

19.5 DELEGATED AUTHORITY - PROVISION OF A PREFERRED SUPPLIER FOR LANDFILL ENVIRONMENTAL MONITORING PROGRAM (LEMP)

Objective Reference:

Authorising Officer: Peter Best, General Manager Infrastructure & Operations

Responsible Officer: Matthew Ingerman, Acting Group Manager Water and Waste Infrastructure

Report Author: Ahmad Sinha, Landfill Advisor

Attachments: Nil

The Council is satisfied that, pursuant to Section 275(1) of the *Local Government Regulation 2012*, the information to be received, discussed or considered in relation to this agenda item is:

(e) *contracts proposed to be made by it.*

PURPOSE

The purpose of this report is to seek Council resolution to delegate authority to the Chief Executive Officer (CEO), under section 257(1)(b) of the *Local Government Act 2009* to negotiate, make, vary and discharge a contract over \$2,000,000 and enter into a Schedule of Rates Contract for closed landfill monitoring and reporting (T-1867-18/19-CLM).

BACKGROUND

Historically Redland City Council (RCC) has operated a number of supervised and unsupervised landfill areas both on the mainland and nearby islands. Currently there are twenty-eight closed landfill areas throughout Redland City. Four of these sites are licenced landfills and subject to Environmental Authority (EA) conditions. The Landfill Environmental Monitoring Program (LEMP) contract is Council's primary environmental monitoring and reporting mechanism relating to licenced landfills and other closed landfill sites.

ISSUES

The arrangement with GHD Pty Ltd for the closed landfill monitoring and reporting (T-1590-12/13-WST) commenced on 01 October 2013 and expired on 30 September 2018. A new tender was opened to market on 05 September 2018 and closed on 17 October 2018. Council engaged GHD Pty Ltd under Local Buy contract arrangement BUS262-0317 to carry out the monitoring and reporting for an interim period until the tender is awarded.

During the tender evaluation process Department of Environment and Science (DES) clarification was sought for metal analysis. This advice was received at the end of February 2019. The tender evaluation process is currently ongoing.

Council resolution to delegate authority to the CEO to accept the tender and discharge the resulting contract will assist in maximising efficiency of the tender process and administration and performance of the services.

STRATEGIC IMPLICATIONS

Legislative Requirements

Tender documentation was developed in accordance with Sound Contracting Principles of the *Local Government Act 2009* with the objective of obtaining submissions from suitable entities who can

demonstrate the ability to provide value for money and adequate capacity and capability to provide the required services.

The tender process is being and will continue to be conducted in accordance with the legislative requirements of the *Local Government Act 2009*, *Local Government Regulation 2012* and with adherence to all Council policies, guidelines and procedures relating to the procurement process and probity principles.

Risk Management

The tender evaluation plan contains financial and non-financial evaluation criteria to enable the evaluation panel to effectively assess tender responses and propose the most suitably qualified tenderer, in addition to providing value for money and the required environmental and operational outcomes. The contract contains detailed and specific key performance indicators to support Council's contract management processes.

Financial

The annual expenditure for the landfill environmental monitoring program is expected to be approximately \$590,293 in the current financial year. The exact annual expenditure in the new contract will vary and be dependent on the final Schedule of rates, the scope of work required to meet environmental compliance requirements and annual CPI increase.

The intention of Council is that any contract resulting from this tender will be for a term of three (3) years with the option to extend for a further additional period of two (2) one year periods, not exceeding a maximum term of five (5) years. Thus the total estimated value of the contract will be \$2,951,465.

Sufficient budget has been requested in the FY 2019/20 annual budget for the tendered services based on current contract rates and CPI increase. The proposed contract will be subject to annual consumer price index adjustments.

People

Suitably qualified and experienced staff are available to ensure the tender process is delivered internally. The negotiation, implementation and management of the contract resulting from the tender process will be provided by the RCC Procurement Unit and Waste Planning and Compliance Unit staff. Group Manager Water and Waste Infrastructure will be the Contract Authority for this contract.

Environmental

Monitoring and reporting under this contract will be undertaken in compliance with all relevant environmental legislation.

Social

The contract benefits the community by monitoring landfill gas and leachate from the closed landfills.

Alignment with Council's Policy and Plans

This report supports Council's vision of forward thinking, engaged and focused on enriching community lifestyles. The proposed contract for landfill environmental monitoring program also aligns to Council's Corporate Plan 2018-2023 Outcome of Healthy natural environment – *1.1 Redland's natural assets including flora, fauna, habitats, biodiversity, ecosystems and waterways are managed, maintained and monitored.*

CONSULTATION

Consulted	Consultation Date	Comments/Actions
Principal Waste Planner Water and Waste Infrastructure	26.04.2019 and 07.05.2019	Reviewed the draft document and provided comments
Procurement Officer Procurement and Contract Services	30.04.2019	Reviewed the draft document and provided comments
Acting Group Manager Water and Waste Infrastructure	03.05.2019	Reviewed the draft document and provided comments

OPTIONS**Option One**

That Council resolves to:

1. delegate authority to the Chief Executive Officer, under section 257(1)(b) of the *Local Government Act 2009*, to enter into a Schedule of Rates Contract over \$2,000,000 with the preferred tenderer and to negotiate, make, vary and discharge the contract T-1867-18/19-CLM in accordance with the agreed contract terms and conditions; and
2. maintain this report as confidential until a contract is executed, subject to maintaining the confidentiality of legally privileged, private and commercial in confidence information.

Option Two

That Council resolves to:

1. not delegate authority to the Chief Executive Officer, and request that a tender report be presented at a future General Meeting following evaluation and selection of a preferred tenderer; and
2. maintain this report as confidential until a contract is executed, subject to maintaining the confidentiality of legally privileged, private and commercial in confidence information.

OFFICER'S RECOMMENDATION

That Council resolves to:

1. **delegate authority to the Chief Executive Officer, under section 257(1)(b) of the *Local Government Act 2009*, to enter into a Schedule of Rates Contract over \$2,000,000 with the preferred tenderer and to negotiate, make, vary and discharge the contract T-1867-18/19-CLM in accordance with the agreed contract terms and conditions; and**
2. **maintain this report as confidential until a contract is executed, subject to maintaining the confidentiality of legally privileged, private and commercial in confidence information.**