

12.0 URGENT BUSINESS (LATE REPORTS)

12.2 Contract Award - Supply of FOGO Bins

File Code	PR.RFQ 10.2334
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Disclosure of Any Interest	NIL
Attachments	1. RFQ 10.23.24 Recommendation Report - Supply FOGO Bins (confidential)

PURPOSE

The Shire of Mundaring has committed to rolling out a Food Organics Garden Organics (FOGO) collection service to all residential properties with a standard waste service, commencing in July 2024.

In preparation of this service commencing, staff have sought quotations from bin suppliers and is now seeking approval from Council to award this contract. Delays in awarding this contract risk bins not being available in time to commence the service.

BACKGROUND

The Shire has been working toward implementing the third FOGO bin service since 2020, when the State Government adopted a State Waste Strategy, which included encouraging local governments to take up the 3-bin system by 2025 to divert food waste from landfill.

At the 13 October 2020 Council meeting, when Council first considered the introduction of FOGO, Council resolved **(C14.10.20)**:

“That Council approves, in principle, the introduction of a third bin FOGO system consistent with the State’s and EMRC’s FOGO strategies and best practice guidelines, with final confirmation to be considered following the EMRC tender process for a permanent FOGO facility and receipt of a draft participants’ agreement.”

At the 13 June 2023 Council meeting, it was resolved **(C1.06.23)**;

“That Council:

1. authorises the Chief Executive Officer to negotiate a Participants Agreement and supporting documentation for the introduction of FOGO via an interim FOGO supply arrangement with EMRC, to commence 1 July 2024 with collection of bins to be undertaken by EMRC as part of the regional waste collection service arrangement; and

2. notes the final draft Interim FOGO Supply Agreement document will be presented to a future Council meeting for endorsement.”

Most recently at the 8 August 2023. Council meeting, it was resolved (**C12.08.23**);

That Council:

- 1. endorses the Interim FOGO Participants Agreement at Confidential Attachment 1 with EMRC; and*
- 2. authorises the Chief Executive Officer to finalise any minor amendments to the Agreement to enable the introduction of FOGO from 1 July 2024.*

This Agreement is in the process of be signed.

A key action to introduce FOGO is the purchase of new FOGO bins.

STATUTORY / LEGAL IMPLICATIONS

The value of the purchase of the bins requires adherence to the purchasing requirements of the *Local Government Act 1995* and *Local Government Functions and General Regulations 1996* was required.

POLICY IMPLICATIONS

The purchase for the supply of the bins was advertised as a Request for Quote through the WALGA E-Quote online portal, as permissible in Purchasing Policy (Policy AS-04). Noting when advertising through the WALGA portal it is a tender exempt process, as the suppliers have been prequalified. Contracts valued at more than \$325,000 (excluding GST) over three years must be presented for approval to Council.

FINANCIAL IMPLICATIONS

A budget allocation of \$1.8M has been allocated for the rollout of FOGO. Included in this budget is the purchase of new FOGO bins. The cost of \$798,450.00 exc GST is consistent with the allowance for new bins.

STRATEGIC IMPLICATIONS

Mundaring Strategic Community Plan 2020 - 2030

Priority 2 - Natural Environment

Objective 2.3 – Waste management that is efficient and sustainable

Strategy 2.3.1 – Provide efficient waste collection services

SUSTAINABILITY IMPLICATIONS

The collection of a third bin FOGO service will continue to offer cost and environmental benefits through the synergies of all the waste collection and disposal methods used by EMRC within the context of a 'circular waste economy' mindset. These actions strongly align with the Strategic Community Plan and community vision for Shire of Mundaring to be "The Place for Sustainable Living."

RISK IMPLICATIONS

Risk: Reputation – By not awarding the supply of FOGO bins to the preferred supplier, could result in the Shire not being able to meet the July 2024 commencement date of the FOGO service resulting in adverse public reactions.		
Likelihood	Consequence	Rating
Possible	Moderate	Moderate
Action / Strategy		
Council award the contract for the supply of FOGO bins.		

EXTERNAL CONSULTATION

Nil

COMMENT

Quotations for the Supply of FOGO Bins, Caddy Bins and Caddy Liners was sought through the WALGA Preferred Supplier Panel (E-Quotes) which closed at 2.00 pm on Monday 6 November 2023.

At the close of the advertising period only one submission was received.

Tender	Tender Lump Sum Price (exc. GST)
Contractor A	\$798,450.00

An assessment of the submission has been completed including with known rates of competitors. This contractor has consistently providing the best rates and is the only contractor that can meet the quantity and timing requirements for the supply of bins.

Given a large number of orders being received from a number of Local Governments this contractor can only hold this offer until Wednesday 15 November 2023 after which prices will increase nor be capable of supplying the bins in the required timeframe.

VOTING REQUIREMENT

Simple Majority

RECOMMENDATION

That Council approves the purchase for the supply of FOGO bins to Contractor A at the lump sum price of \$798,450.00 exc GST