

## DIS419: CONTRACT AWARD – C24013 DELIVERY OF WASTE SERVICES

Land Description	: N/A
Proponent / Owner	: City of Albany
Business Entity Name	: City of Albany
Attachments	: <b>Commercial in Confidence - Confidential Briefing Note under separate cover.</b>
Report Prepared By	: Executive Director Infrastructure, Development & Environment
Authorising Officer:	: Executive Director Infrastructure, Development & Environment

### CONFIDENTIAL ATTACHMENT

*It is recommended that if discussion is required regarding details contained within the Confidential Attachment, that the matters are discussed behind closed doors, in accordance with section 5.23(2)(c) & (e)(ii) of the Local Government Act 1995, being: a contract which may be entered into and information that has commercial value.*

### STRATEGIC IMPLICATIONS

1. This item relates to the following elements of the City of Albany Strategic Community Plan 2032:
  - **Pillar:** Planet
  - **Outcome:** 2.2 Shared responsibility for climate action.

#### In Brief:

- This item is to award contracts for the Delivery of Waste Services in the City of Albany.
- All current extensions on our waste collection and processing contracts are set to conclude by 30 June 2025.
- Four separate tenders were issued for Collection Services, Recyclables Processing Services, Organics Processing Services, and Facilities Supervision for a period of up to ten years.

### RECOMMENDATION

#### DIS419: AUTHORISING OFFICER RECOMMENDATION 1 VOTING REQUIREMENT: SIMPLE MAJORITY

**THAT Council AWARD Contract C24013(A) - Delivery of Waste Services - Collection Services to the tenderer recommended by the evaluation panel as detailed in the Confidential Briefing Note.**

#### DIS419: AUTHORISING OFFICER RECOMMENDATION 2 VOTING REQUIREMENT: SIMPLE MAJORITY

**THAT Council AWARD Contract C24013(B) - Delivery of Waste Services - Recyclables Processing Services to the tenderer recommended by the evaluation panel as detailed in the Confidential Briefing Note.**

#### DIS419: AUTHORISING OFFICER RECOMMENDATION 3 VOTING REQUIREMENT: SIMPLE MAJORITY

**THAT Council AWARD Contract C24013(C) - Delivery of Waste Services - Organics Processing Services to the tenderer recommended by the evaluation panel as detailed in the Confidential Briefing Note.**

**DIS419: AUTHORISING OFFICER RECOMMENDATION 4**

**VOTING REQUIREMENT: SIMPLE MAJORITY**

**THAT Council AWARD Contract C24013(D) - Delivery of Waste Services - Facilities Supervision Services to the tenderer recommended by the evaluation panel as detailed in the Confidential Briefing Note.**

**BACKGROUND**

2. The City of Albany currently operates three waste collection and processing contracts that are all set to conclude on 30 June 2025:
  - P14021 – General waste and recycling collection, along with recycling processing, provided by Cleanaway.
  - P20020 – FOGO collection, also provided by Cleanaway.
  - C20019 – GO and FOGO processing, provided by Soil Solutions.
3. The proposed contracts have been split into 4 separable portions consisting of the following, with all intended to commence on 1 July 2025:
  - C24013(A) - Collection Services (for an initial 8 year term, with two by one year extensions – total potentially 10 years)
  - C24013(B) - Recyclables Processing Services (for an initial 8 year term, with two by one year extensions – total potentially 10 years)
  - C24013(C) - Organics Processing Services (for an initial 8 year term, with two by one year extensions – total potentially 10 years)
  - C24013(D) - Facilities Supervision Services (for an initial 5 year term with five by one year extensions – total potentially 10 years)
4. Tenders were open from 5 June 2024 to 28 August 2024 for a total of 12 weeks, with the Tender period extended by a month.

**DISCUSSION**

5. A total of fifteen (15) tender documents were issued by City of Albany.
6. Tender submissions were received from three (3) companies with all separable portions represented.
7. The tenders were evaluated using the weighted attributes methodology. This method scores the evaluation criteria and weights their importance to determine an overall points score for each tender separable portion. The criteria are tabled below:

Criteria	% Weighting
Risk and corporate structure criteria	25%
Operational criteria	40%
Corporate Social Responsibility	5%
Price and price related criteria	30%
Total	100%

8. The Price criteria was assessed using a present value calculation and assigned a score.

9. The following table summarises the tenderers and their weighted scores:

Separable Portion	Tenderer	Weighted Score
C24013(A) - Collection Services	Submission A	64.0%
	Submission B	68.1%
C24013(B) - Recyclables Processing	Submission C	47.8%
	Submission D	57.9%
C24013(C) - Organics Processing	Submission E	47.7%
C24013(D) - Facilities Supervision	Submission F	67.1%

### GOVERNMENT & PUBLIC CONSULTATION

10. A regional approach was adopted in collaboration with our neighbouring local governments to align contracts and pursue regional pricing.
11. The Shires of Plantagenet, Denmark, and Jerramungup tendered concurrently to obtain pricing for the separable portions that best suited their specific needs.

### STATUTORY IMPLICATIONS

12. Regulation 11 of the Local Government (Functions and General) Regulations 1996 (Regulations) requires Council to publicly tender if the contract is, or is expected to be, more, or worth more than \$250,000.
13. Regulation 18 of the Regulations outlines a number of requirements relating to choice of tender. Council is to decide which of the acceptable tenders is the most advantageous to Council. It may also decline to accept any tender.
14. Regulation 19 of the Regulations requires Council to advise each tenderer in writing the result of Council's decision.

### POLICY IMPLICATIONS

15. Council's *Purchasing Policy (Tenders & Quotes)* and *Buy Local Policy (Regional Price Preference)* are applicable to this item.

### RISK IDENTIFICATION & MITIGATION

16. The risk identification and categorisation relies on the City's Risk and Opportunity Management Framework.

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
<b>Service delivery Interruption</b> Essential waste management services would be interrupted, leading to missed collections and operational breakdowns..	Unlikely	Major	Medium	Award contract to ensure continuity of service.
<b>Community</b> Loss of public trust and negative sentiment due to inadequate communication and service failure.	Possible	Moderate	Medium	Ensure transparent communication with residents about delays and timelines.
<b>Environment</b> Accumulated waste could cause pollution, attract pests, and harm the local environment.	Unlikely	Major	Medium	Set up temporary waste collection solutions and enhance environmental monitoring.
<b>Finance</b> The City could incur higher costs for emergency measures and face financial inefficiencies or fines	Unlikely	Moderate	Medium	Reallocate budget, seek grants, and explore short-term contracts to manage costs.
<b>People Health and Safety</b> Public health risks, such as the spread of disease, could arise from waste buildup, impacting residents and workers.	Unlikely	Major	Medium	Provide public health guidance and enforce safety measures for waste handling.
<b>Opportunity:</b> Waste collection and processing is an essential service for Local Government and the failure to provide it will have significant impacts on the community.				

## FINANCIAL IMPLICATIONS

17. The value of this tender exceeds \$500,000 and therefore approval is referred to Council for consideration.
18. More detailed information regarding the financial implications are contained in the Confidential Briefing Note.

## LEGAL IMPLICATIONS

19. The Waste Avoidance and Resource Recovery (WARR) Act 2007 provides the framework for waste management in Western Australia, including the roles and responsibilities of local government.
20. While the legislation does not explicitly mandate that local governments must provide waste services, it creates a framework that assumes and enables local governments to take on this responsibility as part of their core functions in managing their communities.

## ENVIRONMENTAL CONSIDERATIONS

21. Best practice waste diversion is a key priority in the development of these tenders.
22. Careful consideration has been given to ensuring that sustainable waste diversion strategies are upheld including maximising the recovery of recyclable materials, reducing landfill dependence, and promoting innovative waste management techniques.
23. The tenders are designed to support the City's broader environmental goals by prioritising practices that minimise environmental impact, enhance resource recovery, and contribute to long-term sustainability.

## ALTERNATE OPTIONS

24. The options are:
  - a) Council may elect to accept one or more of the recommended separable portion tenders; or
  - b) Not approve any tender.

## CONCLUSION

25. It is recommended, based on the evaluation scoring, clarification and financial check processes that subject to confirmation of departures and final clarifications the tenders be awarded in accordance with the Confidential Briefing Note.

<b>Consulted References</b>	:	<ul style="list-style-type: none"><li>• <i>Local Government (Functions and General) Regulations 1995</i></li><li>• <i>Council Policy – Purchasing (Tenders &amp; Quotes)</i></li><li>• <i>Council Policy – Buy Local (Regional Price Preference)</i></li></ul>
<b>File Number</b>	:	C24013
<b>Previous Reference</b>	:	N/A