

**ORDINARY MEETING OF COUNCIL
27 JULY 2009**

7. **CONTRACT NO 0977: HARD & GREEN WASTE BOOKED COLLECTION AND DUMPED RUBBISH COLLECTION - OPTION TO EXERCISE YEAR 3 (FINAL YEAR).**

LOCATION/ADDRESS:

EXECUTIVE DIRECTOR:

DAVID YEOUART, EXECUTIVE DIRECTOR COMMUNITY ASSETS & SERVICES

PREPARED BY:

DAMIEN BURGESS, MANAGER INFRASTRUCTURE SERVICES

MAURO VELLA, COORDINATOR WASTE MANAGEMENT

FILE NO.:

ATTACHMENTS:

ATTACHMENT 1: REPORT - ANNUAL REVIEW OF CONTRACT NO. 0977

1. EXECUTIVE SUMMARY

- 1.1 Council awarded Contract No 0977 “Hard and Green Waste Booked Collection Service & Dumped Rubbish Collection” to Four Seasons Pty Ltd on 03 September 2007 at an annual cost of \$497,639 (plus CPI) for a period of 3 years (1+1+1).
- 1.2 Council specified that a formal annual review of Contract No 0977 be undertaken.

2. RECOMMENDATION

- 2.1 That Council exercises the third (final) one-year option of Contract Number 0977 with Four Seasons Pty Ltd for “Hard and Green Waste Booked Collection Service & Dumped Rubbish Collection”.

3. BACKGROUND AND CONTEXT

3.1 Dumped rubbish is a constant issue in Port Phillip and is the source of a significant percentage of complaints from the community. Until May 2007, collection of dumped rubbish was undertaken on a reactive basis only. The service was provided by Streetsahead, the joint-venture operation between the Cities of Port Phillip and Stonnington.

3.2 In May 2007 a proactive service was trialed in which, a rear-loading garbage truck patrols every street in the municipality, on a weekly basis and collects any dumped rubbish on the street. Specific complaints relating to dumped rubbish were also responded to within 48 hours.

The volume of rubbish collected during the trial, combined with the improved amenity of the city confirmed a clear demand for this service.

3.3 The City of Port Phillip also provides a Hard and Green waste booked collection service for residents (up to 4 collections per year). Patronage of this service is increasing and the aim is that, this increase is proportional to a decrease in dumped rubbish on the street.

3.4 These two service elements were combined into Contract No 0977 "Hard and Green Waste Booked Collection Service & Dumped Rubbish Collection" which will conclude on 24 September 2010, assuming the third and final one-year option is exercised.

4. CONSULTATION AND STAKEHOLDERS

4.1 The service was formally advertised as a public tender in 2007. The outcome of the tender evaluation process, together with a recommendation to award the contract to Four Seasons Waste Pty Ltd was considered by Council on 03 September 2007.

4.2 The City of Port Phillip Customer Satisfaction Survey, conducted between March and May, 2009, 63% of people surveyed rated waste management services as either excellent or good.

5. DISCUSSION

5.1 OPTIONS

5.1.1 The City of Port Phillip receives approximately 140 requests for dumped rubbish collection and collects around 45 tonnes of dumped rubbish per month. Therefore there is continued demand for a service, of this nature.

- Whilst the service responds to dumped rubbish complaints within 48 hours, it is principally a pro-active service, which patrols the city to identify dumped rubbish and remove it as quickly as possible

before it becomes the subject of a complaint. Reducing the service to be a completely reactive one has had limited success in the past.

- The Hard & Green Waste Booking Service was adopted due to public safety and liability risks associated with a traditional annual hard rubbish collection.

This is now the preferred service delivery method across Metropolitan Melbourne.

- 5.1.2 Alternative service delivery methods should be considered for implementation in 2010, prior to the conclusion of the existing contract (No. 0977).

5.2 ALIGNMENT TO COUNCIL PLAN

- 5.2.1 The recommendation contained in this report is directly aligned with Direction 1 'Engaging and Governing the City', Direction 2 'Taking Action on Climate Change' and Direction 4 'Enhancing Liveability' of the City of Port Phillip Council Plan 2009-2013.

5.3 POLICY IMPLICATIONS PLAN

- 5.3.1 The annual review of contract No. 0977 has been conducted in line with the requirements of the City of Port Phillip's Contracts and Tendering Policy 2009.

5.4 FINANCE / RESOURCE IMPLICATIONS

- 5.4.1 The year 3 cost of Contract No. 0977 is \$507,591 which has been allocated in the 2009/2010 operational budget.

5.5 LEGAL & RISK IMPLICATIONS

- 5.5.1 There are no legal or risk implications associated with the recommendations contained within this report. The annual review of contract No. 0977 has been undertaken in line with the requirements of the City of Port Phillip's Contracts and Tendering Policy and the Council resolution of 03 September 2007, which specifically requested a formal annual review of the Contract.

6. IMPLEMENTATION STRATEGY

6.1 TIMELINE

- The third and final one-year extension to contract No. 0977 would be effective from 24 September 2009.

- A Council report requesting approval to go to public tender for a new contract (to commence in September 2010) and detailing proposed specifications will be presented during the first quarter of 2010.

6.2 COMMUNICATION

- 6.2.1 The outcome of this report will be communicated, in writing, to the current holder of the contract, Four Seasons Waste Pty Ltd.