

4.4 TENDER FOR MULCH MANAGEMENT AND SUPPLY (CF2021103: LS)

Responsible Director: Deb Cailes

RECOMMENDATION*

That Council:

- 1. Awards the tender from Ecodynamics Services Pty Ltd for Mulch Management and Supply, Contract No.2021103, for the schedule of rates based contract with an estimated annual expenditure of \$601,040 and an estimated total contract value of \$3,165,857 inclusive of all available extension options (executable at Council's option) and*
- 2. Authorises the Chief Executive Officer or her delegate to execute the contract agreement; and*
- 3. Notes that the contract will commence on 1 October 2021 with an initial term of one year and the contract has two extension options of two years each and authorises the Chief Executive Officer to approve extension options subject to satisfactory performance.*

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

INTRODUCTION

Council has conducted a tender for the provision of Mulch Management and Supply services.

BACKGROUND

Council's Horticulture services department is responsible for maintenance of play grounds and open space and road reserve garden areas. This responsibility includes ensuring play and garden areas have sufficient levels of mulch of various types to ensure both safety and amenity for the community. Mulch also performs a range of environmental functions which benefit the local ecosystem, including moisture retention for plants and weed suppression.

Approximately 80% of the raw material for Council mulch comes from Council's tree pruning contractors generating approximately 12,000m³ of green wood chip per year through tree pruning and removal works.

The green wood chip requires approximately 6 weeks of ageing prior to being installed into a reserve garden bed. The successful contractor will manage the ageing and placement at nominated sites. There are two main methods of placement at nominated sites.

1. Bulk Delivery – the nominated quantity of mulch is delivered to site and dumped at required location and then spread by Horticulture
2. Blow in – Specialised trucks fitted with hoses spread the mulch using a hose to install across nominated garden and play areas.

Council has 149 playgrounds which require the area beneath and surrounding the equipment to have a sufficient cover of 'soft fall' mulch (no less than 250mm). Council officers perform quality audits to determine levels and will engage the services of this contract to place soft fall mulch to ensure service levels are met.

Council officers are seeking to appoint a suitably qualified contractor to provide mulch management and supply services. These services have been split into two main categories;

Part A – Stockpile Management and

Part B – Supply and Placement of Various Mulch Types

The table below provides a summary of the contract structure and estimate

ITEM NO.	DESCRIPTION
PART A	Stockpile Management
1.1	Transport of Green Wood Chip from Monash Operations Centre stockpile to contractor yard for ageing
1.2	Price paid to Council (in the form of credit) for M1 aged Council mulch purchased by Mulch Contractor to be sold to a third party
PART B	Supply and Placement - Green Wood Chip
1.1	GC Green - Council Type wood chip direct from MOC to garden site within Monash (Bulk delivery to site)
2	Supply and Placement – Various Council Mulch
2.1	M1a Aged Mulch – COUNCIL supplied Aged Mulch held at contractors yard delivered to a location as specified within Monash (Bulk delivery to site)
2.2	M1a Aged Mulch – COUNCIL supplied Aged Mulch held at contractors yard delivered to a location as specified within Monash (Blow in)
2.3	M2 Soft Fall Playground - CONTRACTOR supplied Mulch from Contractor yard to garden site within Monash (Blow In)
2.4	M2 Soft Fall Playground - CONTRACTOR supplied Mulch from Contractor yard to garden site within Monash (Bulk delivery to site)

Council has previously engaged Ecodynamics services Pty Ltd via contract 2016102 which was awarded in April 2016.

NOTIFICATION

A public notice was placed in The Age newspaper on 24 July 2021 and the tender closed on 24 August 2021.

TENDERS RECEIVED

Two tender submissions were received by the appointed closing time.

The tenders received are listed below:

- Bark King Group Pty Ltd
- Ecodynamics 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.

The conforming tenderers were assessed in accordance with the evaluation criteria published in the tender documentation:

Pass/Fail Assessment Criteria	Score
Quality Systems	<i>Pass/Fail</i>
OHS	<i>Pass/Fail</i>
Mandatory Insurances (if applicable)	<i>Pass/Fail</i>

Category	Key Selection Criteria	Criteria Weightings
Qualitative Criteria	Capacity and Capability	30%
	Sustainability (Mandatory)	20%**
Quantitative Criteria	Price (Mandatory)	50%*

DISCUSSION

The following information supports the evaluation panel's recommendations.

Reference checks were undertaken on the two tenderers for further consideration to ensure that they would fulfil the requirements of the contract and deliver quality services to Council and the community.

The final evaluation ranking (including the price and non-price evaluation criteria) had Ecodynamics services ranked highest and as such, the evaluation panel recommends Ecodynamics as representing the best value outcome for Council.

FINANCIAL IMPLICATIONS

The total estimated expenditure for the first year of the contract is \$601,040 and an estimated total contract value of \$3,165,857 inclusive of all available extension options (including CPI of 2%)

Due to the nature of the works these allocations are estimates and the volume of service required may change based on a range of factors, including intensity of use of play areas, vandalism, new and upgraded garden beds requiring mulch, extreme weather events resulting in increased pruning material for transport and ageing. As such, estimates have been made within 2021/22 Operating and Capital works project budgets as listed in the table below, however increases and decreases will be managed via the appropriate delegation and variation processes.

The 2021/22 Operating and Capital works budgets make provision for allocations toward this contract as follows.

Budget Account	Contract Allocation (excluding GST)
Bushland Maintenance (6640)	\$80,000
Parks Maintenance (6620)	\$80,000
Gardens Maintenance (6615)	\$50,000
Playground Maintenance (6631)	\$110,000
Avendon Estate Cypress Windrow Management (S121)	\$15,000
Reserve Improvement Program (S102)	\$50,000
Road Reserve Landscaping Program (S171)	\$15,000
Bushland Revegetation Program (S149)	\$20,000

SUSTAINABILITY OUTCOMES

A key benefit from the services provided within this contract is the re-use of wood chip generated from tree works undertaken by both Council's contractors and Horticulture maintenance crews. By collecting, ageing and then installing back into Council's reserves it ensures this material continues to provide value to the Monash community by way of weed control and moisture retention for vegetation. Alternatively Council would need to source this product from outside of its area to maintain its garden areas.

CONCLUSION

That Council approves the recommendations contained within this report.