

ORDINARY MEETING	8
5 JUNE 2024	

PREFERRED SUPPLIER ARRANGEMENT (PSA) 2931 - CLEANING OF GROSS POLLUTANT TRAPS (GPTS)

63/1/402 | #7411281

RECOMMENDATION:

That Council:

1. Appoints contractors to Preferred Supplier Arrangement (PSA) 2931 – Cleaning of Gross Pollutant Traps on the following basis:

Separable Portion 1 – 1st preference - Magnum Plumbing Pty Ltd;
2nd preference - Relining Solutions

Separable Portion 2 – 1st preference - Magnum Plumbing Pty Ltd;
2nd preference – Relining Solutions

Separable Portion 3 – 1st preference - Magnum Plumbing Pty Ltd;
2nd preference – Relining Solutions

for a term of two years commencing on 1 July 2024 with two extension options of up to 12 months each available at Council’s discretion.

2. Delegates authority to the Chief Executive Officer in accordance with the *Local Government Act 2009* to enter into contract, negotiate, finalise and execute any and all matters associated with or in relation to this contract subject to Council’s normal procurement policies and practices.

INTERESTED PARTIES:

- Total Drain Cleaning Services Pty Ltd, trading as TDG Environmental
- Pipe Replacement Solutions Pty Ltd, trading as Relining Solutions
- Magnum Plumbing Pty Ltd
- The Trustee for J & P Foyle Contractors Trust, trading as J & P Foyle Contractors

Note: The identification of interested parties is provided on a best endeavours basis by Council Officers and may not be exhaustive.

EXECUTIVE SUMMARY:

The cleaning of Gross Pollutant Traps (GPTs) is a critical operational activity and ensures that litter and solid debris washing into stormwater systems is removed regularly to prevent build up and blockages. Removing gross pollutants from stormwater runoff before it enters waterways is a key element of maintaining water quality in the community.

A public tender process was undertaken to establish a Preferred Supplier Arrangement (PSA) 2931 – Cleaning of Gross Pollutant Traps. The new arrangement will be established for a term of two years with two further extension options of 12 months each available at Council’s discretion, subject to satisfactory contractor performance. The PSA was divided into three separable portions, servicing different geographical zones within the Cairns region.

Three submissions were received and following evaluation, Council approval is sought for the arrangement to be awarded as follows:

- Separable Portion 1 – 1st preference – Magnum Plumbing Pty Ltd; 2nd preference – Relining Solutions
- Separable Portion 2 - 1st preference - Magnum Plumbing Pty Ltd; 2nd preference – Relining Solutions
- Separable Portion 3 - 1st preference - Magnum Plumbing Pty Ltd; 2nd preference – Relining Solutions

The maximum spend, dependent on all GPTs being cleaned in the 2024/25 financial year is covered under the budget.

BACKGROUND:

There are approximately 283 GPTs in the Cairns region (34 in the Central District, 144 in the North District and 105 in the South District). This number is steadily increasing as new urban areas are developed and new GPTs are being constructed. Council does not currently possess the equipment to undertake this activity with its own internal resources and must therefore seek the services of external contractors.

Cleaning of GPTs typically requires the use of a vacuum truck and a disposal truck for transporting the waste products to one of Council’s waste sites. Larger GPTs require the use of a mobile crane, or combination of these methods. These operations are generally carried out on an annual basis, but sometimes more or less depending on the volume within the GPTs baskets which is ascertained by the inspection program conducted by Council Officers.

The cleaning and maintenance service contributes to Council’s goal of protecting and enhancing the environment by minimising the impact of foreign material entering the reef and ocean.

There are 13 GPTs directly impacted by either tidal conditions or the water table. These GPTs require more specialised plant (high performance vacuum truck) and inflatable plugging equipment, to prevent water ingress during the cleaning procedure.

- Separable Portion 1 – Northern District (approx. 144 Gross Pollutant Traps)
- Separable Portion 2 – Central District (approx. 34 Gross Pollutant Traps)
- Separable Portion 3 – Southern District (approx. 105 Gross Pollutant Traps)

COMMENT:

Council invited tenders pursuant to section 228 and section 233 of the *Local Government Regulation 2012 (Qld) (Regulation)*. Tenders for PSA 2828 were advertised on 7 February 2024 and closed on 4 March 2024.

At tender closing time submissions were received from the following four companies for the works:

- Total Drain Cleaning Services Pty Ltd, trading as TDG Environmental (non-local) – all portions
- Pipe Replacement Solutions Pty Ltd, trading as Relining Solutions (local) – all portions
- Magnum Plumbing Pty Ltd (local) – all portions
- The trustee for J & P Foyle Contractors Trust, trading as J & P Foyle Contractors (local) – Separable Portion 3 only – Southern District

The evaluation panel had regard for the sound contracting principles described in section 104 of the *Local Government Act 2009 (Qld)* when evaluating the submissions. Each tender submission was checked for conformance and evaluated and scored by the evaluation panel based on standard qualitative criteria, which included the following:

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| • Criteria A – Relevant experience | 20% |
| • Criteria B – Key personnel skills and equipment | 15% |
| • Criteria C – Management systems, understanding and methodology | 15% |
| • Criteria D – Business profile | 10% |
| • Criteria E – Value for money | 40% |

The Tenderers were given the option to provide pricing for two cleaning options in their schedule of rates:

- Option 1 - Cleaning cost for vacuum clean only (trap basket not removed during cleaning process)
- Option 2 – Cleaning cost for vacuum clean including the removal of the trap basket.

Option 2 is the most common and preferred cleaning option as it provides a more thorough clean of the unit, however due to location and timing restrictions and or available plant, this option is not always available. Option 1 (not removing basket) overall is not generally supported and will only be considered as a fall back option and/or due to any budgetary constraints.

The evaluation panel consisted of the following members, with oversight from the Contracts team within Procurement:

- Team Leader Maintenance Services (Works)
- Team Leader Works South A (Works)

- Technical Officer Maintenance Management Systems

As an outcome of the evaluation process the evaluation panel has recommended for the arrangement to be awarded as follows:

- Separable Portion 1 – 1st preference – Magnum Plumbing Pty Ltd; 2nd preference – Relining Solutions
- Separable Portion 2 - 1st preference - Magnum Plumbing Pty Ltd; 2nd preference – Relining Solutions
- Separable Portion 3 - 1st preference - Magnum Plumbing Pty Ltd; 2nd preference – Relining Solutions

Magnum Plumbing are the incumbents demonstrating the necessary experience, resources and understanding. They currently provide Council a very good GPT cleaning service. Their submission offered Council the best value for money and the evaluation panel unanimously evaluated Magnum Plumbing as first preference for Separable Portions 1, 2 and 3.

Total Drain Cleaning Services submitted an excellent tender, demonstrating all the required experience, understanding key personnel and management systems. However the evaluation panel deemed Total Drain Cleaning Services as not a suitable second preference due to them being non-local and also not offering Council best value for money.

Relining Solutions are local, a reputable business known to Council, currently being engaged by Council for alternative services and offering Council good value for money. The evaluation panel deemed Relining Solutions as the more suitable second preference on this basis. Any risk with engaging Relining Solutions, should Magnum's not have adequate resources during any high demand GPT cleaning, such as a weather event, would be mitigated by close management, with supervision and offering Relining Solutions only a small number of GPTs on an ad hoc basis. Should Relining Solutions satisfactorily carry out GPT cleaning, this could benefit Council by potentially improving and encouraging a more competitive market in a service that is currently limited locally.

OPTIONS:

Option 1: (Recommended)

That Council:

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2nd preference - Relining Solutions

Separable Portion 2 - 1st preference - Magnum Plumbing Pty Ltd;
2nd preference – Relining Solutions

Separable Portion 3 - 1st preference - Magnum Plumbing Pty Ltd;
2nd preference – Relining Solutions

for a term of two years commencing on 1 July 2024 with two extension options of up to 12 months each available at Council's discretion.

2. Delegates authority to the Chief Executive Officer in accordance with the *Local Government Act 2009* to enter into contract, negotiate, finalise and execute any and all matters associated with or in relation to this contract subject to Council's normal procurement policies and practices.

Option 2:

That Council does not endorse the appointment of contractors to PSA 2931 – Cleaning of Gross Pollutant Traps and adopts an alternative course of action. This is not recommended on the basis that alternative options have previously been considered.

Option 3:

That Council decides to undertake the works in-house. However, Council currently does not have the necessary resources available to achieve the ongoing cleaning objectives. Therefore, this option is not recommended.

CONSIDERATIONS:

Risk Management:

Risk exposure is considered relatively minimal as this contract has been set up as a PSA arrangement. The first preference supplier is the incumbent and well known to Council and shall be engaged as the primary supplier for all works. If the first preference supplier does not have capacity to do the work, is deemed to be unable to complete the work in the required timeframe or to the required quality standards, the work will be offered to the second preference supplier on a case-by-case basis. This will give Council Officers a high degree of flexibility and redundancy to ensure that the works are completed in a timely manner, inside agreed budgets and to an acceptable level of quality.

Council may, at its discretion, extend the arrangement for two further options of 12 months each, at Council's discretion and subject to satisfactory contractor performance.

Council Finance and the Local Economy:

There is sufficient budget currently allocated for these works. Works may also be varied according to demand and available budget.

The expenditure for this PSA is under the budget of Works Maintenance program within Cairns Infrastructure and Assets.

Both Magnum Plumbing Pty Ltd and Relining Solutions are local Cairns based companies, employing local staff so there will be ongoing benefits to the local economy under this arrangement.

Community:

Removing gross pollutants from stormwater runoff before it enters waterways is a key element of maintaining water quality in the community.

Natural Environment:

The cleaning of Gross Pollutant Traps (GPTs) is a critical operational activity and ensures that litter and solid debris washing into stormwater systems is removed regularly to prevent build up and blockages.

The Contractor will be required to have an Environmental Management Plan to ensure that cleaning of each GPT does not detrimentally impact the waterways.

Corporate Plan:

The supply of goods and services forming the basis of this Contract relate to the following goals in Council's Corporate Plan 2021-2026:

- 01 – Robust Economy - Supporting a diversified and resilient economy that backs business innovation, growth and jobs.
- 03 – Design for Liveability - Creating a safe, sustainable and connected place that supports a quality life

Statutory:

This tender process has been conducted in accordance with legislative requirements under the *Local Government Act 2009* and the *Local Government Regulation 2012*.

Policy:

The tender process was undertaken in accordance with Council's adopted Procurement Policy.

CONSULTATION:

Relevant Council officers within Cairns Infrastructure and Assets were consulted as they manage the cleaning activities under this arrangement. Procurement and Payables Branch facilitated the tender and provided probity and guidance on the evaluation process.



Martin Perkowicz
Executive Manager Works



Mark Wuth
Director Cairns Infrastructure and Assets