



11.1 COUNCIL MAINTENANCE AND CLEANING CONTRACTS UPDATE

EXECUTIVE MEMBER: LACHLAN JOHNSON, ACTING GENERAL MANAGER, INFRASTRUCTURE AND AMENITY

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1. PURPOSE

- 1.1 To update Council on the new contract for the Cleaning of Council Buildings and Public Amenities (Contract 2236).

2. EXECUTIVE SUMMARY

- 2.1 Council's former contract for the Cleaning of Council Buildings and Public Amenities expired on 29 February 2020.
- 2.2 At a Special Council Meeting on 29 January 2020 Council noted that the Customer Experience Program delivery would significantly change the way that services are provided to our community and that there is an opportunity to ensure alignment with these changes across contracted service delivery through short-term contracts.
- 2.3 Accordingly, at this Council Meeting Council approved an increase in the Chief Executive Officer's financial delegation to enter into contract 2236 up to \$2,593,951 inclusive of GST for the purposes of Cleaning of Council Buildings and Public Amenities.
- 2.4 This report summarises the results of the tender process, and advises Council that the Chief Executive, in accordance with Council's resolution of 29 January 2020, has entered into Contract 2236 for Cleaning of Council's Buildings and Public Amenities.

3. RECOMMENDATION

That Council:

- 3.1 Notes that the Chief Executive Officer has accepted a tender and entered into a new contract for the Cleaning of Council's Buildings and Public Amenities (Contract 2236) with GJ&K Cleaning Services Pty Ltd, in accordance with the Council Resolution dated 29 January 2020.



4. KEY POINTS/ISSUES

- 4.1 Invitations for tender submissions for Contract 2236 (Cleaning Services for Council Buildings and Public Amenities) opened on 14 December 2019 and closed on 24 January 2020.
- 4.2 This contract’s term is fifteen (15) months only with no options to extend.
- 4.3 The composition of the Tender Evaluation Panel (TEP) is set out in Table 1 below.

TABLE 1 – COMPOSITION OF TEP	
Name	Title
Jim Maclean, Coordinator Building Maintenance	Chairperson
Anita Donnelly, Program Director Placemaking	Member
Jeanene Simmons, Senior Contracts Advisor	Member
Arran Maclean, Corporate Facilities Lead	Member
Lisa Davis, Manager Maintenance and Operations	Non – Voting member
Anne Dalton, Anne Dalton & Associates	Probity advisor (non-voting member)

- 4.4 All TEP members signed the standard form indicating that they had no conflict of interest to declare and that they would keep the tender information confidential.
- 4.5 The evaluation criteria and weightings are details in Table 2.

TABLE 2 – TENDER EVALUATION CRITERIA		
Filter type	Criteria	Percentage Weighting
Mandatory	OH&S System	Pass/ fail
	Price	35%
Non-pricing criteria	Capacity to meet the requirements of the technical specification	30%
	Experience and track record	25%
	Corporate social responsibility <ul style="list-style-type: none"> • Environmental sustainability • Social sustainability 	10%



- 4.6 Council received eleven submissions in response to the tender.
- 4.7 Whilst there was no mandatory site inspection or briefing associated with this tender process, Council did invite interested tenderers to attend a Tender Briefing on 9 January 2020. All questions from tenderers were taken on notice at this time with responses posted on Tenderlink thereafter.
- 4.8 Tender submissions from three companies were assessed by the TEP as non-conforming and were eliminated from further consideration.
- 4.9 Following initial evaluation, the TEP shortlisted the top three scoring tenderers to proceed to interview. The TEP reviewed its scoring for the shortlisted tenderers based on interview responses.
- 4.10 The TEP's adjusted final weighted scores are shown in Table 3.

TABLE 3 – WEIGHTED SCORING		
No.	Tenderer's name	Score (Out of 1,000)
1.	Tenderer A	Non-conforming
2.	Tenderer B	792.06
3.	Tenderer C	766.50
4.	Tenderer D	703.44
5.	Tenderer E	692.09
6.	Tenderer F	Non-conforming
7.	GJ&K Cleaning Services Pty Ltd	833.74
8.	Tenderer H	626.02
9.	Tenderer I	Non-conforming
10.	Tenderer J	730.00
11.	Tenderer K	569.08

- 4.11 The scores above take into account all evaluation criteria (including price) and were used to determine the recommended contractor that Council should engage for the delivery of its Cleaning of Council Buildings and Public Amenities service over the next fifteen months.
- 4.12 Table four provides a summary of the prices submitted by each tender



TABLE 4 – TENDERS RECEIVED		
No.	Tenderer's name	\$ Price (excluding GST) over the 15 month contract period
1.	Tenderer A	Non-conforming
2.	Tenderer B	\$1,891,618.00
3.	Tenderer C	\$1,984,616.96
4.	Tenderer D	\$2,216,077.72
5.	Tenderer E	\$2,079,278.23
6.	Tenderer F	Non-conforming
7.	GJ&K Cleaning Services Pty Ltd	\$1,970,658.37
8.	Tenderer H	\$2,453,480.97
9.	Tenderer I	Non-conforming
10.	Tenderer J	\$1,794,668.10
11.	Tenderer K	\$3,608,344.48

4.13 A financial evaluation was conducted of the recommended tenderer. An analysis was prepared by Council's Financial Compliance Accountant which highlighted the capacity of the preferred tenderer to provide the service in accordance with Council's requirements.

4.14 Reference checks for the preferred tenderer were conducted and determined to adequately support the tenderer's submission.

4.15 Council's Chief Executive Officer has approved that Council enter into Contract 2236 with the recommended tenderer, GJ&K Cleaning Pty Ltd.

5. CONSULTATION AND STAKEHOLDERS

5.1 In addition to aligning a future long-term contract with the go-live of the customer experience program, part of the intent of this short-term, 15-month contract is to provide the time for a comprehensive review and stakeholder engagement on the services provided under the cleaning and carpentry contracts.

5.2 Stakeholders, including the Esplanade Market, had input into the contract specifications, particularly with regard to public amenities. The specification allows for a greater ability to audit and quality assure the cleaning of public



amenities, and includes the requirement for the contractor's vehicles to be GPS tracked, thus providing data that can be used to verify visits, time spent etc.

6. LEGAL AND RISK IMPLICATIONS

- 6.1 The provision of cleaning services is a key function of Council. If Council failed to ensure continuity of a cleaning service, it would present significant risks to public amenity and public health safety.
- 6.2 The appointed contractor holds insurance policies of: \$20,000,000 public liability cover and \$5,000,000 professional indemnity cover.
- 6.3 The appointed contractor adheres to ISO Certification standards for Occupational Health and Safety, Risk and Quality Assurance.
- 6.4 The procurement process and tender evaluations were overseen by an independent probity advisor.

7. FINANCIAL IMPACT

- 7.1 The new contract value of \$1,970,658.37 is within the allocated budget.

8. ENVIRONMENTAL IMPACT

- 8.1 The service specifications for this contract have been structured to place requirements on contractors to limit impacts from their operations on the environment. Furthermore: corporate social sustainability has been included as a weighted evaluation criterion as part of the tender process.
- 8.2 The tender specifications included Council's Green Procurement Policy for Cleaning Products and have been reviewed and approved by Council's Environmental Sustainability department.
- 8.3 The appointed contractor was required to submit an Environmental Plan prior to the Contract commencing and will be required to hold current certification to ISO 14001 for Environmental Management Systems.

9. COMMUNITY IMPACT

- 9.1 The community consistently state that the delivery of clean and safe public amenities is of paramount importance. Officers developed the specifications with particular regard to this community value, and the feedback from stakeholders such as the Esplanade Market.

10. ALIGNMENT TO COUNCIL PLAN AND COUNCIL POLICY

- 10.1 Service specifications for the contract and associated tender evaluation process have been developed to align with the following strategic direction, as outlined in the Council Plan 2017-2027:
 - 10.1.1 Direction 3 – We have smart solutions for a sustainable future.
- 10.2 The outcomes arising from the service specification are also strongly linked with Council's Community Safety strategies, in particular to maintaining high perceptions of safety and public health through the delivery of clean and well-maintained spaces.



11. IMPLEMENTATION STRATEGY

11.1 TIMELINE

11.1.1 Following completion of the procurement process the successful tenderer was appointed and the new contract commenced on 1 April 2020.

11.1.2 The contract will be sealed in accordance with the Council Resolution dated 29 January 2020.

11.2 COMMUNICATION

11.2.1 Unsuccessful tenderers have been provided with the opportunity for a debrief from the tender evaluation panel chair.

12. OFFICER DIRECT OR INDIRECT INTEREST

12.1 No officers involved in the preparation of this report have any direct or indirect interest in the matter.

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ATTACHMENTS Nil