



## 2018/19 Business Development Branch Significant Contracting Plan

Section 221 of the *Local Government Regulation 2012* stipulates that a Significant Contracting Plan must be prepared prior to commencement of a contract that Council has identified as a Significant Contract. Council may, by resolution, amend a Significant Contracting Plan at any time before the end of the financial year to which the plan relates.

### 1. Key Information

Significant Contract Title: Resource Recovery Centre Operations

Group: Customer Engagement & Planning Services

Branch: Waste & Resource Management

Contract Administrator: Michael Grant (tender period), Ashley Bright, David Vachalek (contract)

Position: Senior Officer Capital Programs & Contracts (Waste), Waste Technical Officer/Technical Officer Disposals and Projects

Procurement Specialist: Brian Weyhardt

Contract/Project Description: The operation and management of various Resource Recovery Centres located at Council Landfill sites.

Link to Procurement

Plan: [https://eddieweb.scc.qld.gov.au/HPEContentManager?uri=13396797&t=record&lang=ln\\_english&mbd=false](https://eddieweb.scc.qld.gov.au/HPEContentManager?uri=13396797&t=record&lang=ln_english&mbd=false)

### 2. Council Resolutions

Previous Council resolutions:

This plan endorsed by Council:

### 3. Background

Services for the operation and management of Resource Recovery Centres (RRC) located at:

- Caloundra Landfill
- Buderim RRC
- Regional Transfer Stations (Beerwah, Witta, Mapleton, Kenilworth, Yandina)

This contract is an ongoing 'front end' service required at these sites, previously performed under contract ITT1410.

This contract has traditionally suited, but is not limited to, not for profit organisations with a strong community focus and suitable experience in operating, maintaining and managing recycling activities at RRC's.

The contract term is for a period of 4+ years, with an estimated contract value of \$20m in total for all sites for the 4+ year term. The contract commencement date is 7 July 2019, expiry 31 October 2023.

### 4. Objectives

What are the objectives of this contract?

To reduce the tonnage of material which may be destined for landfill, as well as recovering valuable material for recycling (eg - steel, ewaste, saleable items) or segregating hazardous waste for proper disposal (eg - batteries, oils, paint). Council's Waste Minimisation Strategy aims to divert 70% of commercial and domestic waste otherwise intended for landfill. Fundamental to this sustainability initiative are Council's RRC's.

How will objectives be achieved?

Active customer management by Contractor staff to identify recycleable waste streams / separate recoverable and saleable items, and divert as much customer waste from landfill as possible.

How will achievement of objectives be measured?

Monitoring of waste stream levels against historical trends, and shop stock levels and sales, while considering site user numbers.

Available landfill airspace.

What are the alternative ways of achieving the objectives? Include reasons for not adopting alternative ways.

Kerbside waste collection of general waste, recycleables, and green waste is a separate contract.

In relation to managing customers and users directly disposing at a landfill or RRC site, there are no alternative methods to reduce materials going to landfill. The landfill sites have established material sorting areas and diversion bins to ensure any recyclable material etc is diverted from going to landfill. Other material such as green waste or concrete waste is also diverted to the segregated areas on site, but these such materials are managed by other contractors.

### 8. Proposed category and contractual arrangements

Which category does this contract fall within?

Operational Works and Services

Which contractual arrangements should be applied to this contract, and why?

Goods and Services

The contractor is providing a 'front end' service to site users / customers on behalf of Council.

### 9. Market and Risk Assessment

Provide an assessment of the market in which the contract is to happen, including an assessment of any procurement risks. Refer to the Risk Assessment Calculator in the Procurement Plan.

#### Market

There are a number of not for profit organisations who are capable of performing this contract, including:

- Endeavour Foundation – incumbent contractor at the Buderim and Caloundra sites
- STEPS Social Ventures– have provided contract services previous to ITT1410

There are also SME's capable of performing this contract, such as the incumbent contractor for the Regional Sites –

- Iolar Operational Services

The above three were the only submissions for the current contract ITT1410.

Council may see interest from Resource Recovery Australia whom were recently awarded the Noosa tip shop contract

#### Risks

- Potential for increased cost
- Limited submissions
- Updating Tender specifications and General Terms and Conditions

Proposed mitigations for identified risks:

- Potential for increased cost: Schedule of Rates Contract, Rise and Fall calculations, Revenue Sharing for Retail Sales
- Limited submissions: Open tender process aimed at social enterprises and waste companies
- Updating Tender specifications and General Terms and Conditions: External Legal Advisors (Corrs) reviewing documentation to ensure clauses etc. comply with current legislation

Undertake an assessment of operational risks relating to the contract/project. Attach details.

Contractor personnel are required to operate machinery, handle heavy items, and also manage traffic and public within the work area. Caloundra and Buderim sites also have other primary contractors for Green Waste Mulching, Concrete Crushing, and Landfill Operations (Caloundra only), which have risks associated with the movement and operation of plant and equipment on site.

**Approvals (prior to resolution)**

Position	Name	Signature	Date
Manager, (of Branch seeking contract)			
Manager, Business Development			