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<b>6</b>	<b>SUBJECT:</b>	<b>T30-2022 - Landfill Disposal Services</b>
	<b>DIRECTOR:</b>	Business Services
	<b>MEETING:</b>	Council
	<b>MEETING DATE:</b>	28 March 2023

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### Summary

The City of Mandurah (City) recently invited tenders for T30-2022 - Landfill Disposal Services. As a result of the evaluation of tendered submissions, Council is now requested to accept, or decline to accept the tender.

### Disclosure of Interest

Nil.

### Previous Relevant Documentation

- TC28/03/2023                      28 February 2023                      T30-2022 - Landfill Disposal Services

### Background

The City has committed to providing all of its putrescible waste to the Kwinana Waste to Energy Plant (WTE Plant). The WTE Plant was due to be commissioned in late 2021, however construction has been delayed.

In late 2021 the City conducted a tender and the CEO under delegation approved a recommendation to enter into a fourteen-month agreement to dispose of its waste at the Banksia Road Landfill in Dardanup (Dardanup Landfill). This agreement expired in late February 2023 with the WTE Plant still under construction.

Therefore, the City requires Landfill Disposal Services until the WTE Plant is commissioned and becomes fully operational. Currently, the City is using the Dardanup Landfill under a short-term interim agreement that was entered into to allow the City's public tender process to be completed and a longer-term arrangement to be put in place.

### Comment

The Request for Tender (RFT) for the T30-2022 was advertised on 30 November 2023 edition of the 'West Australian' newspaper, 30 November 2023 edition of the Coastal Times, Tenderlink tender portal and the Public Notice section of the City of Mandurah website.

The RFT sought the provision landfill disposal services for a contract term of three years, comprising of two Supply Periods:

- Supply Period One shall extend from commencement date of the Contract until the date of commissioning date of the Kwinana Waste to Energy Plant (WTE Plant) and/or the supply of 60 days' notice to the Contractor. The City shall exclusively supply of waste to the nominated landfill in this period. The WTE Plant commissioning is anticipated to occur in December 2024.
- Supply Period Two shall comprise secondary (back-up) landfill disposal services thereafter, for a maximum term of three years for both supply periods.

The RFT closed at 2:00pm on 15 December 2022. Two submissions were received. In accordance with Regulation 18 (1) no tenders were received after the closing deadline. Submissions were received from the following respondents:

	Entity Name/Trading Name	Registered Business Address	ABN Number	ACN Number
1	Cleanaway Pty Ltd (Cleanaway)	Level 4, 441 St Kilda Road, Melbourne VIC	79 000 164 938	000 164 938
2	Veolia Recycling & Recovery (Perth) Pty Ltd (Veolia)	Level 4, 65 Piramma Road, Pymont NSW	94 118 828 872	118 828 872

The weighted qualitative criteria which is contained in the **Confidential Attachment 6.1** was provided to all respondents in the request package issued and was used by the Evaluation Panel to evaluate and rank each submission.

To ensure that pricing did not influence the assessment of the qualitative criteria, pricing was not provided to the evaluation panel until the evaluation against the qualitative criteria was completed.

The price submitted was entered into the Evaluation Matrix as shown in the **Confidential Attachment 6.1** where a final analysis considering competitiveness and combined qualitative and price ranking was conducted in order to determine whether the submission represented best overall value for money for the City.

### Recommended Tenderer

Veolia Recycling and Recovery (Perth) Pty Ltd is recommended as the successful Respondent (refer attachment 6.1 Confidential Evaluation Report).

Veolia Recycling and Recovery (Perth) Pty Ltd submitted a compliant response that was convincing and credible. The response demonstrated good capability, capacity and experience relevant to, or understanding of, the requirements. Veolia Recycling and Recovery (Perth) Pty Ltd provided acceptable substantiation and support with its submission.

Overall, the Tenderer's response was considered to be low risk.

Referees reports were consistently positive, with no concerns noted issues identified from an operational or contractual perspective.

### Statutory Environment

Part 4 of the *Local Government (Functions & General) Regulations 1996*.

#### 18. *Rejecting and accepting tenders*

- (5) *The local government may decline to accept any tender.*

### Policy Implications

Policy POL-CPM 02 – *Procurement*.

Policy POL-CPM 01 – *Regional Price Preference*.

City of Mandurah Instrument of Delegations

- Council is required to consider this tender due to the value being over \$3million.

## Financial Implications

Estimated annual contract expenditure based on the schedule of rates of \$2,010,660.00. Contract expenditure is estimated to be \$3,351,100 over the first twenty-month period. This is based on the current estimated completion date of the WTE Plant.

Expenditure following the completion date of the WTE Plant is likely to be minimal, \$167,000 or the equivalent of a month of services in total. The Waste Facility of the Recommended Respondent will only be used in events that the WTE Plant is non-operational. Expenditure would only exceed this amount if substantial issues in relation to the WTE Plant were encountered, in which event the contractual framework would be revisited.

The expenditure relating to these services is included in the annual budget and Long Term Financial Plan.

## Risk Analysis

The overall risk of appointing the preferred tenderer is considered low, with Veolia Recycling and Recovery (Perth) Pty Ltd demonstrates capacity to deliver the services.

## Strategic Implications

The following strategies from the City of Mandurah Strategic Community Plan 2020 – 2040 are relevant to this report:

### Environment:

- Protect and manage our local natural environment and ensure.
- That our actions to manage land-based assets don't adversely impact our waterways.

### Organisational Excellence:

- Ensure the City has the capacity and capability to deliver quality services and facilities through accountable and transparent business practices, governance, risk and financial management.

## Conclusion

The City recently invited tenders for landfill services. As a result of the evaluation of tendered submissions, Council is now requested to accept, or decline to accept the tender.

NOTE:

- Refer **Confidential Attachment 6.1** **Evaluation Report Tender T30-2022**

## RECOMMENDATION

That Council:

1. **Accepts Veolia Recycling & Recovery (Perth) Pty Ltd as the successful tenderer for Tender T30-2022 for the Landfill Disposal Services for a period of three years for the Schedule of Rates exclusive of GST offered as the most advantageous.**
2. **That the Chief Executive Officer undertake contract negotiations prior to the issuing of the contract.**