

Adelaide Hills Region Waste Management Authority



“Sustainable Waste Management Through Shared Services”



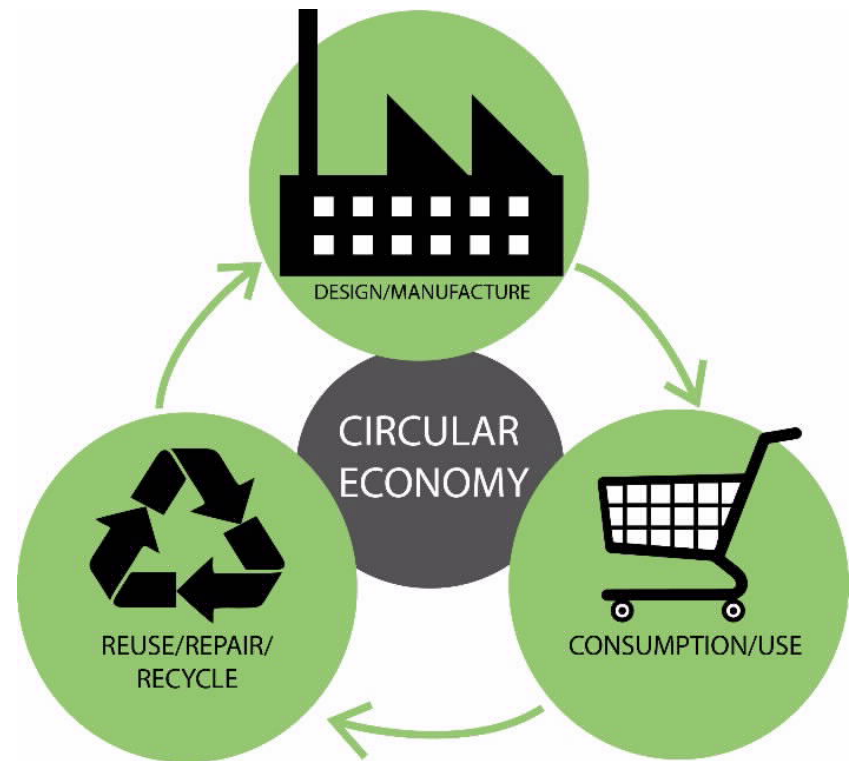
Vision & Mission

“Sustainable Waste Management through Shared Services for the communities of Adelaide Hills, Alexandrina, Mt Barker and Murray Bridge”.

- The Authority’s mission is:
- To meet the Green Industries Resource Recovery Targets across the region where economically and environmentally justified.
- To manage the landfill as an EPA compliant model regional landfill that provides the most effective disposal option for Member Councils and commercial customers.
- To educate the regional community on responsible waste choices that enhance and maintain their environment.

The principles of the waste hierarchy and circular economy are key drivers for the Authority. We will embrace these principles within our operations wherever we can.

Waste Hierarchy



Operations



Kerbside Collection Contracts



Transfer Stations



Hooklift Truck



Baling Plant, fixed and mobile



C&D Resource Recovery



Landfill – Residual Waste

Authority Activities

- **Brinkley Landfill**

- Utilised by Member Councils and commercial customers for waste disposal

- **Transfer Station Operations**

- Heathfield Resource Recovery Centre (Adelaide Hills Council)
- Brinkley Waste & Recycling Facility (Murray Bridge Council)

- **Waste Strategy Coordinator Services**

- Works across Mount Barker, Adelaide Hills and Murray Bridge as an officer for those Councils, managing the Council's waste services and providing assistance where required. 10% of the waste strategy coordinator's time is also spent working for the AHRWMA.

- **Member Council Representation**

- Represent our Member Councils in waste and resource forums
- Information and advice for Member Councils

- **Collaboration**

- Identify and implement collaboration opportunities where there is benefit for Member Councils

Achievements

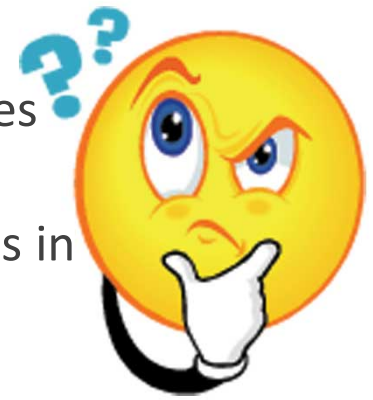
- Regional Tender for kerbside services – contracts direct with Councils and managed by Councils
- Regional shared services – baler, hooklift, crushing plant
- Waste Strategy Coordinator working across Councils - manages daily waste activities for Councils
- Regional responses to Government requirements/EPA reforms etc.
- Grants applied for and received across Member Councils
- The Authority provides flexibility in waste and resource planning for Member Councils
- A well managed and cost effective landfill

Regional Kerbside Collection Tender

- In 2015 the Authority undertook a combined kerbside collection and processing tender on behalf of three of its Member Councils
- Two Members progressed with selecting a preferred service provider
- One Member reviewed its services and opted not to progress
- The process was very successful and resulted in savings for Member Councils

Key Actions to a successful joint tender

- Understand the services that you are tendering for
 - Simple?!?
 - Bin types – 240L, 140L, Front lift, Greens, Recyclables
 - who has what and where are they?
 - Tonnes and waste streams, composition of materials in bins
 - Growth
 - Service schedules – what days do collections occur?
 - Entitlements– how many and where – occupied premises only
 - Commercial services
 - Caravan parks and shacks
 - Rural areas, dirt roads, difficult access



Understand the services that you are tendering for

- Allotments vs rateable properties
- Unapproved houses/granny flats
- Additional bins
- Special service arrangements – services to properties outside your Council area and on property collections – don't forget them on the first week of collection!
- Street Litter Bins
- Events – included or excluded – innovations, organics collections, zero waste events
- New services
- Bin repairs and replacements
- Will the services meet your requirements for the next 7 or so years???
- Red lids, blue lids, smaller bins, fortnightly collections???
- The list goes on.....

Where to start?

- Review invoices, meet with contractors, review old Tender documents
- Get to know Council's Rates Departments! Interrogate the information they can provide and then.....
- Become friends with the GIS teams and map it out!
- It takes time to manually review the data – delete duplicates, remove vacant land, remove train tracks, SA water pump houses, forestry sites etc. etc.
- Finalise good maps and data lists – especially if the services will involve a bin or kitchen caddie roll out.
- It is worth it – get it right up front and it will save time and complaints when the service starts!

Writing and releasing the documents....

- Is all of this information required before starting the tender?
 - WE DON'T HAVE TIME!!!
- Don't panic- A good understanding of the services, numbers, tonnes etc. is required. The best way is to get started and don't become overwhelmed, add in the details available and source the information when required
- The Authority utilised the LGA model contract templates, which were very helpful
- Ensure adequate time is available to get it right – extend current contracts for a short term if required
- Specify that negotiations may be undertaken with shortlisted Tenderers or additional information/updated pricing may be requested
- Consider rise and fall and alternative transport/site clauses
- Consider the market conditions and options for innovations – for example China Sword

Its Regional – how do we meet everyone's needs and keep them happy?

- Work within the Councils, spend time working within the offices
- Meet with Elected Members, senior managers, through to operational staff – find out what they want and what's important to them – consider service changes early and include them within the Tender
- Consider current waste/resource strategies, targets and aims
- Plan for options and write the documents to meet the Councils desires, BUT, remember to keep it simple! Aim to streamline where you can.
- It was important for our Councils that they did not offset each others costs, therefore we requested separate pricing and each Council would establish their own contract with the service provider
- A template contract was included within the Tender, which was adjusted for each Council when finalised
- One Council was an optional participant – therefore we requested a two Council price and a three Council price - with the third Council commencing two years into the contract (the third Council opted not to progress)
- We also requested a rural and non rural rate for one Council
- We offer green bins to townships only
- We considered the market at the time and took advantage of this where we could

Advice?

- Legal advice upfront and during document preparation
- ACCC – should you seek Authorisation?
- Prudential review throughout the process
- Expert industry advice – external assessment panel member?
- Ensure all Councils are represented – senior level staff member involvement
- Company and financial review

Assessment?

- It's a Regional Tender - it will be complex
- Prepare an evaluation plan and seek sign off from panel members
- We developed a very detailed spreadsheet and compared all the pricing options – over the contract period and incorporated CPI/growth
- Its more than pricing – ensure innovation, other benefits are considered
- At this point a very good understanding of services and service numbers is required – you need to be able to compare apples with apples



Assessment & Negotiations

- Include Council reps on the assessment panel
- Speak with shortlisted tenderers
- Make sure you understand their proposals – ask questions
- Ask for examples – reports, invoicing templates etc.
- Request updated pricing for start date – taking into consideration CPI and other market changes over the duration of the tender timeline
- Determine your baseline service numbers
- Estimate other items – bin replacements. Growth, CPI etc. so that you can make assumptions on total price



Outcome & Benefits

- Started with three service providers across two Councils
- We now have one service provider across two Councils
- Streamlined contract management
- Reduced costs for Councils
- Annual savings on contracts in the order of \$400,000 annually

Learnings

- One addendum was required – a service provider contacted us and suggested that one aspect of our tender was unfair
 - We included two options – a drop location for recyclables and collection prices separately and all in one collection and processing
 - Addendum released specifying two drop locations – instead of just the one
 - We assessed the options and progressed with collector to manage recyclables
- No matter how smooth a service transition goes, there will always be some issues and complaints – people don't like change
 - Our biggest issue??? The new provider left the bin lids closed after empty – many calls stating that the bin had not been collected.

Learnings.... Next time

- Clarity around relationships and contracts with processors and sub contractors – ask for details
- Include specifications for details regarding processing of materials – where the materials are going for recycling and what they will be used for. Request reporting on this throughout the contract term
- Ensure there are mechanisms to **KNOW WHERE THE RECYCLING IS GOING**
- Request education from recycler/processor and communication back to Council
- Combined collection and processing contracts may be a thing of the past? Time will tell
- Tendering could and should be an opportunity to drive innovation. Think outside the square – how can Local Government Tendering influence the market?
- Include an industry rep throughout the process and as an advisor to the evaluation panel – another set of eyes is always a good thing

Questions
