

## 7.9 Contract 2021/71 Tree Planting and Establishment

### Executive Summary

This report seeks Council endorsement for the award of Contract No. 2021/71 - Tree Planting and Establishment. This contract will provide tree planting and maintenance services for an initial contract term of three (3) years with two possible extensions of two (2) years, then one (1) year available up to a total contract period of six (6) years. It is a schedule of rates 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 \$215,042 excluding GST which is in accordance with Council's adopted 2021/2022 budget. The estimated total contract cost over the maximum term of six years is \$6,201,572 (excluding GST).

### Background

This contract will replace the previous contract 2016/36 Tree Planting and Establishment which has expired.

Though this contract Council will increase tree planting to meet commitments in the Boroondara Community Plan and Climate paction Plan.

### Confidentiality

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 definitions of 'confidential information' in section 3(1) of the *Local Government Act 2020*. The information relates to private commercial information, being information provided by a business, commercial or financial undertaking that if released, would unreasonably expose the business, commercial or financial undertaking to disadvantage; The 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 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. 2021/71, Tree Planting and establishment, to Citywide Service Solutions Pty Ltd (ABN 94 066 960 085) at their tendered schedule of rates for an initial contract period of three (3) years plus optional extension period/s to be exercised at the discretion of Council. The estimated total contract cost over the maximum term of six years is \$6,201,572 (excluding GST).
2. To authorise the Director Places and Spaces to sign and execute the contracts on behalf of the Council and to authorise invoices to an amount not exceeding \$6,201,572 excluding GST.

3. To authorise the Director Places and Spaces to negotiate and execute optional extension periods up to the maximum six (6) year term.
4. To note that expenditure under this contract is in accordance with Council's 2021/22 adopted budget and expenditure in future years will be in accordance with the approved budget allocations.

**Responsible director: Daniel Freer, Director Places and Spaces**

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## **1. Purpose**

The purpose of this report is for Council to give consideration to the awarding of Contract No. 2021/71, Tree Planting and establishment.

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

This contract will enable Council to meet our commitments under:

The Boroondara Community Plan 2021-31:

2.2 Our sustainable urban forest is preserved and increased through managing and renewing our open space trees and understorey growth.

3.5 Our leafy streetscapes are maintained and improved through advocating for careful project planning by government regulatory and project authorities, supported by the increased planting of resilient species.

The Boroondara Climate Action Plan

To increase the current number of street trees from 66,000 to 80,000 by 2030

The Boroondara Climate Action Plan - Implementation Plan:

2.3 Undertake annual street tree planting and renewal of 1000 trees per year.

This procurement process has been carried out in accordance with the requirements of Council's Procurement Policy 2021-25.

## **3. Background**

Council requires a suitably qualified organisation to plant, water and maintain young trees in accordance with the requirements of the contract specification. This contract is a replacement of the previous contract: 2016/36 Tree Planting and Establishment. The significant change in the new contract is that the maintenance period has been increased from 2 years to 3 years.

The reasons for this increase are:

- The additional year of watering will ensure a greater survival rate, especially through extreme summer temperatures.
- The watering pattern in year 3 will be transitioned to less frequent watering, but more water applied each time. This is to aid the young trees in developing deeper roots, so they will be better able to survive after the maintenance period, when they will not be watered.
- The additional formative pruning will result in trees with a better structure and a greater opportunity to shape the growth of the future tree around nearby assets, such as powerlines. This will reduce pruning requirements once the trees mature.
- The clear research demonstrating that greater investment in establishing young healthy trees with a good structure will result in better performing trees throughout their life.

This contract will also involve increased tree planting in line with Council's Climate Action Plan commitments. These planting opportunities will be identified through capital projects, street tree renewal projects, in-fill planting, and resident requests. To support this commitment, and to manage this contract Council has also created a Tree Planting and Establishment Officer for a 3-year term.

### **Invitation to tender**

In accordance with Council's Procurement Policy 2021-25, Council invited public tenders from suitably qualified organisations to supply, plant and maintain young trees on streets and Council managed land. An invitation to tender was advertised in the local government tenders section of "The Age" newspaper on Saturday 1 January 2022 and on Council's website. The closing date for submissions was 4pm, Friday 28 January 2022.

In response to the advertisement, Council received six submissions:

- Citywide Service Solutions.
- Summit Open Space Services
- Valyarra
- Flemings Landscapes
- Sevron
- ACE Landscape services

## **4. Outline of key issues/options**

Trees play an important role in our community in establishing neighbourhoods that respond to increased temperatures and storms. Selection of species for planting locations is delivered through a consultative process giving consideration to the range of infrastructure and streetscape outcomes sought.

## **5. Collaborative Procurement Opportunities**

Discussion were held with neighbouring councils who all have established contracts for tree planting. None of these contracts were expiring soon enough to make collaborative procurement viable.

## **6. Consultation/communication**

Internal consultation was carried prior to developing the specification for this contract. As a result, the maintenance period following planting has been increased from 2 years to 3 years.

## **7. Financial and resource implications**

Council's 2021/22 adopted budget contains more than the \$215,042 required for the supply, planting and maintenance of trees on Council managed land under this contract.

Council's 2021/2022 Street tree Planting Account (no. 24405) contains a total allocation of \$253,125 for tree planting and maintenance. At the time of writing this report, \$109,361 of the budget amount had been spent or committed to under the existing Contract (no. 2016/36), which includes:

- Supplying tree stock
- Planting tree stock
- Maintaining tree stock

The balance of this budget allocation (\$143,764) is to be used for delivering the same services under the replacement Contract that is the subject of this report.

Council's 2021/2022 Increased Street tree Planting Account (no. 81104) contains a total allocation of \$240,000 for tree planting and maintenance. At the time of writing this report, none (\$0) of the budget amount had been spent or committed to under the existing Contract (no. 2016/36).

Therefore, of the budgeted amount (\$240,000), \$71,278 is to be used this financial year for delivering the same services under the replacement Contract that is the subject of this report. The remaining \$168,722 will be spent in the first quarter of 2022/23 as part of this winter's planting season.

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.

## **8. Governance issues**

The implications of this report have been assessed in accordance with the requirements of the Victorian Charter of Human Rights and Responsibilities.

The officers responsible for this report have no general or material interests requiring disclosure.

This tender process has been carried out in accordance with the requirements of Council's Procurement Policy 2021-25.

## **9. Social and environmental issues**

This contract will have a positive outcome on the Boroondara environment, as it aims to plant 10,300 new trees across the municipality during the six years of the contract period. This will increase the canopy cover and available shade which will mitigate the effects of urban heat island effect as well as extreme heat events. The benefits will also include reduced noise pollution, air pollution, and peak storm water flows.

This will also have positive effects for our community, and for social well-being linked to well maintained, attractive green spaces and tree lined streets.

## **10. Evaluation and review**

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

As a result of the evaluation, the evaluation panel recommends that Council award Contract No. 2021/71, Tree Planting and Establishment to Citywide Service Solutions Pty Ltd

**Manager:** **David Shepard, Manager Environmental Sustainability & Open Spaces**

**Report officer:** Alannah Matheson, Acting Tree Coordinator