

### **3.1 TENDER FOR HARD WASTE COLLECTION SERVICES**

(CF2019051: DP)

Responsible Director: Danny Wain

#### **EXECUTIVE SUMMARY**

Historically, the City of Monash has provided an Annual (Blanket) Hard Waste Collection residential properties, usually during August and September each year. Following a community survey in 2018, a user-pays At-Call Hard Waste Collection Service was added to the waste services available to the community. This service commenced in July 2018 with WM Waste Management Pty Ltd providing this service in the interim.

The At-Call Hard Waste Collection Service is operationally similar to the dumped rubbish service Council conducts. The need to tender the Hard Waste Collection Services was seen as an opportunity to also tender this service, reducing overtime expenditure and health and safety risks to Council staff.

To meet Council's Procurement Policy a public tender process was initiated to enable Council to continue to provide Hard Waste Collection Services. This report recommends preferred suppliers for contract award.

#### ***PURPOSE***

This report is to award the preferred tenderers of the Annual (Blanket) Hard Waste Collection, At-Call Hard Waste Collections and Dumped Rubbish Service.

#### ***KEY CONSIDERATIONS/ISSUES***

- In January 2018, following a community survey, Council resolved to continue providing an Annual Hard Waste Collection Service, also adding a user-pays At-Call Hard Waste Collection Service.
- To meet Council's Procurement Policy, provision of these services were advertised via public tender in November 2018.
- Award of the tenders to the recommended suppliers will ensure continued Hard Waste Services to the community, aligning to both the Council Plan 2017-2021 objectives and Waste Management Strategy 2017-2027 goals.

#### ***FINANCIAL IMPLICATIONS***

These funds are incorporated into the proposed 2019-2020 Sustainable Monash operating budget.

#### ***CONCLUSION/RECOMMENDATION***

That Council approves the recommendations contained within this report.

**3.1. TENDER FOR HARD WASTE COLLECTION SERVICES**

(CF2019051: DP)

Responsible Officer: Danny Wain, Chief Financial Officer

**RECOMMENDATION\****That Council:*

- 1. Awards the tender from WM Waste Management Pty Ltd for Annual (Blanket) Hard Waste Collection, Contract No. 2019051 (Part A) for a schedule of rates based contract with an estimated annual contract value of \$1,078,017 and an estimated total contract value of \$8,624,139 inclusive of all available extension options.*
- 2. Awards the tender from Selkrig Enterprises Pty Ltd for the At-Call Hard Waste Collections (Part B) and for the Dumped Rubbish Service (Part C), Contract No. 2019051 (Part B & C) for a schedule of rates based contract with an estimated annual contract value of \$59,370 and \$110,354 respectively and an estimated total contract value of \$517,958 and \$970,517 respectively inclusive of all available extension options.*
- 3. Authorises the Chief Executive Officer or their delegate to execute the contract agreements subject to satisfactory negotiation of the final Contractual Terms and Conditions.*
- 4. Authorises the Chief Executive Officer to approve extension options subject to satisfactory performance, noting that the contract initial term commences 11 August 2019 and ends 30 June 2023 with cumulative extension options of up to four (4) years.*

*(\*Please note that all dollar figures are GST Inclusive unless stated otherwise)*

**INTRODUCTION**

Council has conducted a Schedule of Rates Public Tender for Hard Waste Collection Services incorporating the Annual (Blanket) collection service (Part A), At-Call (Booked) service (Part B) and Dumped Rubbish Collection (Part C), in accordance with the specification and brief within the Contract No 2019051.

**BACKGROUND**

As part of the Waste Services offered to City of Monash resident's Council provides one Annual (Blanket) collection service to each Monash household. Council currently engages the services of WM Waste Management Services Pty Ltd to deliver this Annual Hard Waste Collection Service.

On 30 January 2018, following a community survey, Council resolved to continue providing this Annual Hard Waste Collection Service, also adding a user-pays At-Call Hard Waste Collection Service. WM Waste Management Services Pty Ltd have delivered this service in the interim.

Following the inclusion of the At-Call Hard Waste Collection Service in this tender, a decision was made to test the market in providing Dumped Rubbish collection, as the scope of these works are similar. Sustainable Monash currently attend and investigate reports of dumped rubbish on public land within one day of it being reported, as per our Customer Service Guarantee. However, staff regularly flag Occupational Health and Safety concerns from removing this rubbish and removing large volumes of waste can also impact the ability to meet the Customer Service Guarantee. Furthermore, engagement of this contractor will reduce the need for overtime and additional casual labour to deliver this service. Overall, this is seen as an opportunity to enable our team to continue to meet the Customer Service Guarantee, whilst providing an opportunity for further investigation and proactive work and mitigates the risks involved with hazardous manual handling.

This tender was advertised in three (3) parts:

Part A: Annual (Blanket) Hard Waste Collection Service;

Part B: At Call Hard Waste Collections; and

Part C: Dumped Rubbish Collection.

**NOTIFICATION**

A public notice was placed in The Age newspaper on 17 and 21 November 2018 and the tender closed on 14 December 2018.

**TENDERS RECEIVED**

Four tender submissions were received by the appointed closing time, tendering for various Parts of the specification.

The tenders received are listed below:

## Part A: Annual (Blanket) Hard Waste Collection Service

- *WM Waste Management Services Pty Ltd*

## Part B: At-Call Hard Waste Collections

- *Cleanaway Waste Management Pty Ltd*
- *SCRgroup*
- *Selkrig Enterprises Pty Ltd*
- *WM Waste Management Services Pty Ltd*

## For Part C: Dumped Rubbish Service

- *Cleanaway Waste Management Pty Ltd*
- *Selkrig Enterprises Pty Ltd*
- *WM Waste Management Services Pty Ltd*

**Tender Conformance:**

All submissions were assessed for their compliance with the tender conditions including the contractual terms and conditions and the requirements of the response schedules.

All tender submissions were deemed conforming.

**TENDER EVALUATION**

All members of the evaluation panel signed Conflict of Interest and Confidentiality forms and no conflicts were raised.

**Evaluation Criteria:**

The remaining conforming tenders were assessed in accordance with the evaluation criteria published in the tender documentation: *(Note: Financial Viability may be treated as either a weighted percentage or pass/fail)*

	KEY SELECTION CRITERIA	CRITERIA WEIGHTINGS	SUB WEIGHTINGS	SUB CRITERIA/RETURNABLE SCHEDULES LINK
40% NON-PRICE CRITERIA	Capacity and Capability	25%	10%	Relevant Experience
			5%	Resources
			5%	Legal and Risk
			5%	Customer Focus & Transition
	Sustainability	5%	3%	Environmental/Quality
			1%	Local Resources
			1%	Social Sustainability
	Quality & OHS	10%	5%	Quality Systems
			5%	OHS
PRICE (60%)	Price	60%	60%	Comparison of Whole of Life Cost or Total Project Cost or Estimated Annual Cost

**DISCUSSION**

Tenders were evaluated in accordance with the specified evaluation criteria. As a schedule of rates tender, modelling was conducted based on the estimated quantities to determine estimated annual costs.

For Part A: Annual (Blanket) Hard Waste Collection Service, the final evaluation ranking (including the price and non-price evaluation criteria) had WM Waste Management Pty Ltd ranked highest and as such, the evaluation panel recommends WM Waste Management Pty Ltd ranked as representing the best value outcome for Council.

The panel recommends that Part B: At-Call Hard Waste Collections and Part C: Dumped Rubbish Service be awarded to a single supplier. For these parts, the final evaluation ranking (including the price and non-price evaluation criteria) had Selkrig Enterprises Pty Ltd ranked highest and as such, the evaluation panel recommends Selkrig Enterprises Pty Ltd ranked as representing the best value outcome for Council.

**FINANCIAL IMPLICATIONS**

These funds are incorporated into the proposed 2019-2020 Sustainable Monash operating budget.

**SOCIAL IMPLICATIONS**

The provision of the Hard Waste Collection Services to be delivered under this contract enable Council to continue to provide essential waste collection and disposal services for the community.

**POLICY IMPACTS**

Tendering of these services was conducted in accordance with Council's Procurement Policy.

The provision of Hard Waste Services supports the following Council Plan 2017-2021 objectives:

A Liveable and Sustainable City – Delivering responsible and sustainable waste management services, and  
Responsive and Efficient Services – Delivering responsive, high quality services.

Furthermore, it aligns to several goals of the Waste Management Strategy 2017-2027, including:

Goal 1: Increase waste diversion from landfill

Goal 4: Serving our customers

Goal 5: Pride in our city

Additionally, Waste Management is a key priority of Council's Environmental Sustainability Strategy 2016-2026. The relevant objectives and actions under the Environmental Sustainability Strategy are:

4.1. Review and update waste and recycling clauses in relevant Council contracts and tenders to ensure best practice waste management and collection practices are included.

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***CONCLUSION***

That Council approves the recommendations contained within this report.