

4.1 CONTRACT FOR WASTE TRANSFER STATION CARTAGE (SH: CF2018149)

Responsible Director: Ossie Martinz

RECOMMENDATION

That Council endorses the Tender Panel's recommendation to:

- 1. Accept the tender (Contract No.2018149) from Veolia Environmental Services (Australia) Pty Ltd for the Waste Transfer Station Cartage contract for an initial term of sixteen (16) months with a further two (2), one (1) year extension options at an agreed schedule of rates with an estimated annual cost of \$192,011 (inclusive of GST) and an estimated total cost of \$655,553 (inclusive of GST, all available extension options and assuming 2% CPI), subject to both Council and Veolia agreeing on suitable contract terms.*
- 2. The Chief Executive Officer be delegated the power to execute the contract agreements with Veolia Environmental Services (Australia) Pty Ltd and if required, to approve the two (2), one (1) year contract extension options in accordance with the contract.*

INTRODUCTION

The purpose of this report is to seek Council's acceptance of the Schedule of Rates Tender for the Waste Transfer Station Cartage of waste generated at the Transfer station. This includes transportation of General Inert Waste, Clean-fill, Concrete, Brick, Metal, Timber, Green Waste, Cardboard and Putrescible Waste in accordance with the specification and brief within the Contract No 2018149.

BACKGROUND

Council currently carts waste from the Waste Transfer Station to various disposal sites 7 days per week in Council's hook truck. The commencement of contract 2017071 on 1 July 2017 for the disposal of Waste Transfer Station General inert waste at Suez Hallam landfill increased travel time for cartage. This, in conjunction with growth in patronage and waste disposal resulted in additional cartage being required, in addition to Council's internal full time cartage vehicle.

The City of Monash is now seeking a cost effective contractor to cart additional waste. The tender was advertised in accordance with Monash's Procurement Policy.

DISCUSSION

Council publicly advertised the tender on 11 July 2018 and at the close of tenders at 2pm on 1 August 2018 tenders were received from the following companies:

- Veolia Environmental Services (Australia) Pty Ltd
- SUEZ Recycling and Recovery Pty Ltd

- WM Waste Management Services
- Cleanaway Solid Waste Pty Ltd
- Solo Resource Recovery
- Future Metal Recyclers Melbourne Pty Ltd
- Haulaway

The schedule of rates received, based on the estimated quantities in the specification, were evaluated in accordance with the criteria in the tender documents. The schedule of rates provided tenders the option to supply 3 pricing options (Cartage of any bin size to any nominated location; Cartage prices for different sized bins to any nominated location; Cartage prices fixed for each nominated location) and prices to cart Monash supplied bins or contractor supplied bins. A cartage model based on an average month was established to compare fixed trip prices. The contract enables Council to accept all or no submissions at its discretion.

The tenders were evaluated on the following criteria:

- Price
- Quality Systems
- Relevant experience
- Track record (verifiable past performance)
- Appropriate Resources and Compatible Equipment
- Submitted completed Tender Response forms
- Financial viability
- Compliance with Specification
- Occupational Health and Safety competence

The evaluation panel consisted of:

- Rowan Millar – Coordinator Waste Services
- Derek Naylor – Coordinator Fleet & Operations Centre Management
- April Williams – Senior Sustainability Officer
- Theo Kirizakis – Supervisor Transfer Station (Acting)

Simon Hill (Manager Sustainable Monash), Jason Farrugia (Manager Strategic Procurement), Tom Lacy (Supervisor Transfer station) and Danielle Prentice (Coordinator Waste Operations – commenced 17 September 2018) and Jessica Ramsay (Contract Administration Officer) provided advice on the evaluation of the tender, but did not participate in the scoring.

In accordance with Council's Tender Evaluation Panel Terms of Reference, Conflict of Interest and Confidentiality forms have been signed by all Evaluation Panel Members (scoring and non-scoring) with no conflicts arising.

The lowest priced and highest ranked submission was received from Veolia Environmental Services (Australia) Pty Ltd for Waste Transfer Cartage at an estimated schedule of rates cost of \$192,011 per annum (GST Inclusive).

The second ranked submission came from SUEZ Recycling and Recovery Pty Ltd. The third ranked tender was WM Waste Management Services.

At the completion of the evaluation, the schedule of rates tender submitted by Veolia Environmental Services (Australia) Pty Ltd was ranked the highest on price and equal fifth on the non-price criteria.

FINANCIAL IMPLICATIONS

The tendered prices received ranged from an estimated \$192,011 to \$230,544 per annum (incl. GST).

Funds for this contract are included in the Annual Operation of the Waste Transfer Station Budget and sourced from the Sustainable Monash budget.

SOCIAL IMPLICATION

The contract enables the continued operations of the Waste Transfer Station resulting in a safe and clean environment for our community.

CONCLUSION

The Tender Panel's recommendation is for Council to accept the Submission from Veolia Environmental Services (Australia) Pty Ltd, which offers the best tender outcome for the City of Monash.