

3.6 Contract No. 2020/110 - Parks and Streetscapes Mowing Services

Abstract

This report seeks Council endorsement for the award of Contract No. 2020/110, Parks and Streetscapes Mowing Services. This Contract involves the provision of Parks and Streetscape Mowing Services throughout the City of Boroondara.

The estimated cost of this contract for a five year contract term is \$10,893,146 (including GST) excluding any price adjustment due to rise and fall. The estimated cost to Council after return of GST Input Credits is \$9,902,860.

Because of the value of the Contract it was publicly advertised in accordance with the requirements of Section 186 of the *Local Government Act 1989*.

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 the Services Delegated Committee resolve to:

1. Award Contract No. 2020/110, Parks and Streetscapes Mowing Services, to Citywide Service Solutions Pty Ltd (ACN 066 960 085), at their tendered annual lump sum pricing and schedule of rates for an initial period of three years, with two possible further extensions of one year each to a maximum contract term of up to five years. The estimated value over the maximum contract term is \$10,893,146 (including GST) excluding any price adjustment due to rise and fall. The estimated cost to Council after return of GST Input Credits is \$9,902,860.
2. Authorise the Director Places and Spaces to execute the contract agreements with the above Contractor.
3. Authorise the Director Places and Spaces to negotiate extensions to the Contract with the above Contractor to the maximum five year contract term.
4. Note that expenditure under this Contract in 2020-21 requires a reallocation of \$1,342 which will be accommodated within 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. 2020/110, Parks and Streetscapes Mowing Services.

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

This Contract aligns with the following themes and strategies in the Boroondara Community Plan (2017-27) and Council Plan (2017-21):

Theme One - Your Community, Services and Facilities

Strategy 1.6: Create and maintain public areas, facilities, amenities, footpaths and spaces that are inviting, clean and appropriately lit to increase social connection and improve the perceptions of safety.

Strategy 1.11: Ensure Council's assets are suitable for community use through proactive asset inspections, maintenance of asset data in the corporate asset system and development of Asset Management Plans.

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

3. Background

This contract is a replacement for existing Contract No. 2011/34, Open Space Services, which will expire 30 November 2020. This contract will commence 1 December 2020.

Council is committed to efficiently and effectively servicing the community through protecting, enhancing and developing the Council's physical and social environment. A major imperative of the organisation is a business culture of continuous improvement that is focused on customer service.

The Contractor for the Parks and Streetscapes Mowing Services will provide professional services and become familiar with the historical, cultural and community requirements that are interwoven with the Parks and Streetscapes Mowing Services responsibilities. The quality and outcome of this service directly impacts our community and their use of open space areas on a day to day basis.

The Contractor will be responsible for providing day to day operational and field activities of the Services. This will be underpinned by the supply of detailed reports for Council information and assessment. The Contractor will give the highest priority to resourcing and scheduling. Council will oversee and support a process that will enable the attainment of high customer service standards in the performance of the services under the Contract.

In line with its responsibilities and statutory requirements, Council will retain control and responsibility for all strategic planning, capital works planning and development. Management and legal supervision of all contracted services including enforcement of regulations will be Council's responsibility.

Scope of Services

The services to be provided under this Contract are the management and execution of Parks and Streetscapes Mowing Services maintenance tasks at specified frequencies for defined work sites in the Municipality, in accordance with the Specification.

The Parks and Streetscapes Mowing Services to be performed by the Contractor typically include, but are not limited to, the following general items:

- maintenance of grass areas;
- cleaning of paths and hard surfaces;
- site inspections and reporting Open Space asset damage and maintenance needs;
- litter collection and disposal;
- herbicide application;
- emergency response;
- general administration, process planning and reporting; and
- services programming and monitoring.

The Parks and Streetscapes Mowing Services are to be provided to:

- parks and reserves;
- car parks and road reserves; and
- sportsground surrounds,
- within the City of Boroondara.

Other related services may also be directed by the Supervisor under the Schedule of Rates or through a quotation process.

Key Service Objectives

The Specification has been prepared with a view to delivering a range of Parks and Streetscapes Mowing Services that:

- are of high quality;
- are cost effective, reliable and efficient; and
- comply with Government Acts and regulations, and Council's local laws and policies.

The required key service objectives are the provision of comprehensive, well managed and effective Parks and Streetscapes Mowing Services that:

- ensures the safety of the public in its use of the defined assets;
- protects the environment and minimises any adverse impacts on existing and surrounding assets;
- provides courteous and responsive customer service in accordance with Council policies and practices; and

- maintains the defined assets in the condition required by Council specifications and practices to enhance and support the City of Boroondara's unique character.

Key Service Outcomes

The required key service outcomes are:

- a collaborative relationship between Council and the Contractor;
- proactive, responsive and high quality systems, management and administrative personnel;
- efficient and effective trade operatives, materials and equipment that can respond with speed, quality, flexibility and dependability as required;
- effective environmental and risk management strategies;
- strong customer service strategies; and
- responsive and reactive management philosophies.

Invitation to Tender

In accordance with Council's procurement procedures and Section 186 of the Local Government Act 1989, Council invited public tenders from suitably qualified and experienced organisations to provide Parks and Streetscapes Mowing Services throughout the City of Boroondara. An Invitation to Tender was advertised in the local government tenders section of "The Age" on Saturday, 7 March 2020 and on Council's website. The closing date for submissions was 4:00pm, Tuesday 28 April 2020.

In response to the advertisement, Council received submissions from the following six organisations:

- Asplundh Tree Expert (Australia) Pty Ltd **ACN** 055 140 424 trading as Summit Open Space Services;
- Citywide Service Solutions Pty Ltd **ACN** 066 960 085;
- Green Options Pty Limited **ACN** 002 456 797;
- Landscape Solutions Maintenance Pty Ltd **ACN** 097 217 493;
- MACA Infrastructure Pty Ltd **ACN** 604 456 055; and
- Skyline Landscape Services (Vic) Pty Ltd **ACN** 146 508 858.

4. Outline of key issues/options

It is envisaged that there are no issues.

5. Consultation/communication

Internal consultation across the appropriate teams within the Parks and Infrastructure Department informed the development of the specification and associated tender documents.

6. Financial and resource implications

Council's 2020-21 adopted budget contains the following allocations:

Item	Ex GST
Budget Allocation	\$1,935,195
Less expenditure and commitments to date	\$ 329,158
Less estimated costs to 30 Nov 20	\$ 483,879
Less new contract cost to 30 June 21	\$1,123,500
Shortfall in Budget	-\$ 1,342

The cost of this service exceeds the funds available in Council's adopted budget 2020-21. Endorsement of this contract as proposed will require additional funding of \$1,342 which will be accommodated within the existing department budget allocation and that future year foreshadowed budgets will be adjusted accordingly.

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.

The officers responsible for this report have no direct or indirect interests requiring disclosure.

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

8. Social and environmental issues

The recommendation contained in this report is consistent with Council's desire to enhance community well-being through maintenance and improvement of parks and streetscapes throughout the City of Boroondara. It is anticipated that the services will enhance the amenity of parks and ovals within the City of Boroondara.

9. Evaluation and review

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

As a result of the tender evaluation, the Tender Evaluation Panel recommends that Council award Contract No. 2020/110, Parks and Streetscapes Mowing Services, to Citywide Service Solutions Pty Ltd (ACN 066 960 085), at their tendered annual lump sum pricing and schedule of rates for an initial period of three years, with two possible further extensions of one year each to a maximum contract term of up to five years.

The estimated value over the five year maximum contract term is \$10,893,146 (including GST) excluding any price adjustment due to rise and fall. The estimated cost to Council after return of GST Input Credits is \$9,902,860.

Manager: George Batsakis, Acting Manager Waste and Infrastructure

Report officer: Craig Woods, Coordinator Parks