

13.11**Directorate****Director****Manager****Attachment(s)****Contract No. 24/3495 - Provision of Kerbside Recyclables Processing**

Infrastructure and City Services

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1. CONFIDENTIAL REDACTED - Tender Evaluation Report
[13.11.1 - 10 pages]

Purpose

For Council to consider awarding Contract No. 24/3495 - Provision of Kerbside Recyclables Processing (Contract), for a five-year period.

Officer Recommendation**That Council:**

- a. **Awards Contract No. 24/3495 - Provision of Kerbside Recyclables Processing to Cleanaway Pty Ltd for an initial term of five (5) years commencing 1 July 2024, for an estimated value of \$20,114,926 (Including GST) in accordance with the tendered schedule of rates, with the option to extend for three (3) further one (1) year period(s).**
- b. **Authorises the Chief Executive Officer to sign Contract No. 24/3495 - Provision of Kerbside Recyclables Processing.**
- c. **Assigns the Chief Executive Officer delegated authority to approve the Contract extension options of three (3) one (1) year periods, for an estimated amount of \$15,937,471 (Including GST), and for a maximum of up to \$20,000,000 (Including GST), in accordance with the tendered schedule of rates, subject to the performance and competitive pricing of the contractor.**
- d. **Notes that \$3,100,000 (excl. GST) has been allocated for the Contract in the draft 2024/25 Budget and appropriate amounts will be allocated in the budgets for subsequent years in order to cover the total maximum spend.**

Background

Council, at its Council Meeting on 19 November 2019, awarded Contract No. 20/2791 - Ex: Recyclables Processing Service with Cleanaway Pty Ltd. The initial Contract was for a 19-month period with options to extend for a further three, one-year periods and will conclude on 30 June 2024, with no further extension periods available.

The Contract forms part of the Operational Program approved by Council as part of the Annual Budget 2024/2025.

The services under this Contract are to provide a materials processing and resource recovery facility that can receive all recyclable materials delivered to the facility by Council's recyclables collection vehicles.

Matters for Consideration

Analysis

The tender for the Contract was advertised on 23 March 2024 and closed on 18 April 2024.

Two (2) tenders were received. The conforming tender was assessed by the Tender Evaluation Panel (TEP) against the evaluation criteria described in the tender documents.

The TEP considers Cleanaway Pty Ltd has the expertise and capacity to complete the works under the Contract.

The Tender Evaluation Report is at **Confidential Attachment 1**.

Implementation

Subject to Council approval, the Contract will be implemented for a five-year period from 1 July 2024 to 30 June 2029.

Community Engagement

Consultation in relation to Kerbside Recyclables Processing was conducted as part of the development of the Waste, Recycling and Litter Strategy 2018-2028 (Strategy).

Further consultation was undertaken with relevant Council departments to ensure the Contract services align with, and best support community users and meet Council's requirements.

Collaboration

Collaboration was undertaken with the Recycling Victoria and its parent body the Department of Energy, Environment and Climate Action (DEECA) in the development of the Contract specifications and alignment with the State Government's circular economy policy "*Recycling Victoria: A new economy*".

Resource And Risk Implications

The total estimated Contract spend over the five (5) year initial period is \$20,114,926 (including GST).

The total estimated Contract spend for the extension options of three (3) one (1) year periods is \$15,937,471 (including GST), subject to the performance and competitive pricing of the contractor.

The 2024/25 Budget has not yet been adopted although a budget provision for this service of \$3,100,000 (excl. GST) has been included in the draft budget for approval.

Community: potential impact on community, including public trust and customer service impact

- Yes – The provision of this service is considered an integral part of the suite of Council's waste and recycling collection services provided to residential properties.

Environmental: impacts on environmental sustainability, including water/waste management, climate change, and contaminated land

- Yes - The provision of this service is an integral part of the suite of Council's waste and recycling collection services provided to residential properties. The approach taken with this Tender has been to seek to increase the level of material recovered and recycled through this service.

Financial: significant financial impacts

- Yes - Budget expenditure is from Council funding; the Operational budget is subject to Council approval. Refer to **Confidential Attachment 1** for financial impacts.

Regulatory: legal, legislative or regulatory implications including the rights/obligations of stakeholders

- Yes – The provision of this service is a key element of the Victorian Government's circular economy policy, Recycling Victoria: a new economy.

There are no Regulatory or Safety risks identified.

Legislation/Council Plan/Policy Context

This report supports the Council Plan 2021-2025 strategic direction and objective of:

4. Leadership and Governance - A high performing organisation that enacts the vision and decisions of Council through the delivery of quality and innovative services - A fairer place for all

- High Performing and Accountable - Our workforce strive to enhance services and liveability for the Brimbank community.

This report complies with the Procurement Policy and the *Local Government Act 2020 (the Act)*.

Council officers contributing to the preparation and approval of this report, have no conflicts of interests to declare.