

CM13.8. Provision of Weed Control Services Contract No. 18/01800

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CONFIDENTIAL	No		
FURTHER ENQUIRIES	Brad Ferris Engineering	PHONE	6023 8233
AUTHOR	Shane Bates		

Purpose of Report

To recommend preferred suppliers under a panel contract for the supply of Weed Control Services through a qualitative and quantitative analysis.

Background

Tenders (panel contract) were invited for the Provision of Weed Control Services for a three year period (2018 – 2021).

The scope of this tender is for the provision of Weed Control Services. Services required include boom spraying, hand gun spraying and woody weed treatment. Panellists provide all materials and labour. Examples of sites requiring weed control include roadsides, traffic islands and medians, parks and reserves, natural areas, child care centres, Council facilities, sporting grounds, drains, laneways and easements.

Due to the importance of ensuring supply of service in a timely manner and because weed control services are highly seasonal and weather condition dependent, it was determined that a panel contract would provide Council with the surety of supply and provide an appropriate level of flexibility when sourcing various weed control services.

Council uses contractors to complete works associated with weed control that require specialised equipment or to perform work unable to be completed by internal staff due to high demand periods. Therefore, a panel contract with multiple suppliers was deemed the most suitable option to reduce risks associated with a single vendor's inability to supply a particular weed control service when required by Council. Offering a long term contract provides surety of supply, economy of scale and minimises Council's exposure to unpredictable price rises.

Contracts were invited in a schedule of rates format with indicative quantities provided in accordance with historical usage data. This data indicated that in the previous three year period (2015 – 2018), Council's expenditure totalled approximately \$430K (inc GST).

Tenders were advertised in both the Border Mail and the Sydney Morning Herald (14 and 17 July 2018 respectively) and placed on the Tenderlink website. Tenders closed 12 noon on Tuesday 14 August 2018.

Tender Evaluation

Tenders were assessed in accordance with Council's Procurement Policy and Procedures. This process included a conformity check, qualitative assessment and a quantitative assessment. The tender evaluation panel consisted of the Team Leader Landscape and Building (Stephen Chalmers), Supervisor Parks, (Shane Bates) and Procurement Contract Management Coordinator (Gerard Coyle).

Submissions were received from the following vendors:

- Squire Agricultural Services (Wodonga VIC);
- Gray's Farm Friends P/L (Yackandandah VIC);
- Mark's Environmental Services (Lavington NSW)
- Enviro Culture Services P/L (Ettamogah NSW); and
- Mappell P/L (Brimin Vic).

The selection process must provide the best value for money when evaluated against the applicable assessment criteria. Best value does not necessarily mean 'lowest price'; it involves a comparative analysis of the benefits of the submission versus the cost of the procurement. Some of the benefits of a submission that are considered include resourcing and availability, performance history, planning and programming, work health and safety record, quality of work and experience. Consideration may also be given to items external to the contract such as additional contract management requirements during the course of the contract.

Conformity Check

The following table details the results of the conformity check.

Name of Vendor	WHS	Statement of Compliance	Insurance	Tender Declaration	Tender Documentation	Compliant
Squire Agricultural Services	√	√	√	√	√	Yes
Gray's Farm Friends P/L	√	√	√	√	√	Yes
Mark's Environmental Services	√	√	√	√	√	Yes
Enviro Culture Services P/L	√	√	√	√	√	Yes

Mappell P/L	√	√	√	√	√	Yes
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All tenders were deemed compliant and therefore proceeded to the next stage of the assessment process.

Qualitative Assessment

A qualitative assessment considered a range of issues including:

- past performance – including referee checks and comments;
- methodology and program – addresses all operational and design requirements of the contract;
- capacity – appropriate resources to meet contract requirements;
- capability – experience of similar contracts, ability to meet time frames; and
- local benefit – community and social benefit included in the offer.

The following table details the final weighted scores for the qualitative assessment.

Name of Vendor	Past Performance (Weighting 30%)	Methodology & Programme (Weighting 10%)	Capacity (Weighting 30%)	Capability (Weighting 20%)	Benefit to Local Region (Weighting 10%)	Total Score (100)
Squire Agricultural Services	30	8	30	20	10	98
Gray's Farm Friends	24	8	24	16	6	78
Mark's Environmental Services	24	8	24	16	6	78
Enviro Culture Services P/L	24	6	24	16	8	78
Mappell P/L	18	8	24	16	8	74

In assessing the submissions from a contract capability perspective, all vendors rated highly across all areas including experience and expertise, ability to supply specified quantities and capacity of plant.

From a management and service perspective all vendors rated highly in areas including staffing resources and qualifications, Work, Health and Safety (WH&S), and experience in performing contracts of this type.

Squire Agricultural Services is a locally owned and operated business located in Wodonga. They have fifteen years' experience in the weed control industry and currently manage similar type contracts for Murray Irrigation Limited and Local Land Services. They are a current AlburyCity weed

control contactor with 5 years' service performed at a very high level. They have a depot in Albury, employ local staff and have access to significant resources including plant and equipment. All supplies are purchased locally and they sponsor many local sporting clubs, organisations and individuals. Referee checks rated them 'very high'.

Gray's Farm Friends P/L is located in Yackandandah. They have over thirty years' experience in the weed control industry and currently manage similar type contracts for City of Wodonga and Parks Victoria. They employ local staff and have access to significant resources including plant and equipment. All supplies are purchased locally and they sponsor many local sporting clubs and organisations including Yackandandah Junior Cricket Club and Albury Rotary Clubs. All checks and referees rated them 'very high'.

Mark's Environmental Services is a large locally owned and operated weed control and equipment supply business based in Lavington. They have many years' experience in the weed control industry and currently manage similar type contracts for Federation Council, North East Water and the City of Wodonga. They employ local staff and have access to significant resources including plant and equipment. Council has used them before with excellent results. They sponsor local sporting clubs and organisations and referee checks rated them 'very high'.

Enviro Culture Services P/L is a locally owned and operated business based in Ettamogah. They have ten years' experience in the weed control industry and offer a diverse range of services. They are a registered contactor for AlburyCity and currently manage similar type contracts for City of Wodonga and Greater Hume Shire. They employ local staff and have access to significant resources, plant and equipment including many specialised items of machinery. Council has used their services many times with good results. All supplies are purchased locally and they have donated to many local sporting clubs and organisations including Belvoir Special School and Table Top Primary School. All checks and referees rated them 'very high'.

Mappell P/L is a locally owned and operated business located at Brimin. They have twenty five years' experience in the weed control and turf industries. They are a registered contractor for AlburyCity and currently manage similar type contracts for Alpine Shire and Wodonga Golf Club. They have a depot in Albury, employ local staff and have access to significant resources, plant and equipment including many specialised items of turf spraying equipment. All supplies are purchased locally depending on availability and they sponsor numerous local sporting clubs and charities. They also employ staff from within both disadvantaged and long term unemployed groups dependent on available skills. Referee checks rated them 'very high'.

As a result of the qualitative assessment it can be concluded that all vendors have the ability to supply the weed control service, are suitably staffed with experienced personnel, have the necessary WH&S systems in place, have suitable plant to facilitate delivery and the management experience to successfully undertake the requirements of the contract.

Quantitative Assessment

The following tables detail the prices submitted for the requested services:

A. Hand Gun Spraying

Vendor	Hand Gun Spraying \$ per hour inc. GST
Squire Agricultural Services	\$71.50
Gray's Farm Friends P/L	\$82.50
Mark's Environmental Services	\$82.50
Mappell P/L	\$85.00
Enviro Culture Services P/L	\$108.90

From a quantitative perspective, the submission from Squire Agricultural Services for hand gun spraying offered the lowest overall price to Council being \$11/hr or 15% more favourable than Gray's Farm Friends P/L and Mark's Environmental Services, \$13.50/hr or 18% more favourable than Mappell P/L and \$37.4/hr or 52% more favourable than Enviro Culture Services P/L.

B. Boom Spraying

Vendor	Boom Spraying \$ per m² inc. GST & Ha rate
Squire Agricultural Services	\$0.0088m ² (\$88.00ha)
Mark's Environmental Services	\$0.011m ² (\$110.00ha)
Gray's Farm Friends P/L	\$0.012m ² (120.00ha)
Mappell P/L	\$0.015m ² (\$150.00ha)
Enviro Culture Services P/L	\$0.036m ² (\$360.00ha)

For boom spraying application, Squire Agricultural Services submitted the lowest overall price for Council being \$22/Ha or 25% more favourable than Mark's Environmental Services, \$32/Ha or 36% more favourable than Gray's Farm Friends P/L, \$62/Ha or 70% more favourable than Mappell P/L and \$272/Ha or 309% more favourable than Enviro Culture Services P/L.

C. Woody Weed Control

Vendor	Woody Weed Control \$ per hour inc. GST
Enviro Culture Services P/L	\$66.00

Squire Agricultural Services	\$71.50
Gray's Farm Friends P/L	\$82.50
Mark's Environmental Services	\$82.50
Mappell P/L	\$90.00

For woody weed control Enviro Culture Services submitted the lowest overall price for council being \$5.50/hr or 8% more favourable than Squire Agricultural Services, \$16.50/hr or 25% more favourable than Gray's Farm Friends P/L and Mark's Environmental Services and \$24/hr or 36% more favourable than Enviro Culture Services P/L.

The cost of \$430K for weed control for the previous 3 years (2015 – 2018) for the provision of these services has been utilised when developing the current budget and appropriate funds have been allocated in the various maintenance budgets. Comparisons with internal rates, industry and market costs indicated that the submitted prices are realistic and in line with the allocated budgets.

Summary

Council invited tenders for the Provision of Weed Control Services for a three year period (2018 – 2021). Tenders closed on 14 August 2018 with a total of 5 submissions being received for consideration.

The qualitative assessment indicated that all submissions were suitably experienced and resourced to successfully undertake the requirements of the contract. The quantitative assessment indicates that all submissions were commensurate with historical, industry and market costs for the weed control services required.

A panel contract arrangement provides Council with surety of supply and provides a level of flexibility when sourcing weed control services. This is particularly important due to the importance of delivery in a timely manner due to the seasonal and weather dependent nature of the works. Therefore, a panel contract with multiple suppliers with specialised skills is considered the most suitable option and reduces the risks associated with a single vendor's inability to supply.

The analysis indicates that prospective service providers are sufficiently resourced and skilled in all facets of weed control services, however they have the ability, specific equipment, skills and resources to perform some aspects of weed control services more efficiently than others. Including all the vendors on the panel gives Council the most flexibility when weed control services demand is high or when specific weed control services are required. Service providers will be engaged based on the lowest rate offered and contractor availability for the respective tasks.

Overall, all the submissions were assessed as offering good value to Council for the supply and delivery of weed control services.

Conclusion

As a result of the tender process it can be concluded that all vendors have met all legislative, Council and operational requirements stipulated in the specification.

Overall, the submissions from:

- Squire Agricultural Services (Wodonga);
- Gray's Farm Friends P/L (Yackandandah);
- Mark's Environmental Services (Albury)
- Enviro Culture Services P/L (Albury); and
- Mappell P/L (Brimin)

were assessed as providing the best value and service option for Council and should therefore be listed as Council's preferred suppliers for the supply of weed control services.

Recommendation

That Council accepts the following tenders for the Schedule of Rates Panel Contract No. 18/01800 - Supply of Weed Control Services Panel Contract over a three year period Commencing 1 December 2018:

- i. Squire Agricultural Services (Wodonga);
- ii. Gray's Farm Friends P/L (Yackandandah);
- iii. Mark's Environmental Services (Albury)
- iv. Enviro Culture Services P/L (Albury); and
- v. Mappell P/L (Brimin)