



TENDER RECOMMENDATION REPORT

TO: CHIEF EXECUTIVE OFFICER

CC: SPECIALIST COASTAL ENGINEER
MANAGER ASSETS MAINTENANCE

FROM: DIRECTOR ASSETS

FILE REF: 20/461269

DATE: 22 October 2020

TENDER 20119: PROVISION OF CONSULTANCY SERVICES FOR ASSETS STRUCTURAL ASSESSMENTS

Issue

To consider Tender No: 20119 for the Provision of Consultancy Services for Assets Structural Assessments.

Background

A coastal assets assessment was undertaken by engineering consultants in 2015 which covered 21 sites including a variety of different types of coastal infrastructure. This assessment provided recommendations for renewal and maintenance of the City's coastal assets based on a risk and condition assessment of each asset. The recommendations of this assessment forms the basis for the City's Beach Access Ways Upgrade Programme (PR 2672) which has resulted in the renewal/upgrade of beach access staircases in recent years at Quinns Beach and Claytons Beach.

Since 2015, in addition to the renewed coastal assets, a number have also been decommissioned. Additional coastal assets have also been handed over to the City from coastal developments and a number of assets are currently managed by Developers but are scheduled to be handed over to the City within the next 5 years. Due to these ongoing changes to the condition and number of the City's assets, it is considered best practice to conduct regular detailed condition inspections at least every 5 years.

There are now 33 coastal assets requiring assessment consisting of beach access paths, ramps, staircases, boardwalks and lookouts. In addition to the City's coastal assets, 13 parks assets requiring immediate attention have also been included in the assessment scope of works due to the similar nature of the inspection works required for these assets.

The proposed engineering consultancy study will identify condition ratings, maintenance requirements and renewal recommendations. This information will assist with future budget planning and is expected to reduce public safety issues and reactive/unbudgeted maintenance works in the future. The outcomes of the study will be used to budget for and schedule in maintenance works for the following 5 years and identify a priority list for asset renewal capital works from 2021/22 to 2041/42.

Tender 20119 Provision of Consultancy Services for Assets Structural Assessments

Detail

Tender 20119 for the Provision of Consultancy Services for Assets Structural Assessments was advertised on 8 August 2020 and closed on 1 September 2020.

One Addendum was issued to clarify that the successful consultant was not required to utilise the City's current asset management program, RAMM, for the on-site condition assessments.

Essential details of the proposed contract are as follows:

Item	Detail
Contract Form	Consultancy (CoW bespoke contract)
Contract Type	Lump Sum
Contract Duration	8 months
Commencement Date	6 November 2020
Expiry Date	30 June 2021
Extension Permitted	No
Separable Portions	Separable Portion 1 – Coastal Assets Separable Portion 2 – Parks Assets

Tender submissions were received from the following:

- BMT Commercial Australia Pty Ltd;
- Capital House Australasia;
- Cardno (WA) Pty Ltd;
- GHD Pty Ltd;
- McDowall Affleck Pty Ltd;
- Rapallo Pty Ltd;
- Talis Consultants Pty Ltd;
- Tenco Engineers Pty Ltd;
- Wave International Pty Ltd; and
- Advisian Pty Ltd.

The Tender Evaluation panel comprised:

- Specialist Coastal Engineer, Assets Maintenance;
- Coordinator Assets Planning, Strategic Asset Management;
- Parks Assets Officer, Strategic Asset Management; and
- Occupational Safety & Health Officer, 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	Description	Weighting
	Price (assessed under Value for Money)	Not Weighted - VFM
1	Sustainable Procurement <ul style="list-style-type: none">• Environmental Considerations (5%)• Buy Local (10%)	15%
2	*Demonstrated experience of organisation	20%
3	*Demonstrated experience of proposed	25%

Tender 20119 Provision of Consultancy Services for Assets Structural Assessments

	personnel	
4	*Demonstrated understanding of scope requirements and methodology	20%
5	*Occupational Health and Safety	20%

Pricing is not included in the qualitative criteria and is considered as part of the overall Value for Money (VFM) assessment. Acceptable minimum scores are required for each qualitative criterion indicated with * above. The assessment of qualitative criteria applies to both separable portions due to the similar scope of works required for Separable Portion 1 (Coastal Assets) and Separable Portion 2 (Parks Assets).

All received tenders were deemed to be conforming and were included in the evaluation process.

Pricing for the Works Offered (Not Weighted)

An assessment was made to determine the ranking based on the lump sum pricing provided by each tenderer. Please refer to the Confidential Attachment for details on lump sum pricing, pricing comparison, and detailed pricing analysis.

Based on the information provided in each submission, tenderers have been ranked for each separable portion as per the tables below:

Tenderer	Separable Portion 1 Ranking
BMT Commercial	1
Advisian	2
Capital House	3
GHD	4
Tenco	5
Wave International	6
Cardno	7
Talis	8
Rapallo	9
McDowell Affleck	10

Tenderer	Separable Portion 2 Ranking
BMT Commercial	1
Capital House	2
Advisian	3
Tenco	4
GHD	5
Wave International	6
Talis	7
Cardno	8
McDowell Affleck	9
Rapallo	10

Evaluation Criteria 1 - Sustainable Procurement (15%)

- **Environmental Considerations (5%)**

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

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

Tenderer	Ranking
GHD	1
BMT Commercial	2
Cardno	2
McDowell Affleck	4
Capital House	4
Rapallo	6
Advisian	6
Talis	6
Wave International	9
Tenco	10

- **Buy Local (10%)**

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

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

Tenderer	Ranking
Tenco	1
GHD	2
Wave International	3
BMT Commercial	3
Capital House	5
Cardno	5
McDowell Affleck	7
Rapallo	7
Advisian	9
Talis	9

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

Tenderer	Ranking
Tenco	1
GHD	2
BMT Commercial	3
Cardno	4
Capital House	5
Wave International	6
McDowell Affleck	7
Rapallo	8
Advisian	9
Talis	9

Evaluation Criteria 2 - Demonstrated Experience of Organisation (20%)

The tenderer's relevant demonstrated experience within the organisation in conducting similar works as presented in their tender submission was assessed in order to evaluate their capacity to meet the requirements of the contract. This was based on review of the company's organisational structure and assessment of capability statements and descriptions of recent relevant projects. The assessment of this criterion resulted in the following ranking:

Tenderer	Ranking
Cardno	1
Advisian	2
GHD	2
Tenco	2
Capital House	5
McDowell Affleck	5
BMT Commercial	7
Talis	7
Wave International	7
Rapallo	10

The top 9 ranked tenderers achieved an acceptable minimum score for this evaluation criterion.

Evaluation Criteria 3 – Demonstrated Experience of Proposed Personnel (25%)

The demonstrated experience of the tenderer's proposed personnel was assessed based on the relevant skills, knowledge and experience of proposed staff as detailed in their tender submission and attached CVs. The assessment of this criterion resulted in the following ranking:

Tenderer	Ranking
Cardno	1
GHD	1
Capital House	3
McDowell Affleck	4
Advisian	5
BMT Commercial	5
Talis	5
Tenco	5
Wave International	5
Rapallo	10

The top 9 ranked tenderers achieved an acceptable minimum score for this evaluation criterion.

Evaluation Criteria 4 – Demonstrated understanding of scope requirements and methodology (20%)

The tenderer's understanding of the scope of works was assessed through the methodology and project plan provided in tender submissions. This included assessment of construction schedule, identification of project risks and challenges and specific details provided with regards to the major components of the scope of

works including inspections, risk assessment and reporting. The assessment of this criterion has resulted in the following ranking:

Tenderer	Ranking
Wave International	1
Advisian	2
Cardno	2
GHD	2
McDowell Affleck	5
Capital House	6
BMT Commercial	7
Talis	7
Tenco	9
Rapallo	10

The top 8 ranked tenderers achieved an acceptable minimum score for this evaluation criterion.

Evaluation Criteria 5 – Occupational Health and Safety (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. The assessment of this criterion resulted in the following ranking:

Tenderer	Ranking
Cardno	1
Wave International	2
Advisian	3
BMT Commercial	3
GHD	3
McDowell Affleck	3
Rapallo	3
Talis	8
Capital House	9
Tenco	9

The top 7 ranked tenderers achieved an acceptable minimum 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.
- The tender submissions were evaluated in accordance with the qualitative criteria and weightings as detailed in the Procurement and Evaluation Plan, and were assessed against sustainable procurement as well as the necessary

experience, methodology and safety management systems required to undertake the contract requirements.

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

Tenderer	Ranking
GHD	1
Cardno	2
Wave International	3
Advisian	4
McDowell Affleck	5
BMT Commercial*	6
Tenco	7
Capital House	8
Talis	9
Rapallo	10

*BMT Commercial, Tenco, Capital House, Talis and Rapallo did not achieve the minimum acceptable score for the overall qualitative criteria and did not proceed to the value for money assessment stage.

Value for Money Assessment

GHD, Cardno, Wave International, Advisian and McDowell Affleck met the minimum acceptable baseline for Qualitative Criteria and therefore progressed to the Value for Money Assessment.

Refer to the confidential attachment for details on the relative value for money outcome.

Overall Assessment and Comment

The tender submission from GHD qualitative ranking and provided the best overall value for money outcome in accordance with the assessment criteria and weightings. Therefore, GHD is recommended as the successful tenderer.

Consultation

No consultation is required for the proposed consultancy study.

Consultation with project stakeholders and the local community will occur as part of the projects relating to renewal/upgrade of the City's Assets based on the recommendations of this study.

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 with the Strategic Community Plan 2017 – 2026:

“3 A healthy and sustainable natural and built environment

3.1.1 Minimise the impacts of climate change;

3.2.1 Maximise the environmental value of beaches, natural reserves and parklands; and

3.2.3 Optimise retention of significant vegetation and habitat.”

Enterprise Risk Management Considerations

Risk Title	Risk Rating
ST-S06 Climate Change	Moderate
Accountability	Action Planning Option
Director Planning and Sustainability	Manage
Risk Title	Risk Rating
ST-S24 Strategic Asset Management	Moderate
Accountability	Action Planning Option
Director Assets	Manage
Risk Title	Risk Rating
IN-O29 Asset Maintenance	Low
Accountability	Action Planning Option
Manager Assets Maintenance	Manage

The above risks relating to the issue contained within this report have been identified and considered within the City’s Strategic/Corporate/Operational risk registers. Action plans have been developed to manage/mitigate/accept this risk to support existing management systems.

Financial and Performance Risk

Financial Risk

An independent financial risk verification was not considered necessary for this Tender based on:

- The low value and nature of the services provided under contract;
- GHD Pty Ltd is a member of the WALGA Preferred Supplier list for this service; and
- Payment would only be made upon satisfactory completion of the service in accordance with the scope of works.

Performance Risk

GHD has demonstrated the capacity and experience to deliver this contract effectively, based on their previous recent contracts with the City and other Local Councils.

Independent reference checks have also indicated that the recommended tenderer has completed recent similar works to acceptable standards and within agreed timeframes and budgets.

Purchasing Policy Implications

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

Financial (Budget) Implications

Separable Portion 1 (PR 2672, PMO 18088)

Based on the recommended tenderer's lump sum price, 2020/21 expenditure and commitments, adopted Capital Works Budget for 2020/21 and estimated uncommitted remaining expenditure for 2020/21, the project cost/estimated expenditure for implementation of the proposed works under this Tender is summarised in the table below.

PR-2672 (2020/21)

Description	Expenditure	Budget
<u>Budget:</u>		
Capital Works Budget for 2020/21 (PR-2672)		\$457,992
<u>Expenditure:</u>		
Expenditure incurred to date in 2020/21.	\$1,815	
Commitment to date	\$1,561	
Project Management	\$30,000	
<i>Separable Portion 1 – Coastal Assets Assessment based on recommended tender price (Tender 20119)</i>	\$55,328	
Construction of Clarecastle Retreat Access Staircase	\$220,000	
Detailed design of Mary Street Beach Access Staircase	\$60,000	
Dune Rehabilitation Works	\$20,000	
Contingency	\$69,288	
Total Expenditure	\$457,992	

Separable Portion 2 (GL 728413.9399.227)

The consultancy fees for Separable Portion 2 will be covered by the consultancy budget for Strategic Asset Management, GL 728413.9399.227. The available budget for this work is \$35,000 and the estimated cost based on the recommended tender price (Tender 20119) is \$27,055.

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 GHD Pty Ltd for Tender 20119, for the Provision of Consultancy Services for Assets Structural Assessments, at Fixed Lump Sums of \$55,328 and \$27,055 for Separable Portions 1 and 2 respectively.