

17.2 AWARDING OF CONTRACT - CLEANING SERVICES FOR COUNCIL FACILITIES

Responsible officer: Matthew Sherman, Manager Infrastructure Services

155

- Attachments:**
1. **Cleaning tender appraisal 2020**
 2. **Cleaning tender hours per clean**

Section under the Act	The grounds on which part of the Council or Committee may be closed to the public are listed in Section 90(2) & (3) of the <i>Local Government Act 1999</i> .
Sub-clause and Reason:	(k) - tenders for the supply of goods, the provision of services or the carrying out of works.

Executive Summary

The purpose of this report is to enable Council to consider awarding the cleaning contract of Council owned facilities for a three year period.

RECOMMENDATION

That Council:

- 1 **awards the contract for cleaning services of Council’s Lameroo and Geranium facilities to Sue Hall Cleaning for the contract price of \$17,732 (ex GST), plus the cost of any additional ad hoc cleaning of facilities required by Council, for a 3 year period commencing 1 February 2021;**
- 2 **awards the contract for cleaning services of Council’s Pinnaroo and Parilla facilities to Advanced Cleaning for the contract price of \$47,812 (ex GST), plus the cost of any additional ad hoc cleaning of facilities required by Council, for a 3 year period commencing 1 February 2021.**

**MOVED COUNCILLOR ANDREW GRIEGER
SECONDED COUNCILLOR NEVILLE PFEIFFER**

That Council:

- 1 awards the contract for cleaning services of Council’s Lameroo and Geranium facilities to Sue Hall Cleaning for the contract price of \$17,732 (ex GST), plus the cost of any additional ad hoc cleaning of facilities required by Council, for a 3 year period commencing 1 February 2021;
- 2 awards the contract for cleaning services of Council’s Pinnaroo and Parilla facilities to Advanced Cleaning for the contract price of \$47,812 (ex GST), plus the cost of any additional ad hoc cleaning of facilities required by Council, for a 3 year period commencing 1 February 2021.

AMENDMENT**MOVED COUNCILLOR TREVOR HANCOCK
SECONDED COUNCILLOR ANDREW GRIEGER**

That Council:

- 1 awards the contract for cleaning services of Council's Lameroo and Geranium and Parilla facilities to Sue Hall Cleaning for the contract price of \$24,362 (ex GST), plus the cost of any additional ad hoc cleaning of facilities required by Council, for a 3 year period commencing 1 February 2021;
- 2 awards the contract for cleaning services of Council's Pinnaroo facilities to Advanced Cleaning for the contract price of \$45,753 (ex GST), plus the cost of any additional ad hoc cleaning of facilities required by Council, for a 3 year period commencing 1 February 2021.

CARRIED.

AMENDMENT BECOMES THE MOTION

That Council:

- 1 awards the contract for cleaning services of Council's Lameroo and Geranium and Parilla facilities to Sue Hall Cleaning for the contract price of \$24,362 (ex GST), plus the cost of any additional ad hoc cleaning of facilities required by Council, for a 3 year period commencing 1 February 2021;
- 2 awards the contract for cleaning services of Council's Pinnaroo facilities to Advanced Cleaning for the contract price of \$45,753 (ex GST), plus the cost of any additional ad hoc cleaning of facilities required by Council, for a 3 year period commencing 1 February 2021.

CARRIED.

Background

Council undertakes cleaning of its Council owned assets by using contractors for a contracted period of time. The current contracts will expire Sunday 31 January 2021. The new contract/s will commence 1 February 2020 and will have a term of 3 years expiring 28 January 2024

Context

Council advertised tenders this cleaning contract via the SA Tenders website which opened on 2 October 2020 and closed 5pm 6 November 2020. A total of nine companies submitted tenders.

In the 2019/20 budget Council spent a total of \$65,815 on cleaning a total of 15 sites across the district. Sue Hall Cleaning undertook the cleaning of Lameroo and Geranium facilities, Advanced Cleaning undertook cleaning of Pinnaroo Facilities and Steve Murphy undertook the cleaning of the Parilla public toilets.

The nine companies that submitted tenders were: Advanced Cleaning, Service SA, Kinnaird Cleaning, Sue Hall Cleaning, Corporate Clean, Pickwick Group, MKS Cleaning, People Works Cleaning and The Local Guys.

Tenders were reviewed by a panel consisting of Council's Manager Infrastructure Services Matthew Sherman, Manager Corporate Services Tony Secomb and Infrastructure Works Coordinator John Woolford.

Policy and statutory implications

Council has a procurement policy and the tender process has been undertaken in accordance with the policy.

All Council purchases must be carried out in compliance with the Local Government Act 1999 (the Act). Section 49 (a1) of the Act requires Council to develop and maintain procurement policies, practices and procedures directed towards:

- Obtaining value in the expenditure of public money, and
- Providing for ethical and fair treatment of participants, and
- Ensuring probity, accountability and transparency in the procurement process.

Council is not obliged to accept the lowest tender or any tender.

Issues

Seven of the tendering firms (Advanced Cleaning, Service SA, Corporate Clean, Pickwick Group, MKS Cleaning, People Works Cleaning and The Local Guys) tendered for cleaning of all of Council's facilities as per the tender specification. Sue Hall Cleaning only tendered for cleaning Council facilities at Parilla/Lameroo/Geranium. Kinnaird Clean only tendered for cleaning Council facilities at Parilla/Pinnaroo.

Tenderers were asked to supply hourly rates for 3 years (Ex GST), call out rates and ad hoc cleaning rates. There were varying methods of supplying the requested information. It is noted that the tenderers who had undertaken a site visit supplied costing for individual worksites and hours per clean per work site. This provided Council with the relative and correct information required.

As a result of the information received, four companies (Pickwick Group, MKS Cleaning, People Works Cleaning and The Local Guys) were considered non-conforming tenders. They did not supply enough information to progress. This included the absence of a breakdown of individual sites and some of the figures were confusing given the number of Council sites listed. Some firms also mentioned that further correspondence would be entered into if they were the successful tenderer.

A total of five companies (Sue Hall Cleaning, Kinnaird Cleaning, Advance Cleaning, Service SA and Corporate Clean) all progressed to the next stage. These five firms all undertook site visits.

The annual contract cost per annum submitted by these five firms was as follows:

- Advanced cleaning (all facilities) - \$74,471.04
- Service SA (all facilities) - \$62,808.72
- Corporate Clean (all facilities) - \$108,000

- Kinnaird Clean (Pinnaroo /Parilla facilities only) - \$89,799
- Sue Hall Cleaning (Lameroo/Geranium/Parilla facilities only) - \$24,362

There are two documents attached to this report. The first attachment (*Cleaning tender appraisal*) includes all information regarding costings per site supplied by the five tenderers. It also includes the cost to Council for cleaning services last financial year. Costing's of the four companies that didn't progress past the first stage have also been shown in this document.

The second attachment (*Cleaning tender hours per clean*) shows the hours per clean per site and the frequency of cleans.

Some key considerations of the tender assessment panel were as follows:

- Kinnaird Clean and Corporate Clean were both ruled out on pricing as both were considerably high.
- Sue Hall Cleaning's price for the cleaning of the Lameroo/Geranium facilities reduced to \$17,732 when the cost of cleaning the Parilla facilities was removed. The panel agreed this was the preferred option for Council.
- Service SA and Advanced Cleaning pricing for the remaining Pinnaroo/Parilla facilities were competitive. Advanced Cleaning did have higher pricing for cleaning of these facilities compared to Service SA . However Advanced Cleaning is the current contactor and is performing very well. In addition Service SA was offering less time at a number of sites, and whilst having a slightly lower hourly rate compared to Advanced Cleaning, Service SA specified significantly higher after hours rates and weekend and public holiday rates.
- The panel considered the both Sue Hall Cleaning and Advance Cleaning as the current contractors are performing well, meeting all expectations of Council and supporting local jobs.
- All panel members agree that Sue Hall Cleaning and Advanced Cleaning are the preferred options for Council's provision of cleaning services for the next three years.

The combined cost of Sue Hall Cleaning and Advanced Cleaning together is \$65,544, plus ad hoc cleaning, per annum.

Alternate options

Council could directly employ cleaning staff. This is not recommended at this point in time.

Financial implications

Cleaning of Council's buildings and amenities is essential to Council. The forecast cost for the next three years is \$65,544, plus ad hoc cleaning costs, per annum. The cost implications of ad hoc cleaning is correlated to the use of community halls. Council's total cleaning costs in 2019/20 was \$65,815.

Work Health and Safety and Risk implications

The submitted tenders included work health and safety components. There are reputational risk implications associated with cleaning services. Providing an effective cleaning service for all of Council's facilities is essential for Council's reputation.

Consultation

There has been no consultation on this tender.

BID COMPARISON DETAILS

Description of Goods or Service	All Prices inc EX GST		Sue Hall [Hr rate \$32.50]		Advanced [Hr rate \$39.67]		Service SA [Hr rate \$35.68]		Kinnairds [Hr rate \$59]		Corporate clean [Hr rate \$44]	
	Quantity required	Unit/s	Cost per Unit Quantity	Cost per Item	Cost per Unit Quantity	Cost per Item	Cost per Unit Quantity	Cost per Item	Cost per Unit Quantity	Cost per Item	Cost per Unit Quantity	Cost per Item
Geranium Toilets				\$ 1,690.00		\$ 2,062.84		\$ 927.68				\$ 2,090.40
Lameroo Hat [AD HOC CLEANING]				\$ -		\$ -		\$ -				\$ -
Lameroo Wks Depot				\$ 1,690.00		\$ 2,062.84		\$ 1,150.50				\$ 2,268.00
Lameroo Council offices				\$ 5,070.00		\$ 8,251.36		\$ 10,322.00				\$ 10,296.00
Lameroo Cogs				\$ 9,282.00		\$ 14,281.20		\$ 13,806.00				\$ 28,600.00
Parilla Toilets				\$ 6,630.00		\$ 2,059.00		\$ 2,106.00				\$ 5,148.00
Parilla Hat [AD HOC CLEANING]				\$ -		\$ -		\$ -				\$ -
Pinnaroo Council offices				\$ -		\$ 10,314.20		\$ 5,161.00				\$ 10,296.00
Pinnaroo Hat [includes meeting room]				\$ -		\$ -		\$ -				\$ -
Pinnaroo public toilets [main street & offices]				\$ -		\$ 10,314.20		\$ 9,276.80				\$ 11,440.00
Pinnaroo wetlands				\$ -		\$ 6,188.52		\$ 2,783.04				\$ 5,148.00
Pinnaroo Aerodrome				\$ -		\$ 530.00		\$ 463.84				\$ -
Pinnaroo works Depot				\$ -		\$ 2,062.84		\$ 1,150.50				\$ 2,268.00
Pinnaroo Cogs				\$ -		\$ 14,281.20		\$ 13,806.00				\$ 28,600.00
Pinnaroo Senior cit/over 50's				\$ -		\$ 2,062.84		\$ 1,855.36				\$ 2,268.00
Item Sub Total				\$ 24,362.00		\$ 74,471.04		\$ 62,808.72				\$ 108,482.40
Item & Contingencies Sub Total				\$ 24,362.00		\$ 74,471.04		\$ 62,808.72				\$ 108,482.40
GST (10%)		10%		\$ 2,436.20		\$ 7,447.10		\$ 6,280.87				\$ 10,848.24
GRAND TOTAL				\$ 26,798.20		\$ 81,918.14		\$ 69,089.59				\$ 119,330.64

AD HOC \$32.50

AD HOC \$48.25

AD HOC \$39.25 day

AD HOC \$65

AD HOC \$44

AD HOC \$44.25 night

BID COMPARISON DETAILS

Lameroot Ger / Parilla	Lameroot Ger / Parilla	Lameroot Ger / Parilla	Lameroot Ger / Parilla	Lameroot Ger / Parilla
\$ 24,362.00	\$28,717.00	\$28,312	Did not quote	\$48,422
Did not quote	\$47,812.36	36,602.18	\$89,799	\$65,208
N/A	\$74,471	\$62,809	N/A	\$108,482.40

***both blue figure and orange figures have parilla toilet included therefore as per recommendation Sue Hall's figure reduces to \$17,732

Total Cleaning Costs 2019/20

Sue Hall cleaning [Lameroot Ger/ Parilla] **\$13,219.40**
 Advance Cleaning [Pinnaroo] **\$44,847.32**
 Parilla Toilets **\$7,752**
Total \$65,815

Other companies to quote

Pickwick Group- Hr rate for 3 years \$128,192.15
 average cost to clean per site \$10,530.08
People works cleaning- Hr rate for 3 years \$139,969.29
 average cost to clean per site \$36.50
MKS- Hr rate for 3 years \$32
 average cost to clean per site \$5706.57
The Local Guys- Hr rates for 3 years \$54
 average cost to clean per site \$75.23

As highlighted in the table there are 15 sites

Recommendation

Sue Hall Cleaning to undertake cleaning of Lameroot Geranium Council facilities and Advanced Cleaning to undertake Pinnaroo/Parilla Council facilities for a period of 3 years

Sue Hall Cleaning Lameroot/Geranium **\$17,732**
 Advance Cleaning Parilla/Pinnaroo **\$47,812**

Total \$65,544 + AD HOC cleaning

** All Halls have been listed as AD HOC cleaning due to the different rates applied by each company as well as the different as well as AD HOC times of cleaning that will be required

Hall Cleaning 19/20 - Lameroot \$11,050 Parilla \$6,587 Parilla \$0

CLEANING TENDER

Advanced Cleaning		
Facility	Hrs/Clean	Cleans week
Parilla Hall	AD HOC	
Pinnaroo Childcare	1.5	5
Pinnaroo Senior Citz	1	1
Pinnaroo Public Toilets main St/ Council building	1	5
Pinnaroo wetlands Public Toilets	1	3
Pinnaroo Institute	AD HOC	
Pinnaroo works Depot	1	1
Pinnaroo Admin Building	2.5	2
Pinnaroo Aerodrome	.5	1
Lameroo Wks Depot	1	1
Lameroo Admin	2	2
Lameroo Childcare	1.5	5
Lameroo Hall	AD HOC	
Geranium Toilets	1	1

Advanced cleaning has tendered for the whole cleaning schedule

Call out rate [minimum 2 hrs] \$46.04

Call out rate after hrs [minimum 2 hrs] \$48.25

Ad hoc cleaning \$48.25

CLEANING TENDER

Kinnaird Clean

Facility	Hours Clean	Cleans week
Parilla Toilets	.5	3
Parilla Hall	AD HOC	
Pinnaroo Childcare	2.5	5
Pinnaroo Senior Cits	1.5	1
Pinnaroo Public Toilets main St and Council Building	1.25	5
Pinnaroo wetlands Public Toilets	1	3
Pinnaroo Institute	AD HOC	
Pinnaroo works Depot	1	1
Pinnaroo Admin Building	2	2
Pinnaroo Aerodrome	.5	1

****Kinnaird's have only tendered for the Pinnaroo/Parilla**

Call out rate \$69.60 per hr

Call out rate after hrs \$75.80

Ad hoc cleaning \$65

CLEANING TENDER

Service SA

Facility	Hrs/Clean	Cleans week
Parilla Toilets	.5	3
Parilla Hall	AD HOC	
Pinnaroo Childcare	1Hr Mon-Thur 2Hr Fri	5
Pinnaroo Senior Cits	1	1
Pinnaroo Public Toilets main St/ Council buliding	1	5
Pinnaroo wetlands Public Toilets	.5	3
Pinnaroo Institute	AD HOC	
Pinnaroo works Depot	.5	1
Pinnaroo Admin Building	1	2
Pinnaroo Aerodrome	.25	1
Lameroo Wks Depot	.5	1
Lameroo Admin	2	2
Lameroo Childcare	1Hr Mon-Thur 2Hr Fri	5
Lameroo Hall	AD HOC	
Geranium Toilets	1	1

Ad hoc cleaning rate \$39.25 Day rate / \$44.25 Night rate

Call out rate \$45 Day rate

Call out after Hours \$55 day rate

\$65 Sat rate

\$88 Sun rate

\$88 Public holiday rate

CLEANING TENDER

Sue Hall Cleaning

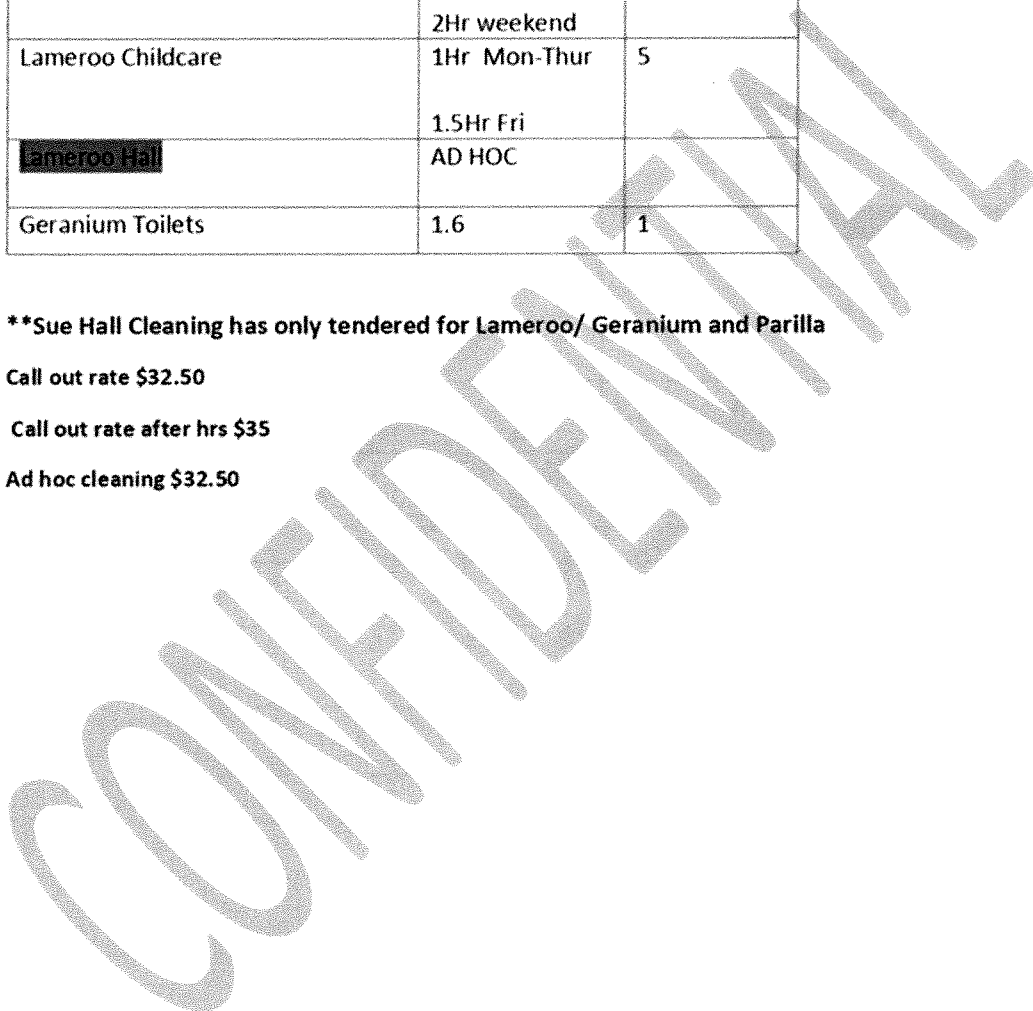
Facility	Hrs/Clean	Cleans week
Parilla Toilets	1.3	3
Parilla Hall	AD HOC	
Lameroo Wks Depot	1	1
Lameroo Admin	1Hr weekday	2
	2Hr weekend	
Lameroo Childcare	1Hr Mon-Thur	5
	1.5Hr Fri	
Lameroo Hall	AD HOC	
Geranium Toilets	1.6	1

****Sue Hall Cleaning has only tendered for Lameroo/ Geranium and Parilla**

Call out rate \$32.50

Call out rate after hrs \$35

Ad hoc cleaning \$32.50



CLEANING TENDER

Corporate Clean

Corporate clean has tendered for the whole cleaning schedule and have only supplied dollar figures as per the appraisal spreadsheet attached

CONFIDENTIAL

