

4.1 TENDER FOR CLAYTON SOUTH LANDFILL SITE MANAGEMENT (2021137:SH)

Responsible Director: Deb Cailes

RECOMMENDATION*

That Council:

- 1. Notes and supports the Joint Venture to award the tender from Mackenzie Environmental Pty Ltd for Provision of Landfill Site Management Services, Contract No. 2021137 (Monash) / CRLJV 1- 2021 (Joint Venture) for a combined fixed lump sum and schedule of rates based contract with an estimated annual contract value of \$240,240 (for Part B) at an estimated total contract value of **\$1,441,000** (for Part B) plus **\$124,749** (for Part A Capital Works period) providing a total estimated cost of **\$1,566,189** inclusive of all available extension options (maximum contract term of 6 years);*
- 2. Notes that under the Joint Venture Agreement, Monash's expected share of expenditure over the course of the contract, inclusive of all extension options, is \$263,000.*
- 3. Authorises the Director Infrastructure and Environment or their delegate to approve expenditure under this contract; and*
- 3. Notes that the contract will commence on 1 September 2021, with an initial term of three years and the contract has three extension options of one year each (maximum total 6 years) and authorises the Director Infrastructure and Environment or their delegate, to approve extension options subject to satisfactory performance.*

*(*Please note that all dollar figures are GST Inclusive unless stated otherwise)*

INTRODUCTION

Monash City Council has conducted a tender for Provision of Landfill Site Management Services on behalf of the Clayton South Regional Landfill Joint Venture.

BACKGROUND

The Clayton South Regional Landfill is jointly owned by five municipal Councils who are bound by a legal agreement with a charter having been approved by each member council (the Joint Venture). Each member of the Supervising Committee is formally appointed by the Council represented with powers related to the approval of expenditure and to execute contracts on behalf of council. Monash's appointed delegates are the Director Infrastructure and Environment (formerly Director Infrastructure) and the Manager Sustainable Monash (formerly Manager Waste Services).

The Member council's Equities are:

Boroondara	35.22%.
Glen Eira	21.10%.
Monash	16.80%.
Stonnington	12.76%
Whitehorse	14.12%

The site stopped taking waste from its member councils in late 2015 and rehabilitation works continued on site to satisfy the conditions of the Environmental Protection Authority (EPA) licence and the conditions in the Planning approval with conditions to complete the rehabilitation by the end of 2018. The site also requires on going monitoring of the gas generated on site to satisfy the EPA.

Management of the site is undertaken by the Clayton South Regional Landfill User Group, under a Joint Venture agreement. The Group appointed a Site Manager to manage the existing contracts and the monitoring and reporting requirements. This contract is due for renewal.

NOTIFICATION

A public notice was placed in 'The Age' newspaper on 19/6/2021 and the tender closed on 9/7/2021.

This was a collaborative tender with the City of Monash acting as agent for the City of Boroondara, City of Stonnington, City of Glen Eira and the City of Whitehorse.

TENDERS RECEIVED

One tender submission was received by the appointed closing time.

No.	Tenderer	Estimated cost based on the lump sum and schedule of rates tendered for the initial three year term (\$ Including GST)
1	Mackenzie Environmental Pty Ltd	\$720,720*

*this estimate is based on a combination of the fixed lump sum management service fees and the schedule of rates tendered for additional project work.

Conformance Summary:

The submission was assessed for compliance with the tender conditions including the contractual terms and conditions and the requirements of the response schedules and was deemed conforming.

TENDER EVALUATION

All members of the evaluation panel signed Conflict of Interest and Confidentiality forms and no conflicts were raised.

The tenderer was assessed in accordance with the evaluation criteria published in the tender documentation:

Pass/Fail Assessment Criteria	Score
OHS	<i>Pass/Fail</i>
Mandatory Insurances	<i>Pass/Fail</i>

Category	Key Selection Criteria	Criteria Weightings	Sub Criteria Weightings	Sub Criteria used in the Returnable Schedule
Qualitative Criteria	Capacity and Capability	50%	25%	Resources and Equipment
			10%	Experience
			5%	Risk Management
			5%	Legal Compliance
			5%	Performance and Innovation
	Sustainability	10%	6%	Environmental Sustainability
			2%	Local Sustainability
2%			Social Sustainability	
Quantitative Criteria	Price	40%*	40%	Comparison of Whole of Life Cost / Total Project Cost / Estimated Annual Cost

*40% price was agreed by the Joint Venture and is allowed under Council's Procurement Policy because Council is acting as Agent for the collaborative tender process (as per policy section 2.4.2.2).

DISCUSSION

Each panel member individually assessed and scored each tender in accordance the tender evaluation spreadsheet. The full panel then met to consider the scores and through discussion and consensus agreed to final scores.

Mackenzie Environmental Pty Ltd was selected as the preferred contractor and an interview conducted.

As Mackenzie Environmental is the current incumbent and well known to the JV Group no additional reference checks were considered necessary.

FINANCIAL IMPLICATIONS

The estimated total contract sum over the six years, inclusive of the three extension terms, is \$1,566,189. It is estimated that Monash's share of the contract sum over six years will be approximately \$263,000 based on the Monash 16.8% share.

Operating costs associated with the Clayton South landfill have been taken into consideration in Council's long term financial plan.

SUSTAINABILITY OUTCOMES

The Site Management contract is a service only contract so direct sustainability initiatives are limited; however, the tenderer operates under an Environmental Management Plan and staff working on the contract live local to the area. The tenderer also has extensive experience in managing closed landfills and with the requirements of Best Practice Environmental Management.

CONCLUSION

That Council approves the recommendations contained within this report.