



TENDER RECOMMENDATION REPORT

TO: CHIEF EXECUTIVE OFFICER

FROM: DIRECTOR ASSETS

FILE REF: 20/216800

DATE: 28 May 2020

TENDER 20015: PROVISION OF PLUMBING SERVICES FOR A PERIOD OF THREE (3) YEARS

Issue

To consider Tender No: 20015 for the Provision of Plumbing Services for a Period of Three (3) Years.

Background

The City is seeking to appoint a suitably qualified and experienced contractor to provide plumbing services on both a scheduled program and an as-and-when required basis for all City assets. This is a recurring contract for a period of three (3) years with options to extend, at the City's discretion for a further two (2), one (1) year terms or part thereof. The current Contract expires on 31 May 2020.

Detail

Tender 20015 for the Provision of Plumbing Services was advertised on 7 March 2020 and closed on Tuesday 31 March 2020. A total of three (3) addenda were issued in response to clarifications sought and which did not change the intent or scope of work included to the original tender document.

Essential details of the proposed contract are as follows:

| Item | Detail |
|---------------------|--|
| Contract Form | Goods & Services |
| Contract Type | Schedule of Rates |
| Contract Duration | Three Years |
| Commencement Date | 1 June 2020 |
| Expiry Date | 31 May 2023 |
| Extension Permitted | Yes, two periods of 12 months or part thereof |
| Rise and Fall | Maximum Perth All Groups CPI increase upon extension |

Tender submissions were received from the following:

- Hoskins Investments Pty Ltd ATF M R Hoskins Family Trust T/A AE Hoskins Building Services
- B.A Lockhart & M Lockhart T/A Alkimos Plumbing and Gas

- Casotti Plumbers Commercial and Domestic Pty Ltd
- Dumelle Corporation Pty Ltd T/A Diamond Plumbing and Gas
- Hilton Plumbing (Maintenance) Pty Ltd T/A Hilton Plumbing & Electrical
- Majestic Plumbing Pty Ltd
- Maxey Plumbing Pty Ltd
- On Tap Plumbing and Gas Pty Ltd
- Snap Plumbing and Construction Pty Ltd
- RW & JA Olsen T/A Wanneroo Plumbing Services

The Tender Evaluation panel comprised:

- Coordinator Building Maintenance (Asset Maintenance),
- Technical Officer Building Maintenance North (Asset Maintenance),
- Technical Officer - Turf & Irrigation (Parks & Conservation Management),
- Coordinator Safety Systems (People & Culture)
- Technical Officer - Contract Administrator (Asset Maintenance)

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 | Sustainable (Corporate Social Responsibility) Procurement a. Environmental Considerations 5% b. Buy Local 10% c. Reconciliation Action Plan 2.5% d. Disability Access & Inclusion 2.5% | 20% |
| 2 | * OSH Demonstrated working documents | 20% |
| 3 | * Methodology, resources and capacity for maintenance services | 25% |
| 4 | * Demonstrated experience of tenderer and personnel performing the services | 35% |
| 5 | Pricing based on Schedule of Rates (assessed based exclusively on Value for Money principles) | Not weighted |

Pricing is not included in the qualitative criteria and is considered as part of the overall value for money assessment. A minimum acceptable baseline for Qualitative Criteria was required together with acceptable minimum scores required for each designated qualitative criterion indicated with * in the table above.

All received tender submissions were deemed as conforming.

Evaluation Criteria 1 – Sustainable (Corporate Social Responsibility) Procurement (20%)

Evidence of Sustainable (Corporate Social Responsibility) Procurement was assessed based on the tenderers' responses provided within the Questionnaires

provided in Schedules 3A, 3B, 3C, 3D which were included in the tender documentation.

Evaluation Criteria 1a – Environmental Considerations (5%)

The City is committed to procuring goods and services that have the most positive environmental, social and economic impacts over the entire life cycle of a product or service. Tenderers were encouraged to provide the credentials of any environmental claims for the goods and/or services being submitted in this Tender.

Based on Schedule 3A as submitted, tenderers are ranked as below:

| Tenderer | Ranking |
|--|----------------|
| Hilton Plumbing & Electrical | 1 |
| Snap Plumbing and Construction Pty Ltd | 1 |
| Alkimos Plumbing and Gas | 3 |
| Maxey Plumbing Pty Ltd | 3 |
| On Tap Plumbing and Gas Pty Ltd | 5 |
| Diamond Plumbing and Gas | 5 |
| Majestic Plumbing Pty Ltd | 5 |
| AE Hoskins Building Services | 5 |
| Casotti Plumbers Commercial and Domestic Pty Ltd | 9 |
| Wanneroo Plumbing Services | 9 |

Evaluation Criteria 1b – Buy Local (10%)

The City encourages the development of competitive local businesses within the geographical boundaries of the City first and secondly within the broader region. This commitment includes, but is not limited to:

- Purchasing locally made and sourced goods / services;
- Inviting local businesses to participate in quotation, tender and expressions of interest opportunities;
- Providing an advantage to businesses based within the City's boundaries;
- Providing an advantage to businesses, which can demonstrate economic benefit to the City's community such as employing local residents/sub-contractors and/or purchasing goods/services from local providers.

Based on Schedule 3B as submitted, tenderers are ranked as below:

| Tenderer | Ranking |
|--|----------------|
| Alkimos Plumbing and Gas | 1 |
| On Tap Plumbing and Gas Pty Ltd | 2 |
| Casotti Plumbers Commercial and Domestic Pty Ltd | 2 |
| Diamond Plumbing and Gas | 4 |
| Maxey Plumbing Pty Ltd | 5 |
| Wanneroo Plumbing Services | 6 |
| AE Hoskins Building Services | 7 |
| Hilton Plumbing & Electrical | 7 |
| Majestic Plumbing Pty Ltd | 7 |
| Snap Plumbing and Construction Pty Ltd | 7 |

Evaluation Criteria 1c – Reconciliation Action Plan (2.5%)

The City’s vision for reconciliation is to create an inclusive community with strong relationships across cultures based on mutual respect and understanding. The Reconciliation Action Plan (RAP) was developed to realise this vision. As part of the RAP, the City is committed to procuring goods and services from suitably qualified Aboriginal and Torres Strait Islander businesses where practical.

Tenderers were encouraged to provide how their Tender submission can contribute to the achievement of this/these outcome(s), or what similar initiatives are undertaken within their own organisation.

Based on Schedule 3C as submitted, tenderers are ranked as below:

| Tenderer | Ranking |
|--|----------------|
| On Tap Plumbing and Gas Pty Ltd | 1 |
| AE Hoskins Building Services | 1 |
| Alkimos Plumbing and Gas | 1 |
| Casotti Plumbers Commercial and Domestic Pty Ltd | 1 |
| Diamond Plumbing and Gas | 1 |
| Hilton Plumbing & Electrical | 1 |
| Snap Plumbing and Construction Pty Ltd | 1 |
| Majestic Plumbing Pty Ltd | 8 |
| Maxey Plumbing Pty Ltd | 8 |
| Wanneroo Plumbing Services | 8 |

Evaluation Criteria 1d – Disability Access & Inclusion (2.5%)

The City’s commitment to access and inclusion is also demonstrated within the City’s core business and [Strategic Community Plan 2017/18 – 2026/27](#). Consistent with the Strategic Community Plan and the City’s AIP, agents and contractors are required to read and to the extent practicable, implement the relevant strategies of the City of Wanneroo AIP.

The City encourages our agents and contractors to adopt similar initiatives as outlined in the City’s AIP within their own organisations. Tenderers were encouraged to provide information as to how they may contribute to the achievement of these outcomes, or what similar initiatives are undertaken within their own organisation.

Based on Schedule 3D as submitted, tenderers are ranked as below:

| Tenderer | Ranking |
|--|----------------|
| On Tap Plumbing and Gas Pty Ltd | 1 |
| Alkimos Plumbing and Gas | 1 |
| Casotti Plumbers Commercial and Domestic Pty Ltd | 1 |
| Diamond Plumbing and Gas | 1 |
| Hilton Plumbing & Electrical | 1 |
| Snap Plumbing and Construction Pty Ltd | 1 |
| AE Hoskins Building Services | 7 |
| Maxey Plumbing Pty Ltd | 7 |
| Majestic Plumbing Pty Ltd | 9 |
| Wanneroo Plumbing Services | 9 |

The combined assessment of responses provided by the tenderers for evidencing Sustainable (Corporate Social Responsibility) Procurement resulted in the following consolidated ranking:

| Tenderer | Ranking |
|--|----------------|
| Alkimos Plumbing and Gas | 1 |
| On Tap Plumbing and Gas Pty Ltd | 2 |
| Casotti Plumbers Commercial and Domestic Pty Ltd | 3 |
| Diamond Plumbing and Gas | 4 |
| Hilton Plumbing & Electrical | 5 |
| Snap Plumbing and Construction Pty Ltd | 5 |
| AE Hoskins Building Services | 7 |
| Maxey Plumbing Pty Ltd | 8 |
| Majestic Plumbing Pty Ltd | 9 |
| Wanneroo Plumbing Services | 10 |

Evaluation Criteria 2 - Tenderer's OSH demonstrated working documents (20%)

Evidence of safety and quality management policies and practices was assessed from the tender submissions. The assessment for safety management was based on the tenderer's responses to an Occupational Health and Safety Management System Questionnaire and evidence for workplace implementation of those systems included within the tender documentation.

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

| Tenderer | Ranking |
|--|----------------|
| Diamond Plumbing and Gas | 1 |
| Snap Plumbing and Construction Pty Ltd | 1 |
| On Tap Plumbing and Gas Pty Ltd | 3 |
| Maxey Plumbing Pty Ltd | 3 |
| Alkimos Plumbing and Gas | 5 |
| AE Hoskins Building Services | 6 |
| Hilton Plumbing & Electrical | 6 |
| Majestic Plumbing Pty Ltd | 6 |
| Wanneroo Plumbing Services | 9* |
| Casotti Plumbers Commercial and Domestic Pty Ltd | 10* |

*Wanneroo Plumbing and Casotti Plumbing failed to meet minimum acceptable scores for this criterion.

Evaluation Criteria 3 - Tenderer's methodology, resources and capacity for maintenance services (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:

| Tenderer | Ranking |
|--|----------------|
| AE Hoskins Building Services | 1 |
| Diamond Plumbing and Gas | 2 |
| Hilton Plumbing & Electrical | 2 |
| Majestic Plumbing Pty Ltd | 2 |
| On Tap Plumbing and Gas Pty Ltd | 5 |
| Alkimos Plumbing and Gas | 5 |
| Snap Plumbing and Construction Pty Ltd | 5 |
| Maxey Plumbing Pty Ltd | 8 |
| Wanneroo Plumbing Services | 8 |
| Casotti Plumbers Commercial and Domestic Pty Ltd | 10 |

All tenderers met the minimum requirement for this evaluation criterion.

Evaluation Criteria 4 - Demonstrated experience of tendering entity and personnel performing the services (35%)

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 credentials of the tendering entity and personnel performing the services to fulfil the requirements of the contract.

The assessment of this criterion has resulted in the following ranking:

| Tenderer | Ranking |
|--|----------------|
| Diamond Plumbing and Gas | 1 |
| Hilton Plumbing & Electrical | 1 |
| Majestic Plumbing Pty Ltd | 1 |
| AE Hoskins Building Services | 4 |
| Snap Plumbing and Construction Pty Ltd | 4 |
| Wanneroo Plumbing Services | 6 |
| On Tap Plumbing and Gas Pty Ltd | 7 |
| Alkimos Plumbing and Gas | 7 |
| Casotti Plumbers Commercial and Domestic Pty Ltd | 9 |
| Maxey Plumbing Pty Ltd | 9 |

All tenderers met the minimum requirement for this evaluation criterion.

Overall Qualitative Weighted Assessment and Ranking

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

- Price was not weighted and is included in the overall value for money assessment.
- Based on the information supplied for assessment, eight (8) of the 10 tenderers achieved a minimum acceptable score for each designated qualitative criteria.

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

| Tenderer | Ranking |
|--|----------------|
| Diamond Plumbing and Gas | 1 |
| Alkimos Plumbing and Gas | 2 |
| Snap Plumbing and Construction Pty Ltd | 3 |
| On Tap Plumbing and Gas Pty Ltd | 4 |
| Hilton Plumbing & Electrical | 5 |
| AE Hoskins Building Services | 6 |
| Majestic Plumbing Pty Ltd | 7 |
| Casotti Plumbers Commercial and Domestic Pty Ltd | 8 |
| Maxey Plumbing Pty Ltd | 9 |
| Wanneroo Plumbing Services | 10 |

Pricing for the Goods and Services Offered (Not Weighted)

A calculation based on the individual tenderer's submitted schedule of rates and the City's estimated requirement was used to provide a projected cost over the initial three year contract period. Please refer to the Confidential Attachment for detailed pricing analysis.

Based on the information provided, tenderers have been ranked as per below:

| Tenderer | Ranking |
|--|----------------|
| Diamond Plumbing and Gas | 1 |
| Wanneroo Plumbing Services | 2 |
| Maxey Plumbing Pty Ltd | 3 |
| AE Hoskins Building Services | 4 |
| On Tap Plumbing and Gas Pty Ltd | 5 |
| Majestic Plumbing Pty Ltd | 6 |
| Hilton Plumbing & Electrical | 7 |
| Alkimos Plumbing and Gas | 8 |
| Snap Plumbing and Construction Pty Ltd | 9 |
| Casotti Plumbers Commercial and Domestic Pty Ltd | 10 |

Relative Value for Money (RVFM) Assessment

Following the assessment of the qualitative criteria it was determined that eight (8) of the 10 tenderers had achieved a minimum acceptable score for each designated qualitative criteria and as such were included to the RVFM assessment,

The combined assessment of Price and Qualitative Scores resulted in the following tenderer ranking:

| Tenderer | Ranking |
|--|---------|
| Diamond Plumbing and Gas | 1 |
| On Tap Plumbing and Gas Pty Ltd | 2 |
| AE Hoskins Building Services | 3 |
| Maxey Plumbing Pty Ltd | 4 |
| Hilton Plumbing & Electrical | 5 |
| Majestic Plumbing Pty Ltd | 6 |
| Alkimos Plumbing and Gas | 7 |
| Snap Plumbing and Construction Pty Ltd | 8 |
| Casotti Plumbers Commercial and Domestic Pty Ltd | ** |
| Wanneroo Plumbing Services | ** |

** Indicates tenderers who failed to achieve the required minimum score for each designated qualitative criteria and as such were not included to the VFM assessment.

Overall Assessment and Comment

The highest ranked tenderer, Diamond Plumbing and Gas failed to meet the City's minimum requirements for financial risk assessment.

The tender submission from On Tap Plumbing and Gas Pty Ltd as the next ranked tenderer satisfied the overall value for money assessment and met the City's financial assessment requirements.

On Tap Plumbing and Gas Pty Ltd is a locally based entity with their office located in Wangara, they consistently achieved acceptable baseline scores across all qualitative criteria assessments 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 objectives of the Strategic Community Plan 2017- 2027:

“3 Environment – Built Environment

3.4 Activated Places

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

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 |

| | |
|---|-------------------------------|
| Risk Title | Risk Rating |
| CO-O08 Contract Management | Low |
| Accountability | Action Planning Option |
| 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 On Tap Plumbing and Gas Pty Ltd has been assessed with having a “Satisfactory” financial capacity to meet the requirements of the contract. Recommendations stemming from the financial risk assessment will be incorporated into the terms of the contract.

Performance Risk

Independent reference checks have indicated that the recommended tenderer is reliable and produces work to a very high standard while maintaining alignment to budget and scheduling requirements without dispute or incident.

On Tap Plumbing and Gas Pty Ltd advises it has not been involved in any disputes or claims and it has not received or issued any notices of default over the past five (5) years.

Policy Implications

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

Financial (Budget) Implications

The costs associated with the Provision of Plumbing Services for a Period of Three (3) Years are included in the annual Asset Maintenance Service Unit Operational Budget.

Recommendation

That the Chief Executive Officer, in accordance with Delegation 1.1.14 (1) - Choice of Most Advantageous Tender of the Delegated Authority Register for the awarding of tenders ACCEPTS the tender submitted by On Tap Plumbing and Gas Pty Ltd for Tender 20015, for the Provision of Plumbing Services for a Period of Three (3) Years, with two (2), 12-month options to extend at the City's discretion and as per the schedule of rates in the tender submission.