TENDER RECOMMENDATION REPORT

TO: **CHIEF EXECUTIVE OFFICER**

CC: **ACTING MANAGER INFRASTRUCTURE CAPITAL WORKS**
COORDINATOR FACILITY PROJECTS

FROM: **DIRECTOR ASSETS**

FILE REF: **26/101634**

DATE: **30 March 2026**

TENDER 26032: PROVISION OF MINOR WORKS FOR BOILER NO. 1 REPLACEMENT AT WANNEROO AQUAMOTION

Issue

To consider Tender No: 26032 for the Provision of Minor Works for Boiler No. 1 Replacement at Wanneroo Aquamotion.

Background

City of Wanneroo's Aquamotion is located at 19 Civic Drive on Lot 501. As part of the City's Asset Management practices, one of the boiler's at the Wanneroo Aquamotion facility is nearing end of useful life and fast approaching critical failure, and therefore needs to be replaced urgently.

The City has engaged a consultant to prepare detailed design documentation to support the works, and so is now proceeding with the urgent replacement of Boiler No. 1 at Wanneroo Aquamotion.

Detail

Tender 26032 for the Provision of Minor Works for Boiler No. 1 Replacement at Wanneroo Aquamotion was advertised on 31 January 2026 and closed on 24 February 2026. No addenda were issued during this time.

Essential details of the proposed contract are as follows:

Item	Detail
Contract Form	Minor Construction Works
Contract Type	Lump Sum
Contract Duration	6 months Term
Commencement Date	April 2026
Expiry Date	27 October 2026 + 12 month Defects Liability Period
Extension Permitted	Nil

Tender submissions were received from the following companies:

Legal Name	Trading Name	Abbreviation
The Trustee for the Skenpost Trust	Australian HVAC Services	Australian HVAC
Jako Industries Pty Ltd	Jako Industries Pty Ltd	Jako Industries
Heru Holdings Pty Ltd	ME Engineering Group	ME Engineering

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:

Q	Criteria	Weighting
1	Sustainable (Corporate Social Responsibility) Procurement a. Environmental Considerations 5% b. Buy Local 10% c. Reconciliation Action Plan 5% d. Access & Inclusion 5%	25%
2	*Established Work Health and Safety Management systems, policies, practices and procedures and demonstrated compliance with those systems, policies, practices and procedures.	20%
3	*Demonstrated relevant experience of tenderer and personnel performing the services, working within an active operational work site, with achievement of client expectations.	20%
4	*Demonstrated understanding of the methodology to deliver the services within an active operational worksite, seeking to minimise/avoid operational disruptions, and detail your proposed personnel and resources required to undertake the services. (Please complete schedule of technical data on pages 32 – 35 of Mechanical Services Specification and include as attachment as part of your response to this criteria).	20%
5	*Demonstrated ability to meet the City's project delivery timeline. Please provide a detailed works programme in the form of a gantt chart (PDF) for delivery of the scope of works.	15%

All Tenders received met the City's minimum requirements for each of the qualitative criteria detailed above (*).

Pricing was not included in the qualitative criteria and is considered as part of the overall value for money assessment.

Sub Evaluation Criteria 1 – Sustainable Procurement (25%)

Evidence of Sustainable (Corporate Social Responsibility) Procurement was assessed based on the Tenderer's responses provided to the Questionnaires within Schedules 3A, 3B, 3C and 3D which formed part of the tender documentation.

Sub Criteria a) Environmental Considerations (5%)

The City is committed to procuring goods and services that provide 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 tender.

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

Tenderer	Ranking
Australian HVAC	1
Jako Industries	1
ME Engineering	1

Sub Criteria b) Buy Local (10%)

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

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

Tenderers provided details of their "Buy Local" considerations within Schedule 3B, with the following ranking:

Tenderer	Ranking
ME Engineering	1
Australian HVAC	2
Jako Industries	3

Sub Criteria c) Reconciliation Action Plan (RAP) (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.

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

Tenderer	Ranking
Australian HVAC	1
Jako Industries	2
ME Engineering	3

Sub Criteria d) Access & Inclusion Plan (AIP) (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.

Tenderers provided information specifying considerations for access and inclusion provisions with assessment resulting in the following ranking:

Tenderer	Ranking
Australian HVAC	1
Jako Industries	1
ME Engineering	1

Overall Sustainable Procurement Ranking Summary

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

Tenderer	Ranking
Australian HVAC	1
Jako Industries	2
ME Engineering	3

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

Evidence of WHS management policies and practices was assessed from the tender submissions. The assessment for safety management was based on the tenderer's responses to a specific questionnaire included within the tender documentation.

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

Tenderer	Ranking
Australian HVAC	1
ME Engineering	2
Jako Industries	3

Evaluation Criteria 3 - Tenderer's relevant experience and personnel performing the services with achievement of client expectations (20%)

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
Jako Industries	1
Australian HVAC	2
ME Engineering	3

Evaluation Criteria 4 - Tenderer's understanding of the methodology to deliver the services within an active operational worksite (20%)

The tenderer's understanding of the methodology required to deliver the services 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 also considered the tenderer's proposed personnel and resources to manage the contract. The assessment of this criterion has resulted in the following ranking:

Tenderer	Ranking
Jako Industries	1
ME Engineering	2
Australian HVAC	3

Evaluation Criteria 5 - Tenderer's ability to meet the City's project delivery timeline (15%)

The tenderer's detailed works programme to deliver the scope of works as presented in their tender submission were assessed in order to evaluate their capability to meet the requirements of the contract.

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

Tenderer	Ranking
ME Engineering	1
Jako Industries	1
Australian HVAC	2

Overall Qualitative Weighted Assessment and Ranking

Tenderer's submissions were reviewed in accordance with the Procurement and Evaluation Plan. The overall assessment of qualitative weighted criteria resulted in the following ranking:

Tenderer	Ranking
ME Engineering	1
JAKO Industries	2
Australian HVAC	3

Pricing for the Goods/Services/Works Offered

An assessment was made to determine the ranking based on the lump sum pricing provided with the tender documentation.

Based on the information provided, tenderers are ranked as follows:

Tenderer	Ranking
Australian HVAC	1
Jako Industries	2
ME Engineering	3

Value for Money Assessment

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

Tenderer	Ranking
Australian HVAC	1
Jako Industries	2
ME Engineering	3

Overall Assessment and Comment

The tender submission from Australian HVAC Services 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

Whilst it is inevitable that works of this nature will cause some inconvenience, every endeavour will be made to ensure this is kept to a minimum. The facility users will be notified prior to the works commencing.

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 Council Plan 2025-2035:

Goal 4 – A Connected and Liveable City

Priority 4.1 Create welcoming community spaces

Risk Appetite Statement

In pursuit of strategic objective goal 4, we will accept a Medium level of risk, extended to High in the areas of Community / Reputation & Financial / Commercial impacts. Shifting transport modes and usage in the City may require short term pain for longer term gain as the City supports the development, maintenance and connection of alternatives to car use (e.g. cycle ways) and the supporting infrastructure.

Enterprise Risk Management Considerations

Risk Title	Risk Rating	Accountability	Planning Option
CO-O08 Contract Management	Low	Director Corporate Strategy and Performance	Manage
CO-O13 Workplace Health and Safety	Medium	Director Corporate Strategy and Performance	Manage
CO-O15 Project Management	Low	Director Corporate Strategy and Performance	Manage
CO-O16 Risk Management	Low	Executive Manager Governance and Legal	Manage

Financial and Performance Risk

Financial Risk

A financial risk assessment was undertaken by Equifax Australasia Credit Ratings Pty Ltd as part of the tender evaluation process and the outcome of this independent assessment advised that Australian HVAC is assessed with the financial capacity to meet the requirements of the contract.

Performance Risk

The recommended Tenderer has a proven track record of completing similar services and contracts within a Local Government context. Independent reference checks have also indicated that the recommended tenderer's performance is suitable and acceptable for this contract.

Policy Implications

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

Financial (Budget) Implications

004694 Recurring Program, Renew Wanneroo Aquamotion Building Assets

Description	Expenditure	Budget
Budget:		
Allocated Capital Works Budget (004694) (25/26)		$1,185,607
Listed Capital Works Budget (004959) (26/27) – as per approved LTFP		$485,000
Expenditure:		
Expenditure incurred to date	$543,383	
Commitment to date	$482,633	
Construction costs Including Tenderer's works price, Project Management and Contingency	$259,591	
Remaining work packages within the Recurring Program	$385,000	
Total Expenditure	**$1,670,607**	
Total Funding		**$1,670,607**

The works associated with this tender form part of a recurring program to renew various assets within the Aquamotion building. The expenditure and commitments incurred to date are related to other planned works not directly attributed to those detailed within this tender.

Recommendation:

That the Chief Executive Officer, in accordance with Delegation 1.1.13 (Tenders for Goods and Services – Accepting, Clarifying and Rejecting Tenders) of the Delegated Authority Register, ACCEPTS the tender submitted by Australian HVAC Services Pty Ltd ATF The Skenpost Trust for Tender 26032 – Provision of Minor Works for Boiler No. 1 Replacement at Wanneroo Aquamotion, for the fixed lump sum of $213,800.00 as submitted, subject to the availability of appropriate funding for the contract term.