

18.1 DESLUDGE PROGRAM TENDER - AWARD OF CONTRACT

Responsible officer: Shilo Wyatt, Manager Property and Development Services

Attachments: 1. **Tender Assessment - Desludge Tender 2021**  

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

This report enables Council to award the tender for the desludge of septic tanks for a five year period in Pinnaroo and Lameroo and at public facilities in Parilla and Geranium.

Council allocates operational budget annually for this ongoing service.

Council advertised tenders for the desludge of septic tanks for a five year period via the SA Tenders website. A total of four companies submitted tenders. The tenders were evaluated against predetermined tender assessment criteria. The preferred tenderer is Riverland Tank and Drain Cleaners for a contract price of \$77,062.85.

RECOMMENDATION

That Council awards the contract for the Desludge of Septic Tanks (five year program 2021/22 – 2025/26) in Pinnaroo and Lameroo townships and at public facilities in Parilla and Geranium to Riverland Tank and Drain Cleaners for a contract price of \$77,062.85 (ex GST and CPI increases for 2022/23 – 2025/26)

**MOVED COUNCILLOR NEVILLE PFEIFFER
SECONDED COUNCILLOR MICK SPARNON**

That Council awards the contract for the Desludge of Septic Tanks (five year program 2021/22 – 2025/26) in Pinnaroo and Lameroo townships and at public facilities in Parilla and Geranium to Riverland Tank and Drain Cleaners for a contract price of \$77,062.85 (ex GST and CPI increases for 2022/23 – 2025/26.

)CARRIED.

Background

Council’s Strategic Plan, Goal 3 identifies that Council will deliver the services and facilities to meet community needs. One way that council achieves this is via the desludging program for properties connected to the community wastewater management system (CWMS) in Lameroo and Pinnaroo. This program ensures that systems are inspected every five years to ensure that they are

compliant and operating efficiently. A properly operating CMWS is vital for the health and wellbeing of our communities.

The desludging program occurs in Lameroo and Pinnaroo over a five year period, with each town divided into five sections with a single section in each town being inspected and desludged each year. The public toilets in Geranium and Parilla are also desludged each year.

Council has historically engaged a third party provider to have the desludging activities carried out across the whole CWMS network over the five year period.

This program was reviewed and changes were made to the provider duties and properties identified relative to the previous program to ensure that the service continues to meet Council and community needs.

Context

Council called for tenders via SA Tenders website. The tender period opened on 29 March 2021 and closed 5pm 26 April 2021. Four tenders were submitted and all tenders were deemed to be conforming prior to evaluation by the Property and Development Services team.

Companies that provided a tender were Riverland Tank and Drain Cleaners, Jury's Liquid Waste, Upper South East Liquid Waste Pty Ltd, Loxton Tank and Drain Cleaning.

Tenders were evaluated against the assessment criteria by a panel comprising the Manager Property and Development and both of Council's Property and Development Services Officers. Tender prices provided by each company are all GST exclusive. A bid comparison summary and detailed tender evaluation is provided as an attachment to this report.

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

Riverland Tank and Drain Cleaners provided a clear lowest tender price. The assessment panel had some concerns relating to the potential quality of service deliver for such a low price relative to other tenderers. However other clients of Riverland Tank and Drain Cleaners have confirmed their satisfaction with the company's service.

As noted the contract price excludes GST. The price also excludes consumer price index (CPI) increases for years two to five of the program.

Alternate options

Council could accept a different tender firm. This is not recommended and if this did occur the reasons for this decision should be documented.

Financial implications

The cost of the septic tank desludge program is provided for as an operational cost in each annual budget.

Work Health and Safety and Risk implications

The submitted tenders included work health and safety components. There are no new risk implications associated with this matter.

Consultation

The tender process was public

CONFIDENTIAL

Desludge Tender:

Weighting	Tender Evaluation Schedule	Riverland Tank and Drain Cleaners Information	Score	Jury's Liquid Waste Information	Score	Upper South East Liquid Waste Pty Ltd Information	Score	Loxton Tank and Drain Cleaning Information	Score
5	Schedule 4 - Licences and Accreditation	Refer page 26 See Appendix 7 - EPA Licence	5	Refer page 26 + Copies of all licences / accreditation / membership are attached	5	Refer page 26 + Copies of all licences / accreditation / membership are attached	5	Refer page 26 + Copies of all licences / accreditation / membership are attached	5
5	Schedule 5 - Insurance	\$20M + Vehicles and Plant and Workers Comp. Refer page 27	5	\$20M + Vehicles and Plant + Workers Comp. Refer page 27	5	\$20M + Vehicles and Plant + Workers Comp. Refer page 27	5	\$20M + Vehicles and Plant + Workers Comp. Refer page 31	5
10	Schedule 6 - Work Health & Safety & Risk Management	refer page 28 Health and Safety Manual attached	10	refer page 28 Work Health Safety & Environmental Manual	8	refer page 28 Work Health Safety & Environmental Manual	3	refer page 32 EPA Licence attached page 33	3
10	Schedule 7 - Environmental Management System	refer page 29 refer Appendix 8 - Workplace Environment Policy	10	refer page 29 + addressed in above Manual	8	refer page 29	3	refer page 32 EPA Licence attached page 33	3
5	Schedule 11 - References	Berr Barmera Council \$300,000 (2018 - June 2021) Renmark Paringa Council \$300,000 (2018 - 2022) Department of Environment and Water \$50,000 (2020 - 2023) refer page 33	5	The Barossa Council \$149,000 per year (2013 - current and ongoing) Wattle Range Council \$50,000 (2017 - current and ongoing) Coorong District Council \$50,000 (2017 current and ongoing) - refer page 33	5	Desludging of District Tanks Tatura District Council (5 years) 888 Bordenown \$80,000 (25 years) Traeger Services Pty Ltd \$10,000 (15 years) - refer page 33	5	Kingston Estate Winery \$15K - \$18K per year (9 years) Wahene Council \$80K per year (9 years) Fruit Juice \$5K - 10 per year (9 years) - refer page 37	5
5	Schedule 12 - Statement of Conformity	N/A this tender refer page 34	0	N/A refer page 34	0	Unanswered refer page 34	0	Alternate Offer Schedule 18 - Pricing refer page 45 Section D - Number 10 refer page 38 Section D - Number 5 refer page 38 Section D - Number 11 refer page 38 Refer pages 39 - 40	5
5	Schedule 13 - Organisation Structure	Refer Appendix 6 - Further Organisation Details Refer pages 35 - 36	5	Refer pages 35 - 36	5	Refer pages 35 - 36	5	Refer pages 39 - 40	5
10	Schedule 14 - Experience	25 Years operation in the Riverland 2018 - Current - Renmark Paringa and Berr Councils	10	28 years - The Barossa, Wattle Range, Mt Murray and Coorong Councils and SA Water	10	Clinton Williams (Director) has 17 years of experience carrying out the services required for this contract. Bordenown, Keith, Mundulla and Wotseley	10	15 + years - Southern Waikerie District Council, Loxton Waikerie Council, Loxton Winery, Kingston Estate Winery, Pines Loxton, Nippys Fruit Juice, DPFI - servicing all Riverland Schools and Hospitals	10
15	Schedule 16 - Implementation Schedule	Refer to Page 43 - Anticipated commencement date - \$77,021 completion 29/07/2021	5	Refer to page 39 - no time line included	3	Refer to attachment - page 47 - 50 spread over a few months each year	12	All work to be carried out within a month of letters going to households and carried out each year before November	12
30	Schedule 18 - Pricing	2021/2022 - \$ 10,120.00 ex GST 2022/2023 - \$ 14,520.00 ex GST + CPI 2023/2024 - \$ 16,740.00 ex GST + CPI 2024/2025 - \$ 16,720.00 ex GST + CPI 2025/2026 - \$ 16,170.00 ex GST + CPI Refer pages 41 - 43 Total: \$77,062.85	30	2021/2022 - \$ 16,560.00 ex GST 2022/2023 - \$ 24,420.00 ex GST 2023/2024 - \$ 25,270.00 ex GST 2024/2025 - \$ 29,640.00 ex GST 2025/2026 - \$ 29,400.00 ex GST Refer pages 41 - 43 Total: \$125,280.00	18	2021/2022 - \$ 21,445.00 ex GST 2022/2023 - \$ 29,486.82 ex GST 2023/2024 - \$ 29,466.82 ex GST 2024/2025 - \$ 32,167.44 ex GST 2025/2026 - \$ 32,167.44 ex GST Refer pages 41 - 43 Total = \$144,758.52	21	2021/2022 - \$ 19,256.42 ex GST 2022/2023 - \$ 25,009.40 ex GST 2023/2024 - \$ 25,917.78 ex GST 2024/2025 - \$ 29,629.23 ex GST 2025/2026 - \$ 29,845.36 ex GST Refer pages 45 - 47 Total = \$128,658.22	21
100			85		74		62		74