



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

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# Collection Contracts

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WASTEMINZ  
Friday 18 April, 2008



# 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




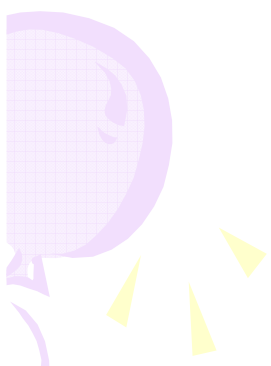
# Contractors Wish List

- 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

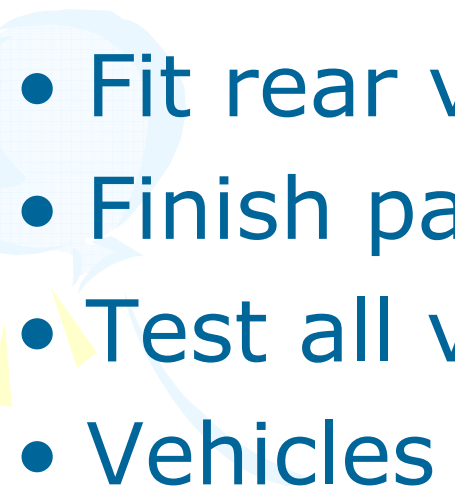
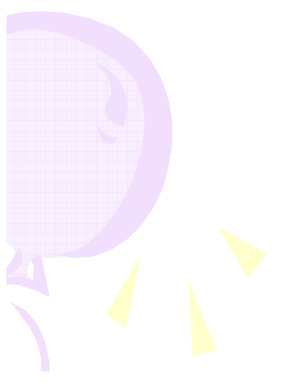
	WEEK
• The Contract is awarded	1
• Review, execute & deliver to Council	4
• Review options cab / chasis & body	2-5
• Order cab / chasis & body	6
• Build & fit body	7-16
• Organize paintwork	7
• Order 2 ways, rear vision, spill kits	7



# 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
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# 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

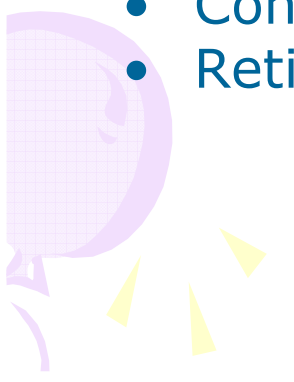
- Council orders / owns / delivers bins
  - Council develops & delivers household education program
  - Council has negotiated and is responsible for all disposal and processing functions.
  - There are no undue delays in equipment supply or manufacture.
  - No industrial disputes - which is a great 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


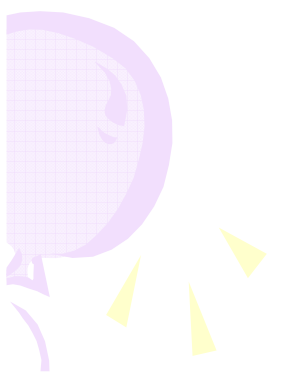


# Risk Assessments

- 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**



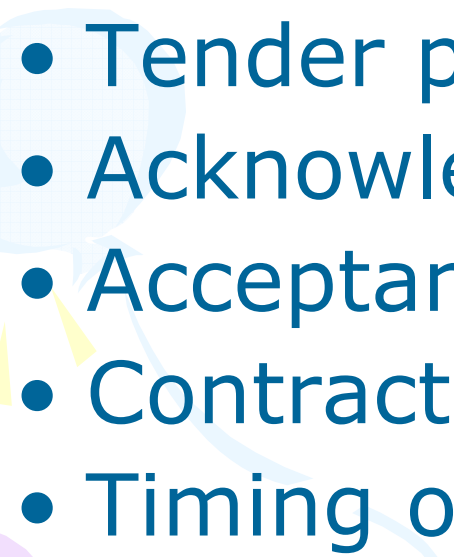

# Information to Tenderers

- 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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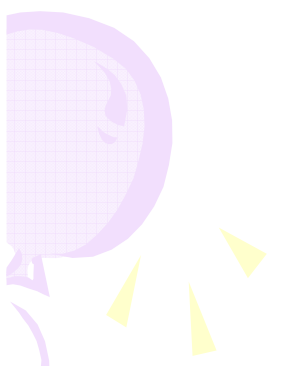
# Draft Contract

- 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


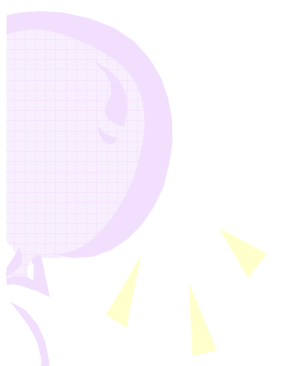


# Specification

- 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

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
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# 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
- 



# 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

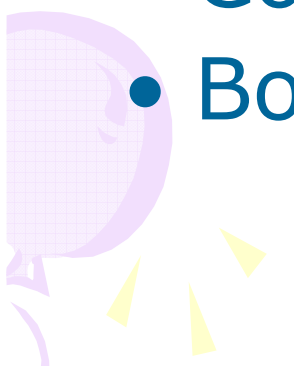


# Contractor Frustrations

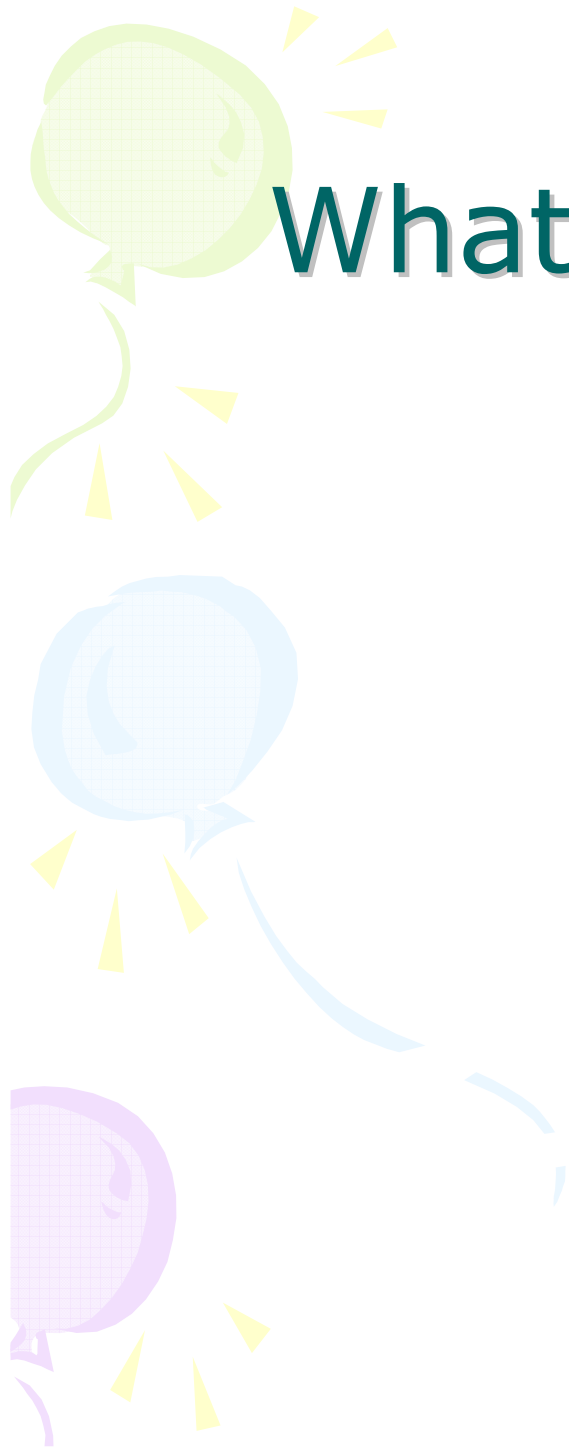
- Lack of accurate information will cause problems in tendering and possibly in contract performance
  - Incorrect number of services
  - The number of multi unit dwellings
  - Size of unit blocks
  - Tonnages
  - New or old bins
  - Prescribed collection times without analysis
  - Who will be responsible 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?





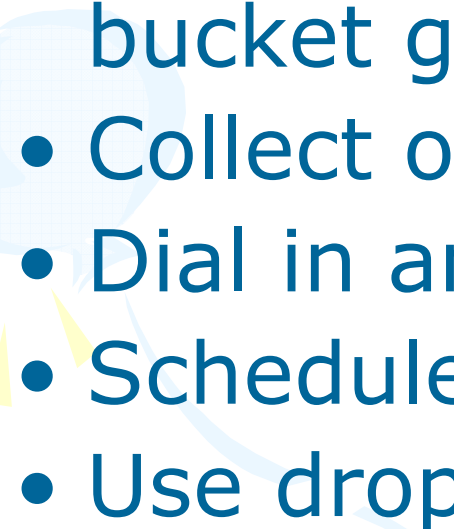
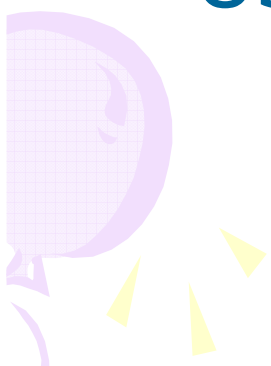
# Kerbside Clean Up Collections

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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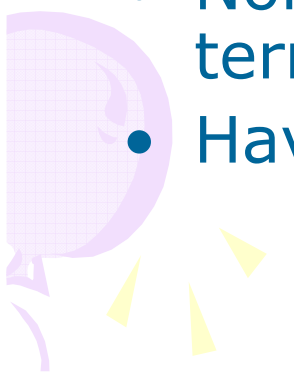
# Kerbside Clean Up - Options

- 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


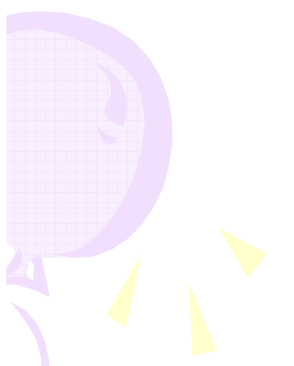


# The End of the Contract

- 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](http://www.workcover.nsw.gov.au)



# NSW Model Contracts

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Change



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