

7.8 Contract 2021/72 - Tree Root Services

Abstract

This report seeks Council endorsement for the award of Contract No. 2021/72 - Tree Root Services. This contract will provide tree root services for an initial contract term of three (3) years with two possible extensions of two years each available up to a total contract period of seven (7) years. It is a schedule of rates panel supplier contract, and is a replacement for the existing contract which has reached the end of its term.

The estimated cost of this contract in 2021/2022 is \$972,000 excluding GST per annum which is in accordance with Council's proposed 2021/2022 budget.

Confidential information is contained in **Attachment 1** as circulated in the confidential section of the agenda attachments, in accordance with Section 66 (2)(a) and the definition of 'confidential information' in Section 3(1) of the *Local Government Act 2020*, as the information relates to private commercial information, being information provided by a business or commercial undertaking that, if released, would unreasonably expose the business or commercial undertaking to disadvantage. This item has been included in the public agenda to facilitate transparency and accountability in Council's decision making.

If discussion of the confidential information in the attachments to this report is required in order for Council to make a decision, this item will be deferred to the confidential section of the agenda.

Officers' recommendation

That Council resolve:

1. To award Contract No. 2021/72, Tree Root Services to:

Panel A - Consultancy

- ENSPEC Pty Ltd (ABN 92062909255)
- Greenscape Tree Consulting Pty Ltd (ABN 28848635812)

Panel B - Practical Works

- Rootcontrollers Pty Ltd (ABN 32065581133)
- Citywide Service Solutions Pty Ltd (ABN 94066960085)

at their tendered schedule of rates for an initial contract term of three (3) years with two possible extensions of two years each to a maximum contract term of seven (7) years. The estimated contract cost for the maximum term is \$7,484,400 (including GST). The cost to Council after the return of the GST Tax Input Credits is \$6,804,000.

2. To authorise the Director Places and Spaces to execute the contract agreements with the above contractors.
3. To authorise the Director Places and Spaces to negotiate extensions to the contract with the above contractors up to the maximum seven (7) year term.

4. To note that expenditure under this contract in 2021-2022 is in accordance with Council's adopted budget and expenditure in future years will be in accordance with the approved budget allocations.

Responsible director: Daniel Freer, Director Places and Spaces

1. Purpose

The purpose of this report is for Council to give consideration to the awarding of Contract No. 2021/72, Tree Root Services.

2. Policy implications and relevance to community plan and council plan

This tender process has been carried out in accordance with the requirements of the Local Government Act, Council's Contracts and Tendering Probity Policy and Council's Procurement Policy.

3. Background

Council has an ongoing need for a panel of contractors to carry out tree root services to address conflicts with infrastructure in a manner that does not impact on the health and structure of trees and provides a safe environment for residents throughout the municipality. In order to perform this task, Council requires a panel of suitably qualified organisations for the provision of professional tree root services in accordance with the requirements of the specification.

Service delivery will be of varying scales and in various locations throughout the municipality. Works will be allocated according works identification and in respect to the Contractors' resourcing and skills being matched to the job requirements. Larger, more complex works will be subject to a quotation process, while smaller, reactive works will be allocated to specific Contractors to ensure timely service provision.

Invitation to tender

In accordance with Council's procurement procedures and Section 186 of the *Local Government Act 2020*, Council invited public tenders from suitably qualified organisations for the provision of tree root services. An invitation to tender was advertised in the local government tenders section of "The Age" newspaper on Saturday 9 October 2021 and on Council's website. The closing date for submissions was 4pm, Wednesday, 3 November 2021.

In response to the advertisement, Council received seven submissions:

- C& R Ryder Consulting Pty Ltd
- Citywide Service Solutions Pty Ltd
- ENSPEC Pty Ltd
- Greenscape Tree Consulting Pty Ltd
- R. Greenwood Consulting Pty Ltd
- Rootcontrollers Pty Ltd
- Tree Mason Gippsland Pty Ltd

4. Outline of key issues/options

While works are reactive in nature, a review of the previous contract term indicates there is currently an appropriate balance between service levels and budgeting levels. This tender sees no significant movement in either levels of service or cost of service.

The proposed contracts do not guarantee any contractor a minimum quantity of work in relation to any of the contract components.

5. Consultation/communication

Internal consultation with contract users across the Places and Spaces directorate was undertaken in reviewing the service specification.

6. Financial and resource implications

Council's 2021/2022 Root Pruning Account (no. 24701-53082) contains a total allocation of \$972,000 for tree root services. At the time of writing this report, \$264,998 of the budget amount had been spent or committed to under the existing Contract (no. 2016/137), which includes:

- tree root pruning
- tree root barrier installation
- tree root grinding
- asphalt and concrete footpath reinstatement
- tree root/infrastructure conflict inspection and assessment.

The balance of this budget allocation (\$707,002) is to be used for delivering the same services under the replacement Contract that is the subject of this report.

Council does not guarantee the appointed Contractors a minimum quantity of work in relation to any of the Contract components. The amount of works performed will be in accordance with the need and budgetary allocations each year.

Payment will be made in line with the respective Tenderer's Schedule of Rates.

7. Governance issues

The implications of this report have been assessed in accordance with the requirements of the Victorian Charter of Human Rights and Responsibilities. This tender process has been carried out in accordance with the requirements of Council's Contracts and Tendering Probity Policy and Council's Procurement Policy.

8. Social and environmental issues

Implementation of this contract is undertaken to minimise impact on hard assets (footpaths, roads, drains, fences) so they can provide safe environments for the community while also minimising the impacts on our living assets in order to maintain and increase canopy cover. Decisions on the type of intervention and scale of that intervention are made to provide the maximum social and environmental benefit possible.

9. Evaluation and review

The tender evaluation report is provided as **Confidential Attachment 1.**

As a result of the tender evaluation, the evaluation panel recommends that Council award Contract No. 2021/72, Tree Root Services to:

Panel A - Consultancy

- ENSPEC Pty Ltd (ABN 92062909255) and;
- Greenscape Tree Consulting Pty Ltd (ABN 28848635812)

Panel B - Practical Works

- Rootcontrollers Pty Ltd (ABN 32065581133) and;
- Citywide Service Solutions Pty Ltd (ABN 94066960085)

at their tendered schedule of rates. The estimated contract cost for the maximum term is \$7,484,400 (including GST). The cost to Council after the return of the GST Tax Input Credits is \$6,804,000.

Manager: David Shepard, Manager Environmental Sustainability & Open Spaces

Report officer: Phillip Jansen, Vegetation Compliance Officer