



TENDER RECOMMENDATION REPORT

TO: CHIEF EXECUTIVE OFFICER

CC: COORDINATOR CONSTRUCTION
MANAGER INFRASTRUCTURE CAPITAL WORKS

FROM: DIRECTOR ASSETS

FILE REF: 42183 21/310381 (Confidential attachment 21/ 311388)

DATE: 22 JULY 2021

TENDER 21043 PROVISION OF TRAFFIC MANAGEMENT AND TRAFFIC CONTROL SERVICES

Issue

To consider the approval of Tender No. 21043 for the Provision of Traffic Management and Traffic Control Services.

Background

The current provision of Traffic Management and Traffic Control Services, Contract 18136 expires on 30 September 2021. It is necessary to re-establish a new 12 month term contract with provision for two, 12 month contract extensions.

Traffic management and traffic control services are associated with most major capital roadworks projects undertaken by the City's workforce.

As an integral part of the City's in-house construction, maintenance and bushfire/emergency management activities, it is necessary to procure these services from a specialist contract service provider for effective works outcomes whilst also ensuring employee and public safety in accordance with Australian Standards at all times.

Detail

Tender 21043 for the Provision of Traffic Control and Traffic Management Services was advertised on 15 May 2021 and closed on 9 June 2021. No addenda were issued.

Tender No. 21043 – Provision of Traffic Management and Traffic Control Services

Essential details of the proposed contract are as follows:

Item	Detail
Contract Form	Goods and Services
Contract Type	Schedule of Rates
Contract Duration	12 Months
Commencement Date	1 October 2021
Expiry Date	30 September 2022
Extension Permitted	Yes, two (2) extension periods of 12 months
Rise and Fall	Maximum Perth All Groups CPI increases upon extensions. No other rise and fall provisions apply.

At the expiry of the initial contract period, provision exists to extend the contract for two additional periods of one year each or part thereof. Any extension would be in accordance with the terms and conditions contract and at the discretion of the City.

Tenders Received

Tender submissions were received from the following eight companies:

Tenderer's Legal Name	Trading Name	Abbreviation
Advanced Traffic Management (WA) Pty Ltd	ATM Traffic	ATM
Altus Traffic Pty Ltd	Altus Traffic	Altus
Contra-Flow Traffic Management Pty Ltd	Contraflow	Contraflow
Drainflow Services Pty Ltd	Drainflow	Drainflow
The trustee for Taborda Trading Trust	Taborda Contracting	Taborda
Vigilant Traffic Management Group Pty Ltd	Vigilant Traffic Management	Vigilant
WCP Civil Pty Ltd	WCP Civil	WCP
Welstand Services Pty Ltd	LGC Traffic Management	LGC

These submissions were all accepted for assessment on the basis that they were compliant.

The Tender Evaluation Panel (**TEP**) comprised the following roles:

- Project Manager Construction, Infrastructure Capital Works
- Project Manager Construction, Infrastructure Capital Works
- Maintenance Engineer, Asset Maintenance
- Coordinator Safety Systems

Probity Oversight

The City's Contracts Officer undertook oversight of the tender assessment process.

Tender submissions were evaluated in accordance with the Procurement and Evaluation Plan (**PEP**). The PEP included the following selection criteria:

Tender No. 21043 – Provision of Traffic Management and Traffic Control Services

Item No	Description	Weighting
1	Sustainable (Corporate Social Responsibility) Procurement a. Environmental Considerations 5% b. Buy Local 15% c. Reconciliation Action Plan 2.5% d. Disability Access & Inclusion 2.5%	25%
2	*OSH	20%
3	Experience*	35%
4	Resources, Capacity and Methodology	20%

Tenderers must achieve a minimum acceptable qualitative score as determined by the City for each of the qualitative criteria (*) detailed above which were incorporated in the evaluation considerations.

Evaluation Criteria 1 – Sustainable Procurement (25%)

Evidence of Sustainable (Corporate Social Responsibility) Procurement was assessed based on the Tenderers' responses provided within the Questionnaires provided in Schedules 3A, 3B, 3C and 3D that were included in the tender documentation.

Sub Criteria a) - Environmental Considerations (5%)

The City is committed to procuring goods and services that provide the most positive environmental, social and economic impacts over the entire life cycle of a product or service. Tenderers are encouraged to provide credentials of any environmental claims of the goods and/or services submitted in this Tender.

All tenderers provided details of their environmental considerations within Schedule 3A, with the following ranking:

Tenderer	Ranking
Contraflow	1
ATM	1
Altus	3
Drainflow	3
Vigilant	3
Taborda	6
WCP	6
LGC	8

Sub Criteria b) - Buy Local (15%)

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.

All Tenderers provided details of their buy local considerations within Schedule 3B, with the following ranking outcome:

Tenderer	Ranking
Contraflow	1
ATM	1
Vigilant	1
WCP	4
Altus	5
LGC	5
Drainflow	7
Taborda	8

Sub Criteria c) - Reconciliation Action Plan (RAP) (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 achieve 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 were encouraged to demonstrate how their Tender submission can contribute to the achievement of this/these outcome(s), or what similar initiatives are undertaken within their own company.

Key consideration of how responses provided 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.

Tenderer	Ranking
Contraflow	1
Altus	1
LGC	3
ATM	3
Taborda	5
Vigilant	6
Drainflow	7
WCP	8

Sub Criteria d) Access & Inclusion Plan (AIP) (2.5%)

The City's commitment to access and inclusion is also demonstrated within the City's core business and Strategic Community Plan 2021 – 2031. 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 its agents and contractors to adopt similar initiatives as outlined in the City's AIP within their own organisations. Tenderers are encouraged to demonstrate how their Tender submission can contribute to the achievement of this/these outcome(s), or what similar initiatives are undertaken within their own organisation.

Tenderer	Ranking
Contraflow	1
ATM	2
LGC	2
Vigilant	4
Altus	5
Drainflow	5
Taborda	7
WCP	8

Overall Sustainable Procurement Ranking Summary

The following presents the overall Sustainable Procurement criterion ranking:

Tenderer	Ranking
Contraflow	1
ATM	2
Vigilant	3
Altus	4
LGC	5
WCP	6
Drainflow	7
Taborda	8

Evaluation Criteria 2 - Tenderer’s Safety Management Systems (20%)

All companies’ response to the Safety Management System Questionnaire questions have been assessed to have adequate safety management measures established and meet minimum requirements.

The tenderers were ranked as shown below under this criterion:

Tenderer	Ranking
ATM	1
Drainflow	1
Contraflow	3
Altus	4
Vigilant	5
WCP	5
Taborda	7
LGC	7

Evaluation Criteria 3 – Tenderer’s demonstrated experience relative to this Tender (35%)

The tenderers’ relevant experience in demonstrating the achievement of meeting client expectations as presented in their tender submissions was assessed in order to evaluate their capability to meet the requirements of the contract. Assessment of the tender submissions against this criterion closely examined the tendering entity’s credentials to fulfil the requirements of the contract.

The tenderers were ranked as shown below under this assessment criterion:

Tenderer	Ranking
Contraflow	1
ATM	2
Vigilant	3
Altus	4
Drainflow	4
Taborda	4
LGC	4
WCP	8

Evaluation Criteria 4 - Tenderer’s resources, capacity and methodology to meet the requirements of the Contract (20%)

The tenderers’ methodology and resources as presented in their tender submissions were assessed in order to evaluate their capacity to meet the requirements of the contract. Assessment against this criterion considered the tenderers’ staff resources, vehicles, plant/equipment and supply approach to manage the contract.

The tenderers ranked as shown below under this assessment criterion:

Tenderer	Ranking
Contraflow	1
ATM	2
Drainflow	2
Altus	4
LGC	4
Vigilant	6
WCP	7
Taborda	8

Overall Qualitative Weighted Assessment and Ranking

Tenderers submissions were reviewed in accordance with the Procurement and Evaluation Plan with the following key observations:

- Price is not weighted but 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, resources, methodology and safety management systems required to undertake the contract requirements.
- The three top ranked companies provided strong submissions and the final assessment result determined that Contraflow was the top ranked tender submission with strong evidence that the company has the necessary resources, previous experience, ability and adequate management systems to undertake the contract, subject to an independent financial check audit.

The tenderers ranked overall as shown below under this criterion:

Tenderer	Ranking
Contraflow	1
ATM	2
Vigilant	3
Altus	4
Drainflow	5
LGC	6
WCP	7
Taborda	8

Pricing Assessment

Pricing was not included in the qualitative criteria but was considered in the overall value for money assessment.

The typical historical utilisation of this service forms the basis of the matrix to formulate the price assessment scenario of the likely annual expenditure forecast. The Confidential Attachment provides a reference to the price assessment outcome.

Value for Money (VFM) Assessment

The value for money assessment resulted in the following ranking

Tenderer	Ranking
Contraflow	1
Vigilant	2
ATM	3
Taborda	4
LGC	5
Drainflow	6
WCP	7
Altus	8

Overall Assessment and Comment

In summary, Contraflow provided a tender submission in accordance with the terms of the tender document, meeting the City's tender criteria and their tendered rates were assessed to be very market competitive.

The company is a long established traffic management services company based in Wangara with strong resourcing that includes 262 traffic controllers and 92 vehicles. With a long continuous recent record of providing WALGA preferred supplier services and services to many metropolitan local authorities including the neighbouring Cities of Stirling and Swan, there is a strong degree of confidence in the company's potential to fulfil the needs of this contract in a proficient manner.

Consultation

The primary stakeholders Asset Maintenance and Infrastructure Capital Works were engaged in advance of the tender process to ensure procurement arrangements fully meet operational requirements.

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 2021 – 2031:

“Goal 5: A well-planned, safe and resilient City that is easy to travel around and provides a connection between people and places.

Priority 5.3 - Manage and maintain assets

Wanneroo will be a City known for having high quality new and existing assets that are well managed, maintained to be fit for purpose and valued by local communities. The City's assets will be future proofed by design and also provide maximum return on investment into the future.”

Enterprise Risk Management Considerations

Risk Title	Risk Rating
CO-007 Purchasing	Low
Accountability	Action Planning Option
Director Corporate Strategy and Performance	Manage

Risk Title	Risk Rating
CO-008 Contract Management	Low
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-023 Safety of Community	Moderate
Accountability	Action Planning Option
Director Community & Place	Manage

Purchasing Policy Implications

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

Financial and Performance Risk

Financial Risk

A Financial (Credit) check of Contraflow's financials was sought from Equifax Australasia Credit Ratings Pty. Ltd. resulting in a "Sound" rating. Contraflow has therefore been assessed as having a satisfactory financial capacity to meet the contract requirements.

Performance Risk

Given the nature of this contract and the established track record servicing traffic management and traffic control needs of the WA market, particularly the metropolitan local government sector, characterised by reliable supply with no known performance shortcomings.

Financial (Budget) Implications

The extent of expenditure associated with this tender is dependent on the type of capital works projects approved in the Capital Works Program. The cost of such works will be directly charged to projects. Expenditure will also be incurred for maintenance works, with costs incurred to be charged to Maintenance Operating Budget allocations. Based on service requirements similar to recent years the estimated annual cost of providing traffic management services is estimated to be approximately \$600,000 per annum.

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 Contra-Flow Traffic Management Pty Ltd for Tender 21043, for the Provision of Traffic Management and Traffic Control Services, as per the schedule of rates in the tender submission for a period of 12 months with options to extend for a further two, 12 month periods or part thereof.