

TENDER RECOMMENDATION REPORT

TO: CHIEF EXECUTIVE OFFICER

CC: A/MANAGER INFRASTRUCTURE CAPITAL WORKS

FROM: DIRECTOR ASSETS

FILE REF: 49978 24/324455

DATE: 6 JANUARY 2025

TENDER 24121 PROVISION OF PLANT HIRE SERVICES (SEPARABLE PORTIONS)

Issue

To consider tender submissions relating to separable portion Tender 24121 for the Provision of Plant Hire Services for an initial period of three (3) years, with up to two (2), twelve (12) month (or part thereof) options to extend.

Background

The previous contract arrangement for these services expired on 31 December 2024.

The City is seeking to appoint suitably qualified and experienced contractors to supply plant hire services. The dry hired plant to be supplied under this contract will provide for the City's construction and maintenance workforces' plant hire requirements to deliver the capital works program and routine maintenance activities.

Detail

Tender 24121 for the Provision of Plant Hire Services (6 separable portions) was advertised on 24 August 2024 and closed on 17 September 2024. Following the unsuccessful initial tender, six separable portions were defined to group plant items in a way that aligns with market capacity, enabling suppliers to provide comprehensive pricing based on plant categories that match their resource lists. No addenda were issued.

Essential details of the proposed contract are as follows:

Item	Detail
Contract Form	Goods and Services
Contract Type	Schedule of Rates
Contract Duration	3 years
Commencement Date	1 January 2025
Expiry Date	31 December 2028
Extension Permitted	Yes, two (2) periods of twelve (12) months or part thereof

Item	Detail
Rise and Fall	Maximum Perth All Groups CPI increases apply upon extensions

Tender submissions were received from the following companies:

Tenderer's Legal Name	Trading Name	Abbreviation	Separable Portions Tendered
Brooks Hire Service Pty Ltd	Brooks Hire	Brooks	1-6
Coates Hire Operations Pty Ltd	Coates Hire	Coates	1-6
Conplant Pty Ltd	Conplant	Conplant	2-4
*Kee Hire Pty Ltd	Kee Hire	Kee Hire	1-5
Mayday Rental	Mayday Rental	Mayday	1-4
Platinum Plant & Equipment Hire	Platinum Plant	Platinum	1-4
Proquip Rental & Sales	Proquip Rental	Proquip	1-6
Sherrin Rentals Pty Ltd	Sherrin Rentals	Sherrin	1-2, 4-6

* The tender submission from Kee Hire was not compliant with the conditions of tendering and did not progress to evaluation.

Probity Oversight

Oversight of the tender assessment process was undertaken by the City's Contracts Officer.

Tender Evaluation

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 (Corporate Social Responsibility) Procurement a) Environmental Considerations 5% b) Buy Local 10% c) Reconciliation Action Plan 5% d) Access and Inclusion 5%	25%
2	*Demonstrated Experience of Tenderer and Key Personnel	25%
3	*Resources, Capacity and Methodology	30%
4	*Work Health & Safety (WHS)	20%

All Tenderers must meet the City's minimum requirements (as determined by the City) for each of the qualitative criteria detailed above (*) in order to be considered for further evaluation.

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

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
Brooks	1
Coates	2
Sherrin	2
Platinum	4
Conplant	5
Proquip	6
Mayday	7

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
Mayday	1
Conplant	2
Sherrin	3
Brooks	4
Platinum	4
Proquip	4
Coates	7

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
Brooks	1
Coates	1
Platinum	3
Sherrin	4
Conplant	5
Mayday	6
Proquip	6

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
Sherrin	1
Platinum	1
Brooks	1
Coates	4
Conplant	5
Mayday	6
Proquip	7

Overall Sustainable Procurement Ranking Summary

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

Tenderer	Ranking
Brooks	1
Sherrin	2
Platinum	3
Mayday	3
Conplant	5
Coates	6
Proquip	7

Evaluation Criteria 2 – Demonstrated Experience of Tenderer and Key Personnel (25%)

The tenderers' 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
Brooks	1
Sherrin	1
Coates	3
Platinum	3
Mayday	3
Conplant	6
*Proquip	7

* Proquip did not meet the City's minimum requirements for this criterion

Evaluation Criteria 3 - Tenderer's resources, capacity and methodology to meet the requirements of the contract (30%)

The tenderer's resources, capacity and methodology 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, capacity and methodology to manage the contract. The assessment of this criterion has resulted in the following ranking:

Tenderer	Ranking
Brooks	1
Platinum	1
Mayday	3
Sherrin	3
Coates	5
Conplant	5
*Proquip	7

* Proquip did not meet the City's minimum requirements for this criterion

Evaluation Criteria 4 - Tenderer's WHS 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
Platinum	1
Sherrin	2
Brooks	3
Coates	3
Conplant	5
Mayday	6
*Proquip	7

* Proquip did not meet the City's minimum requirements for this criterion

Overall Qualitative Weighted Assessment and Ranking

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

Tenderer	Ranking
Brooks	1
Platinum#	1
Sherrin	3
Mayday	4
Coates#	5
Conplant	6
*Proquip	7

*Proquip did not meet the City's minimum requirements for the mandatory qualitative criteria and therefore did not proceed to the value for money assessment.

Pricing for the Goods/Services/Works Offered

An assessment was made to determine the ranking based on the schedule of rates provided with the tender documentation for each separable portion.

Tenderers were advised that each separable portion schedule was to be comprehensively completed to be considered for acceptance. Only those tenders where at least 80% of all line items per separable portion were considered for recommendation.

#Both Platinum and Coates did not meet this requirement, therefore were not considered for further evaluation.

Value for Money Assessment

Tender submissions for each of the six separable portions resulted in responses that has ensured that plant hire providers can be secured for all plant hire needs except for Separable Portion 4.

Brooks, Sherrin, Mayday and Conplant all achieved acceptable qualitative criteria weighted scores and completed pricing schedules.

The individual proposals from these tenderers for each separable portion were assessed on the value for money offered.

Refer to **Confidential Memorandum** for the outcome of this assessment.

A summary of this outcome is as follows:

Separable Portion	Recommended Tenderer
1	Brooks
2	Brooks
3	Brooks
4	All offers declined
5	Sherrin
6	Sherrin

Consultation

Nil

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: Responsibly managed and maintained assets.

Risk Appetite Statement

In pursuit of strategic objective goal 5, 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
CO-007 Purchasing	Moderate
Accountability	Action Planning Option
Director Corporate Strategy and Performance	Manage

Risk Title	Risk Rating
CO-O08 Contract Management	Moderate
Accountability	Action Planning Option
Director Corporate Strategy and Performance	Manage

Financial and Performance Risk

Financial Risk

The financial risk for this Tender is considered low and payment will be made at the completion of each individual hire service.

Performance Risk

Brooks and Sherrin have an established track record servicing the Perth market with no known performance issues.

Policy Implications

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

Financial (Budget) Implications

The extent of expenditure associated with this contract is dependent on the type of capital works projects approved in the Capital Works Program and operational maintenance requirements. The cost of such works will be directly charged to capital projects. Expenditure will also be incurred for maintenance works, with costs incurred to be charged to Maintenance Operating Budget allocations.

Recommendation:

That the CHIEF EXECUTIVE OFFICER, in accordance with Delegation 1.1.13 Tenders for Goods and Services:

- 1. ACCEPTS the separable portion tenders detailed in the Confidential Memorandum, submitted by Brooks and Sherrin for Tender 24121 Provision of Plant Hire Services, for their respective separable portions' schedule of rates for a period of 12 months in accordance with the general conditions of tendering, with an option to extend the contract for up to a further two, 12 month periods, or part thereof at the City's discretion and subject to available funding in each of the financial years of the contract; and**
- 2. DECLINES all tenders submitted for Tender 24121 Provision of Plant Hire Services Separable Portion 4 (Schedule 1D)**