

CONFIDENTIAL ITEMS 2003 – APRIL 2023

#	Date	Item Title	Confidential Order Details	Item being kept confidential - Agenda/ Attachment/ Minutes	Reason regarding retention or recommend-action to release	Resolution Regarding Action	Last Review Date	Next Review Date	Date Released
194	16 January 2023	Provision of Hard Waste Collection Service	<p>1. Pursuant to Section 90(3)(k) Pursuant to Section 90(2) of the Local Government Act 1999 the Council orders that all member of the public except the Acting Chief Executive Officer; Acting Deputy Chief Executive Officer; General Manager Infrastructure, General Manager Planning and Community, General Manager Corporate Services; Head of Wastewater; and Minute Secretary be excluded from attendance at the meeting for Agenda Item 18.2 Confidential: Provision of Hard Waste Collection Service.</p> <p>The Council is satisfied that pursuant to Section 90(3)(k) of the Act, the information to be received, discussed or considered in relation to this Agenda item are tenders for the provision of services.</p> <p>The Council is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because the information to be disclosed and discussed has the potential to impact adversely on the conclusion of the tender process.</p> <p>5. Pursuant to Section 91(7) That having considered Agenda Item 18.2 Confidential: Provision of Hard Waste Collection Service in confidence under 90(2) and 3(k) of the Local Government Act 1999, the Council pursuant to Section 91(7) of the Act orders that the agenda item but excluding the name of the Preferred Tenderer and attachment 1, and all minutes be retained in confidence until</p>	That the agenda item but excluding the name of the Preferred Tenderer and attachment 1, and all minutes be retained in confidence until contract documents have been executed with the Preferred Tenderer.	<p>The Council is satisfied that pursuant to Section 90(3)(k) of the Act, the information to be received, discussed or considered in relation to this Agenda item are tenders for the provision of services.</p> <p>The Council is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because the information to be disclosed and discussed has the potential to impact adversely on the conclusion of the tender process.</p>	Details of the identity of the successful tenderer must be released once Council has made a selection. In addition, Section 91(8)(ba) of the Act requires details of the amount(s) payable by the Council under a contract for the provision of the hard waste collection service must be released once the contract has been entered into by all concerned parties.			Report, Minutes and Attachments released on website 17 August 2023

CONFIDENTIAL ITEMS 2003 – APRIL 2023

#	Date	Item Title	Confidential Order Details	Item being kept confidential - Agenda/ Attachment/ Minutes	Reason regarding retention or recommend-action to release	Resolution Regarding Action	Last Review Date	Next Review Date	Date Released
---	------	------------	----------------------------	--	---	-----------------------------	------------------	------------------	---------------

			<p>contract documents have been executed with the Preferred Tenderer.</p> <p>This order is subject to Section 91(8)(b) of the Act which provides that details of the identity of the successful tenderer must be released once Council has made a selection. In addition, Section 91(8)(ba) of the Act requires details of the amount(s) payable by the Council under a contract for the provision of the hard waste collection service must be released once the contract has been entered into by all concerned parties.</p>						
--	--	--	--	--	--	--	--	--	--

RELEASED

18.2	REPORT TITLE:	CONFIDENTIAL REPORT - PROVISION OF HARD WASTE COLLECTION SERVICE
	DATE OF MEETING:	16 JANUARY 2023
	FILE NUMBER:	DOC/23/255
	ATTACHMENTS:	ATTACHMENT 1 - DOC/23/907 Hard Waste Accepted Items
	<u>Key Contact</u>	Daniel Newson, Team Leader Technical Services, Maintenance and Operations
	<u>Manager/Sponsor</u>	Phil Burton, General Manager, Infrastructure

Community Plan 2020-2035:

Leadership and Good Governance

LGG 1.5 Demonstrate accountability through clear, relevant and easily accessible policies, corporate reporting and legislative compliance.

LGG 1.10 Adopt and apply a commercial approach to deliver projects, programs and services where enduring community value and benefit can be demonstrated.

Annual Business Plan 2021/2022:

Ecological Sustainability ES 2 Low Waste – Waste reduction is the priority objective followed by reuse, repurposing and recycling.

Purpose:

To gain Council's authority to award contract 2021.112 Provision of Hard Waste Collection Service to Orana Australia Limited ("Preferred Tenderer") at the tendered schedule of rates and set new fees and charges for the current financial year to apply to this service.

Summary – Key Issues:

- On 6 September 2021, Council endorsed going to tender for the provision of hard waste services based on a number of principles including full cost recovery from users of the service.
- The Adelaide Hills Region Waste Management Authority (AHRWMA) on behalf of the Rural City of Murray Bridge (RCMB) and Mount Barker District Council (MBDC) invited tenders through an open market joint tender for the provision of Hard Waste Collection Services within the Council's local government area.
- It is now recommended to award the contract to Orana Australia Limited with the service expected to commence in the last quarter of the 2022/23 financial year.

Recommendation:**1. Pursuant to Section 90(3)(k)**

Pursuant to Section 90(2) of the Local Government Act 1999 the Council orders that all member of the public except the Chief Executive Officer, Deputy CEO, Executive Manager to the CEO, General Manager Infrastructure, General Manager Planning and Community, General Manager Corporate Services and Minute Secretary be excluded from attendance at the meeting for Agenda Item 18.2 Confidential: Provision of Hard Waste Collection Service.

The Council is satisfied that pursuant to Section 90(3)(k) of the Act, the information to be received, discussed or considered in relation to this Agenda item are tenders for the provision of services.

The Council is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because the information to be disclosed and discussed has the potential to impact adversely on the conclusion of the tender process.

That Council:

2. Authorises the award of the contract 2021.112 for Provision of Hard Waste Collection Service (being one service entitlement per year to residential properties across the Council district) to Orana Australia Limited ("Preferred Tenderer") at the Preferred Tenderer's tendered schedule of rates (noting that this is subject to the Rural City of Murray Bridge also awarding their contract to Orana Australia Limited) for a period of 3+1+1 years.
3. Authorises the Chief Executive Officer, or his delegated officer being the General Manager Infrastructure, to finalise negotiations and execute contract documents between Council and the Preferred Tenderer.
4. Subject to the Rural City of Murray Bridge also awarding a contract to the same tenderer, adopt a new fee and charge for this service, on a full cost recovery basis, being for 2022/23:
 - a. \$110 (including GST) per hard waste collection (maximum 2 cubic metres noting accepted items shown in Attachment 1), and
 - b. \$40 (including GST) per collection of mattress/sofa (conditions to be determined)
5. Pursuant to Section 91(7)

That having considered Agenda Item 18.2 Confidential: Provision of Hard Waste Collection Service in confidence under 90(2) and 3(k) of the Local Government Act 1999, the Council pursuant to Section 91(7) of the Act

orders that the agenda item but excluding the name of the Preferred Tenderer and attachment 1, and all minutes be retained in confidence until contract documents have been executed with the Preferred Tenderer.

This order is subject to Section 91(8)(b) of the Act which provides that details of the identity of the successful tenderer must be released once Council has made a selection. In addition, Section 91(8)(ba) of the Act requires details of the amount(s) payable by the Council under a contract for the provision of the hard waste collection service must be released once the contract has been entered into by all concerned parties.

Background:

1. At its meeting on 6 September 2021, Council resolved as follows:

That Council:

- 1. Notes the results of the community consultation on the proposed new hard waste service; and*
 - 2. Endorse the provision of a hard waste service based on a user pays at-call service, provided once per financial year to residential properties (only) on a district wide basis using a full cost recovery model; and*
 - 3. Undertake a competitive open tender procurement process for a hard waste service and provide a further report on the results of the procurement activity with the intention of entering into a contract with a preferred supplier; and*
 - 4. Update the Register of Fees and Charges 2021/22 once the outcome of the procurement process is known.*
2. Council has, through the Adelaide Hills Regional Waste Management Authority (AHRWMA), jointly tendered (with the Rural City of Murray Bridge) for a Hard Waste Collection Service across the combined Council areas. This is the first time that Council has sought hard waste services whereas RCMB has a current contract in place.
 3. The timing of the tender was to coincide with the conclusion of the RCMB contract and was subject to the availability of resources to complete the tender specification.
 4. The service tendered for was as follows:
 - a. One service entitlement per year to residential properties across the Council district.
 - b. Council intends to offer the hard waste service on a fee for service full cost recovery basis with a service fee to be paid by the user.

5. Within the Mount Barker Council area, there are approximately 14,973 properties entitled to receive a service and it is estimated that around 15% of these properties will take up the offer each year.

Scope of Works

6. Provision of an on call hard waste collection service to residential properties across the Council area.

Procurement Strategy

7. To seek to ensure best value for money and maximum community benefit a joint open market tender was called with the RCMB who were also seeking the same services. Given that both councils are member councils of the AHRWMA the open tender process was undertaken by the AHRWMA.

Tender Process

8. Pursuant to the Authority's Procurement Policy an open tender to secure a suitably qualified Contractor to undertake the works/services was undertaken.
9. The request for tender ("RFT") RFT# 2022-008 was issued via the SA Tenders and Contracts website on 1 September 2022 and closed on 7 October 2022 with one tender being received.

Evaluation Overview

10. The evaluation process comprised of assessment of the following financial and qualitative criteria with pre-determined weightings (as shown below) applied to each:
 - a) Price (40%)
 - b) Approach and methodology (15%)
 - c) Capability (10%)
 - d) WHS Compliance (10%)
 - e) Financial capacity (10%)
 - f) Relevant experience (10%)
11. The tender was evaluated by an evaluation panel ("Panel") consisting of the Acting Executive Officer of the Authority who assumed the role of Panel Chair and one Council staff member from RCMB and MBDC. The Authority also engaged the MBDC Manager Procurement, Property and Contract Management to provide probity advice to the Assessment Panel during the evaluation process.

12. The tenderers non-financial evaluation criteria were evaluated separately by the panel members before meeting on the 4 November 2022. Following this initial evaluation, additional information/clarification was requested of the tenderer before reaching consensus on a recommendation.

Basis of Decision

13. Following the comprehensive evaluation process and consideration of the views of the Panel, the Preferred Tenderer has been recommended on the following basis:
 - The tender submission received from the one and only tenderer was assessed to be suitable to provide the required service for both councils
 - The preferred tenderer showed demonstrated previous experience in delivery of the same service in a neighbouring council
 - The preferred tenderer showed the ability to increase current capability to deliver additional services to include service to Mount Barker District Council
 - The preferred tenderer provided evidence of a strong commitment to using best practice methods to divert hard waste from landfill, through reuse and recovery
 - The preferred tenderer demonstrated financial capability to commit to the term of the contract
 - The preferred tenderer scored quite highly under the agreed tender weighting system (54/60)
14. Pricing has been considered after evaluation of the non-financial criteria. The evaluation panel confirms that the preferred tenderer's pricing is within budget and below expectations previously set, providing good value for money (previously estimated to cost between \$130 and \$140 per collection or \$100 and \$110 per collection for concession).
15. With respect to the tendered schedule of rates, the new fee and charge for this new service is recommended to be set at \$110 (including GST) per hard waste collection (maximum 2 cubic metres noting accepted items shown in Attachment 1) and \$40 (including GST) per collection of mattress/sofa on a full cost recovery basis for the 2022/23 financial year.
16. This fee is subject to RCMB also awarding a contract to the preferred tenderer for the same services. Council staff understand that this is their intention and will occur shortly (end January 2023). It is intended that this report will remain in confidence until this occurs and subsequently contract documents have been executed with the exception of the name of the Preferred Tenderer and attachment 1 as per recommendation 5 above.

17. The recommended fee will be reviewed annually and adjusted based on the full cost recovery model for this service that has been endorsed as the preferred method of funding. There is provision within the model to vary the method for how the fee is funded at Council's discretion without affecting the fee charged by the contractor for the collection service under this contract.
18. Given the recommended collection rate is less than the anticipated concession rate, it is recommended to initially apply a single fee and charge to all collections regardless of concession eligibility. This too can be reviewed annually. To note, Council currently offers a substantially discounted hard waste collection under the Home Assist program for eligible residents.
19. It is anticipated that a fee will be charged using an online transaction at the time of booking a collection service by council. Application for a booking will be by online form. Council will then be charged for each collection performed by the contractor.
20. The service is anticipated to commence in the fourth quarter of this financial year once contract and operational details have been finalised with the preferred tenderer.
21. Yearly reviews of performance will be undertaken, with a determination in year 3 if the option for extension will be pursued.

Community Engagement:

Informing	<ul style="list-style-type: none">• Promotion of the new service will be undertaken via council's social media and website channels. This will include details of the service and application, what is to be allowed under the service and how the service will be delivered.• Media release of commencement of service
-----------	--

Policy:

The tender process has been undertaken in accordance with the Adelaide Hills Region Waste Management Authority Procurement Policy and associated procedures.

Long Term Financial Plan:

The provision of this service has been included in the long term financial plan.

Budget:

The proposed cost for the service is approximately \$900,000 over the 3+1+1 year term of the contract if the expected 15% of eligible properties utilise the service each year. The impact to the budget will be cost neutral to Council as it will be a user pays service i.e. the total cost of providing the service will be recovered from the user of the service, not all rate payers.

The total cost comprises the contractor fee (covers the cost of collection, disposal and booking / enquiry administration) and internal administration costs.

The fee and charge set for this service will be reviewed between 6 and 12 months of commencing this service.

This service may impact the Windmill Hill Waste Transfer Station (WHTS) budget through lost gate revenue however this is difficult to estimate at this time.

Statutory/Legal:

N/A

Staff Resource Requirements:

It is estimated that there will need to be 0.2 FTE of administration staff time to deliver this service. This impact is an estimate and will be influenced by the level of uptake of the service.

Environmental:

This service will help deliver on council environmental sustainability targets through the diversion of hard waste from landfill.

Social:

The new service provision will provide a positive social benefit to community through providing a service to community members for collection of hard waste for those that cannot use the Windmill Hill Transfer Station service.

Risk Assessment:

WHS risk will be covered through contractor induction and ongoing contractor monitoring of work place systems that are in place.

There is a medium risk that the uptake by the community may be substantially different to that estimated and may impact the tenderers business model as tendered for the service.

There is a low risk that this service may impact on other operations and service delivery of council e.g. Windmill Hill Transfer Station.

There is a low risk to Council's reputation given this service is user pays however communication around the initiation of the service should include explanation as to benefits of user pays service to the wider community not using the service.

Asset Management:

N/A

Conclusion:

A competitive tender process has been undertaken for hard waste services and it is recommended to award the contract to Orana Australia Limited and recover the costs of providing this service from the users of the service through a new fee and charge.

Previous Decisions By Council

Meeting Date	6 September 2021	HPRM Reference	DOC/21/137101
Title	Hard Waste Service		
Purpose	The purpose of this report is to present the results of the hard waste service community consultation and provide a recommended hard waste service delivery model for endorsement by Council.		

CONFIDENTIAL

Attachment 1 – Hard Waste Collection allowed / not allowed Items

– 2 cubic meters per collection (2m x 1m x 1m), 1 collection per eligible residence per year. Single items limited to 50KG

Waste which is Hard Waste – accepted

Hard Waste include:

- (a) fridges and freezers with doors removed;
- (b) furniture, bedding and carpets;
- (c) metal and timber items up to 2 metres in length;
- (d) TVs, computer equipment and electrical appliances;
- (e) pottery, crockery and wash basins;
- (f) washing machines, dryers and stoves;
- (g) tools and gardening equipment;
- (h) empty paint tins with lids removed;
- (i) tree pruning's tied in bundles up to 30 cm in diameter.

Waste which is not Hard Waste – not accepted

Hard Waste does not include:

- (a) liquid waste;
- (b) car bodies, car parts, tyres or large scrap metal items;
- (c) concrete, asbestos, bricks, rocks, dirt, cement sheeting, plasterboard;
- (d) ammunition or explosives;
- (e) gas bottles or cans containing paint;
- (f) tree stumps;
- (g) items placed in plastic bags;
- (h) Recyclables able to be collected via a Mobile Bin collection service;
- (i) General putrescible and gardening waste
- (j) Glass (panel of sheet glass including broken panels)
- (k) business waste; and
- (l) hazardous waste items as defined under the *Environment Protection (Waste to Resources) Policy 2010*.

Excessive or unacceptable items (items not listed as acceptable) will not be collected and must be removed from the kerbside by the resident immediately after the designated collection day.

18.2 **REPORT TITLE:** **CONFIDENTIAL REPORT - PROVISION OF HARD WASTE COLLECTION SERVICE**
DATE OF MEETING: **16 JANUARY 2023**
FILE NUMBER: **DOC/23/255**
ATTACHMENTS: **ATTACHMENT 1 - DOC/23/907 Hard Waste Accepted Items**

Moved Councillor Seager that:

1. Pursuant to Section 90(3)(k)

Pursuant to Section 90(2) of the Local Government Act 1999 the Council orders that all member of the public except the Acting Chief Executive Officer; Acting Deputy Chief Executive Officer; General Manager Infrastructure, General Manager Planning and Community, General Manager Corporate Services; Head of Wastewater; and Minute Secretary be excluded from attendance at the meeting for Agenda Item 18.2 Confidential: Provision of Hard Waste Collection Service.

The Council is satisfied that pursuant to Section 90(3)(k) of the Act, the information to be received, discussed or considered in relation to this Agenda item are tenders for the provision of services.

The Council is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because the information to be disclosed and discussed has the potential to impact adversely on the conclusion of the tender process.

Seconded Councillor Jones

CARRIED
OM20230116.31

Moved Councillor Orr that Council:

2. Authorises the award of the contract 2021.112 for Provision of Hard Waste Collection Service (being one service entitlement per year to residential properties across the Council district) to Orana Australia Limited ("Preferred Tenderer") at the Preferred Tenderer's tendered schedule of rates (noting that this is subject to the Rural City of Murray Bridge also awarding their contract to Orana Australia Limited) for a period of 3+1+1 years.

Seconded Councillor Hardingham

CARRIED
OM20230116.32

Moved Councillor Coombe

3. Authorises the Chief Executive Officer, or his delegated officer being the General Manager Infrastructure, to finalise negotiations and execute contract documents between Council and the Preferred Tenderer.

Seconded Councillor Szilassy

CARRIED
OM20230116.33

Moved Councillor Westwood

4. Subject to the Rural City of Murray Bridge also awarding a contract to the same tenderer, adopt a new fee and charge for this service, on a full cost recovery basis, being for 2022/23:
 - a. \$110 (including GST) per hard waste collection (maximum 2 cubic metres noting accepted items shown in Attachment 1), and
 - b. \$40 (including GST) per collection of mattress/sofa (conditions to be determined)

Seconded Councillor Orr

CARRIED
OM20230116.34

Moved Councillor Szilassy that Council:

5. Pursuant to Section 91(7)
That having considered Agenda Item 18.2 Confidential: Provision of Hard Waste Collection Service in confidence under 90(2) and 3(k) of the Local Government Act 1999, the Council pursuant to Section 91(7) of the Act orders that the agenda item but excluding the name of the Preferred Tenderer and attachment 1, and all minutes be retained in confidence until contract documents have been executed with the Preferred Tenderer.

This order is subject to Section 91(8)(b) of the Act which provides that details of the identity of the successful tenderer must be released once Council has made a selection. In addition, Section 91(8)(ba) of the Act requires details of the amount(s) payable by the Council under a contract for the provision of the hard waste collection service must be released once the contract has been entered into by all concerned parties.

Seconded Councillor Jones

CARRIED
OM20230116.35

MEETING DECLARED CLOSED AT 8.53 PM

MAYOR

DATE