

11.1.1 SUPPLY OF MOBILE GARBAGE BINS

LOCATION/ADDRESS	Shire of Augusta Margaret River
APPLICANT/LANDOWNER	Shire of Augusta Margaret River
FILE REFERENCE	WST32
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IN BRIEF

- On Thursday 21 February 2019, the Shire of Augusta Margaret River issued a Request for Quotation (“RFQ”) for the supply and delivery of Mobile Garbage Bins (MGBs) required in order to allow the commencement of the mandatory three-bin kerbside waste collection system previously endorsed by Council, and proposed to commence 1 July 2019.
- The scope of this Request included once-off supply and delivery of:
 - 8,000 red-lidded dark green 140-litre MGBs (complete units);
 - 3,500 lime green-lidded dark green 240-litre MGBs (complete units);
 - 1,500 yellow-lidded dark green 240-litre MGBs (complete units); and
 - 3,500 lime green lids to suit the Shire’s existing stock of 240-litre dark green MGBs.
- All bins lids will be required to be imprinted with details on the types of materials which can be placed in them for collection, and each bin will be required to be imprinted with the Shire’s logo.
- Delivery of the bins and bin lids is required to be made in time for roll-out of bins, anticipated to commence 1 May 2019 and be complete by 28 June 2019.

RECOMMENDATION

That Council:

1. Awards Sulo MGB Australia Pty Ltd as the successful tenderer for the supply and delivery of Mobile Garbage Bins for the price stated in the Confidential Attachment; and
 2. Gives the CEO delegated authority to form the Contract inclusive of any satisfactory contract negotiations and resultant amendments.
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LOCATION PLAN

Nil

TABLED ITEMS

RFQ 021920 Supply of Mobile Garbage Bins

BACKGROUND

Council has resolved to introduce a mandatory three-bin system commencing 1 July 2019 – on the expiration of the current kerbside waste collection contracts – with the third bin being for food organics and garden organics (FOGO).

To facilitate this change, the current green-lidded 240-litre MGBs will either have their lids changed out for lime-green lids, or be replaced with new 240-litre lime green lidded bins. These lime green lidded bins will be used for collection of FOGO. It is also intended to introduce a 140 litre red-lidded MGB for the collection of general waste. The fortnightly recycling collection service utilising 240 litre yellow-lidded MGBs will become a mandatory service.

CONSULTATION AND ADVICE

External Consultation

Extensive community consultation was undertaken throughout the Feasibility Study to determine the community’s preference for their waste service. The decision was unanimously in favour of

commencing a 3-bin system. Quotations were sought for the new MGBs using WALGA eQuotes and three suppliers were asked to provide quotations. Two quotations were received.

Internal Consultation

Consultation with internal stakeholders occurred concurrently with the external consultation and again, a 3-bin system was well supported.

DISCUSSION / OFFICER COMMENTS

The Shire currently operates a two-bin system for kerbside general waste and an opt-in recyclables collection. Townships within the Shire – Augusta, Witchcliffe, Margaret River, Cowaramup, Gnarabup, Prevelly and Gracetown – all receive a weekly kerbside general waste collection service utilising 240 litre green-lidded Mobile Garbage Bins (MGBs), and an opt-in fortnightly recycling collection service utilising 240 litre yellow-lidded MGBs.

The current system achieves very low diversion of waste away from landfill. As a key recommendation of the Feasibility Study, it was proposed and agreed to implement a three-bin system to increase the diversion of waste from landfill and ensure that as much waste as possible is converted into reusable products and returned for use within the community.

The introduction of a three-bin system will achieve a much higher diversion of waste away from landfill and will result in more and cleaner recyclables being collected. Organic waste is approximately half of the residential waste generated in the region and is readily converted into compost for the local agriculture and viticulture markets. Diverting organics and increasing recycling will ensure that the Shire's Strategic objectives are met.

The submissions to supply new bins and lids represented good value for money. As the Evaluation Report reveals, the bins and parts to be supplied are very similar and the scores of both Respondents were very close. Clarifications confirmed that both Respondents were able to satisfactorily deliver the bins and lids within the specified timeframe. Further details of the Evaluation Panel's decision can be found in the attached Evaluation Report.

It is imperative that a bin purchase agreement is resolved as soon as possible to enable the significant process of supply and roll-out of the new system to commence.

STATUTORY ENVIRONMENT / LEGAL IMPLICATIONS

Section 3.57 of the *Local Government Act 1995*.

STRATEGIC PLAN / POLICY IMPLICATIONS

Community Strategic Plan 2036 (CSP)

Key result area 3: Ensuring sustainable development

Objective: The community's environmental, economic, cultural and social values are maintained to ensure vibrant, sustainable townships which maintain their distinctive country character within a healthy, managed environment.

Outcome 4: Sustainable resource use and waste management Shire role

- 1: Treat waste as a resource
- 2: Reduce raw material use and increase material and energy recovery
- 3: Reduce environmental impact of waste and maximise conservation of natural resources
- 4: Encourage the community to reduce, reuse and recycle

KPI

70% of waste received at disposal sites is diverted from landfill

PLANNING FRAMEWORK

Nil

FINANCIAL IMPLICATIONS

Council has established a Waste Management Reserve for the purpose of infrastructure and capital projects. The annual budget is set for the management of the Shire's waste facilities and provision of waste services. Supply of goods and services are generally obtained through a tender process to ensure Council receives value for money outcomes and complies with its obligations under section 3.57 of the *Local Government Act 1995*.

An RFQ was issued to supply new 140L red-lidded general waste bins, lime green lids and bins to replace existing damaged general waste bins which will become FOGO bins, and to supply recycling bins to those properties who do not currently recycle. The prices submitted are within the anticipated expenditure range of up to \$500,000. The Shire has applied for and is likely to receive a grant of \$240,000 to offset the cost of a portion of the MGBs in the 2019/20 financial year. Purchase of the bins is subject to Council endorsement of the funding required to purchase the bins, which is anticipated to be funded through reserves.

Funds are to be transferred from the Shire's Waste Management Reserve as part of the mid-year budget review for the outright purchase of bins. There will be no impact on the bottom line of the Shire's annual budget for the 2018/19 Financial Year.

SUSTAINABILITY IMPLICATIONS

Environmental

The introduction of the three-bin system will achieve a significant reduction in greenhouse gas from landfilling when the majority of the organic waste is diverted for processing into compost. Ultimately, some 70% of waste will be diverted from landfill. This will extend the life of the landfill and reduce air and groundwater emissions.

Social

The community has sent a clear message that it is their preference to have a more sustainable means of disposing of its waste and would like to see more reprocessing of waste in the region. The three-bin system gives them the opportunity to take some action and make a difference to the environment. It is the goal to ultimately see a composted product returned to the community free of charge.

Economic

The price tendered represents value for money for the goods supplied. The Shire will own the bins which will become an asset and be amortised over a 10 year period. Bin numbering and recording ensures that bins allocated to a property are charged for and recovered in the annual rates.

VOTING REQUIREMENTS

Simple Majority

RECOMMENDATION

That Council:

1. Awards Sulo MGB Australia Pty Ltd as the successful tenderer for the supply and delivery of Mobile Garbage Bins for the price stated in the Confidential Attachment; and
2. Gives the CEO delegated authority to form the Contract inclusive of any satisfactory contract negotiations and resultant amendments.

ADVICE TO APPLICANT / PROPONENT

Sulo MGB Australia Pty Ltd be advised that they are the preferred supplier for Mobile Garbage bins.

ATTACHMENTS

1. Confidential Evaluation Report