

CITY OF ARMADALE

LATE ITEMS

TECHNICAL SERVICES COMMITTEE

4 APRIL 2016

3. **TENDERS**

3.6 TENDER NO 1/16 - FLETCHER PARK CROSS COUNTRY COURSE
CONSTRUCTION.....2

**3.6 - TENDER NO 1/16 - FLETCHER PARK CROSS COUNTRY COURSE
CONSTRUCTION**

WARD : ALL
FILE No. : M/171/16
DATE : 30 March 2016
REF : NB
RESPONSIBLE : Executive Director
MANAGER : Technical Services

In Brief:

- Tender No 1/16 was recently called for the Fletcher Park Cross Country Course Construction.
- Four (4) tender responses were received.
- This report was considered by the City Strategy Committee on 21 March 2016 who supported the Officers Recommendation.
- At the Ordinary Council meeting of 29 March 2016, and after receiving a number of queries during public question time, Council recommitted the matter to the Technical Services Committee meeting of 4 April 2016 for further consideration.

Recommend:

- That with Tender No 1/16 - Fletcher Park Cross Country Course Construction, Council accepts the tender from Terra Firma Constructions for a period of twelve (12) weeks commencing from the date of contract for the consideration of \$107,012 (excluding GST).

Tabled Items

Nil.

Officer Interest Declaration

Nil.

Strategic Implications

2. Enhanced Natural and Built Environments

2.8 A natural environment and bushland that is sustained, enhanced and strengthened.

2.8.1 Develop an appropriate policy and long term works programs to protect and enhance our bushland and natural environs under the City's control.

Legislation Implications

Assessment of legislation indicates that the following apply:

- *Local Government Act 1995*: Section 3.57 – Tenders for Providing Goods or Services
- *Local Government (Functions and General Regulations) 1996*: Division 2 – Tenders for Providing Goods or Services

Council Policy/Local Law Implications

Assessment of Policy indicates that the following are applicable:

- Council Policy ADM 19 – Procurement of Goods or Services

Budget/Financial Implications

Costs can be accommodated within the 2015/2016 Annual Budget allocation.

Consultation

- Intra Directorate.

BACKGROUND

Fletcher Park, within the City of Armadale, is home to the Wallangarra Riding and Pony Club (WRPC). The reserve is vested in the City of Armadale and leased to the WRPC.

The sport of Eventing takes place at the reserve and comprises Dressage, Cross Country and Jumping. The WRPC holds three One Day Events (ODE's) per annum in which the cross country course is utilised. Part of the current course is located within sensitive bushland, protected under environmental legislation.

Given the presence of the sensitive bushland, the reserve is subject to the 'Fletcher Park Bushland Management Plan'. During the finalisation of this plan in 2011, Council requested that an investigation be performed on the relocation of the cross country course from the sensitive bushland areas into degraded areas of the reserve.

As a result, the City engaged a consultant to assess the feasibility of relocating the course and provide a detailed design.

Currently, the reserve is able to accommodate a course that meets the Pony Club Association of Western Australia (PCAWA) requirements for B, C, D and E grade courses. The new designs produced indicate that B, C, D and E grade courses may continue to be accommodated after relocation into the degraded area. The course designs have been reviewed and signed off as meeting the prescribed standards by a steward of the PCAWA. Consequently, the next step in the process is for the City to enable the construction of a new course.

DETAILS OF PROPOSAL

Tender No 1/16 - Fletcher Park Cross Country Course Construction was advertised in the Saturday 6 February 2016 edition of The West Australian newspaper, and in a notice which was displayed on the Administration Centre, Armadale, Kelmscott and Seville Grove Libraries' public notice boards. The tender was closed 23 February 2016.

The scope of works and the specifications called for the successful tenderer to supply the following service:

- Track development.
- Jump fabrication.
- Jump placement.

No native vegetation will be removed during the track development and construction process.

ANALYSIS

Tender No 1/16 - Fletcher Park Cross Country Course Construction closed at 2:00pm on Tuesday, 23 February 2016. Four tender submissions were received from:

Tenderer's Name	
1.	Philip Patrick Bailey
2.	Terra Firma Constructions
3.	TD and EM Compagnoni
4.	TD and EM Compagnoni - (Alternate tender – Price variance only if progress payments are made)

No tenders were received after the close of deadline and no non-conforming tenders were received.

An evaluation process was undertaken having specific regard to the following selection criteria:

Item No	Description	Weighting
1	Relevant Experience	15%
2	Key Personnel Skills and Experience	15%
3	Tenderers Resources	15%
4	Demonstrated Understanding	15%
5	Price	40%
	Total	100%

The ranking of the tender submissions as determined by the evaluation panel is as follows:

Tenderer	Relevant Experience	Key Personnel	Tenderers Resources	Demonstrated Understanding	Price	Total	Ranking
	15%	15%	15%	15%	40%		
Philip Patrick Bailey	8.50	8.00	9.00	8.50	19.96	53.96	3
Terra Firma Constructions	5.50	8.00	10.00	6.50	40.00	70.00	1
TD and EM Compagnoni	8.00	7.50	8.50	10.50	18.97	53.47	4
TD and EM Compagnoni (Alternate)	8.00	7.50	8.50	10.50	22.59	57.09	2

All submissions ranked relatively closely overall in terms of quality. However, the two submissions from TD and EM Compagnoni demonstrated marginally the highest quality submission overall.

The evaluation panel determined Philip Patrick Bailey and TD and EM Compagnoni demonstrated the highest level of experience in the area of equestrian design and construction. However, Terra Firma Constructions demonstrated the greatest level of formal qualifications, resources and experience in the area of major building and construction projects.

The evaluation panel also noted significant price differences between Terra Firma Constructions and the three other submissions particularly in the areas of site set-up, accommodation/travel, materials, labour for track development and administrative support. This resulted in the submission from Terra Firma Constructions representing the lowest cost submission by a significant margin.

With the overall qualitative scores between all firms very close; and with this project heavily focused on supply of equestrian equipment and course construction using a comprehensive and prescribed equestrian facility specification; when combined with the significant price difference between Terra Firma Constructions and the next nearest tender submission the

evaluation panel determined that despite Terra Firma Constructions limited demonstrated experience directly in the area of equestrian facilities this firm still represents the best value for money outcome to Council.

SUMMARY

Based on the panel's evaluation, using a combination of the above selection criteria and price, the submission from Terra Firma Constructions represents the most advantageous submission and is therefore recommended to be selected as the City's preferred supplier.

FUNDING

The contract can be funded through existing budget allocations to Environmental Services for the project. Any residual funds will be used for rehabilitating the sensitive bushland area and preventing horse access through fence construction. This was the overarching objective of Council in requesting the relocation of the cross country track to the degraded area.

CONCLUSION

Tenders for the Fletcher Park Cross Country Course Construction were recently invited, with four tenders being received and assessed by an evaluation panel against compliance and selection criteria.

The result was that the submission received from Terra Firma Constructions represented the most advantageous tender to the City of Armadale.

The evaluation panel therefore recommends that the contract be awarded to Terra Firma Constructions, at a price of \$107,012 (exclusive of GST) for a period of twelve (12) weeks.

FURTHER INFORMATION FOLLOWING RECOMMITTAL

The report as detailed above, was considered by the City Strategy Committee on 21 March 2016, where the officer recommendation was supported as follows (Recommendation CS23/3/16).

That, with Tender No 1/16 - Fletcher Park Cross Country Course Construction, Council accepts the tender from Terra Firma Constructions for a period of twelve (12) weeks commencing from the date of contract for the consideration of \$107,012 (excluding GST) in accordance with the submitted tender, Council's contract documentation and Budget allocation.

The Report was included in the Council agenda for consideration at the Ordinary Council Meeting of 29 March 2016, where after receiving comment during public question time, Council resolved as follows:

That Recommendation CS23/3/16 be not adopted and recommitted to the April meeting of the Technical Services Committee.

ADDITIONAL COMMENT

During question time at the Ordinary Council Meeting held on 29 March 2016, a number of matters of concern were raised by the public, relating to the following, summarised for the purpose of this report.

- The suitability of the specifications and the design included as part of the tender documentation.
- The tender assessment process, in particular the compilation of the assessment panel and their related experience in cross country course design.
- The safety of the final product relating to the limited equestrian experience of the recommended tenderer. Specific reference was made to the quality assurance and oversight by a suitably accredited person of the final product, in particular the suitability of the course after completion – again related to the safety of the course when in use.

As a result of these matters being raised, the Council resolved to recommit the consideration of Tender No 1/16 - Fletcher Park Cross Country Course to the Technical Services Committee meeting of 4 April 2016 for further consideration and recommendation to the Council meeting scheduled for 11 April 2016.

This report therefore includes comment on the matters raised for consideration.

These matters are addressed on the following paragraphs:

Design and Specification

Prior to the appointment of a designer for the course, the WRPC was consulted as to suitable persons in the industry who they would consider appropriate for this design and specification compilation aspects of the project. The WRPC provided two names for consideration, and both were requested by the City to make submissions together with prices.

Based on the submissions, Tom Compagnoni was appointed as the course designer and for the compilation of the specifications. It is a general tendering principle that the design and specification documentation is sufficiently detailed as to provide access to as broad a tender pool as possible. No tender should be too narrowly specified as to restrict access unreasonably.

The design process was conducted in conjunction with the WRPC who assigned two members to the process and who served on the 'design committee'. In addition, a steward of the PCAWA reviewed and approved the design and specification as being compliant and meeting their requirements.

The City therefore considers that these actions and cross checks on standards and compliance have been thoroughly documented and reasonably meet all requirements in terms of compliance and due process, and specifically the needs of the WRPC.

Tender Assessment

The City applies the tender process governance requirements rigidly and it can be confirmed that this also applies to the governance aspects of this tender. The assessment panel comprised:

- A technical person with experience in building and construction who had the ability to assess the submissions and their construction ability;
- A governance officer who had experience in the probity and governance aspects of the processes and submissions;
- A technical officer with experience in the environmental aspects of the submissions.

It can be confirmed that the tender assessment panel was specifically selected not to include any City officers who had had a role in the preparation of the tender documentation (designs, drawings and specifications) or influence of any aspect of the tender compilation. This is not normally a requirement, but was deliberately done to avoid any later inference of influence in the recommendations related to this tender consideration.

It is sometimes the case that the designer and specification compiler is requested to sit on the assessment panel for tender assessments. In this case however, the designer had submitted a tender, and therefore could not be consulted to form part of the assessment panel. Nevertheless, the specifications were considered to be full and well documented and more than adequate to guide the assessment of submissions, and it was not considered necessary to include any other person on the panel.

The City can therefore be satisfied that the tender assessment process has been absolutely free of influence and that all probity and governance requirements have been met.

Safety

Safety in the design of the course is a primary concern for all parties, including the City, the WRPC as well as for participants using the course. It is for this reason that the City followed the guidance of the WRPC and appointed one of their recommended course designers. In a similar manner, the course design and specification was approved by the WRPC through the involvement of their nominated representatives on the 'design committee'. In addition, the designs and specifications were reviewed and approved by a PCAWA steward as being compliant.

It is not believed that the City could have done any more to meet the requirements for a compliant course design, and that all safety requirements have been addressed in these signed off and approved documents.

It is a requirement of the tender “*that a qualified Course Designer approve the placement and final design of each jump*” and that the end product is constructed in accordance with the designs and specification as documented.

In terms of the experience of the recommended tenderer, the assessment panel assessed the actual construction elements as relatively uncomplicated and that if the designs and specifications drafted by the expert course designer were adhered to, any safety risk would be eliminated. In addition, the tenderer being a construction company, demonstrated that they possessed greater capacity and resources to deliver the required course elements, and that they had more than adequate quality assurance processes in place. The assessment considered that their relative lack of experience in the equestrian field did not disqualify them as a valid tenderer, but recognised their lack of experience in a lower rating score in this aspect of the assessment.

As part of the superintendence activities, the City will ensure that a review and an approval is received before acceptance of the final works, and before payment or progress payments are processed. This is a requirement stated in the tender documentation.

The City can therefore be satisfied that the assessment has been fair and free from bias, and has recognised that sufficient checks and balances are in place in the construction processes to ensure that all design and specifications are met, which in turn will ensure that the safety requirements will also be met.

If during the construction phase, additional requirements are identified which will improve the course or improve safety, these can be accommodated through a variation to the contract. This is a normal process in contract management, which ensures that all such variations are documented and supported by additional specifications and design drawings. Should adjustments be made on site during the final placement of jumps, these will also be documented and recorded to provide background to the final product, and record any agreements between the respective parties.

Lastly, prior to any event taking place, all jumps, placements and construction are required to be inspected by a steward or technical delegate for compliance and safety. This is then signed off prior to an event commencement and provides an additional safety check for users of the course.

CONCLUSION

It is therefore clear that the City has taken all reasonable steps to ensure compliance to meet the design and safety requirements for such a course. In summary these are:

- The City has fully engaged the WRPC on all processes, designs and specifications.
- The City has requested advice from the WRPC on suitable expert course designers, and has accepted one of those experts nominated.
- The designs and specifications of the course have been reviewed and approved by WRPC members nominated to the ‘design committee’ as well as a steward of the PCAWA.

- The tender process has demonstrated to have been thorough and meets all governance and probity requirements.
- The construction process requires on-site review and approval of all course elements prior to acceptance and payment.

OPTIONS

The options available to the Committee and Council in the consideration of Tender No 1/16 - Fletcher Park Cross Country Course Construction, are as follows:

1. Accept the tender from Terra Firma Construction as previously recommended.
This option is recommended.
2. Accept one of the other three (3) tenders.
This option is not recommended.
3. Not accept any of the tenders submitted.
This option is not recommended.

Option-1 which was originally recommended by the City Strategy Committee, is therefore recommended for adoption.

(NB: Should Option 2 or Option 3 be selected, reasons will need to be recorded in the minutes.)

RECOMMEND

That, with Tender No 1/16 - Fletcher Park Cross Country Course Construction, Council:

- 1. Accepts the tender from Terra Firma Constructions for a period of twelve (12) weeks commencing from the date of contract for the consideration of \$107,012 (excluding GST) in accordance with the submitted tender, Council's contract documentation and Budget allocation.**
- 2. Notes that each element of the project is to be assessed and approved prior to acceptance by the City.**

ATTACHMENTS

There are no attachments for this report.