

TENDER RECOMMENDATION REPORT

TO: CHIEF EXECUTIVE OFFICER

CC: MANAGER PARKS AND CONSERVATION MANAGEMENT

FROM: DIRECTOR ASSETS

FILE REF: 40225 20/342814

DATE: 10 September 2020

**TENDER 20016: PROVISION OF STREETScape MAINTENANCE OF ARTERIAL
ROADS WITHIN THE CITY OF WANNEROO**

Issue

To consider Tender No: 20016 for the Provision of Streetscape Maintenance of Arterial Roads within the City of Wanneroo with two (2) separable portions; Arterial Roads North and Arterial Roads South, for a period of two (2) years with options to extend, at the City's discretion for a further two (2), one (1) year terms or part thereof.

Background

Streetscape maintenance is undertaken for Arterial Roads throughout the City of Wanneroo. These services have previously been undertaken by Environmental Industries through the short term contract 19160 with the last rotation expected to be completed on 11 September 2020.

Detail

Tender 20016 for the Provision of Streetscape Maintenance of Arterial Roads within the City of Wanneroo was advertised on 9 May 2020 and closed on 26 May 2020.

One Addendum was issued in response to Q&A.

Essential details of the proposed contract are as follows:

Item	Detail
Contract Form	Goods and Services
Contract Type	Fixed Lump Sum
Contract Duration	Two (2) years
Commencement Date	21 September 2020
Expiry Date	30 August 2022
Extension Permitted	Yes, two (2) periods of one (1) years.

Tender submissions were received from the following companies:

Environmental Industries Pty Ltd	(Environmental Industries)
Horizon West Landscaping & Irrigation Pty Ltd	(Horizon West)
Sanpoint Pty Ltd T/A LD Total	(LD Total)
Skyline Landscape Services Group Pty Ltd	(Skyline Landscape)

The Tender Evaluation panel comprised:

- Specialist Parks Contracts
- Technical Officer – Horticulture
- Technical Officer – Building Maintenance
- Occupational Safety and Health Officer

Probity Oversight

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

Please refer to the Confidential Attachment for reference to the Final Probity Advisor Report.

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 5% c. Reconciliation Action Plan 5% d. Disability Access & Inclusion 5%	20%
2	*OSH	20%
3	* Demonstrated experience relative to this tender	30%
4	* Methodology for Streetscape Maintenance Services – demonstrated understanding of the methodology to deliver the services and allocation of sufficient resources to undertake the services	30%
5	Price (assessed under Value for Money)	Not Weighted

Pricing is not included in the qualitative criteria and is considered as part of the overall value for money assessment. Tenderers must achieve a minimum acceptable qualitative score (as determined by the City) and for each of the qualitative criteria detailed above (*) to be considered for further evaluation.

As the scope of works to each Separable Portion are identical, assessment to the sustainable procurement and other qualitative evaluation criteria were assessed as a combined undertaking. Pricing and the overall Value for Money assessment was then separately undertaken against each Tenderer's submission to determine the relevant value for money outcome for each Separable Portion.

Evaluation Criteria 1 – Sustainable Procurement (20%)

Environmental Considerations (5%)

The assessment for environmental management systems and considerations was based on the Tenderer's responses to the Environmental Considerations Questionnaire included within the Tender documentation.

All Tenderers provided details of their environmental considerations with the following ranking:

Tenderer	Ranking
Environmental Industries	1
Horizon West	2
LD Total	2
Skyline Landscape	4

Buy Local Considerations (5%)

The assessment for buy local considerations was based on the Tenderer's responses to the Buy Local Questionnaire included within the Tender documentation.

All Tenderers provided details of their buy local considerations with the following ranking:

Tenderer	Ranking
Environmental Industries	1
LD Total	2
Horizon West	3
Skyline Landscape	3

Reconciliation Action Plan (RAP) (5%)

The assessment for reconciliation action plan (RAP) considerations was based on the Tenderer's responses to the RAP Questionnaire included within the Tender documentation.

All Tenderers provided details of their RAP considerations with the following ranking:

Tenderer	Ranking
LD Total	1
Skyline Landscape	1
Environmental Industries	3
Horizon West	4

Access & Inclusion Plan (AIP) (5%)

The assessment for access and inclusion plan (AIP) considerations was based on the Tenderer's responses to the AIP Questionnaire included within the Tender documentation.

All Tenderers provided details of their AIP considerations with the following ranking:

Tenderer	Ranking
Environmental Industries	1
Horizon West	2
LD Total	2
Skyline Landscape	2

The overall assessment of this Sustainable Procurement evaluation criterion has resulted in the following overall ranking:

Tenderer	Ranking
Environmental Industries	1
LD Total	2
Skyline Landscape	3
Horizon West	4

Evaluation Criteria 2 - Tenderer's Safety and Quality Management Systems (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:

Tenderer	Ranking
Environmental Industries	1
Horizon West	2
LD Total	2
Skyline Landscape	4

All tenderers achieved an acceptable score to this evaluation criterion.

Evaluation Criteria 3 – Tenderer's demonstrated experience relative to this Tender (30%)

The tenderer's demonstrated relevant experience in similar works and within similar environments, as presented in their respective submissions was assessed in order to evaluate their capacity to meet the requirements of the contract.

Assessment of this criterion specifically considered the tendering entity's experience in conducting streetscape road treatments within busy arterial road environments.

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

Tenderer	Ranking
Environmental Industries	1
LD Total	1
Skyline Landscape	3
Horizon West	4

All tenderers achieved an acceptable score to this evaluation criterion.

Evaluation Criteria 4 - Tenderer's understanding of the required methodology (30%)

Assessment of this evaluation criterion considered the tenderer's ability to demonstrate an understanding of the methodology required in order to manage the contract.

Assessment of the criterion also considered the Tenderer's staff resources and qualifications, vehicles and plant/equipment in order to meet the terms of the contract.

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

Tenderer	Ranking
Environmental Industries	1
Skyline Landscape	2
LD Total	3
Horizon West*	4

*Horizon West failed to achieve 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:

- Price is not weighted and is included in the overall value for money assessment; and
- Responses were evaluated in accordance with the selection criteria as to having the necessary resources, previous experience, capability and safety management systems to undertake the contract.

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

Tenderer	Ranking
Environmental Industries	1
LD Total	2
Skyline Landscape	3
Horizon West*	4

*Horizon West failed to achieve the minimum acceptable score for the Methodology evaluation criterion and did not proceed to the value for money assessment stage.

Price Assessment

Price assessment is assessed on the tendered fixed lump sum pricing as listed in Pricing Schedule 1C and 1D. Prices are ranked from lowest to highest, with all details listed in the Confidential Attachment.

Price assessment for Separable Portion 1 (North) resulted in the following ranking:

Tenderer	Ranking
Environmental Industries	1
Skyline Landscape	2
Horizon West	3
LD Total	4

Price assessment for Separable Portion 2 (South) resulted in the following ranking:

Tenderer	Ranking
Environmental Industries	1
Skyline Landscape	2
Horizon West	3
LD Total	4

Value for Money (VFM) Assessment

Environmental Industries, LD Total and Skyline Landscape met the minimum acceptable baseline for Qualitative Criteria and therefore progressed to the Value for Money Assessment. Horizon West failed to achieve the minimum acceptable score within the qualitative criteria and therefore was not assessed at this stage of the evaluation.

The combined assessment of Price vs Qualitative Scores resulted in the following tenderer ranking for Separable Portion 1 (highest to lowest):

Tenderer	Ranking
Environmental Industries	1
Skyline Landscape	2
LD Total	3

The combined assessment of Price vs Qualitative Scores resulted in the following tenderer ranking for Separable Portion 2 (highest to lowest):

Tenderer	Ranking
Environmental Industries	1
Skyline Landscape	2
LD Total	3

Overall Assessment and Comment

Environmental Industries achieved the highest ranking in the overall Qualitative weighted criteria and ranked best overall for in the Value for Money Assessment for each Separable Portion.

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. Environment – Built Environment
 - 3.2 – Enhanced Environment
 - 3.4 – Activated Places”

Enterprise Risk Management Considerations

Risk Title	Risk Rating
CO-007 Purchasing	Moderate
Accountability	Action Planning Option
Director Corporate Strategy & Performance	Manage
Risk Title	Risk Rating
CO-008 Contract Management	Moderate
Accountability	Action Planning Option
Director Corporate Strategy & Performance	Manage
Risk Title	Risk Rating
CO-017 Financial Management	Moderate
Accountability	Action Planning Option
Director Corporate Strategy & 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 Environmental Industries has been assessed with a ‘sound’ financial capacity to meet the requirements of the contract. Please refer to the Confidential Attachment for Financial Assessment.

Performance Risk

Environmental Industries hold numerous landscaping and/or maintenance contracts for the City while also being the incumbent contractor for these works; meeting the majority of requirements under the Contracts Scope of Works, while ensuring all errors are rectified. The remaining contracts held by Environmental Industries are performing well and to a high standard. Environmental Industries have no recent disputes with the City.

Independent reference checks have also indicated that the recommended tenderer consistently undertake works to a high standard. Please see the Confidential Attachment for the details of the reference checks.

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 Arterial Roads Maintenance are included in the Annual Operational Budget. The estimated value of work over the initial two (2) year term of the Contract and based on lump sum pricing is \$1,160,795.10.

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 tenders submitted by Environmental Industries Pty Ltd for Separable Portion 1, for the fixed lump sum of \$343,314.13 (over 2 years) and for Separable Portion 2, for the fixed lump sum of \$817,480.97 (over 2 years) for the Provision of Streetscape Maintenance of Arterial Roads within the City of Wanneroo for an initial period of two (2) years with two (2) twelve (12) month, or part thereof, options to extend at the City's discretion.