

TENDER RECOMMENDATION REPORT

TO: CHIEF EXECUTIVE OFFICER

FROM: DIRECTOR ASSETS

FILE REF: 20/193921

DATE: 14 July 2020

TENDER 20023 : THE SUPPLY AND APPLICATION OF FERTILISERS AND WETTING AGENTS

Issue

To consider Tender No: 20023 for the Supply and Application of Fertilisers and Wetting Agents.

Background

The City is seeking to appoint suitably qualified and experienced contractor(s) to provide for the Supply and Application of Fertilisers and Wetting Agents to active and passive reserves for a period of three years with options to extend, at the City's discretion for a further two (2), one (1) year terms or part thereof. These works are currently undertaken by Turfcare WA under Contract No: 01627. The City declined to offer the final option to extend Contract No: 01627 to enable a review of the specification and increase the scope of products to be utilised.

Detail

Tender 20023 for the Supply and Application of Fertilisers and Wetting Agents was advertised on Wednesday 18 March, 2020 and closed on Thursday 16 April 2020. Three (3) Separable Portions were advertised within the tender with tenderers able to tender on some or all of the Separable Portions.

Separable Portions were issued as:

1. Supply and application of granular fertilisers utilising a self-propelled fertiliser spreader.
2. Supply and application of granular fertilisers utilising a pedestrian fertiliser spreader for small turf areas.
3. Supply and application of liquid wetting agents and fertilisers utilising a self-propelled boom spray

Five (5) addenda were issued. Tender documents are included in the Confidential Attachment.

Essential details of the proposed contract are as follows:

Item	Detail
Contract Form	Good and Services
Contract Type	Schedule of Rates
Contract Duration	Three (3) Years
Commencement Date	July 2020
Expiry Date	July 2023
Extension Permitted	Yes, two (2) periods of one (1) year or part thereof

Tender submissions were received from the following:

- Environmental Industries Pty Ltd (Environmental Industries)
- Sanpoint Pty Ltd T/A LD Total (LD Total)*
- Anjalie Pty Ltd atf The Watson Family Trust t/a The Lawncare Man (Lawncare Man)
- Turfcare WA Pty Ltd (Turfcare)

The Tender Evaluation panel comprised:

- Coordinator Parks Technical – Parks and Conservation Management
- Technical Officer Horticulture - Parks and Conservation Management
- Project Officer Parks & Conservation – Infrastructure Capital Works
- Acting Coordinator Safety Systems – People and Culture

Probity Oversight

Oversight to the tender assessment process was undertaken by the City's Contracts Officer and an external probity officer from William Buck Consulting (WA) Pty Ltd. The Probity Report is included as a Confidential Attachment.

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 (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%
3	OSH*	25%
4	Demonstrated Experience*	25%
5	Resources and Capacity*	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 mandatory qualitative criteria* is set at 50%.

*The submission form LD Total was deemed to be non-conforming and did not proceed to further evaluation. All other submissions were 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 that 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 are encouraged to provide the credentials of any environmental claims of the goods and/or services being submitted in this Tender.

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

Tenderer	Ranking
Environmental Industries	1
Turfcare	2
Lawncare Man	3

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 were ranked as below:

Tenderer	Ranking
Environmental Industries	1
Turfcare	2
Lawncare Man	3

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/services from suitably qualified Aboriginal and Torres Strait Islander businesses where practical.

Tenderers are 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 were ranked as below:

Tenderer	Ranking
Environmental Industries	1
Turfcare	2
Lawncare Man	3

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 are 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 3D as submitted, tenderers was ranked as below:

Tenderer	Ranking
Environmental Industries	1
Turfcare	1
Lawncare Man	3

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

Tenderer	Ranking
Environmental Industries	1
Turfcare	2
Lawncare Man	3

Evaluation Criteria 2 - Tenderer's resources and capacity to meet the requirements of the Contract (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
Turfcare	1
Environmental Industries	2
Lawncare Man	3*

*Lawncare Man failed to meet the minimum acceptable score for this evaluation criterion.

Evaluation Criteria 3 - Tenderer's Safety and Quality Management Systems (25%)

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:

Tenderer	Ranking
Turfcare	1
Environmental Industries	1
Lawncare Man	3*

*Lawncare Man failed to meet the minimum acceptable score for this evaluation criterion.

Evaluation Criteria 4 - Tenderer's relevant experience with achievement of meeting client expectations (25%)

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.

Tenderer	Ranking
Turfcare	1
Environmental Industries	2*
Lawncare Man	3**

* Ranking based on overall evaluation across all 3 Separable Portions

**Lawncare Man failed to meet the minimum acceptable score for this evaluation criterion

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 tenderers' bids were evaluated in accordance with the selection criteria and were assessed as only one tenderer demonstrating having the necessary resources, previous experience, capability and safety and quality management systems to undertake the tender; and
- The baseline for Qualitative Criteria was set at 50%, with one tenderer not meeting this baseline.

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

Tenderer	Ranking
Turfcare	1
Environmental Industries	2
Lawncare Man	3

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.

The overall pricing assessment resulted in the following tenderer ranking:

Separable Portion 1	
Environmental Industries	1
Turfcare	2
Lawncare Man	**

Separable Portion 2	
Environmental Industries	1
Turfcare	2
Lawncare Man	**

Separable Portion 3	
Environmental Industries	1
Turfcare	2
Lawncare Man	3

**Indicates tenderers who did not tender on this Separable Portion.

Relative Value for Money (RVFM) Assessment

Following the assessment of the qualitative criteria it was determined that 2 of the 3 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:

Separable Portion 1	
Turfcare	1
Environmental Industries	2
Lawncare Man	**

Separable Portion 2	
Environmental Industries	1
Turfcare	2
Lawncare Man	**

Separable Portion 3	
Environmental Industries	1
Turfcare	2
Lawncare Man	***

** Indicates tenderers who did not tender on this Separable Portion.

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

Overall Assessment and Comment

Turfcare didn't meet the City's minimum requirements for financial risk assessment and therefore was not considered further.

The tender submission from Environmental Industries as the highest ranked tenderer satisfied the overall value for money assessment for Separable Portion 3 and met the City's financial assessment requirements.

Environmental Industries did not demonstrate sufficient experience to meet the requirements of Separable Portions 1 and 2. Both Separable Portions 1 and 2 are therefore recommended to be declined as no tenderer has met all City requirements to undertake these portions of works.

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:

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

Risk Title	Risk Rating
CO-001 Relationship Management	Moderate
Accountability	Action Planning Option
Director Corporate Strategy and Performance	Manage
Risk Title	Risk Rating
CO-008 Contract Management	Moderate
Accountability	Action Planning Option
Director Corporate Strategy and Performance	Manage
Risk Title	Risk Rating
CO-017 Financial Management	Moderate
Accountability	Action Planning Option
Director Corporate Strategy and Performance	Manage
Risk Title	Risk Rating
CO-022 Environmental Management	Moderate
Accountability	Action Planning Option
Director Planning and Sustainability	Manage

Risk Title	Risk Rating
CO-O23 Safety of Community	Moderate
Accountability	Action Planning Option
Director 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 Environmental Industries has been assessed with having a "Sound" 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. Further information is provided in the Confidential Attachment.

Policy Implications

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

Financial (Budget) Implications

The estimated costs (\$175,000 per annum) associated with the Supply and Application of Fertilisers and Wetting Agents are included in the Parks and Conservation Management 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 submission from Environmental Industries Pty Ltd for Tender 20023, for the Supply and Application of Fertiliser and Wetting Agents, as per the schedule of rates in the tender submission for Separable Portion 3.

That the Chief Executive Officer, in accordance with Delegation 1.1.14 (2) - Choice of Most Advantageous Tender of the Delegated Authority Register for the awarding of tenders DECLINES the Tender submissions for Tender 20023, for the Supply and Application of Fertiliser and Wetting Agents, for Separable Portions 1 and 2.