

TENDER RECOMMENDATION REPORT

TO: CHIEF EXECUTIVE OFFICER

CC: MANAGER WASTE SERVICES
MANAGER PARKS & CONSERVATION MANAGEMENT

FROM: DIRECTOR ASSETS

FILE REF: 20/364003

DATE: 14 SEPTEMBER 2020

**TENDER 20170 COLLECTION & DISPOSAL OF ILLEGALLY DUMPED
ASBESTOS CONTAINING MATERIAL**

Issue

To consider Tender No: 20170 for the Collection and disposal of asbestos containing material (illegal dumping and conservation areas).

Background

The works for this Tender were performed under RFT 16150 (expired 31 August 2020) & ad hoc quotes. A previous tender for the illegal dumping collection and disposal service was advertised in October 2019, however all Tenders were declined.

External contracting of the services are required as the asbestos collection / disposal requires personnel to be suitably licenced (the City has no such qualified staff).

Detail

Tender 20170 for the Collection and disposal of asbestos containing material was advertised on 11 July 2020 and closed on 28 July 2020.

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	September 2020
Expiry Date	September 2023
Extension Permitted	Yes, two periods of 12 months
Rise and Fall	Maximum Perth All Groups CPI increases upon extensions

20170 Collection and disposal of asbestos containing material

Tender submissions were received from the following companies:

Legal Name	Trading Name	Abbreviation
ARRCO Asbestos Solutions Pty Ltd ATF Farrelly Family Trust & P & R O'Loughlin Family Trust	ARRCO Asbestos Solutions	AARCO
Toowong Pastures Pty Ltd t/as KBE Contracting Australia ATF DB Family Trust	KBE Contracting Australia	KBE
Red OHMS Group Pty Ltd t/as OHMS Hygiene	OHMS Hygiene	RED OHMS
Site Environmental & Remediation Services (WA) Pty Ltd	Site Environmental & Remediation Services	SERS
S J McKee Maintenance Pty Ltd	S J McKee Maintenance Pty Ltd	SJ McKee

The Tender Evaluation panel comprised:

- Coordinator Trees & Conservation
- Supervisor Waste Operations
- Technical Officer Conservation
- Coordinator Safety Systems

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 a. Environmental Considerations 5% b. Buy Local 10% c. Reconciliation Action Plan 2.5% Disability Access & Inclusion 2.5%	20%
2	*OSH	20%
3	*Experience	25%
4	*Methodology, Resources & Capacity	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. Acceptable minimum scores required for each qualitative criterion indicated with an*.

All submissions were deemed as conforming offers and proceeded for evaluation.

Evaluation Criteria 1 – Sustainable Procurement (20%)

1a Environmental Considerations (5%)

An assessment was made to determine the ranking based on tenderers' environmental policy and practices. The schedule includes solar lighting for the associated environmental and economic benefits and all tenderers have provided suitable compliant product pricing in their tender submissions.

The assessment of this criterion resulted in the following ranking:

Tenderer	Ranking
SERS	1
SJ MCKEE	1
AARCO	3
RED OHMS	3
KBE	5

1b Buy Local (Broader Economic Impact Implications for the City of Wanneroo) (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 and workshops;
- Residential addresses of staff and subcontractors; and
- Requirement for new employees arising from award of the contract.

The assessment of this criterion resulted in the following ranking:

Tenderer	Ranking
AARCO	1
RED OHMS	2
SERS	2
SJ MCKEE	4
KBE	5

1c Reconciliation Action Plan (RAP) (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

The assessment of this criterion resulted in the following ranking:

Tenderer	Ranking
AARCO	1
RED OHMS	2
SJ MCKEE	3
SERS	4
KBE	5

1d Access & Inclusion Plan (AIP) (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.

The assessment of this criterion resulted in the following ranking:

Tenderer	Ranking
SERS	1
AARCO	2
KBE	3
RED OHMS	3
SJ MCKEE	3

In summary, the overall assessment of all Sustainable Procurement criteria resulted in the following consolidated ranking:

Tenderer	Ranking
AARCO	1
SERS	2
RED OHMS	3
SJ MCKEE	4
KBE	5

Evaluation Criteria 2 - Occupational Health and Safety (25%)

Evidence of safety management policies and practices was assessed based on the submission documentation received. The assessment for safety management included an evaluation of each tenderer's response to a customised Occupational

Health and Safety Management System Questionnaire included within the tender and other documentation.

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

Tenderer	Ranking
AARCO	1
SERS	2
RED OHMS	3
KBE	4
SJ MCKEE	5

KBE and SJ McKEE did not achieve an acceptable minimum score for this criterion.

Evaluation Criteria 3 - 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.

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

Tenderer	Ranking
SJ MCKEE	1
AARCO	2
RED OHMS	3
SERS	3
KBE	5

KBE did not achieve an acceptable minimum score for this criterion.

Evaluation Criteria 4 - Tenderer's methodology, Resources & Capacity (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
AARCO	1
SERS	1
SJ MCKEE	1
RED OHMS	4
KBE	5

KBE did not achieve an acceptable minimum score for this criterion.

Overall Qualitative Weighted Assessment and Ranking

Tenderer's submissions were reviewed in accordance with the Procurement and Evaluation Plan.

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

Tenderer	Ranking
AARCO	1
SERS	2
SJ MCKEE	3
RED OHMS	4
KBE	5

Evaluation Criteria 5 - Pricing for the Goods/Services/Works Offered

An assessment was made to determine the ranking based on the schedule of rates provided with the tender documentation. Only the three companies that achieved a minimum acceptable qualitative score had their schedule of prices assessed.

Tenderer	Ranking
AARCO	1
RED OHMS	2
SERS	3

Value for Money Assessment

The combined assessment of Price vs Qualitative Scores resulted in the following tender ranking (highest to lowest):

Tenderer	Ranking
AARCO	1
RED OHMS	2
SERS	3

Overall Assessment and Comment

The tender submission from AARCO achieved the highest 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

Internal consultations had occurred prior to tenders being called to ensure that the requirements were addressed by the specification and other contract provisions.

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 (Natural)
 - 3.3 Reduce, Reuse, Recycle, Waste
 - 3.3.3 Create and promote waste management solutions

Enterprise Risk Management Considerations

Risk Title	Risk Rating
CO-008 Contract Management	Low
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 AARCO has been assessed as having acceptable financial capacity to meet the requirements of the contract.

Performance Risk

AARCO has not previously worked for the City of Wanneroo; however they have a long standing current contract with the City of Bayswater, an insurance company, the Department of Health and conduct works on behalf of a number of building companies.

Policy Implications

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

Financial (Budget) Implications

The costs associated with the collection and disposal of asbestos containing materials are included in the 2020-21 capital and operational budgets.

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 AARCO Asbestos Solutions Pty Ltd for Tender 20170, for the Collection and disposal of asbestos containing material, as per the schedule of rates in the tender submission