

TENDER RECOMMENDATION REPORT

TO: CHIEF EXECUTIVE OFFICER

CC: MANAGER WASTE SERVICES

FROM: DIRECTOR ASSETS

FILE REF: 19/313039

DATE: 25 August 2019

TENDER 19143: Transport & Processing of Green Waste and supply of Mulch

Issue

To consider Tender No:19143 for the Transport and Processing of Green Waste and supply of Mulch for one year, plus two one year extensions commencing 6th October 2019.

Background

The Wangara Greens Recycling Centre (WGRC) is a nominated drop off facility for clean green waste on weekends and public holidays for residents of the Cities of Wanneroo (the City) and Joondalup. Residents can dispose of their clean green waste utilising one of their four free tipping vouchers or by paying at the weigh bridge. Approximately 7,000 tonnes of green waste is generated at this site per annum and 100% of this waste is recycled.

Green waste is transported off site and processed in to mulch. Approximately 12,000m³ (3,120 tonnes) of the processed green waste (mulch) is then returned to WGRC and offered to residents of both Wanneroo and Joondalup free of charge when in possession of a free mulch pass.

The current contract expires on 5 October 2019 with no extensions remaining.

The City also operates a bulk green waste verge collection service annually from January to June where on average 4,000 tonnes of green waste is collected. Verge green waste collected from January 2020 will utilise this contract with green waste deposited at the WGRC. As part of this tender and to offer vehicular efficiencies when operating north of Joondalup Drive the City proposes the use of an alternative site for the disposal of bulk green waste.

Detail

Tender 19143 Transport and Processing of Green Waste & Supply of Mulch requested Tenderers to submit a schedule of rates as detailed in the table below. The Tender was advertised on 13th July 2019 and closed on Tuesday 30th July 2019. Addendum No.1 - Non Mandatory Site Visit was issued on 23rd July 2019.

Details of the proposed contract are as follows:

Item	Detail
Contract Form	Goods and Services Contract
Contract Type	Schedule of Rates
Contract Duration	One year
Commencement Date	6 October 2019
Expiry Date	5 October 2020
Extension Permitted	Yes, two periods of one year.
Rise and Fall	Maximum Perth All Groups CPI increases upon extensions.

Four submissions were received from the following:-

- Craneswest (WA) Pty Ltd TA Western Tree Recyclers (WTR);
- GO Organics;
- Community Greenwaste Recycling(CGR); and
- Hinds Group.

The Tender Evaluation panel comprised of the following members:

- Coordinator Waste Services;
- OSH Officer;
- Project Officer(s) Waste Services;
- Supervisor Recycling Operations;
- Project Engineer and
- Contracts Officer.

Probity Oversight

Oversight to the tender assessment process was undertaken by the City's Contracts Officer. Tender submissions were evaluated in accordance with the Procurement and Evaluation Plan (**PEP**) which included the following selection criteria:

Item No	Description	Weighting %
1	Experience	25
2	Resources & Capacity	25
3	OSH	30
4	Methodology	20

Pricing is not included in the qualitative criteria and is considered as part of the overall value for money assessment. The minimum acceptable baseline for Qualitative Criteria is set at 50% with acceptable minimum scores required for each qualitative criterion.

Evaluation Criteria 1: Experience – 25%

The Tenderers relevant experience in carrying out similar works was assessed. The assessment of this criterion has resulted in the following ranking:

Tenderer	Ranking
Western Tree Recyclers	1
GO Organics	2

Community Greenwaste Recycling	2
Hinds Group	4

Evaluation Criteria 2: Resources and Capacity – 25%

The Tenderer's resources as presented in their tender submission were assessed in order to evaluate their capacity to meet the requirements of the contract. Assessment of this criterion considered the tenderer's staff resources, vehicles, plant/equipment to manage the contract. If an alternative facility was nominated for the disposal of bulk green waste the site must be licenced and have an automated weighbridge.

The assessment of this criterion has resulted in the following ranking:

Tenderer	Ranking
GO Organics	1
Western Tree Recyclers	2
Community Greenwaste Recycling	2
Hinds Group	4

Evaluation Criteria 3: Tenderer's Occupational Health and Safety Management Systems -30%

Evidence of safety and quality management policies and practices was assessed from the tender submissions. The assessment for safety management was based on the tenderers' responses to an Occupational Health and Safety Management System Questionnaire included within the tender documentation.

All tenderers provided details of their safety management systems with the following ranking:

Tenderer	Ranking
GO Organics	1
Western Tree Recyclers	1
Community Greenwaste Recycling	3
Hinds Group	4

Evaluation Criteria 4: Methodology - 20%

The methodology for delivering the service was assessed in conjunction with the approach to timeframes and specifications.

The assessment of this criterion has resulted in the following ranking:

Tenderer	Ranking
Western Tree Recyclers	1
GO Organics	2
Community Greenwaste Recycling	3
Hinds Group	3

Overall Qualitative Weighted Assessment and Ranking

Tenderer's submissions were reviewed in accordance with the Procurement and Evaluation Plan with the following key observations. The overall qualitative weighted assessment resulted in the following tenderer ranking:

Tenderer	Ranking
Western Tree Recyclers	1
GO Organics	2
Community Greenwaste Recycling	3
Hinds Group	4

Price

Pricing was a non-weighted criterion but based on value for money, price is expressed as a fixed gate fee based on a schedule of rates basis.

Tenderer	Ranking
GO Organics	1
Western Tree Recyclers	2
Community Greenwaste Recycling	3
Hinds Group	4

The detailed pricing analysis is provided within the Confidential Attachment.

Overall Value for Money Assessment and Comment

The tender submission from Western Tree Recyclers achieved the highest qualitative ranking and satisfied the overall value for money assessment in accordance with the assessment criteria and weightings as detailed in the Procurement and Evaluation Plan. The Panel acknowledges that the leading two submissions were close in qualitative scoring, however should the City should require additional mulch, the costs associated with supply and cartage are pertinent factors to the overall determination of the recommended tenderer.

Statutory Compliance

Tenders were invited in accordance with the requirements of Section 3.57 of the *Local Government Act 1995*. The tendering procedures and evaluation complied with the requirements of Part 4 of the *Local Government (Functions and General) Regulations 1996*.

Strategic Implications

The proposal aligns with the following objective with the Strategic Community Plan 2017 – 2027:

“3. *Environment (Natural)*

1.3 *Reduce, Reuse, Recycle, Waste*

3.3.3 *Create and promote waste management solutions”*

Enterprise Risk Management Considerations

Risk Title	Risk Rating
CO-021 <i>Competitive Service Costing</i>	<i>High</i>

Accountability	Action Planning Option
<i>Director Community & Place</i>	<i>Manage</i>

Risk Title	Risk Rating
<i>CO-022 Environmental Management</i>	<i>High</i>
Accountability	Action Planning Option
<i>Director Planning & Sustainability</i>	<i>Manage</i>

The above risks relating to the issue contained within this Memo have been identified and considered within the City's Strategic and Corporate Risk Registers. Action plans have been developed to manage these risks to support existing management systems.

Financial and Performance Risk

Financial Risk

A financial risk assessment was undertaken as part of the Tender evaluation process and the outcome of this independent assessment by Corporate Scorecard Pty Ltd advised that Western Tree Recyclers has been assessed with a '**sound**' financial capacity to meet the requirements of the contract.

Performance Risk

Western Tree Recyclers has held the contract with the City for these services since 2014 and has provided a high level of service. Independent reference checks have also confirmed the recommended tenderer's capability to undertake the services.

Social and Environmental Considerations

The City requires a minimum recycle rate of 95% for all greenwaste collected and processed which the Tenderer has committed to.

Broader Economic Impact Implications for the City of Wanneroo

The Tenderer will employ additional staff whom will reside within the City of Wanneroo.

Policy Implications

Tenders were invited in accordance with the requirements of the City's Purchasing Policy.

Financial (Budget) Implications

The costs associated with the Transport and Processing of greenwaste and supply of mulch are included in the 2019/2020 Operational Budget.

Recommendation

That the Chief Executive Officer, in accordance with Delegation 1.1.14 - Choice of Most Advantageous Tender of the Delegated Authority Register for the awarding of Tenders ACCEPTS the Tender submitted by Western Tree Recyclers for Tender 19143 for the Transport and Processing of greenwaste and supply of mulch as per the fixed gate fee price as stated within the Tender submission. The Tender is offered on a one year, plus two one year extensions.

SUBMITTED BY PROJECT OFFICER WASTE SERVICES

C. M. [Signature]
SIGNATURE

23-8-19.
DATE

REVIEWED BY MANAGER CONTRACTS & PROCUREMENT

[Signature]
SIGNATURE

23/8/19
DATE

ENDORSED BY MANAGER WASTE SERVICES

[Signature]
SIGNATURE

23/8/19.
DATE

RECOMMENDED BY DIRECTOR ASSETS

②

[Signature]
SIGNATURE

23.8.19
DATE

APPROVED BY CHIEF EXECUTIVE OFFICER

[Signature]
SIGNATURE

12.9.19
DATE

② Additional Information provided on 11.9.19
via HPE # 19/313035

[Signature]
11/9/19