



## **TENDER RECOMMENDATION REPORT**

**TO:** ACTING CHIEF EXECUTIVE OFFICER

**CC:** ACTING MANAGER PARKS AND CONSERVATION  
MANAGEMENT

**FROM:** ACTING DIRECTOR ASSETS

**FILE REF:** 20/549902

**DATE:** 28 January 2021

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### **TENDER 20202: PROVISION OF MULCH FOR CITY PARKS AND STREETSCAPES**

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#### **Issue**

To consider Tender No: 20202 for the Provision of Mulch for City Parks and Streetscapes for a period of two (2) years with option to extend, at the City's discretion for a further two (2), one (1) year terms or part thereof.

#### **Background**

The City is seeking to appoint a suitable supplier of high quality mulch products in order to enhance the appearance of parks and streetscapes. A reliable and sustainable supply of mulch will contribute towards a water wise future and reduce the application of herbicide chemicals. The mulch should be to Australian Standard 4454 - 2012 Composts, soil conditioners and mulches.

#### **Detail**

Tender No: 20202 for the Provision of Mulch for City Parks and Streetscapes was advertised on 31 October 2020 and closed on 24 November 2020.

Two addenda were issued in response to Q&A's and one addendum issued to extend the closing date, please refer to the Confidential Attachment for reference to these Addenda.

Essential details of the proposed contract are as follows:

<b>Item</b>	<b>Detail</b>
Contract Form	Goods and Services
Contract Type	Schedule of Rates
Contract Duration	Two (2) years
Commencement Date	February 2021
Expiry Date	February 2023
Extension Permitted	Yes, two (2) periods of one (1) year

Tender submissions were received from the following:

Fitonia Pty Ltd ATF Silverspring Trust trading as TJ Depiazzi & Sons	Depiazzi
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Despite eighteen (18) parties showing an interest in this tender there was only one submission received. Feedback from three of the interested parties indicated that they were all unable to supply large volumes of pine bark mulch at short notice as required by this tender.

The Tender Evaluation panel comprised:

- Specialist Parks Contracts
- Technical Officer – Horticulture
- Project Manager - Infrastructure Capital Works
- 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.

The tender submission was 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 10% c. Reconciliation Action Plan 2.5% d. Disability Access & Inclusion 2.5%	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. The tenderer 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.

### **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.

Depiazzi utilises waste resources from the Forestry industry and met environmental considerations.

#### **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.

T J Depiazzi & Sons are based in Dardanup and their activities have limited impact locally.

#### **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.

The tenderer provided minimal details of RAP considerations.

#### **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.

The tenderer provided minimal details of AIP considerations.

### **Evaluation Criteria 2 - Tenderer's Safety 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.

The tenderer provided satisfactory details of their safety management systems.

### **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 submission 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 on a large scale within busy road environments.

Depiazzi have provided mulch, including large volumes of pine bark mulch, to the City since 2017 under Contract 17051. During this period Wanneroo Rd, Connolly Dve, Hester Ave and Marmion Ave have all been mulched with pine bark mulch. Depiazzi have met all the requirements under the current contract's Scope of Works.

**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.

Confirmation was requested from Depiazzi that they would continue to be able to supply the required volumes of mulch and this has been received.

**Overall Qualitative Weighted Assessment and Ranking**

The tenderer's submission was 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
- The response was evaluated in accordance with the selection criteria and the tenderer was determined 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:

<b>Tenderer</b>	<b>Ranking</b>
Depiazzi	1

**Price Assessment**

Price assessment is assessed on the tendered schedule of rates as listed in Pricing Schedule 1C and in comparison to the expired contracted rates.

Overall, there was minimal variance between the expired contracted rates and the rates supplied with Depiazzi's submission.

**Value for Money (VFM) Assessment**

Depiazzi met the minimum acceptable baseline for the mandatory Qualitative Criteria and therefore progressed to the Value for Money Assessment.

## Overall Assessment and Comment

Depiazzi met the Value for Money Assessment and demonstrated their experience in providing sustainable high quality mulches, including pine bark, at high volumes.

They are presently the incumbent contractor and have confirmed their capacity to continue to provide the volumes of mulch the City requires. Their evidence of safety policies and practices were found to be of a good standard.

## 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:

### 1.1 HEALTHY & ACTIVE PEOPLE

1.1.1 Create opportunities that encourage community wellbeing and active healthy lifestyles

### ENVIRONMENT (Natural)

### 3.1 RESOURCE MANAGEMENT

3.1.1 Minimise impacts of climate change

3.1.3 Proactively manage the scarcity of water through sustainable local water management strategies

### 3.2 ENHANCED ENVIRONMENT

3.2.1 Maximise the environmental value of beaches, nature reserves and parklands

## 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 & Performance	Manage
<b>Risk Title</b>	<b>Risk Rating</b>
CO-008 Contract Management	Moderate
<b>Accountability</b>	<b>Action Planning Option</b>
Director Corporate Strategy & Performance	Manage
<b>Risk Title</b>	<b>Risk Rating</b>
CO-O11 People Management	Moderate
<b>Accountability</b>	<b>Action Planning Option</b>

Director Corporate Strategy & Performance	Manage
<b>Risk Title</b>	<b>Risk Rating</b>
CO-017 Financial Management	Moderate
<b>Accountability</b>	<b>Action Planning Option</b>
Director Corporate Strategy & Performance	Manage

### **Financial and Performance Risk**

#### Financial Risk

An independent financial risk assessment report was requested on Depiazzi which returned with a 'sound' rating.

#### Performance Risk

Depiazzi have provided mulch, including large volumes of pine bark mulch, to the City since 2017 under the Contract 17051 and have met all the requirements under the contract's Scope of Works.

Recently Depiazzi have also commenced supplying the City with Bushland mulch which is a more economical option than pine bark mulch but still meets the Australian Standard.

Independent reference checks have also indicated that the recommended tenderer consistently undertake works to a high standard. Please see the Confidential Attachment for 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 Mulch for City Parks and Streetscapes are included in the Annual Operational Budget.

**Recommendation:**

**That the Acting 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 Fitonia Pty ATF Silverspring Trust T/A TJ Depiazzi & Sons for Tender 20202 as per the schedule of rates (over 2 years), for Mulch for City Parks and Streetscapes 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.**