

4.1 CONTRACT FOR PROVISION OF CLEANING SERVICES – COUNCIL'S RESIDENTIAL AGED CARE CENTRES

(CF 2008186 RR)

Responsible Director: Peter Aumann

RECOMMENDATION

1. *That the tender from Selvaratnam Testamentary Trust & D Selvaratnam & S Selvaratnam trading as Midnight Express, for the lump sum amount of \$598,628 p.a. including GST, be accepted for Contract No 2008186, Provision of Cleaning Services for Residential Aged Care Centres. (Estimated annual expenditure is \$618,600).*
2. *The contract be awarded on the basis of an initial term of one year with options for two extensions for periods of two years each, subject to CPI All Group Melbourne Rise and Fall.*
3. *The option to extend the contract for the two, two-year extensions be exercised by the Chief Executive Officer, subject to satisfactory performance.*
4. *The appropriate contract documents be signed and sealed.*

INTRODUCTION

This report seeks Council's acceptance of a tender for the cleaning of Council's residential care facilities at Monash Gardens, Elizabeth Gardens and Clarinda Centre.

BACKGROUND

The current contractor is Wayne Cleaning Systems Pty Ltd and this contract concludes on 30 June 2008. The contract is for an initial term of one year with options for two extensions for periods of two years each, subject to satisfactory performance.

DISCUSSION

Expressions of Interest were called on 22 March 2008 for the provision of cleaning services with twenty responses being received from AC Commercial Cleaning trading as Shining Knight Cleaning, Supply Chain trading as Little D'S, M Corp Property Services Pty Ltd, Premium Property Services, Nationwide Health & Aged Care Services, KS Environmental Property Services, Storm International Pty Ltd, Site Management Pty Ltd, LiVan Residential Building Cleaning Solutions, Quad Services Propriety Limited, Ambassador Health Care Cleaning Pty Ltd, Elite Property Care, Janiking (Vic) Pty Ltd, Pickwick Group (Vic) Pty Ltd, Highlight Cleaning Services, Bogdan Investments Pty Ltd, AMC Commercial Cleaning, Melbourne Housekeeping Services, Makkim Pty Ltd and Selvaratnam testamentary trust & D Selvaratnam & S Selvaratnam trading as Midnight Express.

The Expression of Interest submissions were evaluated on the following criteria to establish a shortlist of contractors to then invite them to submit tenders: -

- Occupational Health and Safety Accreditation, Practices and Procedures
- Equal Employment Opportunity record, policies and practices.
- All specified insurances to be in place.
- Experience & Personnel
- Programs & Reporting
- Demonstrated Quality of Work
- Satisfactory Reference Check

The four highest rated companies were short listed and invited to tender. These companies clearly demonstrated extensive experience in aged accommodation centre cleaning and are -

- AC Commercial trading as Shining Knight Cleaning
- Nationwide Health & Aged Care Services
- Quad Services Propriety Limited
- Selvaratnam testamentary trust & D Selvaratnam & S Selvaratnam trading as Midnight Express

The tender closed on 23 May 2008 with four tenders received, from - AC Commercial trading as Shining Knight Cleaning, Nationwide Health & Aged Care Services, Quad Services Propriety Limited and Midnight Express Cleaning with the lump sum prices ranging from \$598,628 to \$636,036, inclusive of GST.

TENDER EVALUATION

The tender submissions were evaluated in accordance with Council's tendering policies and procedures using the point score method.

The criteria used to evaluate the tenders were: -

- Price
- Occupational Health and Safety Accreditation, Practices and Procedures
- Equal Employment Opportunity record, policies and practices
- All specified insurances to be in place
- Experience & Personnel
- Programs & Reporting
- Demonstrated Quality of Work
- Satisfactory Reference Check

The tender evaluation panel comprised -

Rob Renshaw, Manager, Asset Services

Ray Andison, Service Contracts Co-ordinator, Asset Services

Sue McIntyre, Manager, Residential Care Services

A measure of the likely quality of cleaning is the number of hours for cleaning and supervision nominated by each tenderer. The total cleaning time to deliver the specified work was estimated at 370 hours per week and all of the tenders received allowed cleaning hours at this level or above this estimate.

Midnight Express Cleaning is the lowest priced and highest rated tenderer. The company demonstrated very good OH&S policies and procedures and have appropriately experienced staff. The company has undertaken similar contracts for other Councils and reference checks indicate the company provides a high quality service. The company is considered to be capable of completing these works to the standard and quality required.

The second highest rated tenderer and second lowest priced tenderer is AC Commercial Cleaning trading as Shining Knight Cleaning. This company had a good understanding and appreciation of the contract requirements and would be able to meet the required standard of cleaning.

The third highest rated tenderer is Quad Services Propriety Limited. The company had demonstrated a thorough understanding of the requirements of the specification. They are also considered capable of meeting the requirements of the contract.

FINANCIAL

The estimated contract amounts are similar to previous years and funding for the works is contained within the operational budget. The contract is subject to a rise and fall clause in line with All Groups Melbourne CPI movements for each year beyond the initial period.

CONCLUSION

That based on the evaluation criteria, the tender submitted by Selvaratnam testamentary trust & D Selvaratnam & S Selvaratnam trading as Midnight Express is considered to provide the best outcome for Council.