

13.1 TVP/20/06 Tree Maintenance and Associated Works

Location	Town-wide
Reporting officer	Gregor Wilson
Responsible officer	Ben Killigrew
Voting requirement	Simple majority
Attachments	<ol style="list-style-type: none">2020-11-25 - Probity Certificate - Town of Victoria Park - TV P-20-06 [13.1.1 - 2 pages]CONFIDENTIAL REDACTED - TV P 20-06 Evaluation Report- Final [13.1.2 - 60 pages]

Recommendation

That Council awards two contracts associated within tender TVP/20/06 Tree Maintenance and Associated Works with the terms and conditions as outlined within each respective contract, as each offer has been evaluated as the most advantageous to the Town:

- Separable Portion A) for Tree Pruning services only, to Beaver Tree Services Aust Pty Ltd (ABN 78 083 584 788).
- Separable Portion B) for Tree Establishment services only, to Baroness Holdings Pty Ltd trading as Tree Planting and Watering (ACN 614 676 550).

Purpose

To seek Council approval to appoint the preferred contractors to perform relevant parts within the separable portions of the Tree Maintenance and Associated Works as the value of the tender exceeds \$250,000. It is estimated that the contracts will cost in the order of \$7–8 million dollars over the 5-year maximum possible term of the contracts.

In brief

- TVP/20/06 was advertised in the West Australian on 23 September 2020 and released via the Tenderlink portal on the same day. It closed at 2pm on Tuesday 13 October 2020.
- Suppliers were requested to provide a schedule of rates for Tree Maintenance and Associated Works with the option of two separable portions for:
 - tree pruning and removal works, and
 - tree planting and establishment.
- The approved municipal funding allocation for this item is \$1,400,000 - \$1,800,000 per annum. The contracts will be awarded for a period of three (3) years from the start date, with two possible extensions of one (1) year each, subject to satisfactory performance of the Contractor.
- Five submissions were received for separable portion A. All were deemed compliant.
- Three submissions were received for separable portion B. All were deemed compliant.
- One contractor made a submission for both portions.
- An evaluation of the tender submissions against the prescribed criteria has been completed and it is recommended that Council accepts the submission made by Beaver Tree Services Aust Pty Ltd (ABN 78

083 584 788) for separable portion A), and Baroness Holdings Pty Ltd trading as Tree Planting and Watering (ACN 614 676 550) for separable portion B), and enters into a contract with each to perform the works as required.

Background

1. The Town has over 17,000 verge trees and 5,000 park trees.
2. In previous years, there was a single contract for these works, with both maintenance and tree establishment combined. When the existing tender went to the market five years ago, only two compliant submissions were received. Town Officers decided to split the tender into tree maintenance works separate from tree establishment works, in order to encourage more submissions and obtain better value for money for ratepayers.
3. The result has been 8 submissions over the two portions and a drop in costs in the schedule of rates for the required services, a good outcome for the Town and one that means that the overall proposed budget for these services will remain similar to previous years even though the number of trees and related works will increase following the implementation of the Urban Forest Strategy.
4. These trees require maintenance for safety, compliance with utility clearances, tree health and aesthetic appeal.
5. Tree pruning is carried out systematically in 11 precincts based on tree audits, as well as a reactive list, tree removals and storm damage works.
6. The Urban Forest Strategy (UFS) has an implementation plan, part of which is increased tree planting to bring the Town's canopy coverage from 10% to 20% over time.
7. TVP/20/06 for Tree Maintenance and Associated Services was split into two (2) separable portions as opposed to the existing tender that covers all areas as one contract. This was done to allow for multiple contractors to submit tenders and achieve best "Value for Money" for the Town.
8. Portion A relates to tree pruning, tree removals, mulching, stump and root grinding and pest control. The anticipated cost is \$1,200,000 per annum.
9. Portion B relates to Tree/shrub establishment including watering, application of wetting agents and fertilisers, planting of trees and tree well maintenance. The anticipated value of the contract is \$400,000 per annum.

Compliance criteria

10. Tender submissions must comply with the advice provided under the compliance criteria, as indicated in section 1.10.1 and 6.3 of the tender documents.

Evaluation process

11. An Evaluation Plan was prepared and endorsed by the Evaluation Team prior to commencing the evaluation
12. The evaluation was conducted with oversight from an independent Probity Advisor due to the high value of the tender. A probity certificate from the probity advisor has been provided as an attachment to this report. The full evaluation report contains commercial information and as such is a confidential attachment.

Qualitative criteria

Tenders were assessed on the following criteria

Criteria	Weighting
Service Delivery Plan Relevant Experience	20%
Key Personnel Skills and Resources	15%
Demonstrated Understanding	15%
Occupational Health and Safety	10%
Price	40%

Strategic alignment

Civic Leadership	
Strategic outcome	Intended public value outcome or impact
CL06 - Finances are managed appropriately, sustainably and transparently for the benefit of the community.	Ensure transparency and good value for money by going through a public tender process.

Environment	
Strategic outcome	Intended public value outcome or impact
EN06 - Appropriate, inviting and sustainable green spaces for everyone that are well maintained and well managed.	Maintenance of tree clearances from utilities, pedestrians and traffic for public safety. Preserving the health of the Towns living assets.
EN07 - Increased vegetation and tree canopy.	Planting and watering to establish new tree canopy growth.

Engagement

Internal engagement	
Stakeholder	Comments
Procurement	Provided advice and acted as a probity advisor throughout the process.
Parks staff	Provide feedback on tender document and current practices.
UFS Coordinator	Provide feedback on tender documents.

Legal compliance

[Section 3.57 of the Local Government Act 1995](#)

[Part 4 Division 2 of the Local Government \(Functions and General\) Regulations 1996](#)

Risk management consideration

Risk impact category	Risk event description	Consequence rating	Likelihood rating	Overall risk level score	Council's risk appetite	Risk treatment option and rationale for

						actions
Financial	Failing to comply with financial requirements under the act relating to procurement	Moderate	Likely	High	Low	Go through a public tender process as per requirements
Environmental	Failure to comply with environmental requirements of works	Moderate	Possible	Moderate	Medium	Works management plans to be submitted by the successful contractor
Health and safety	Potential injuries from tree management practices	moderate	Possible	High	Low	OHS management plans to be provided by the successful contractor
Infrastructure/ ICT systems/ utilities	Not applicable				Medium	
Legislative compliance	Failing to comply with utility clearance requirements	High	Likely	High	Low	Appoint appropriate contractor(s)
Reputation	Not applicable				Low	
Service delivery	Failure to maintain trees for safety and clearance	High	Likely	High	Medium	Appoint appropriate contractor(s)

Financial implications

Current budget impact	Sufficient funds exist within the annual budget to address this recommendation.
Future budget impact	<p>With the likely increase in tree numbers, budgets in subsequent financial years regarding tree maintenance and watering budgets will increase proportionate to the number of trees planted and requiring removal/pruning.</p> <p>In addition, with the UFS focus on preserving existing trees, additional costs will likely be incurred pruning and maintaining larger trees and the management and repair of Town infrastructure being impacted by them.</p>

Relevant documents

[Council policy FIN4 Purchase of Goods and Services.](#)

Analysis

13. Due to the value of the tender being over \$1,000,000, an external probity advisor was formally engaged to provide probity oversight and compliance with relevant legislation and Town's Procurement policy requirements. A probity certificate is provided in attachment. The detailed evaluation report is also provided as a confidential attachment.
14. The assessment of the submissions was formally undertaken by a panel that included:
 - Streetscapes Supervisor
 - Senior Place Leader Urban Forest
 - Finance Manager
15. The Town received five submissions for Separable portion A and three submissions for Separable portion B. The submissions were all deemed compliant.
16. An evaluation was conducted as per the Evaluation Plan.
17. Price assessment was carried out using quantity estimates multiplied by the schedule of rates the tenderers provided, to provide a total to be used for the price weighting.
18. For both Separable Portion A and B, once the pricing was reviewed and combined with the qualitative scores, the Panel were happy to accept the highest-ranking Tenderers as the Preferred Tenderers.
19. The evaluation of the submissions against the quantitative and qualitative criteria resulted in the rankings shown below. (Top 3 rankings only)

Separable Portion A: –

Tenderer	Beaver Tree Services	Kennedy Tree Services	Tree Care
RANKING	1	3	2

Recommendation - Beaver Tree Services

Estimated Value of \$5,070,001.32 over a period of 5 Years

Separable Portion B: –

Tenderer	Baroness Holdings	Beaver Tree Services	Psyco Sands
RANKING	1	3	2

Recommendation - Baroness Holdings

Estimated Value of \$1,273,920 over a period of 5 Years