

## 4.2 TENDER FOR CLEANING SERVICES FOR COUNCIL FACILITIES AND PROPERTIES (CF2020047: PM)

Responsible Director: Ossie Martinz

### **RECOMMENDATION\***

*That Council:*

1. *Awards the tender from Alpha Corporate Property Services for the following categories for Cleaning Services for Council Facilities and Properties, Contract No. 2020047:*
  - *Group 1. Major Facilities, for a fixed Annual Lump Sum of \$1,549,089.80 (subject to annual CPI adjustment) with an extra \$44,000 per annum for Contingencies; for a combined estimated total contract value of \$ 12,206,990 inclusive of all available extension options (assuming 3% CPI);*
  - *Group 2. Clayton Community Hub, for a fixed Annual Lump Sum of \$187,267.80 (subject to annual CPI adjustment) with an extra \$10,500 per annum for Contingencies, for a combined estimated total contract value of \$ \$1,515,388 inclusive of all available extension options (assuming 3% CPI)*
2. *Awards the tender from Storm International from Council Facilities and Properties, Contract No. 2020047 Cleaning Services:*
  - *Group 3. Cleaning Public Conveniences and BBQ's for a fixed Annual Lump Sum of \$ 168,141.60 (subject to annual CPI adjustment) with an extra \$28,000 per annum for Contingencies, for a combined estimated total contract value of \$1,502,927 inclusive of all available extension options (assuming 3% CPI)*
3. *Awards the tender from OITA Facility Management PTY LTD for the following categories from Council Facilities and Properties, Contract No. 2020047:*
  - *Group 4. Sanitary Services, for a fixed Lump Sum of \$84,180.60 (subject to annual CPI adjustment) with an extra \$5,500 per annum for Contingencies, for a combined estimated total contract value of \$687,174 inclusive of all available extension options (assuming 3% CPI)*
4. *Authorises the Chief Executive Officer to execute the contract agreement;*
5. *Notes that the:-*
  - a. *Services contained in Groups 1 Major Facilities and Group 2 Clayton Community Hub contract will commence progressively for September 1, 2020 through to 1 December 2020 and the expected latest completion date is November 30, 2027;*
  - b. *Group 3 Cleaning Public Conveniences and BBQ's contract will commence on 1 October 2020 and the expected latest completion date is November 30, 2027;*
  - c. *Group 4 Sanitary Services contract will commence on 1 November 2020 and the expected completion latest date is November 30, 2027;*
6. *Notes that the total allocated budget for year one available for this contract including the fixed Lump Sum and contingencies is \$1,890,301 exc GST*

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

### **INTRODUCTION**

Council has tendered for Cleaning Services for Council Facilities and Properties

**BACKGROUND**

Council is seeking to appoint Alpha Corporate Property Services, OITA Facility Management Pty Ltd and Storm International to provide cleaning and sanitary services to approximately 106 buildings/facility's and structures throughout the Municipal District. These buildings which include public amenities are occupied or used by Council staff, various groups, managed by Committees of Management, service operators, tenants and public, and are currently maintained by Council and occupiers.

Council is seeking to form a creative relationship with a suitably qualified and experienced Contractors) to manage and deliver Building Cleaning Services to all nominated facilities. The Contractors are required to manage and maintain the properties in compliance with the Council's objectives and to meet the needs of the Occupiers and Users.

Council has divided the services into the following four categories:

- Group 1. Major Facilities
- Group 2. Clayton Community Hub
- Group 3. Cleaning Public Conveniences and BBQ's
- Group 4. Sanitary Services

Council currently engages the services of Alpha Corporate Property Services PTY LTD, Blue Sky Cleaning & Property Services, Ausbright Facilities Management, Quad Services Pty Ltd Quayclean Australia PTY LTD and Rentokil Initial PTY LTD.

**NOTIFICATION**

A public notice was placed in The Age newspaper on 23 May 2020 and the tender closed on 12 June 2020.

**TENDERS RECEIVED**

29 tender submissions were received by the appointed closing time.

The tenders received are listed below:

- Alpha Corporate Property Services Pty Ltd
- ARA Property Services Pty Ltd
- Ausbright Facilities Management
- Blue Sky Cleaning & Property Services
- Business Manager (Elite Property Care)
- Centrepont Cleaning PTY LTD
- Cleaning Melbourne Pty Ltd
- Cloverdale Group
- Enterprise Services Pty Ltd
- Envy Cleaning Solutions
- Facilities First Australia Pty Ltd
- GJK Facility Services
- GT Cleaning Group Pty Ltd
- Happsa Group
- KC Facility Services Pty Ltd
- MA Services Group Pty Ltd

- Makkim Pty Ltd
- O.S Group Australia Pty Ltd
- OITA Facility Management Pty Ltd
- Origin Cleaning & Property Maintenance
- Peopleworks Cleaning Services Pty Ltd
- Pickwick Integrated Facilities Services
- Quad Services Pty Ltd
- Quayclean Australia PTY LTD
- Rentokil Initial PTY LTD
- RP Facility Services
- Storm International Pty Ltd
- Strategic Fluency
- Water estate cleaning

Some submissions tendered for all groups

#### **TENDER CONFORMANCE:**

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

#### **PRE TENDER PROCESS**

A mandatory online Pre-Tender Supplier briefing was undertaken to provide Tenderers with an opportunity for clarification.

#### **TENDER EVALUATION**

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

The following five (5) tenderers were shortlisted:

1. Ausbright
2. Alpha
3. Happsa
4. OITA
5. Storm

and assessed in accordance with the evaluation criteria published in the tender documentation.

#### **COVID-19**

To ensure the possible impact of Coronavirus (COVID-19) on services is being effectively managed, tenderers were asked to provide information on how they would manage risks associated with this event.

<b>Pass/Fail Assessment Criteria</b>	<b>Score</b>
<b>Mandatory Pre Tender Meeting</b>	<i>Pass/Fail</i>
<b>Quality threshold concerning resource hours and pay</b>	<i>Pass/Fail</i>
<b>Tender compliance</b>	<i>Pass/Fail</i>

KEY SELECTION CRITERIA		CRITERIA WEIGHTINGS	SUB WEIGHTINGS	SUB CRITERIA/RETURNABLE SCHEDULES LINK
40% NON-PRICE CRITERIA	Capacity and Capability	30%	12%	Experience
			13%	Resources
			2%	Risk Management
			3%	Performance and Innovation
	Sustainability (Mandatory)	10%	3%	Environmental Sustainability
			3%	Local Sustainability
4%			Social Sustainability	
PRICE (60%)	Price*	60%	60%	Comparison of Whole of Life Cost or Total Project Cost or Estimated Annual Cost

\*Minimum 60% price weighting required unless Council approves otherwise.

### **DISCUSSION**

The following information supports the evaluation panel's recommendations.

*Tender interviews were held and reference checks were conducted.*

*For this category, the panel confirms that no more than 3 suppliers are required to satisfy Councils service needs. The final evaluation (including price and non-price evaluation criteria) ranked the following 3 suppliers the highest.*

1. Alpha Corporate Property Services, Group 1. Major Facilities & Group 2. Clayton Community Hub
2. Storm International, Group 3. Cleaning Public Conveniences and BBQ's
3. OITA Facility Management PTY LTD, Group 4. Sanitary Services

*As such, the evaluation panel recommends these suppliers as representing the best value outcome for Council.*

Monash City Council (Council) required Probity Advisor Services (Advisor) for the tender of Cleaning Services for Council Facilities and Properties.

The Advisor provided process oversight and advice to ensure that the tender process complied with:

1. Section 186 of the Local Government Act 1989;
2. Council's Procurement Policy; and
3. The principles of the Victorian Local Government Best Practice Procurement Guidelines 2013.

The Probity Advisor Services scope included reviewing and advising, as required for the procurement process for the Cleaning Services for Council Facilities and Properties Contract included:

1. Procurement planning;
2. Document creation;
3. Public Request for Tender including addendums;
4. Tender Briefing;
5. Evaluation;
6. Clarifications and contract negotiation; and
7. Evaluation recommendation report and Award

### **FINANCIAL IMPLICATIONS**

The total recommended tender's annual lump sum subject to annual CPI adjustment, inclusive of contingencies for unplanned works and minor changes to the services levels is \$2,076,680 (GST inclusive). CPI over the contract period is estimated at 3% p.a. Therefore the total estimated cost over a maximum seven year period should all options be exercised for all three contracts is \$15,912,480 (GST inclusive).

An independent financial assessment was conducted on the preferred tenderer(s) by Corporate Scorecard.

The Corporate Scorecard checked the financial viability of the three (3) contractors proposed to undertake the separate parts of the work.

The conclusion drawn by the Manager Financial Services advice is that Alpha Corporate Property Services, Storm International and OITA Facility Management Pty Ltd are considered satisfactory to undertake the categories proposed.

The 2020/21 Operating Budget makes provision for an allocated budget as follows:

<b>Cost Centre</b>	<b>2020/2021 Budget Excluding GST</b>
<b>Expenditure</b>	
0140 MONASH HALLS	271,331
0141 BATSEFORD HUB	50,850
0142 CLAYTON COMM CENTRE	205,804
0145 CIVIC CENTRE OPERATIONS	178,421
0165 OAKLEIGH OFFICE	22,105
2345 HACC ADULT DAY SUPPORT (HALCYON)	10,600
2360 HACC SENIOR CITIZENS GROUP SUPPORT	22,308
2535 BRINE ST CHILD CARE CENTRE	21,000
2565 MATERNAL CHILD HEALTH	61,144
2660 PRE-SCHOOLS	14,390
2670 YOUTH SERVICES	45,000
2680 EARLY CHILDHOOD & FAMILY SERVICES	44,314
3001 LIBRARIES	166,556
3035 MONASH GALLERY OF ART	44,000
3775 OAKLEIGH OPERATIONS	167,148
3826 MARC OPERATIONS	234,500
4061 NEIGHBOURHOODS & PLACE MAKING	6,130
6115 FLEET MANAGEMENT	55,000
6410. 000 FACILITY MAINTENANCE	70,000
6780 WASTE TRANSFER STATION	17,070
6410.857 FACILITIES CLEANING	182,630
<b>Expenditure Total</b>	<b>1,890,301</b>
Total	1,890,301

Total inclusive of GST	2,079,331
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**CONCLUSION**

That Council approves the recommendations contained within this report.