MANAGER INFRASTRUCTURE CAPITAL WORKS


SIGNATURE

23/10/19
DATE

RECOMMENDED BY DIRECTOR ASSETS


SIGNATURE

23-10-19
DATE

APPROVED BY CHIEF EXECUTIVE OFFICER


SIGNATURE

5.11.19
DATE