

TENDER RECOMMENDATION REPORT

TO: CHIEF EXECUTIVE OFFICER

CC: MANAGER ASSETS MAINTENANCE

FROM: DIRECTOR ASSETS

FILE REF: 43096: 21/469013

DATE: 2 NOVEMBER 2021

TENDER 21143: IRRIGATION PARTS AND HARDWARE

Issue

To consider Tender No: 21143 for the Supply of Irrigation Parts and Hardware.

Background

The supply of irrigation parts for use by City staff and contractors is currently undertaken by utilising a supply contract with Elliott's Irrigation. This contract will expire in December 2021 after the completion of all available options to extend. Irrigation parts will continue to be supplied under a contract arrangement with a single supplier.

Detail

Tender No: 21143 for the Supply of Irrigation Parts and Hardware was advertised on 21 August 2021 and closed on 7 September 2021

Essential details of the proposed contract are as follows:

Item	Detail
Contract Form	Goods
Contract Type	Schedule of Rates
Contract Duration	Three Years
Commencement Date	December 2021
Expiry Date	December 2024
Extension Permitted	Yes, 2 periods of twelve months
Rise and Fall	Maximum Perth All Groups CPI increases upon extensions.

Conforming Tender submissions were received from the following companies:

Legal Name	Trading Name	Abbreviation
Western Irrigation	Western Irrigation	Western Irrigation
Total Eden Pty Ltd	Nutrien Water	Nutrien

The Tender Evaluation panel comprised:

Project Manager, Construction	Infrastructure Capital Works
Project Officer, Irrigation	Parks and Conservation Management
Technical Officer, Turf and Irrigation	Parks and Conservation Management
Coordinator Safety Systems	People and Culture

Probity Oversight

Oversight to the tender assessment process was undertaken by the City’s Contracts Officer with additional probity oversight undertaken by an external probity advisor, William Buck Consulting (WA) Pty Ltd.

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

Item No	Description	Weighting
1	Price (assessed under Value for Money)	Not Weighted
2	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%
3	*Capacity to supply irrigation parts within specified timeframes*	35%
4	*OSH	10%
5	*Demonstrated experience supplying commercial irrigation parts within Western Australia	35%

Pricing is not included in the qualitative criteria and is considered as part of the overall value for money assessment. Tenderers must achieve a minimum acceptable qualitative score (as determined by the City) for each of the qualitative criteria detailed above (*) to be considered for further evaluation.

Evaluation Criteria 1 - Pricing for the Goods (Not Weighted)

An assessment was made to determine the ranking based on the schedule of rates provided with the tender documentation. Refer to the Confidential Memo for additional information relating to price assessment.

Tenderer	Ranking
Western Irrigation	1
Nutrien	2

Evaluation Criteria 2 – Sustainable Procurement (20%)

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. Respondents are encouraged to provide credentials of any environmental claims of the goods and/or services submitted in this quote.

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

Tenderer	Ranking
Western Irrigation	1
Nutrien	2

Sub Criteria b) Buy Local (10%)

An assessment was made based on the response provided, detailing the following information:

- Purchasing arrangements through local businesses;
- Location of respondents' offices and workshops;
- Residential addresses of staff and company addresses of subcontractors;
- Requirement for new employees arising from award of the contract.

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

Tenderer	Ranking
Western Irrigation	1
Nutrien	2

Sub Criteria c) 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, and development and mentoring.

All tenderer's provided information specifying differing levels of actions in relation to indigenous reconciliation action with assessment resulting in the following ranking:

Tenderer	Ranking
Western Irrigation	1
Nutrien	1

Sub Criteria d) 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 having the same buildings and facilities access opportunities as other people.
- People with disabilities receiving information in a format that will enable them to access information as readily as other people are able to access it.
- People with disabilities receiving the same level and quality of service from staff as other people receive.
- People with disabilities having the same opportunities as other people to make complaints.
- People with disabilities having the same opportunities as other people to participate in any employment opportunities.

All tender's provided information specifying differing levels of consideration for access and inclusion provisions with assessment resulting in the following ranking:

Tenderer	Ranking
Western Irrigation	1
Nutrien	2

Overall Sustainable Procurement Criterion Ranking Summary

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

Tenderer	Ranking
Western Irrigation	1
Nutrien	2

Evaluation Criteria 3 - Tenderer's capacity to supply within timeframes (35%)

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 staff resources, vehicles, plant/equipment and workshop support to manage the contract. The assessment of this criterion has resulted in the following ranking:

Tenderer	Ranking
Western Irrigation	1
Nutrien	2

Evaluation Criteria 4 - Tenderer's Safety Management Systems, OSH (10%)

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.

Both tenderers provided details of their safety management systems with the following ranking:

Tenderer	Ranking
Western Irrigation	1
*Nutrien	2

* Nutrien failed to achieve an acceptable minimum score for this evaluation criterion.

Evaluation Criteria 5 - Tenderer's relevant experience supplying commercial irrigation parts Within Western Australia (35%)

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
Western Irrigation	1
Nutrien	2

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
Western Irrigation	1
Nutrien	2

Noting that Nutrien did not meet the minimum requirements for Evaluation Criteria 4: Tenderer's Safety Management Systems and therefore did not proceed to the value for money assessment.

Overall Value for Money Assessment and Comment

The tender submission from Western Irrigation achieved the highest ranking 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

The primary stakeholders within Parks and Conservation Management were engaged in advance of the 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 asset 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-001 Relationship Management	Moderate
Accountability	Action Planning Option
Director Corporate Strategy and Performance	Manage
Risk Title	Risk Rating
CO-008 Contract Management	Moderate
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-022 Environmental Management	Moderate
Accountability	Action Planning Option
Director Planning and Sustainability	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 Western Irrigation has been assessed with a 'very strong' financial capacity to meet the requirements of the contract.

Performance Risk

Western Irrigation have recently amalgamated with Elliott's Irrigation who are the incumbent supplier for Contract 16139, Supply and Delivery of Irrigation Pipe, Fittings, Electrical Controls and Sprinklers. Western Irrigation now supply all goods through the existing Elliott's Irrigation distribution network and premises under the new Western Irrigation branding. Elliott's Irrigation meet all obligations and exceed expectations in providing advice for the current Contract 16139, and have no documented issues or history of notices of disputes and/or claims.

Policy Implications

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

Financial (Budget) Implications

The costs associated with the Tender No: 21143 Supply of Irrigation Parts and Hardware are included in the Parks and Conservation Management operational budget. Estimated costs for the initial contract term (based on the most frequently used items) are expected to be in the order of \$843,000.

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 Western Irrigation Pty Ltd for Tender No: 21143, for the Supply of Irrigation Parts and Hardware, as per the schedule of rates in the tender submission and in accordance with the conditions of tendering.