

## **TENDER RECOMMENDATION REPORT**

**TO:** CHIEF EXECUTIVE OFFICER

**CC:** MANAGER INFRASTRUCTURE CAPITAL WORKS

**FROM:** DIRECTOR ASSETS

**FILE REF:** 40190 20/200829

**DATE:** 12 June 2020

### **TENDER 20061 SUPPLY, DELIVERY AND INSTALLATION OF COIR MESH AND JUTE MATTING**

#### **Issue**

To consider Tender No: 20061 for the Supply, Delivery and Installation of Coir Mesh and Jute Matting within the City of Wanneroo.

#### **Background**

The purpose of the Tender is to provide a service to supply and install organic geotextile products, specifically coir mesh matting and jute matting. Coir and jute matting are used for erosion control at various sites throughout the City under the capital works and maintenance programs.

Services are for the supply and installation of Coir Mesh and Jute Matting where required. The quantity of works is not specified will be on an ad hoc basis.

This is a recurring contract for a period of two (2) years with two (2), twelve (12) month options to extend at the City's discretion. To date these services have been procured through period quotations.

#### **Detail**

Tender 20061 for the Supply, Delivery and Installation of Coir Mesh and Jute Matting was advertised on 21 March 2020 and closed on 14 April 2020. No Addenda were issued for Tender 20061.

Essential details of the proposed contract are as follows:

<b>Item</b>	<b>Detail</b>
Contract Form	Goods and/or Services
Contract Type	Schedule of Rates
Contract Duration	2 years
Commencement Date	1 July 2020
Expiry Date	30 June 2022

Tender 20061 for the Supply, Delivery and Installation of Coir Mesh and Jute Matting.

Item	Detail
Extension Permitted	Yes, Two periods of 12 months.
Rise and Fall	Maximum Perth All Groups CPI increases upon extensions.

Tender submissions were received from the following companies:

Tenderer
Environmental Industries Pty Ltd (Environmental Industries)
Eighth Street Pty Ltd t/as Ligna Construction (Ligna)
Natural Area Holdings Pty Ltd t/as trading as Natural Area Consulting Management Services (NAMS)
Workpower Incorporated (Workpower)

All tender submissions received were assessed as conforming.

The Tender Evaluation Panel (TEP) comprised:

- Coordinator Construction – Infrastructure Capital Works – Panel Chairperson
- Natural Area Asset Planning Officer – Strategic Asset Services
- Project Officer Environmental - Infrastructure Capital Works
- Project Officer Parks and Conservation – Infrastructure Capital Works
- Coordinator Safety Systems – People & Culture

### 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 Procurement: <ul style="list-style-type: none"> <li>• Buy Local 10%</li> <li>• Environmental Considerations 5%</li> <li>• Reconciliation Action Plan 2.5%</li> <li>Disability Access &amp; Inclusion 2.5%</li> </ul>	20%
2	Methodology, Resources & Capacity for maintenance services*	35%
3	Demonstrated Experience and Personnel performing the services*	25%
4	OSH demonstrated working documents*	20%
5	Pricing	Not Weighted

Pricing is not included in the qualitative criteria and is considered as part of the overall Value for Money (VFM) 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.

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

**Environmental Considerations (5%)**

An assessment was made to determine the ranking based on tenderers' Environmental policy and practices.

<b>Tenderer</b>	<b>Ranking</b>
Environmental Industries	1
NAMS	2
Ligna	3
Workpower	3

**Buy Local (10%)**

An assessment was made to determine the ranking based on the responses provided, detailing the following information:

- Purchasing arrangements through local businesses;
- Location of tenderer's offices, depots and production facilities;
- Residential addresses of staff and subcontractors; and
- Requirement for new employees arising from award of the contract.

<b>Tenderer</b>	<b>Ranking</b>
Environmental Industries	1
Workpower	1
Ligna	3
NAMS	3

**Reconciliation Action Plan (2.5%)**

An assessment was made to determine the ranking based on the responses provided that relate to:

- RELATIONSHIPS - building positive relationships between indigenous and non-indigenous people
- RESPECT – recognising the contribution of Indigenous people to Australia and learning more about the history, culture and diversity in a two-way communication process
- OPPORTUNITIES – attracting, developing and retaining organisational talent to build opportunities for aboriginal employment, training, development and mentoring.

<b>Tenderer</b>	<b>Ranking</b>
NAMS	1
Workpower	1
Environmental Industries	3
Ligna	4

**Disability Access & Inclusion (2.5%)**

An assessment was made to determine the ranking based on the responses provided that relate to:

- People with disabilities have the same buildings and facilities access opportunities as other people
- People with disabilities receive information in a format that will enable them to access information as readily as other people are able to access it.
- People with disabilities receive the same level and quality of service from staff as other people receive.
- People with disabilities have the same opportunities as other people to make complaints.
- People with disabilities have the same opportunities as other people to participate in any employment opportunities.

<b>Tenderer</b>	<b>Ranking</b>
Workpower	1
Environmental Industries	2
NAMS	2
Ligna	4

In summary, the consolidated overall Sustainable Procurement tenderer ranking outcome from the assessment is as follows:

<b>Tenderer</b>	<b>Ranking</b>
Environmental Industries	1
Workpower	2
NAMS	3
Ligna	4

**Evaluation Criteria 2 - Tenderer’s methodology, 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:

Tender 20061 for the Supply, Delivery and Installation of Coir Mesh and Jute Matting.

<b>Tenderer</b>	<b>Ranking</b>
Workpower	1
NAMS	1
Environmental Industries	3
Ligna	4

Ligna failed to meet the minimum acceptable score for this evaluation criterion.

**Evaluation Criteria 3 - Demonstrated Experience 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 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>
Workpower	1
NAMS	1
Environmental Industries	3
Ligna	4

Ligna failed to meet the minimum acceptable score for this evaluation criterion.

**Evaluation Criteria 4 - 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 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>
Environmental Industries	1
NAMS	2
Workpower	3
Ligna	4

Ligna failed to meet the minimum acceptable score for this evaluation criterion.

**Overall Qualitative Weighted Assessment and Ranking**

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

<b>Tenderer</b>	<b>Ranking</b>
Workpower	1
NAMS	2
Environmental Industries	3
Ligna	4

It should be noted that Ligna failed to meet the minimum score for the mandatory qualitative criteria.

### **Evaluation Criteria Pricing for the Goods and Services Offered (Not Weighted)**

The price evaluation is based on the tendered schedule of rates and is a non-weighted assessment consideration. All tenderers priced all required line items.

An assessment was made of all tender submissions to determine the ranking based on a schedule of rates pricing assessment scenario to estimate the two year contract term total expenditure based on tenderer's submitted rates. Please refer to the Confidential Attachment for details on the pricing comparison analysis.

Based on the information provided in each submission, tenderers have been ranked as per the table below:

<b>Tenderer</b>	<b>Ranking</b>
Workpower	1
Natural Area	2
Ligna Construction	3
Environmental Industries	4

It should be noted that as Ligna failed to meet the minimum score requirement for the mandatory qualitative criteria they did not progress to the value for money assessment stage.

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

The tender submission from Workpower Incorporated achieved the highest ranking in the overall qualitative weighted assessment and satisfied the overall relative 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.

<b>Tenderer</b>	<b>Ranking</b>
Workpower	1
Natural Area	2
Environmental Industries	3

### **Consultation**

Internal consultation was carried out with the Parks and conservation management team and the strategic Asset team to quantify the needs and requirement for both operational and capital works to be undertaken using this tender required

### **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 Economy – Progressive, connected communities that enable economic growth and employment.

3.1 Natural environment

Enhanced Environment

- Maximise the environmental value of beaches natural reserves and parks
- Optimize retention of significant vegetation and habitat

**Enterprise Risk Management Considerations**

<b>Risk Title</b>	<b>Risk Rating</b>
CO-O01 Relationship Management	Moderate
<b>Accountability</b>	<b>Action Planning Option</b>
Director Corporate Strategy and Performance	Manage
<b>Risk Title</b>	<b>Risk Rating</b>
CO-O08 Contract Management	Moderate
<b>Accountability</b>	<b>Action Planning Option</b>
Director Corporate Strategy and Performance	Manage
<b>Risk Title</b>	<b>Risk Rating</b>
CO-O17 Financial Management	Moderate
<b>Accountability</b>	<b>Action Planning Option</b>
Director Corporate Strategy and Performance	Manage

**Financial Risk**

A financial risk assessment for Workpower was undertaken by the City as part of the tender evaluation process and the outcome of this independent assessment advised that Workpower Incorporated has been assessed with a ‘Sound’ financial capacity to meet the requirements of the contract. Recommendations by Equifax are addressed under the Contract provisions.

**Performance Risk**

Workpower has completed a number of contracts for the City and have performed contracted works satisfactorily.

Independent reference checks have also indicated that the recommended tenderer has performed strongly in their current contracts with the City. Please refer to the Confidential Attachment for full details of reference checks undertaken.

**Policy Implications**

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

**Financial (Budget) Implications**

The annual estimated expenditure for the provision of these goods and services is in the order of \$ 75000.00 and are included in the 2020/21 capital works and parks maintenance budgets.

**Recommendation:**

**That the Chief Executive Officer, in accordance with Delegation 1.1.14 (1) - Choice of Most Advantageous Tender ACCEPTS the tender submitted by Workpower Incorporated for Tender 20061, for the Supply, Delivery and Installation of Coir Mesh and Jute Matting, as per the tendered schedule of rates for a Period of 2 years in accordance with the Conditions of Tendering with an option to extend the contract for up to a further two, 12 month periods, or part thereof at the City's discretion, with CPI price adjustment available at each extension.**