

## **TENDER RECOMMENDATION REPORT**

**TO:** CHIEF EXECUTIVE OFFICER

**CC:** A/MANAGER INFRASTRUCTURE CAPITAL WORKS  
COORDINATOR CONSTRUCTION

**FROM:** DIRECTOR ASSETS

**FILE REF:** 39638 21/432857

**DATE:** 25 October 2021

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**TENDER 21186: FREDERICK DUFFY PARK, WANNEROO, UPGRADE PASSIVE  
PARK**

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### **Issue**

To consider the award of Tender No: 21186 for the upgrade of Passive Park at Frederick Duffy Park, Wanneroo.

### **Background**

Frederick Duffy Park is a passive, local reserve located at 16 Mudalla Place, Wanneroo. The site is on Lot 9199 on Reserve Number 33141 with a total land area of approximately 2.5ha, listed as being for the purpose of public recreation.

Community Facilities has conducted an investigation in parks, which require works in order to bring them in line with LPP 4.3. This investigation has led to a matrix, which has, in turn led to Frederick Duffy Park being identified as the next priority of design and construction.

### **Detail**

Tender 21186 for the Frederick Duffy Park was advertised on 18 August 2021 and closed on 7 September 2021. Four addenda were issued providing additional drawings and clarification responses.

Essential details of the proposed contract are as follows:

<b>Item</b>	<b>Detail</b>
Contract Form	Minor Works
Contract Type	Lump Sum
Contract Duration	Completion by 30 June 2022
Commencement Date	Onsite works to commence February 2022
Defect Liability Period	12 months
Extension Permitted	No
Rise and Fall	No

Tender submissions were received from the following companies:

Legal Name	Trading Name	Abbreviation
D.B. Cunningham Pty Ltd	Advanteering–Civil Engineers	Advanteering
Environmental Industries Pty Ltd	Environmental Industries	Environmental Industries
Albra Investments Pty Ltd as trustee for the Horizon West Trust	Horizon West Landscape Constructions	Horizon West
Eighth St Pty Ltd	Ligna Construction	Ligna
Phase3 Landscape Construction Pty Ltd	Phase 3	Phase 3

The Tender Evaluation panel comprised: the Project Manager, Landscape Designer, Parks Contracts Specialist, Safety System Coordinator (OSH only).

### Probity Oversight

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

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% d. Disability Access & Inclusion 2.5%	20%
2	*Demonstrated experience of: • Personnel performing the works • Tenderer/company performing the works	30%
3	*Methodology, resources and capacity for performing the works	30%
4	*Established Occupational Health and Safety Management systems, policies, practices and procedures and demonstrated compliance with those systems, policies, practices and procedures	20%
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. Minimum scores are required for each qualitative criterion identified with (\*).

On initial review of the tender submissions, it was confirmed that all tender submissions were deemed to be conforming tenders.

**Evaluation Criteria 1 – Sustainable Procurement (20%)**

**Environmental Considerations (sub weighting 5%)**

The tenderer’s submissions were assessed in order to evaluate construction considerations specifically related to:

- Asset protection,
- recycling practices and
- disposal of non-required material in accordance with industry best practice.

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

<b>Tenderer</b>	<b>Ranking</b>
Horizon West	1
Phase3	1
Environmental Industries	3
Advanteering	4
Ligna	5

**Buy Local (sub weighting 10%)**

The respondents’ submissions were assessed in order to evaluate construction considerations specifically related to:

- contribution in terms of labour and/or purchase goods which will directly benefit the local community.
  - Location of respondent’s and sub-contractors’ offices and depots,
  - Residential addresses of employees,
  - Local purchasing policies,
  - Local employment initiative or program.

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

<b>Tenderer</b>	<b>Ranking</b>
Phase3	1
Ligna	2
Horizon West	3
Environmental Industries	4
Advanteering	5

**Reconciliation Action Plan (RAP) (sub weighting 2.5%)**

The respondent’s submissions were assessed in order to evaluate construction considerations specifically related to:

- demonstration of inclusive cultures based community action plan based on:
  - Strong relationships,
  - Mutual respect,
  - Inclusion opportunities.

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

<b>Tenderer</b>	<b>Ranking</b>
Advanteering	1
Environmental Industries	2
Phase3	3
Horizon West	4
Ligna	4

**Access & Inclusion Plan (AIP) (sub weighting 2.5%)**

The respondent's submissions were assessed in order to evaluate construction considerations specifically related to:

- for people with disabilities, recognition of rights to:
  - access to services,
  - access to buildings and facilities,
  - access to information,
  - access to employment.

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

<b>Tenderer</b>	<b>Ranking</b>
Advanteering	1
Environmental Industries	1
Phase3	1
Horizon West	4
Ligna	5

The overall assessment of the Sustainable Procurement criteria resulted in the following consolidated ranking:

<b>Tenderer</b>	<b>Ranking</b>
Phase3	1
Horizon West	2
Environmental Industries	3
Ligna	4
Advanteering	5

**Evaluation Criteria 2 - Demonstrated experience of personnel and organisation (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:

<b>Tenderer</b>	<b>Ranking</b>
Horizon West	1
Phase3	1
Advanteering	3
Environmental Industries	4
Ligna*	5

\*did not achieve minimum score

**Evaluation Criteria 3 – \*Methodology, capacity and resources to perform the works (30%)**

The tenderer’s resources as presented in their tender submission were assessed in order to evaluate their capacity to meet the requirements of the contract. Assessment of this criterion considered the tenderer’s demonstrated methodology, staff resources, vehicles, plant/equipment and workshop support to manage the contract. The assessment of this criterion has resulted in the following ranking:

<b>Tenderer</b>	<b>Ranking</b>
Horizon West	1
Advanteering	1
Phase3	3
Environmental Industries	4
Ligna*	5

\*did not achieve minimum score

**Evaluation Criteria 4 - Tenderer’s Safety Management Systems (20%)**

Evidence of safety 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:

<b>Tenderer</b>	<b>Ranking</b>
Horizon West	1
Phase3	2
Environmental Industries	2
Advanteering	4
Ligna*	5

\*did not achieve minimum score

**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 respondents’ submissions were evaluated in accordance with the selection criteria and were assessed against the necessary resources, previous experience, and capability and safety management systems to undertake the tender.

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

<b>Tenderer</b>	<b>Ranking</b>
Phase3	1
Horizon West	2
Advanteering	3
Environment Industries	4
Ligna Construction	5

**Evaluation Criteria 5 – Price (Non-weighted)**

The fixed lump sum price (Schedule 1B) plus all of the optional items (Schedule 1C) were applied in the overall value for money assessment.

The following table outlines the lump sum price ranking (lowest to highest) as submitted by each Tenderer:

<b>Tenderer</b>	<b>Lump Sum Price Ex GST Schedule 1A inclusive of all optional items</b>
Ligna	1
Horizon West	2
EI	3
Advanteering	4
Phase 3	5

Based on preferred equipment to be installed in the new playground the City has chosen to exclude items 1, 2, 3, 7, 8, 9 and 19 from the optional items in Schedule 1C which resulted in the following ranking:

<b>Tenderer</b>	<b>Lump Sum Price Ex GST Schedule 1A excluding optional items 1, 2, 3, 7, 8, 9 and 19</b>
Ligna	1
Horizon West	2
EI	3
Advanteering	4
Phase 3	5

**Value for Money Assessment**

In accordance with the PEP, the submissions were assessed for both City and Australian Standard compliance whilst satisfying the overall value for money assessment. As Ligna failed to meet the minimum score for each of the mandatory qualitative criteria they were excluded from the value for money assessment.

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

<b>Tenderer</b>	<b>Ranking</b>
Horizon West	1
Environmental Industries	2
Phase3	3
Advanteering	4

A further relative value for money (RVFM) assessment confirmed the following tenderer rankings

<b>Tenderer</b>	<b>Ranking</b>
Horizon West	1
Environmental Industries	2
Phase3	3
Advanteering	4

### **Overall Assessment and Comment**

The tender submission from Horizon West 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**

Extensive community consultation occurred in November 2019 when the City seek feedback from local residents through an information letter and an online survey, as how to best develop the park, and formed the basis of the draft concept plan. Further community consultation occurred in January 2020 as part of the final concept and design development for this project.

General construction notice will be issued to the adjoining properties and signage will be installed on site prior to the commencement of construction works.

### **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 1 An Inclusive And Accessible City With Places And Spaces That Embrace All*

*Priority 1.3  
Facilities and activities for all*

*Wanneroo will have easy to access facilities that provide opportunities for people to take part in a range of activities regardless of their age or ability. All facilities and activities will provide benefit to our community and support active, healthy and inclusive lifestyles.'*

## Enterprise Risk Management Considerations

Risk Title	Risk Rating	Accountable Risk Owner	Action Planning Option
CO-O20 Productive Communities	Moderate	Director Community & Place	Manage
CO-O23 Safety of Community	Moderate	Dir. Comm. and Places	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 Horizon West has been assessed with a 'satisfactory' financial capacity to meet the requirements of the contract. Bank guarantees totalling 5% of the contract sum will also be provided as security. Payment will be made following approval of progress claims.

### Performance Risk

Horizon West successfully delivered construction services while working with various local governments across Western Australia, including previous projects with the City. In addition, the recommended respondent has no disputes and claims history as stated in the submission.

Independent reference checks have also indicated that the recommended tenderer has a strong track record of working with local government for more than 5 years.

## Policy Implications

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

## Financial (Budget) Implications

Based on the tenderer's lump sum, the historic quantity, types of construction works carried out and the capital projects program, a calculation was made to determine the total annual estimated value of the works for the contract period which is predicted at between July 2021 and June 2022 and is accommodated in the existing 2021/2022 capital works budget.

### PR-4239 FREDERICK DUFFY PARK

Description	Expenditure	Budget
<b>Budget:</b>		
Allocated Municipal Budget for 2020/2021		\$18,000.00
Allocated Municipal Budget for 2021/2022		\$486,000.00
<b>Expenditure:</b>		
Expenditure incurred to date (2020/21 & 2021/22)	\$21,548.00	
Commitment to date (2021/22)	\$0.00	
Construction Activities		



**PR-4239 FREDERICK DUFFY PARK**

<b>Description</b>	<b>Expenditure</b>	<b>Budget</b>
- <i>RFQ 21186 recommended tenderer</i>	\$432,252.25	
- <i>Associated Works</i>	\$25,699.75	
- <i>Project Management Fees</i>	\$14,500.00	
Contingency	\$10,000.00	
<b>Total Expenditure 20/21 &amp; 21/22</b>		
<b>Total Funding 20/21 &amp; 21/22</b>		<b>\$504,000.00</b>
<b>Funding Provision required in 2021/2122</b>	<b>\$482,452.00</b>	

21186 Frederick Duffy Park, Wanneroo, Upgrade Passive Park

**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 Horizon West for Tender 21186, for the Frederick Duffy Park, Wanneroo, Upgrade Passive Park, at \$432,252.25 Fixed Lump Sum, including the main works and selected optional items.**