6.2 RFT IE426/2025 HIRE OF SKID STEER LOADER ASSOCIATED PLANT (TRUCK) & OPERATOR

Attachments: **1. Confidential Attachment 1 - Evaluation Worksheet RFT IE426-2025 - Confidential**

RECOMMENDATION:

That Council:

1. NOTES the outcome of the evaluation process for IE426/2025 Hire of Skid Steer Loader Associated Plant (Truck) & Operator; and

2. ACCEPTS the tender submission of The Trustee for Bladerunner Trust for Tender IE426/2025 Hire of Skid Steer Loader Associated Plant (Truck) & Operator.

PURPOSE OF REPORT:

For Council to consider and determine the outcome of Tender IE426/2025 Hire of Skid Steer Loader Associated Plant (Truck) & Operator.

DELEGATION:

The decision to accept or reject tenders with a value exceeding $250,000 requires a decision of Council in accordance with Council's adopted register of delegations, authorisations, and appointments.

BACKGROUND:

The hire of a skid steer loader, associated plant (truck), and operator is required to support the delivery of the City's Parks programs, including the Adopt a Verge and Eco-Zoning initiatives, as well as general landscaping and maintenance works. There is currently no contract in place for this service. A procurement plan to undertake a public Request for Tender was approved on 21 March 2025.

DETAILS:

Tender Submissions
There was a total of six (6) submissions received from six (6) respondents. All respondents submitted conforming responses.

Evaluation Panel
The Evaluation Panel comprised of four members, being:
- three with the appropriate operational expertise and involvement in supervising the contract (voting); and
- one with tender preparation skills and probity advice provided by a Procurement and Contracts Officer (non-voting).

Compliance Assessment
Compliance assessment was carried out on all submissions. All six (6) submissions were assessed as fully compliant and progressed to the qualitative assessment stage.

Evaluation Method and Weighting
The qualitative weighting method of tender evaluation was selected to evaluate the offer. The qualitative criteria and weighting used in evaluating the submission received were as follows:

Qualitative Criteria		Weighting
1	Demonstrated Understanding	35%
2	Capacity, Skills and Experience	35%
3	Safety	20%
4	Environmental Sustainability	10%

Qualitative Assessment

Each submission was evaluated against the qualitative criteria outlined in the Request for Tender, which included demonstrated experience, capacity to deliver the services, understanding of the requirements, and commitment to environmental and social objectives. The results of the qualitative assessment are summarised below:

Respondent #	Weighted Percentage Score	Qualitative Ranking
Respondent 1	66%	4
Respondent 2	77%	1
Respondent 3	68%	3
Respondent 4	73%	2
Respondent 5	62%	5
Respondent 6	49%	6

Refer to **Confidential Attachment 1** for further details.

The Evaluation Panel shortlisted Respondent 1, Respondent 2, Respondent 3, Respondent 4 and Respondent 5 to progress to the price assessment stage. The remaining Respondent did not progress due to the low qualitative score and significant risk associated with the responses to the qualitative criteria.

Price Assessment
The Evaluation Panel assessed the pricing submitted by each shortlisted Respondent based on the proposed hourly rates for the provision of a truck, skid steer loader, and operator. To ensure a consistent and comparable evaluation, pricing was calculated based on an assumed utilisation of 8 hours per day, 5 days per week, over a 52-week period. The hourly rate and corresponding annual total for each Respondent are presented in the table below.

The total price breakdown is included in **Confidential Attachment 1**.

Respondent #	Hourly Rate	Price over 52 weeks (excl GST)	Rank
Respondent 1 (minimum charge of 10 hours per day)	$180	$468,000	3
Respondent 2 (no minimum charge)	$90	$187,200	1
Respondent 3 (no minimum charge)	$255	$530,400	4
Respondent 4 (no minimum charge)	$140	$291,200	2
Respondent 5 (no minimum charge)	$225	$468,000	3

Refer to **Confidential Attachment 1** for further detail.

Risk Assessment
The evaluation panel conducted a comprehensive risk assessment of each submission, considering compliance with specifications, potential service delivery risks, and contractual risk exposure.

Respondent #	Compliance with RFT	Operational/Service Delivery Risk	Contractual Risk	Risk Rank
Respondent 1	Fully compliant with specifications and contractual terms.	**Medium** – Strong submission but issues with daily minimum charges and accreditations.	Low – No departures from contract terms. Acceptable and industry-standard risk allocation	4
Respondent 2	Fully compliant with specifications and contractual terms.	**Low** – Submission demonstrates excellent understanding of service requirements and sound risk mitigation strategies.	Low – No departures from contract terms. Acceptable and industry-standard risk allocation	2
Respondent 3	Fully compliant with specifications and contractual terms.	**Medium** – Strong alignment with City values; limited detail on past performance and qualifications.	Low – No departures from contract terms. Acceptable and industry-standard risk allocation	3

Respondent #	Compliance with RFT	Operational/Service Delivery Risk	Contractual Risk	Risk Rank
Respondent 4	Fully compliant with specifications and contractual terms.	**Low** – Well-structured proposal with minor documentation gaps; low delivery risk.	Low – Minor contractual departures; all reasonable and aligned with industry norms.	1
Respondent 5	Fully compliant with specifications and contractual terms.	**Medium** – Limited submission with vague risk strategies and contract management gaps.	Low – No departures from contract terms. Acceptable and industry-standard risk allocation	5

Value for Money Assessment
The Evaluation Panel undertook a comprehensive value for money assessment, considering the combined outcomes of the qualitative evaluation, pricing analysis, and risk assessment. This holistic approach ensured that the recommended submission offers the optimal balance of quality, cost-effectiveness, and low delivery and contractual risk to the City.

Respondent #	Qualitative Rank	Price Rank	Risk Rank	Value for Money Rank	Comment
Respondent 1	4	4	4	3	Moderate qualitative score and high price. While showing good capability, operational inflexibility and medium risk reduce value for money, requiring careful contract oversight
Respondent 2	1	1	2	1	Highest qualitative score and lowest price, combined with a moderate but manageable risk profile. As the incumbent, this respondent demonstrates strong operational readiness, delivering the best overall value for money.
Respondent 3	3	5	3	4	Moderate qualitative score but highest price and moderate risk due to some management and transparency gaps. Despite good social/environmental credentials, high cost reduces overall value.
Respondent 4	2	2	1	2	Good qualitative score and second-lowest price with a low-risk rating. Offers strong value, especially where risk mitigation and compliance are priorities, though at a higher cost than Respondent 2
Respondent 5	5	3	5	5	Lowest qualitative score and mid-range price with medium risk due to lack of detail and oversight. Limited value for money without increased contract management.

Evaluation Summary
Following a detailed assessment of all submissions, the evaluation panel recommends the tender from The Trustee for Bladerunner Trust for Request for Tender IE426/2025 Hire of Skid Steer Loader Associated Plant (Truck) & Operator, as offering the best overall value for money to the City.

This recommendation is based on the following key considerations:

- The submission met all mandatory compliance requirements in full;
- The Respondent achieved the highest ranking in the qualitative assessment;
- The pricing proposal was the most competitive, ranked 1st overall;
- The submission was assessed as presenting the second-lowest overall risk;
- When considered holistically, the pricing represents excellent value for money, offering the best balance between cost, quality, and risk.

Based on this assessment, it is recommended that Council accepts the tender submitted by The Trustee for Bladerunner Trust for this contract.

CONSULTATION/ADVERTISING:

This matter is subject to a statutory advertising requirement.

The Request for Tender IE426/2025 Hire of Skid Steer Loader Associated Plant (Truck) & Operator advertised in the West Australian on Saturday 5 April 2025 and on both the City's website and Vendor Panel between 5 April 2025 and 30 April 2025.

LEGAL/POLICY:

The Request for Tender was prepared and advertised in accordance with:

- Section 3.57 of the *Local Government Act 1995*;
- Part 4 of the *Local Government (Functions and General) Regulations 1996*; and
- City of Vincent Purchasing Policy.

RISK MANAGEMENT IMPLICATIONS

Low: It is low risk for Council to accept the preferred Respondent.

In accordance with the City of Vincent's adopted Risk Appetite and Tolerance Statements, the recommendation to award the contract to The Trustee for Bladerunner Trust presents a low risk to the City and is consistent with the organisation's risk position for the following reasons:

- **Third-Party Risk**: The City has a low appetite for contractor failure, including delays, breaches, or underperformance. The recommended Respondent demonstrated a strong and well-evidenced understanding of the service requirements, supported by relevant qualifications, appropriate plant and equipment, and sound safety and risk management systems. While the Respondent is a sole operator, potential vulnerabilities were acknowledged in the assessment, and deemed minor due to their proactive risk mitigation strategies, established service continuity arrangements, and strong operational preparedness. These factors provide confidence in the Respondent's ability to meet contract requirements, minimise delivery risk, and uphold the City's service standards.

- **Procurement Risk – Value for Money**: The City also maintains a low risk appetite for procurement outcomes that result in poor value for money, substandard service, or financial loss. The Respondent ranked first in both the qualitative and price assessments, offering the most competitive pricing combined with a high-quality and compliant submission. This outcome reflects a sound procurement process and aligns with the City's obligation to ensure that contracts deliver value, quality, and reliability.

- **Procurement Risk – Health and Safety**: The City has zero tolerance for procurement decisions that could result in harm to staff or the community. The recommended Respondent has demonstrated clear adherence to safety standards, risk mitigation procedures, and regulatory compliance. While some reliance on a sole operator was noted, no concerns were identified that would compromise the safety of the City's workforce or community members.

In summary, the recommended contract award is considered low risk, aligns with the City's risk appetite, and reflects a balanced decision that supports safe, reliable, and cost-effective service delivery.

STRATEGIC IMPLICATIONS:

This is in keeping with the City's *Strategic Community Plan 2022-2032*:

<u>Enhanced Environment</u>

We have minimised our impact on the environment.

Connected and Healthy Community

Our community facilities and spaces are well known and well used.

Thriving Places

Efficiently managed and maintained City assets in the public realm.

Innovative and Accountable

Our decision-making process is consistent and transparent, and decisions are aligned to our strategic direction.

SUSTAINABILITY IMPLICATIONS:

This does not contribute to any specific sustainability outcomes of the *City's Sustainable Environment Strategy 2019-2024,* however the sustainability and environmental management practices of Respondents was a weighted qualitative criterion of this request, and the preferred Respondent provided some evidence of sustainability practices.

PUBLIC HEALTH IMPLICATIONS:

This does not contribute to any public health outcomes in the *City's Public Health Plan 2020-2025.* However, public health considerations are indirectly supported through the contractor's compliance with workplace health and safety standards, the use of well-maintained equipment, and adherence to environmental management practices. These measures help ensure that works undertaken in the community are delivered safely and responsibly, minimising risk to both the public and City staff.

FINANCIAL/BUDGET IMPLICATIONS:

A total budget of $665,000 in 2024/25 budget was identified and approved through the Operating and Capital Budget and Procurement Plan.

COMMENTS:

The tender submission from The Trustee for Bladerunner Trust complies with all tender requirements and was presented to a high standard. The submission demonstrated a strong understanding of the service requirements and responded to the specifications in a clear, thorough, and professional manner.
The Evaluation Panel considered the response to be well-structured, credible, and closely aligned with the City's expectations in terms of capability, capacity, and relevant experience. The Trustee for Bladerunner Trust achieved the highest rankings across all evaluation criteria, including qualitative assessment, pricing, and risk.

Notably, the submission presented a low level of contractual and operational risk, consistent with the City's low risk appetite for both third-party failure and procurement failure. The competitive annual pricing of $187,200 represents excellent value for money when balanced against the quality of the submission and the assessed risk.

Accordingly, the Evaluation Panel recommends the award of Request for Tender IE426/2025 Hire of Skid Steer Loader Associated Plant (Truck) & Operator f, Associated Plant (Truck), to The Trustee for Bladerunner Trust.