

TENDER RECOMMENDATION REPORT

TO: CHIEF EXECUTIVE OFFICER

CC: MANAGER PARKS AND CONSERVATION MANAGEMENT

FROM: DIRECTOR ASSETS

FILE REF: 20/136852

DATE: 20 May 2020

TENDER No. 19283: Construction of Groundwater Production Bores for a Period of Three (3) Years with Two (2) Twelve (12) Month Options to Extend

Issue

To consider Tender No. 19283 for the Construction of Groundwater Production Bores for a Period of Three (3) Years with Two (2) Twelve (12) Month Options to Extend.

Background

The City's previous Contract for the Construction of Groundwater Production Bores for a Period of Three (3) Years with Two (2), Twelve (12) Month (or part thereof) Options to Extend was provided by Ardmay Pty Ltd T/A RBM Drilling. This Contract was utilised for the construction of groundwater production bores in both the Capital Replacement Program as well as any reactive maintenance works required in case of bore failure. Due to Ardmay Pty Ltd T/a RBM Drilling not accepting the City's invitation of one (1) available option to extend the Contract, a new Request for Tender process was undertaken to appoint a new suitable contractor.

Detail

Tender No. 19283 for the Construction of Groundwater Production Bores for a Period of Three (3) Years with Two (2) Twelve (12) Month Options to Extend was advertised on Saturday 14th December 2019 and closed on Tuesday 14th January 2020.

One (1) Addendum was issued in response to Q&A. Please refer to the Confidential Attachment for Tender documentation.

Essential details of the proposed contract are as follows:

Item	Detail
Contract Form	Goods and Services
Contract Type	Schedule of Rates
Contract Duration	Three (3) Years
Commencement Date	May 2020
Expiry Date	April 2023
Extension Permitted	Yes, two (2) periods of one (1) year each.

Tender submissions were received from the following:

- The Clamon Family Trust T/A Aqua Attack Drilling (Aqua Attack)
- Miltide Pty Ltd & CG & T/A Rond Drilling (Rond Drilling)
- Silver City Drilling (NSW) Pty Ltd (Silver City)
- T&G Reticulation Services (T&G Reticulation)
- Western Irrigation Pty Ltd (Western Irrigation)

The Tender Evaluation panel comprised:

- Specialist Parks Contracts – Parks Contracts
- Acting Coordinator Safety Systems - Safety and Injury Management
- Technical Officer Turf and Irrigation – Parks Technical
- Project Officer – Parks Technical
- Maintenance Engineer – Engineering Maintenance

Probity Oversight

Oversight to the tender assessment process was undertaken by the external probity advisor William Buck Consulting (WA) Pty Ltd. Please refer to the Confidential Attachment for the final Probity Advisor Report reference.

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	Sustainable Procurement	10%
3	Demonstrated experience constructing groundwater production bores*	30%
4	Demonstrated available resources to complete works in timeframes set by the City*	30%
5	OSH demonstrated working documents*	30%

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 the mandatory qualitative criteria* is set at 50% with acceptable minimum scores required for each mandatory qualitative criterion*.

The following Tender submissions were received as conforming:

- Aqua Attack
- Rond Drilling
- Silver City
- T&G Reticulation
- Western Irrigation

Evaluation Criteria 1 - Pricing for the Goods/Services/Works Offered (Not Weighted)

An assessment was made to determine the ranking based on the lump sum pricing provided with the tender documentation. The assessment of this criterion has resulted in the following ranking:

Please refer to the Confidential Attachment for the overall price assessment.

Tenderer	Ranking
T&G Reticulation	1
Rond Drilling	2
Aqua Attack	3
Western Irrigation	4
Silver City	5

Evaluation Criteria 2 – Sustainable Procurement (10%)

The tenderer's submissions were assessed in order to evaluate their capability to meet the requirements of the contract with minimal impact on the environment. Assessment of this criterion considered the tendering entity's credentials to fulfil the requirements of the contract in a sustainable manner. The assessment of this criterion has resulted in the following ranking:

Tenderer	Ranking
T&G Reticulation	1
Western Irrigation	2
Aqua Attack	3
Silver City	3
Rond Drilling	5

Evaluation Criteria 3 - Demonstrated experience constructing groundwater production bores (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:

Tenderer	Ranking
Aqua Attack	1
T&G Reticulation	2
Silver City Drilling	2
Rond Drilling	2
Western Irrigation	2

Evaluation Criteria 4 - Demonstrated available resources to complete works in timeframes set by the City (30%)

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:

Tenderer	Ranking
Aqua Attack	1

Western Irrigation	1
Silver City	3
T&G Reticulation	4
Rond Drilling	4

Evaluation Criteria 5 - OSH Demonstrated Working Documents (30%)

Evidence of safety and quality 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:

Tenderer	Ranking
Silver City	1
Western Irrigation	2
Aqua Attack	3
T&G Reticulation	3
Rond Drilling	3

Overall Qualitative Weighted Assessment and Ranking

Tenderer's submissions were reviewed in accordance with the Procurement and Evaluation Plan with the following key observations:

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

Tenderer	Ranking
Aqua Attack	1
Silver City	2
Western Irrigation	3
T&G Reticulation	4
Rond Drilling	5

Value for Money Assessment

The tender submission from Aqua Attack satisfied the overall value for money assessment. Refer to the Confidential Attachment for detailed information.

Overall Assessment and Comment

The tender submission from Aqua Attack achieved the highest qualitative ranking and 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.

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 2017 – 2027:

3.1 Resource Management

- 3.1.1 Minimise impacts of climate change
- 3.1.2 Seek alternative ways to improve energy efficiency
- 3.1.3 Proactively manage the scarcity of water through sustainable local water management strategies

3.2 Enhanced Environment

- 3.2.1 Maximise the environmental value of beaches, nature reserves and parklands
- 3.2.2 Collaborate with relevant State agencies with a focus on the enhancement of the natural environment.
- 3.2.3 Optimize retention of significant vegetation and habitat

Enterprise Risk Management Considerations

Risk Title	Risk Rating
CO-001 Relationship Management	Moderate
Accountability	Action Planning Option
Director Corporate Strategy &	Manage
Risk Title	Risk Rating
CO-008 Contract Management	Moderate
Accountability	Action Planning Option
Director Corporate Strategy &	Manage
Risk Title	Risk Rating
CO-013 Workplace Health and Safety	Moderate
Accountability	Action Planning Option
Director Corporate Strategy &	Manage
Risk Title	Risk Rating
CO-022 Environmental Factors	Moderate
Accountability	Action Planning Option
Director Corporate Strategy &	Manage
Risk Title	Risk Rating
IN-029 Asset Maintenance	Low
Accountability	Action Planning Option
Director Assets	Manage

Risk Title	Risk Rating
ST-S05 Water Availability	Moderate
Accountability	Action Planning Option
Director Planning and Sustainability	Manage

The above risks relating to the issue contained within this report have been identified and considered within the City's Strategic risk registers. Action plans have been developed to accept this risk to support existing management systems. This proposal aligns with the Environment objective of the existing Strategic Community plan. Therefore consideration should be made of the following risk appetite statement: 3.1 Resource Management.

Environmental impacts are prioritised above all other relevant consequence considerations.

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 Aqua Attack has been assessed with a 'satisfactory' financial capacity to meet the requirements of the contract.

Performance Risk

Aqua Attack has successfully performed project works for the City when constructing a ground water production bore at Marangaroo Golf Course in October 2016.

Independent reference checks have also indicated that the recommended tenderer has the capability and resource capacity to implement the construction of groundwater production bores to meet the City's requirements.

Social and Environmental Considerations

The City's standard schedule was included in the Request for Tender documentation. Aqua Attack responded to this schedule and has not had any disputes, defaults or environmental breaches.

Broader Economic Impact Implications for the City of Wanneroo

The tender document included broader economic impact implications as a weighted criterion through the use of a "Buy Local" questionnaire. The recommended tenderer is based locally.

Policy Implications

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

Financial (Budget) Implications

Based on the recommended tenderer's schedule of rates and the Capital Projects Program for PR 1661, a calculation was made to determine the total annual estimated value of the works for the Contract period which is estimated to be in the order of \$750,000 over the initial term of the Contract and is accommodated as part of future PR 1661 capital works budgets.

Please refer to the Confidential Attachment for information on the capital projects program for PR 1661.

**PR- 1661 PMO 17022 RECURRING PROGRAM RENEW IRRIGATION
INFRASTRUCTURE AND UPGRADE INSTALLATIONS**

Description	Expenditure	Budget
Budget:		
Allocated Capital Works Budget for 2020/21 (PR-1661)	\$400,000	\$1,050,000
Allocated Capital Works Budget for 2021/22 (PR-1661)	\$280,000	\$1,500,000
Allocated Capital Works Budget for 2022/23 (PR-1661))	\$320,000	\$1,530,000
Allocated Capital Works Budget for 2023/24 (PR-1661)	Nil	\$1,560,600
Allocated Capital Works Budget for 2024/25 (PR-1661)	\$80,000	\$1,591,812
Expenditure:	1,080,000	
Total Expenditure	\$1,080,000	
Total Funding		\$7,232,412
Funding Provision required in 2020/21	\$400, 000	

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 The Clamon Family Trust T/A Aqua Attack Drilling for Tender 19283 for the Construction of Groundwater Production Bores for an initial term of three years, with two, twelve month options (or part thereof) to extend at the City's discretion and as per the schedule of rates in the tender submission.

SUBMITTED BY TECHNICAL OFFICER – TURF AND IRRIGATION



SIGNATURE

20/5/2020

DATE

REVIEWED BY MANAGER CONTRACTS & PROCUREMENT



SIGNATURE

20/5/2020

DATE

ENDORSED BY MANAGER PARKS AND CONSERVATION MANAGEMENT




SIGNATURE

21/5/2020

DATE

RECOMMENDED BY DIRECTOR ASSETS



SIGNATURE

25.05.2020

DATE

APPROVED BY CHIEF EXECUTIVE OFFICER



SIGNATURE

26.5.2020

DATE