



**WASTE CONTRACTORS
AND
RECYCLERS ASSOCIATION
OF N.S.W.**

Collection Contracts

Tony Khoury

WASTEMINZ
Friday 18 April, 2008

A decorative graphic on the left side of the slide features three balloons: a green one at the top, a blue one in the middle, and a purple one at the bottom. Each balloon is attached to a streamer and has several yellow triangular flags trailing behind it. The balloons have a grid-like texture.


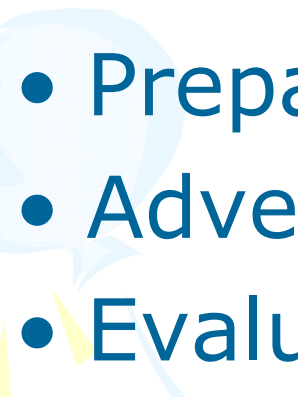
Model Contracts

- Kerbside waste & recycling collections
- Timelines for service development
- NSW Department of Environment & Climate Change
- Council Representatives
- Waste & Recycling Contractors



Service Development Timeline

	Months
• Consultation & plan tender	9
• Prepare tender documents	3
• Advertise & preparation time	3
• Evaluation	1
• Contract	1
• New Service Commissioning	6






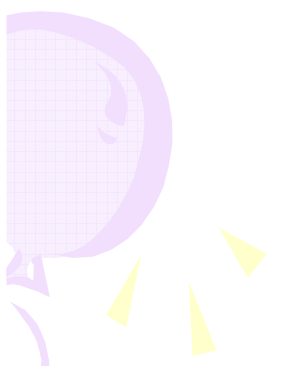
Contractors Wish List

- Circulate a draft document say 3 months in advance of tender
- Contractors to review & respond
- Council can incorporate into final tender
- Tender is advertised
- Allow time to prepare response
- 12 to 14 weeks



Contractors Wish List

continued

- Avoid holiday periods - Xmas
 - Clarity in all aspects of tender & specifications
 - Tendering necessary – but costly
 - Domestic Waste Code of Practice – show a copy to Elected Councillors
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Collection Vehicles

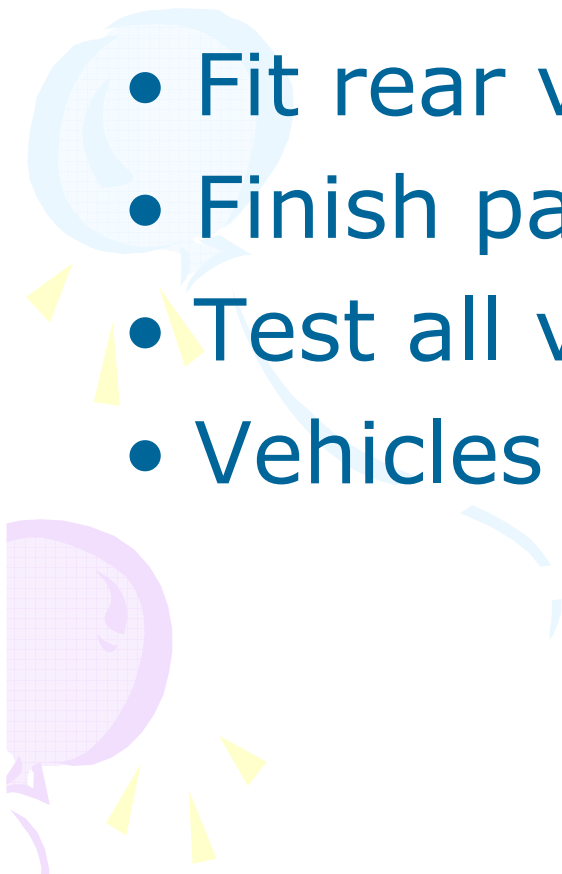
	WEEK
• The Contract is awarded	1
• Review, execute & deliver to Council	4
• Review options cab / chasis & body	2-5
• Order cab / chasis & body	6
• Build & fit body	7-16
• Organize paintwork	7
• Order 2 ways, rear vision, spill kits	7



Collection Vehicles

continued

WEEK

- Fit two ways 13
 - Fit rear vision & spill kits 14
 - Finish paint work & signage 15
 - Test all vehicles prior to use 17
 - Vehicles ready for work 18
- 



Staffing

	WEEK
• Contract awarded	1
• Review & execute	3
• Review internal resources	4 – 6
• Advertise if needed	9
• Review all applicants	11
• Interview and appoint	12 – 13



Staffing



continued

week

- Inductions – MRFS, landfills & transfer stations 15
- Route familiarization 16
- Testing & training on vehicles 17
- Ready to collect 18



Some of my assumptions

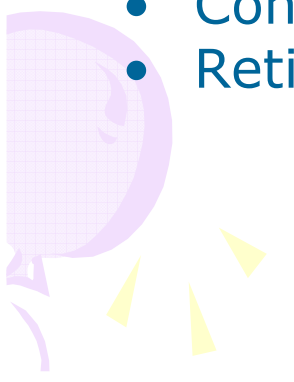
- Council orders / owns / delivers bins
 - Council develops & delivers household education program
 - Council has negotiated and is responsible for all disposal and processing functions.
 - There are no undue delays in equipment supply or manufacture.
 - No industrial disputes - which is a great reason to deal with a Member of WCRA.
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Developing collection routes

- Total number of services including units
- Collection times / days
- Truck – volumetric considerations, compaction ratios, GVM, height of vehicle, fuel efficiency etc.
- Driving hours – fatigue management
- Distance to disposal facilities
- Opening/Closing time disposal facility
- Risk assessments & safe work method statements


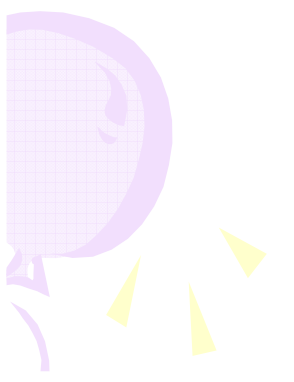


Risk Assessments

- Narrow, dangerous & 1 way streets
 - Main roads, clearways
 - Steep driveways
 - Low overhead wires & awnings
 - Steps in bin bays (runners pulling out bins)
 - School children & other pedestrians
 - Shopping Centres
 - Bus stops, railway stations
 - Over-loaded bins
 - Broken garbage bags
 - Kerbside cleanups
 - Conditions at tipping facilities
 - Retirement Villages
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Process of Tendering

- Information to Tenderers
 - Conditions of Tendering
 - Draft Contract
 - Specification
 - Tender Advertisement
 - Tender Return Schedules
- 
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Issues to be Addressed

- **Operational needs are best served by having separate contract terms and work specifications**
- **Clearer documents – avoid disputes**
- **Provision for feedback & improvement**
- **Experience from good contracts needs to be applied elsewhere**



Guiding Principles

- **Good quality documents**
- **Clear, unambiguous & easy to use**
- **Greater focus & effort on services & tender proposals**
- **Reduce time & money spent by Councils preparing the principal documents**
- **Clarity of outcomes & how these are assessed**
- **Reduce costs of tendering for Contractors**





Information to Tenderers

- Background
- Scope
- Aims & Objectives
- Invitation to tender



Conditions of Tendering

- Type of contract
 - Tender briefing
 - Tender preparation & lodgement
 - Acknowledgement by Tenderer
 - Acceptance
 - Contract
 - Timing of tender
 - Etc
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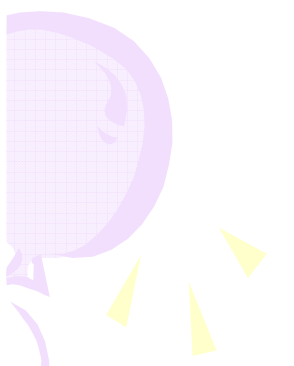
Draft Contract

- Attempts to define all aspects of the relationship between the parties
- The services
- Obligations
- Vehicle, plant & equipment
- Insurance
- Payment
- Rise and fall
- Default
- Dispute Resolution
- Etc



General Specification

OPTIONS

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- Garbage
 - Recyclables
 - Green waste / organics
 - Kerbside clean up
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Specification - General

- Operations
- Service changes
- Customer service
- Mobile bin supply
- Bin repairs, replacements, additional
- Bin ownership
- Collection vehicles & depot
- OH&S
- Quality, Environment, IR
- Performance management
- Community Education
- Audits
- Innovations
- Advertising

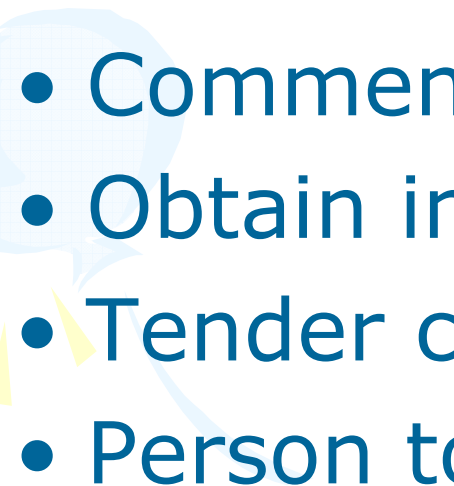
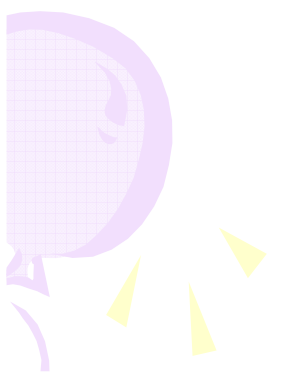


Specification

- Collection frequency
- Disposal costs
- Nominated facilities
- Ownership of recyclables
- Contamination management
- etc



Tender Advertisement

- Services requested
 - Number of years ,further options
 - Commencement date
 - Obtain information from, tender fee
 - Tender closing date, time & address
 - Person to contact – all details
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Tender Return Schedules 1

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1. Formal offering
 2. Pricing
 3. Confirmation of conformity
 4. Collusive tendering declaration
 5. Financial details
 6. Financial capacity
 7. Insurances
 8. Staffing & Management
 9. Subcontractors
 10. Vehicles, plant & equipment
 11. Rates for transport to alternative disposal
 12. Base percentages – rise & fall



Tender Return Schedules 2

13. Depot
 14. Mobile bins
 15. Contamination management strategy
 16. Facility for recyclables & organics
 17. Education
 18. Customer Service
 19. Referees
 20. Previous experience
 21. Current commitments
 22. Quality Assurance
 23. OH&S
 24. Proposed methods of service delivery
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Tender Return Schedules 3



25. Industrial Relations

26. Additional Information / Innovation

27. Contract program

28. Sustainable Development





Tender Evaluation

- 28 Tender Return Schedules & Criteria
- Weighting factors

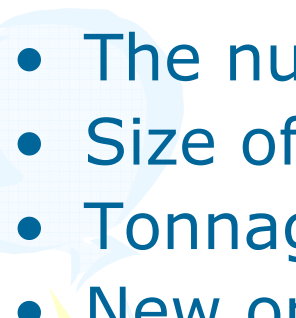
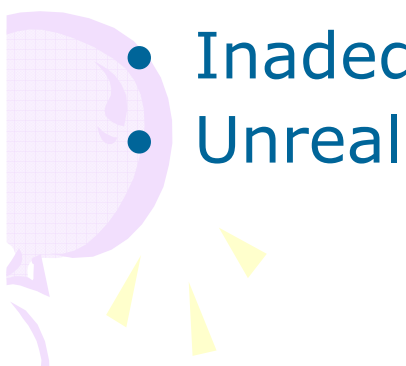


Concerns

- Council not following Model Contract
- Not observing timeline development
- Inexperienced Council Staff
- Use of Consultants & Advisors
- Potential result – poor outcomes for Councils and Ratepayers

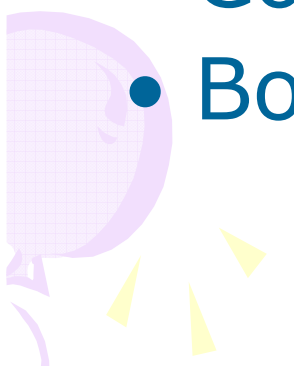


Contractor Frustrations

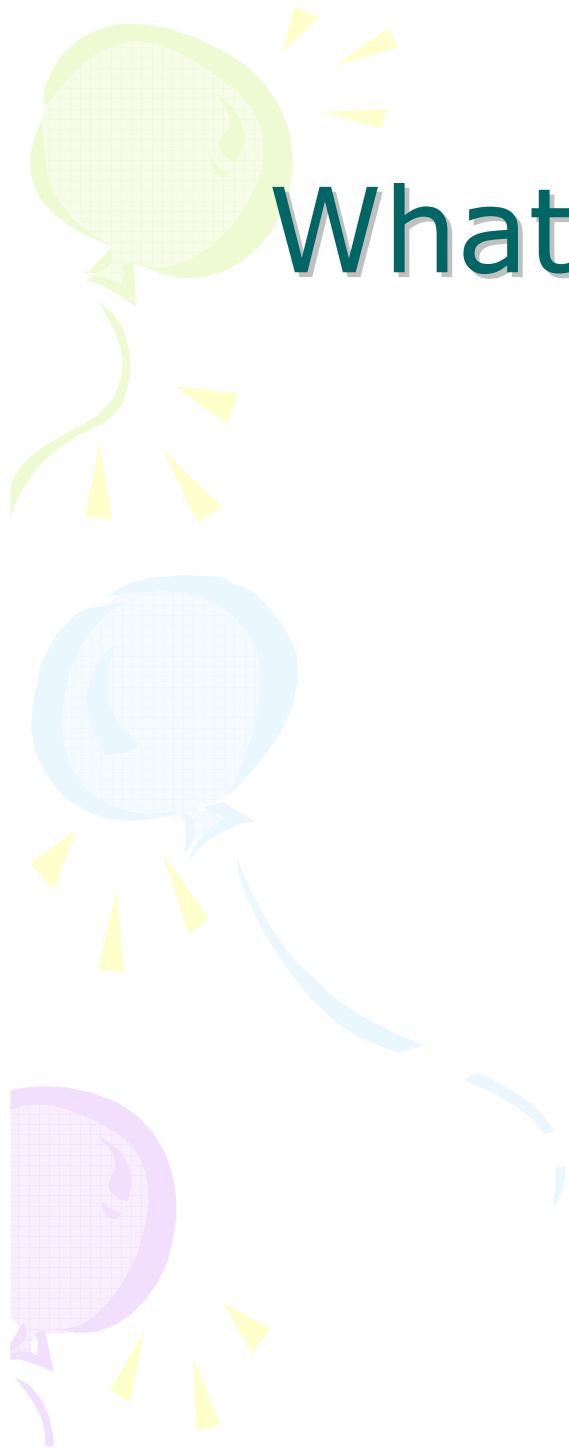
- Lack of accurate information will cause problems in tendering and possibly in contract performance
 - Incorrect number of services
 - The number of multi unit dwellings
 - Size of unit blocks
 - Tonnages
 - New or old bins
 - Prescribed collection times without analysis
 - Who will be responsible for Community Education
 - Inadequate time to prepare tender
 - Unrealistic contract start date
- 
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Bad Contractor Experiences

- Cheapest price
 - 1 year contract
 - Use of second hand equipment
 - Insufficient time to prepare tender
 - Insufficient time to obtain equipment
 - Non compliance with Domestic Waste Code of Practice
 - Bowen Shire Council
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What a load of rubbish?





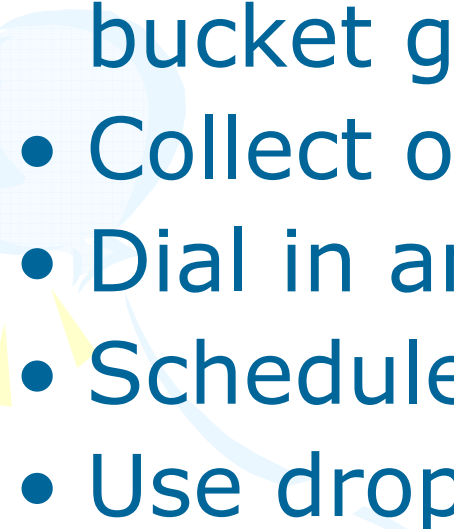
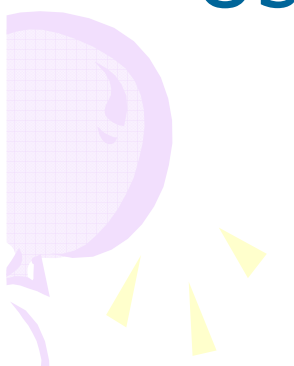
Kerbside Clean Up Collections

If not suitably addressed –

- Illegal tipping
 - Unsafe transport by Residents
 - Hoarding in backyards
 - Back yard burn offs
 - Untidy / unsafe streets
 - OH&S issues for Collectors
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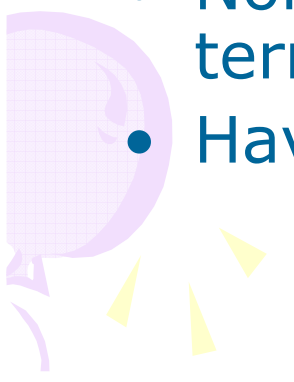


Kerbside Clean Up - Options

- Use collection vehicle with HIAB & bucket grab
 - Collect off the property
 - Dial in and book collection
 - Scheduled pick up service by area
 - Use drop off centres
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Cheapest price trap

- Sufficient trucks
 - Spare trucks
 - Hours per day being worked
 - Adequate Supervision
 - Low wage rates
 - Over compacted recycling materials
 - Poor delivery of Community Education
 - Training provisions
 - Non conforming bid – write off capital over longer term period
 - Have all costs been accounted for?
- 




The Business of Waste Contracting

- Contract
- Customers – Council, Ratepayers
- Service provided
- Timely manner
- Customer service
- Accuracy & efficiency
- Compliance–OH&S, Environment, etc
- All aspects of the service well managed – good service delivery


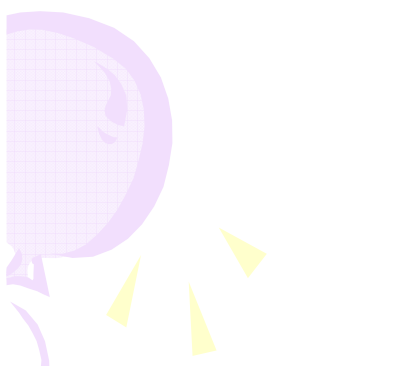


The End of the Contract

- Incumbent Contractor - outstanding
 - Service standards are known
 - New tender is out & all bids are in
 - Always be cheaper bid (service standard?)
 - Always be non conforming bids
 - The review is on – bid packages are close
 - What can Incumbent best hope for?
 - That the Council utilises the evaluation criteria as it is structured – 30% price & 70% for 27 other criteria elements
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Tender process

- Every 5, 7 or maybe 10 years
 - The experience of Council personnel
 - Involvement in previous tenders
 - Use of Consultants
 - Should Government provide a centralised special assistance unit?
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OH&S reference

Domestic Waste Code of
Practice

www.workcover.nsw.gov.au



NSW Model Contracts

Department of Environment & Climate
Change



Local Government Team

PO Box 644, Parramatta



NSW Australia 2124



Phone 02 8837 6000



improvedpractice@environment.nsw.gov.au



**WASTE CONTRACTORS
AND
RECYCLERS ASSOCIATION
OF N.S.W.**

tony@wcra.com.au

www.wcra.com.au