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23 October 2015

Mr Mal Hemmerling
Chief Executive Officer
City of Playford
10 Playford Boulevard
ELIZABETH SA 5112



Dear Mal,

Contract No 01/15 – Provision of a Kerbside Waste Management Collection Service

The current kerbside collection Contract for the region terminates on the 28th February 2017. As a result it was determined to action the Tender call for the new Contract as early as possible allowing at least (15) fifteen months for the successful contractor to be fully prepared on the Contract commencement date, being 1st March 2017, due to the following factors:

- potential value of Contract (currently \$8.7m per annum), and the complexity of the Tender evaluation process,
- size of collection fleet – 24 trucks plus spares and the requirement to place orders for new trucks in sufficient time for delivery prior to new contract commencement,
- the requirement to construct a new truck park,
- dependant on type of fuel used the requirement to upgrade the existing Compressed Natural Gas (CNG) fuelling station or construct a new fuelling station; and
- the construction/installation of new contractor's offices.

The Tender Evaluation Panel (TEP) report was presented to the NAWMA Board at the meeting held on 21st October 2015. The Board resolved the following:

1. *That the NAWMA Board endorses the recommendation made by the Tender Evaluation Panel to award Contract No. 01/15 for the Provision of a Kerbside Waste Management Collection Service to SUEZ Environment, for their conforming Tender, commencing 1 March 2017 for an eight (8) year term.*
2. *That the proposed use by SUEZ of High Density Compressed Natural Gas (HDCNG) to fuel the collection fleet be accepted.*
3. *That the recommendations as endorsed by the NAWMA Board be forwarded to the constituent Councils for approval.*
4. *That in accordance with Section 91(7) of the Local Government Act 1999, the report, attachments and all tender documents be kept confidential to be reviewed in twelve months.*
5. *That pursuant to Part 4, Section 91 of the Local Government Act 1999, the power to revoke the Order under Section 91(9)(c) be delegated to the Executive Officer.*

Responsible Waste Management

NAWMA (a Local Government Regional Subsidiary) Constituent Councils: Gawler, Playford and Salisbury
Client Councils: Adelaide Hills, Barossa, Barunga West, Clare/Gilbert Valley, Copper Coast, Goyder Regional, Jamestown,
Light Regional, Mallala, Mt Remarkable, Northern Area Councils, Peterborough, Wakefield Regional and Yorke Peninsula

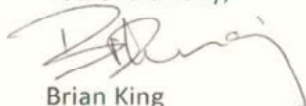
As part of the due diligence process the Board commissioned a report on the merits of NAWMA operating its own collection fleet. The discussion paper identified that NAWMA itself can provide waste collection services to its constituent Councils that are cost effective and responsive to the needs of the Northern community. However, at this stage there is no financial benefit to be gained by going down this path particularly in light of the very good service rates that have been received through the Tender process.

To assist Councils in progressing this matter the following documents are attached.

- Council current budget v's New Contract 2017/18 Forecast
- NAWMA operated fleet v's New Contract
- Tender Evaluation Report – Contract No 01/15

In conclusion, the Authority has achieved an excellent result which will reduce Constituent Councils' collection budget by up to 20% in the 2017-2018 financial year. Furthermore we have also achieved a major environmental objective in the reduction of future carbon emissions and urban noise pollution. To ensure that all the requirements (new trucks, truck parking facility, fueling station etc) are in place prior to Contract commencement it would be appreciated if Council approval of the Board recommendation could be achieved during the month of November 2015. NAWMA staff are available to assist in any presentations and please advise should you require any further information.

Yours faithfully,



Brian King
Executive Officer

Released 28 April 2016

Responsible Waste Management

*NAWMA (a Local Government Regional Subsidiary) Constituent Councils: Gawler, Playford and Salisbury
Client Councils: Adelaide Hills, Barossa, Barunga West, Clare/Gilbert Valley, Copper Coast, Goyder Regional, Jamestown,
Light Regional, Mallala, Mt Remarkable, Northern Area Councils, Peterborough, Wakefield Regional and Yorke Peninsula*

CURRENT BUDGET VERSUS 2017/18 NEW CONTRACT FORECAST

PLAYFORD

SERVICE	2015/16			2017/18			SAVING
	No of Services	Rates	Total	No of Services	Rates	Total	Per Annum
Waste	36645	\$0.7912	\$1,507,663	38125	\$0.6470	\$1,282,693	\$224,970
Recycling	36580	\$0.8297	\$789,111	38058	\$0.6900	\$682,758	\$106,354
Organics	10908	\$1.2170	\$345,151	11349	\$0.9350	\$275,886	\$69,264
Hardwaste	9000	\$39.7760	\$357,984	9364	\$26.22	\$245,514	\$112,470
Contract Admin		\$0.013 / service	\$49,500		\$0.013 / service	\$51,500	-\$2,000
Sub Total			\$3,049,409			\$2,538,350	\$511,059
MGB Loan		\$0.1266 / service	\$361,648		n/a	n/a	\$361,648
TOTAL			\$3,411,057			\$2,538,350	\$872,707

Note # 1 Number of services increased by 2% per annum, participation rate remains constant for GW and HW

Note # 2 The MGB loan repayments will be complete at commencement of the new Contract term

NAWMA OPERATED FLEET VERSUS NEW CONTRACT

PARAMETER	NAWMA OPERATED COLLECTION FLEET	CONTRACT 01/15 TENDER RATES
Diesel Powered	* \$2.200	\$2.060 (Solo), \$2.1920 (SUEZ)
HDCNG Powered	* \$2.286	\$2.272 (SUEZ)
Multi-Unit Dwellings	\$17.00	\$13.55 (SUEZ)
Hard Waste Collection	\$37.50	\$26.22 (SUEZ)

* N.B. Service rates for domestic waste, recycling and organics per collection

Risks to Consider

- Vehicle uptime
- Vehicle safety, roadworthiness, etc
- Drivers (training, customer interface, additional admin resourcing, facilities)

Agenda Item 6.1
21 October 2015

NAWMA Board

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Tender Evaluation Report – Contract No 01/15 Provision of a Kerbside Waste Management Collection Service

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- B. New Contract: Council Forecast Vs Current Budget
- C. SPLIT BODY – SINGLE PASS Collection Vehicle
- D. Proposed Truck Designs
- E. SUEZ RESI On-Board Computing System

Tender Evaluation Report – Contract No 01/15 – Provision of a Kerbside Waste Management Collection Service

Reference to Documents

- A. NAWMA Board Minutes dated 20 May 2015 (Minute No 6.4) and 17 June 2015 (Minute No 6.2)
- B. Discussion Paper on Merits of NAWMA operating the Kerbside Waste Management Collection Service in its own right.
- C. 2015 – 2020 NAWMA Waste Management Strategy
- D. NAWMA Long Term Financial Plan
- E. Constituent Councils Service Agreements – 2015
- F. Probity and Evaluation Plan dated September 2015

Preamble

The process leading up to the advertising of the Tender on the 1st July 2015 for the above mentioned Contract commenced in April 2015. The NAWMA Board Technical Working Group were briefed at the meeting held on 29th April 2015 as were the Audit Committee on the 14th May 2015. The NAWMA Board at Reference A supported the implementation of the strategy and timetable to get to this evaluation stage.

The constituent Councils were advised by email dated 30th April of the pending open Tender process. Preparation for the evaluation process has included the appointment by the Board of a Tender Evaluation Panel (TEP), a Probity Officer and subsequently the raising of the Probity and Evaluation Plan.

This is the largest contract of this type to be let in South Australia and one of the largest in Australia. Consequently it was reasonably expected that the Tenders would be extremely competitive. The kerbside collection services; waste, recycling, garden organics and household hard waste were all aligned to terminate on the 28 February 2017 for the purpose of attracting interest and Tenders from the major waste collection contractors in Australia.

Services Contract

The Services Contract is for the kerbside collection of the following:

- domestic waste;
- domestic recyclables
- domestic garden and food organics; and
- household hardwaste

The areas to be serviced comprise the Northern Adelaide Region of Local Government which has a population estimated to be in excess 250,000 residents (110,000 households), and this represents 18% of the population of metropolitan Adelaide.

Services Contract Aims and Objectives

The aims and objectives of the Services Contract are:

- a) To achieve and maintain a high standard of performance in provision of the Services by requiring the Contractor to use best practice methods and systems;
- b) To regularly assess the performance of the Contractor and to gain continual improvement to work practices and resource recovery;
- c) To promote the health, safety and welfare of all persons engaged in or affected by the Services

- d) To facilitate a sustained effort to increase the type, quality and amount of resources recovered from the waste stream;
- e) To maximise and preserve the resource integrity and value of recoverable and reusable materials within the waste stream;
- f) To ensure the provision of ongoing effective communication and co-operation between NAWMA and the Contractor;
- g) To provide high standard, integrated waste and resource recovery services, based on "best practice" principles, which are complementary to national and state waste management policies, as well as NAWMA's own regional waste management strategy;
- h) To fulfil NAWMA's obligations under the legislation relating to provision of waste and resource recovery services;
- i) To fulfil NAWMA's obligations under its Charter under the Local Government Act 1999; and
- j) To provide cost-effective Services that users and NAWMA see as offering best value and are of the highest possible standard.

Tender Briefing

A Tender briefing session was held for prospective Tenderers on 15 July 2015 at NAWMA's Edinburgh North offices, in order to:

- Brief Tenderers on important aspects of the Tender;
- Clarify any aspects of the Tender documents;
- Respond to any question or queries from prospective Tenderers; and
- To reinforce probity issues.

Four companies attended the briefing sessions with all submitting Tenders by the close of the extended submission period being 2pm on 9th September 2015 (changed from the original date of 2nd September 2015 at the request of a Tenderer)

The four tenderers are:

- Transpacific Cleanaway
- SUEZ Environment
- Solo Resource Recovery
- JJ Richards

Tender Pricing Schedule

The prices/submissions received reinforced the fact that a very competitive environment for waste collection services currently exists in South Australia. This is particularly relevant to NAWMA due to the size of the Contract and its central location for depositing and processing the material collected.

NAWMA's original estimate was that the Authority could achieve savings on current service levels of up to 5% per annum – this estimate was exceeded as shown below:

- Waste collection = 18% savings
- Recycling collection = 17% savings
- Garden and Food Organics collection = 23% savings
- Household Hardwaste collection = 34% saving

An analysis of the pricing received based on the service rate per unit cost and compared to the 2015/16 rates is provided at Annexure A.

Tender Evaluation Panel – Review of Tender Submissions

The TEP attended a briefing session on 17 September 2015 conducted by NAWMA's Executive Officer and Administrative Services Manager. Copies of all four submitted Tenders were presented to the TEP along with materials to be used in evaluating and scoring each Tender.

The TEP met on 28 September 2015 to undertake the evaluation and scoring of each Tender. Of the four Tenders, three were assessed as being Conforming per the criteria and instructions included in the Tender Documents provided to each Tenderer. A summary of the evaluation of each Tender was as follows:

SUEZ	Conforming
Solo Resource Recovery (Solo)	Conforming
Transpacific Cleanaway	Conforming
JJ Richards	Non-Conforming

All three conforming Tenders were scored by the TEP applying the criteria and weightings included in the "Evaluation/Scoring" matrix provided.

As a result of the scoring undertaken, Tenders submitted by Solo and SUEZ achieved the highest scores.

Post Tender Presentations

Due to the high scores achieved in the tender evaluation and scoring process and the high quality of submissions received from Solo and SUEZ, they were invited to formally present an overview of their Tender submissions to the TEP on 9th October 2015. This provided the TEP with the opportunity to clarify any issues and raise questions on the submissions. This had particular reference to the proposed use of High Density Compressed Natural Gas (HDCNG), the next generation of Dennis Eagle gas trucks and a new truck park with sequential HDCNG refuelling capability.

CPI Adjustments

A major concern in Contracts of this nature is the steep escalation in prices particularly from fuel and labour. With this in mind the TEP for the current Contract established a service rate review based on the All Groups Adelaide indices with 35% of the unit rate being regarded as a fixed cost. Therefore, annual CPI adjustment only applies to 65% of the Tendered Service Rate. This has proven to be beneficial to NAWMA and the same adjustment formula has been used in the new Contract.

As expected, this was not favoured by the Tenderers, with a number of non-conforming Tenders being received using an alternate rise and fall calculation.

The prices received with Conforming Tenders were increased to compensate for the tight rise and fall calculations that NAWMA had stipulated. In addition, the first CPI review and adjustment to Service Rates will not apply until 1 July 2018. With prices then set for the next two years plus an annual CPI adjustment thereafter, that strongly favours NAWMA – as a result, the TEP were confident NAWMA had secured very good pricing long term for the waste collection services required.

An examination by the TEP of the alternate rise and fall calculations submitted as non-conforming Tenders exposed NAWMA to the volatile fuel and labour factors, and any pricing advantage in the first year of operation would be eroded away in subsequent years.

Based on the above, there are clearly substantial savings to be achieved via NAWMA's required Rise and Fall formula, as opposed to alternate Rise and Fall formulas submitted through the non-conforming Tenders.

Education

The four Tenderers all committed to the provision of funding for education as required in the Tender specifications. The funding is directly related to the number of services and in the first year equates to approximately \$220,000 with 50% of this amount provided annually thereafter. A Business Plan on the use of these funds over the life of the Contract will be presented to the Board in November 2016 with a discussion paper seeking input from Board members used to develop this plan.

Further to the above, Solo Resource Recovery provided a couple of innovative educational options that they use in NSW which resulted in them scoring highly in this category.

Performance Criteria

Stringent performance requirements for Contractors are specified in the Tender, which include financial disincentives where performance of the Contractor does not meet the prescribed standard.

The actions detailed in the event of Contractor non-compliance was accepted by all Tenderers.

All Tenderers proposed the use of dedicated supervisors to the NAWMA Contract who would be readily accessible to NAWMA staff. SUEZ, the current incumbent, will maintain their existing staff levels (2 supervisors, 1 despatch clerk and the State Residential Manager) on site which provides for a high level of customer service whilst the other Tenderers have one dedicated supervisor.

Vehicles

Vehicle allocation for all collection services including the REL services to Multi Unit Dwelling was considered to be satisfactory except in the case of JJ Richards. They proposed to use the hard waste REL to also service the 140 carts (660 litre and 1100 litre) on a weekly service schedule – this is considered unworkable.

Future growth from new development was adequately accounted for with the provision of spare vehicles and the vehicle replenishment program.

The two interviewed Tenderers chose to use the Dennis Eagle (DE) Elite 2 truck. Dennis Eagle Ltd is one of the oldest producers of refuse collection vehicles in the world. In 2009 the DE Elite 2 chassis was introduced into Australia after extensive trials to tailor the vehicle specifically to the severe service requirements of the Australian market so the vehicle itself has proven reliability and longevity.

SUEZ has rationalised the vehicle requirements for the region's rural and semi-rural collection services by proposing to use a single pass, split body vehicle. This initiative shown at Annexure C is ideally suited for this purpose.

All vehicles to be used in the Contract will have service identification details painted on the body of the vehicles according to NAWMA's and Constituent Councils' specifications, refer Annexure D as an example. In addition a strong environmental message will be included on the collection vehicles promoting the benefits of using CNG fuel.

Innovation

All Tenderers proposed systems that enhanced/improved reporting and performance by utilization of satellite tracking with real time data management systems. NAWMA already uses SUEZ RESI on board computing systems utilizing the RFID tag ID inserted in the MGBs. Refer Annexure E. These systems are extremely useful in managing resident issues and providing a high level of customer service.

SUEZ and SOLO provided costings using Compressed Natural Gas (CNG). SUEZ proposed the use of the next generation gas fleet using High Density CNG (HDCNG) coupled with a new truck park utilising a 'state of the art' sequential gas fuelling station that completes the refuelling of 24 trucks overnight. SUEZ also provided as a conforming Tender the use of Mercedes Benz trucks using the Normal Density CNG (NDCNG) which could utilise the existing on-site fuelling system. These trucks are however new to the Australian market and untried in Australia's harsh conditions which could be considered a potential risk for NAWMA.

SOLO also propose the use of NDCNG however have no experience in the use of this fuel source. They did propose another fuel being bio-diesel B20 (20% biodiesel, 80% standard diesel). The biodiesel option was regarded as having less environmental benefits in comparison to CNG in both carbon emissions and noise pollution performance.

The technological advances with the development of next generation CNG powered vehicles indicates even greater operational savings can be achieved through higher density fuel distribution and storage systems allowing less refuelling downtime each day.

NAWMA is already experiencing the benefits of having the lower compression ratios required for CNG coupled with spark ignition resulting in a significant reduction in noise emissions – as much as 50% lower than from a comparable diesel engine. This has the positive effect of reducing urban noise pollution, an important consideration for 7:00am urban stop/start operations.

The CNG truck produces up to 25 per cent less greenhouse gas (GHG) emissions than diesel engines with significantly less harmful particulate pollution. The CNG vehicle is also estimated to achieve a reduction of 50% noise pollution compared with diesel engine powered trucks.

This equates to greenhouse gas emission savings currently being achieved by NAWMA and SUEZ in the vicinity of:

- 1.3 tonnes per truck per day.
- For the entire fleet of 23 trucks this equates to 7,774 tonnes of GHG emissions saved per annum.

Using the EPA GHG Equivalencies Calculator, these emissions savings are the equivalent of:

- Removing 1,637 passenger vehicles from the road, or
- Redirecting 2,786 tonnes of waste from landfill (approx 3 months of NAWMA's waste)

For the reasons stated above, the use of HDCNG is the favoured option even though it is not the lowest cost fuel option. The criteria used in Stage 2 of the Tender evaluation process had an appropriately weighted emphasis on environmental benefit and innovation.

Further to the above, the transfer of new office accommodation, new truck park with sequential gas refuelling and the electricity transformer providing power to the NAWMA site will be useful assets for NAWMA's future use.

While not directly impacting NAWMA, another "benefit" of using CNG is because natural gas is an abundant Australian fuel. The use of CNG helps to reduce Australia's reliance on imported fuel which has domestic economic benefits and improves energy security.

Evaluation/Scoring Mechanism

The TEP was very cognisant of the focus all 3 Constituent Councils have on the environment, as identified in their respective City Plans and Community Visions, when establishing the criteria weighting in the evaluation process. As a result, it was recognised, and reflected in the criteria that the best environmental solution may not be the lowest cost solution, but could still provide a significant reduction on current costs.

On this basis, SUEZ are the preferred contractor of choice, as they scored highest in accordance with the scoring mechanism and evaluation criteria provided in the approved Probity and Evaluation Plan (Reference F).

SUEZ provided the best rate for HDCNG to be used for the bulk of the collection fleet compared to Solo and for the straight diesel fuel comparison Solo provided slightly better rates except for the household hardwaste collection service.

The SUEZ rate for household hard waste was 26% better than the Solo rate and 34% better than the current service rate. This cost per household for collection will have a substantial reduction to Council's budgets for this service provision.

A summary of annual costs for NAWMA and Councils, using the SUEZ tendered prices for each of the collection services including savings achieved in 2017/18 is shown at Annexure B.

The Contract administration charge has been factored in at this point. This charge is shown in the Long Term Financial Plan at Reference D, it was approved by the Board and endorsed by the Councils during the 2008/09 Tender process (\$0.013 per unit for waste and recycling per week). This rate has remained unchanged for the new contract.

The MGB charge (\$0.1266 per service) collected to meet the \$6.5m loan for new MGBs in the 2009/10 FY will not be factored into the new service rate as payments will be complete on commencement of the new Contract term. This is a saving to the region of \$1.2m per annum.

The TEP noted that the current site lease terminates in December 2022, however Item 6 in the lease document allows for two (2) renewals each of five (5) years. As the Contract is for an eight (8) year term, terminating in February 2025, the issue of lease renewal, or alternatively site purchase options currently being pursued by NAWMA, will need to be resolved prior to signing the new Contract.

It is NAWMA's intention to enter into an Under-lease arrangement with SUEZ once NAWMA's tenure arrangements are confirmed.

Summary

The main points to the report are summarized as follows:

- The TEP have concluded that SUEZ Environment is the preferred contractor based on the following:
 - Achieved the best result in accordance with the scoring mechanism and evaluation criteria provided in the Probity and Evaluation Plan (Reference F)
 - Demonstrated innovation and environmental leadership in the proposed use of HDCNG vehicles for collection and the construction of a truck park with sequential fuelling capability which reverts to NAWMA ownership at end of the Contract term

- The SUEZ service rate for the household hardwaste collection service will provide substantial savings to Council budgets for this service.
- Significant annual savings achieved in all key services (domestic waste, recycling, organics and hardwaste) compared to current pricing. It is important to note that these prices are fixed until July 2018. On this basis if the tendered rates were to be compared to the current forecasted rates for the 2017/18 financial year (the first full year that the new rates will apply) then the savings are even greater.
- Arrangements for power to NAWMA site remains in place. SUEZ own the transformer and NAWMA taps into their national power pricing structure (a saving to NAWMA of \$150k per annum, based on 2014/15).
- SUEZ are the current incumbent, 20 years servicing NAWMA, allowing for a smooth transition to the new vehicle fleet and service provision.
- New office accommodation to be built by SUEZ on site will include a training/briefing room for drivers, offices for dedicated staff and improved customer service capability.

Recommendations

1. *That the NAWMA Board endorses the recommendation made by the Tender Evaluation Panel to award Contract No. 01/15 for the Provision of a Kerbside Waste Management Collection Service to SUEZ Environment, for their conforming Tender, commencing 1 March 2017 for an eight (8) year term.*
2. *That the proposed use by SUEZ of High Density Compressed Natural Gas (HDCNG) to fuel the collection fleet be accepted.*
3. *That the recommendations as endorsed by the NAWMA Board be forwarded to the constituent Councils for approval.*
4. *That in accordance with Section 91(7) of the Local Government Act 1999, the report, attachments and all tender documents be kept confidential to be reviewed in twelve months.*
5. *That pursuant to Part 4, Section 91 of the Local Government Act 1999, the power to revoke the Order under Section 91(9)(c) be delegated to the Executive Officer.*

NAWMA - SCHEDULE 2 - TENDER PRICES CONTRACT 01/15

TO TENDER EVALUATION REPORT
FOR CONTRACT 01/15

SCHEDULE 2A - DOMESTIC WASTE

ITEM NO	SCHEDULE NO	TENDERERS SERVICE RATE PER UNIT COST (\$)							
		TIPACIFIC Diesel/No Depot	HD CNG	SUEZ CNG	Diesel	SOLO CNG?	No Diesel	JJ RICHARDS Diesel + 4500K 4 depot	
1	2A.1	\$0.6333	\$0.6470	\$0.6250	\$0.6270	\$0.6626	\$0.6207	\$0.7990	
2	2A.1	\$0.6333	\$0.6470	\$0.6250	\$0.6270	\$0.7126	\$0.6707	\$0.9590	
3	2A.1	\$6.40	\$13.55	\$13.55	\$13.55	\$13.92	\$13.92	\$11.36	

LEGEND:

Item No		
1	SJDS Domestic Waste Service	140L MGB
2	SLDS Domestic Waste Service	240L MGB
3	MLDS Domestic Waste Service	660/1100L MGB
4	Domestic Recyclables Service	240L MGB
5	Garden Organics Service (Optional)	Salisbury/Playford/Gawler
6	Horse Manure Service (Globe Derby Park)	Salisbury
7	Garden Organics Service (mandatory)	Salisbury
8	Garden Organics Service (mandatory)	Playford
9	Garden Organics Service (mandatory)	Gawler
10	Household Hard Waste	Salisbury
11	Household Hard Waste	Playford
12	Pre Service and Start up Education Costs	
13	Annual Financial Education Contribution	
14	Collection of Waste & Recyclables from Special Events	

SCHEDULE 2B - DOMESTIC RECYCLABLES

ITEM NO	SCHEDULE NO	TENDERERS SERVICE RATE PER UNIT COST (\$)
4	2B.1	\$0.6419

SCHEDULE 2C - DOMESTIC GARDEN ORGANICS

ITEM NO	SCHEDULE NO	TENDERERS SERVICE RATE PER UNIT COST (\$)
5	2C.1	\$1.3482
6	2C.1	\$1.3482
7	2C.2	\$0.7036
8	2C.3	\$0.7036
9	2C.4	\$0.7036

TOTAL KERBSIDE COLLECTIONS - SUM OF ITEMS 1, 4 and 5		
	\$2.6234	\$2.2720

SCHEDULE 2D - HOUSEHOLD HARD WASTE

ITEM NO	SCHEDULE NO	TENDERERS SERVICE RATE PER UNIT COST (\$)	2015/16 Rates
10	2D.1	\$33.49	\$39.7760
11	2D.1	\$33.49	\$39.7760
	Annual Saving	\$85,489.60	\$94,764.60

SCHEDULE 2E - PROVISION OF EDUCATION SERVICES

ITEM NO	SCHEDULE NO	TENDERERS SERVICE RATE PER UNIT COST (\$)
12	2E.1	\$2.00
13	2E.1	\$1.00

SCHEDULE 2F - COLLECTION OF WASTE & RECYCLABLES FROM SPECIAL EVENTS

ITEM NO	SCHEDULE NO	TENDERERS SERVICE RATE PER UNIT COST (\$)
14	2F.1	\$2.60

SCHEDULE 10 - PAYMENT FOR TRANSPORT TO ALTERNATE FACILITY

PAYMENT RATE	TENDERERS SERVICE RATE 1/TUNNE/KM COST
Waste SL/D	\$0.22
Waste ML/D	\$0.22
Recycling	\$0.35
Garden Organics	\$0.23

COST COMPARISON WITH CURRENT SERVICE LEVELS

SERVICE	2015/16 SERVICE	TENDERERS SERVICE RATE PER UNIT COST (\$)							
		TIPACIFIC Diesel/No depot	HD CNG	SUEZ CNG	Diesel	SOLO CNG?	No Diesel	JJ RICHARDS Diesel + 4500K 4 depot	
Waste	\$0.7912	\$0.6333	\$0.6470	\$0.6250	\$0.6270	\$0.6626	\$0.6207	\$0.7990	
Recycling	\$0.8297	\$0.6419	\$0.6900	\$0.6750	\$0.6640	\$0.6894	\$0.6438	\$0.8210	
Organics	\$1.2170	\$1.3482	\$0.9750	\$0.8990	\$0.9010	\$0.8470	\$0.7955	\$1.0600	
TOTAL	\$2.8379	\$2.6234	\$2.2720	\$2.1990	\$2.1920	\$2.1990	\$2.0600	\$2.6800	

Total Annual Cost

2015/16 Rates	TIPACIFIC	SUEZ	SOLO	JJ RICHARDS	
\$8,078,672	\$6,890,639	\$6,559,442	\$6,528,057	\$7,894,087	3 bin kerbside
\$540,954	\$455,464	\$356,592	\$523,056	\$446,189	Hardwaste
\$8,619,626	\$7,346,103	\$6,916,034	\$7,051,113	\$8,340,276	TOTAL COST
Annual Saving	\$1,188,033	\$1,519,230	\$1,724,900	\$184,585	3 bin kerbside
\$85,490	\$184,362	\$184,362	\$17,898	\$94,765	Hardwaste
\$1,273,523	\$1,703,592	\$1,909,262	\$1,925,547	\$279,350	TOTAL SAVING

* The 2015/16 Rates are inclusive of the ATO CNG Excise Tax which is applicable to CNG as an alternative fuel (approx \$210K per annum, 02 cents/service).

**ANNEXURE B
TO TENDER EVALUATION REPORT
FOR CONTRACT 01/15**

NEW CONTRACT: COUNCIL FORECAST V CURRENT BUDGET

SALISBURY

SERVICE	2015/16		2017/18		SAVING
	No of services	\$	No of services	\$	
Waste	56980	\$2,344,294	59282	\$1,994,483	\$349,811
Recycling	56897	\$1,227,393	59196	\$1,061,970	\$165,424
Green	32666	\$1,033,618	33986	\$826,193	\$207,425
Hardwaste	4600	\$182,970	4786	\$125,485	\$57,485
Contract Admin	\$0.013/service	\$76,981	\$0.013/service	\$80,091	-\$3,110
TOTAL (ANNUAL)		\$4,865,255		\$4,088,221	\$777,034

Note #1 Number of services increased by 2% per annum, participation rate remains constant for GW and HW

PLAYFORD

SERVICE	2015/16		2017/18		SAVING
	No of services	\$	No of services	\$	
Waste	36645	\$1,507,663	38125	\$1,282,693	\$224,970
Recycling	36580	\$789,111	38058	\$682,758	\$106,354
Green	10908	\$345,151	11349	\$275,886	\$69,264
Hardwaste	9000	\$357,984	9364	\$245,514	\$112,470
Contract Admin	\$0.013/service	\$49,500	\$0.013/service	\$51,500	-\$2,000
TOTAL (ANNUAL)		\$3,049,409		\$2,538,350	\$511,059

GAWLER

SERVICE	2015/16		2017/18		SAVING
	No of services	\$	No of services	\$	
Waste	10077	\$414,592	10484	\$352,727	\$61,865
Recycling	10489	\$226,271	10913	\$195,775	\$30,496
Green	4372	\$138,339	4549	\$110,577	\$27,762
Hardwaste	n/a				\$0
Contract Admin	\$0.013/service	\$13,903	\$0.013/service	\$14,464	-\$562
TOTAL (ANNUAL)		\$793,104		\$673,544	\$119,561

Proposed truck designs



For Contract 01/15

Gen V DART Side Loader: General



Features	Benefits
1 60/40 split body	Allows collection of multiple waste types during a single collection run. Reduces number of vehicles required for small domestic collections
2 Large upper chamber with lower compaction forces	Ideal for recyclable materials
3 Tailgate capacity included in upper chamber	Additional capacity utilised for bulky recyclable materials
4 Smaller lower chamber with higher compaction forces	Ideal for general waste or green waste
5 Lower chamber designed for heavier waste streams	Ensures lowest possible centre of gravity for safe vehicle operation

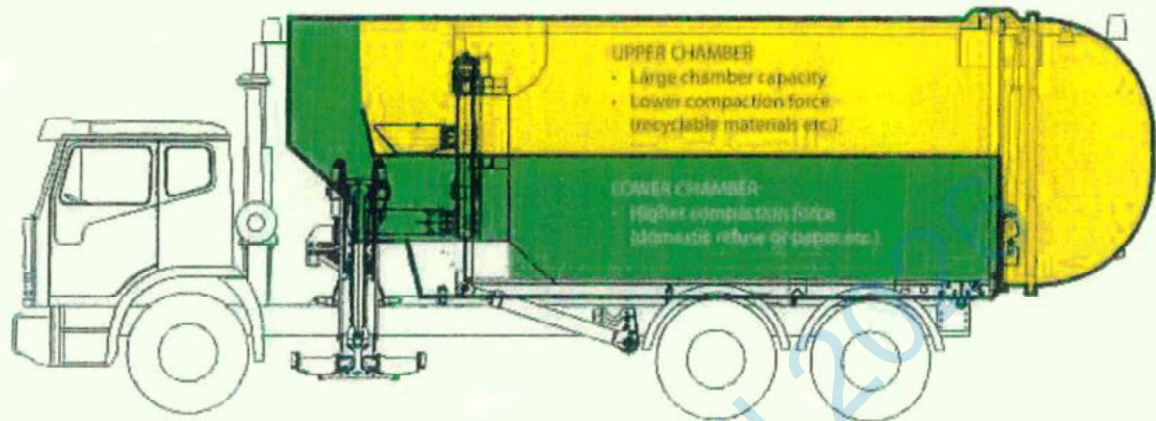


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Due to continuous development MacDonald Johnston reserves the right to alter specifications without prior notice. April 2014



Gen V DART Side Loader: General



Features		Benefits
1	Fixed dividing plate in hopper area	Compatible with North/South divided bins to ensure waste streams remain separate
2	Mono-damper option available	Mechanical flap in hopper directs waste into either body chamber, ensuring DART is compatible with standard bins
3	Mono-damper mechanical flap defaults to general waste chamber	Prevents accidental contamination of recyclable material with general waste. Operator must activate mechanical flap from joystick button before tipping material into recyclable chamber
4	Mono-damper flap pulse after every bin	Ensures any excess waste spilt on top of mechanical flap is directed into correct body chamber after every bin tip
5	Shallow hopper bowl for recyclable material	Reduced glass breakage for maximum recycling potential of load
6	Locating teeth on bin lifter	Ensures bin is grabbed at correct height to prevent damage to bin lids when tipping into shallow hopper bowl
7	Inner door inside tailgate	Allows body chambers to be tipped separately to avoid contamination of waste streams



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For Contract 01/15



THE LEADER IN RESOURCE RECOVERY

SITA RESI

RESIDENTIAL AND PRODUCTIVITY INFORMATION DELIVERY

ON-BOARD COMPUTING SYSTEM

SITA RESI IS A PROPRIETARY INTEGRATED COMPUTING SOLUTION DESIGNED SPECIFICALLY BY SITA AUSTRALIA (SITA) TO HELP COUNCILS MANAGE THEIR RESIDENTIAL COLLECTION SERVICES.

SITA is one of the first resource recovery, recycling and waste management companies in Australia to embrace real-time reporting.

SITA's innovative SITA RESI system provides councils with real-time access to detailed information such as GPS tracking of collection trucks and details on bin rejections. This information is accessible via direct connection to SITA's database on the internet.

Collection truck drivers also have access to real-time GPS information through the on-board computing system including detailed maps of streets awaiting to be serviced, thus ensuring fast and efficient collection services.

SITA regularly upgrades the SITA RESI system to ensure superior service and to meet the changing needs of councils.



KEY FEATURES

- All residential vehicles fitted with an on-board computer and screen unit
- GPS date and time stamp with truck locations captured and transmitted to a central database in real-time
- Vehicle load weighting system
- Digital on-board maps to show streets that have been serviced and streets awaiting to be serviced
- RFID (Radio-Frequency Identification) tags attached to all residential bins
- Captures RFID tag readers attached to specific residential collection vehicles
- All collected bins information transmitted to a central database
- 3 cameras affixed to vehicles: rear, right side and hopper area - cameras help identify contamination in recycling and organic loads
- Driver alerts when reaching maximum weight therefore avoiding exceeded compaction ratios for recycling
- Data correlation and storage for reporting
- Access to SITA's customer service online database via unique Council log-in
- All bin lifts recorded regardless of bin tagging or not
- Exception reporting to Council in real-time

'THE SITA RESI SYSTEM PROVIDES COUNCILS WITH THE MOST DETAILED, ACCURATE AND TIMELY INFORMATION FOR EFFICIENT RECYCLING AND WASTE RESOURCE RECOVERY COLLECTION SERVICES.'

HOW DOES SITA RESI WORK?



ALL SITA RESIDENTIAL COLLECTION TRUCKS FITTED WITH THE SITA RESI AND RFID SYSTEM ARE CAPABLE OF READING THE INDIVIDUAL TAGS AFFIXED TO BINS.

Along with the RFID tag ID number, the system records the date and time each bin was serviced.

The SITA RESI tagging system ensures that missed or stolen bins fitted with the RFID tags can be easily tracked.

SITA's database carries a list of every residential address provided by Council, and the collected bin information is constantly updated into SITA's database.

Reports provided to Council will detail collection dates, times, addresses, tag ID and bin numbers. Reports can be provided to Council in various formats including electronically by email, on disc, or by accessing SITA's database using Council's unique secure log-in details.

In addition to the Radio Frequency reading system, each residential truck is installed with a GPS system enabling the trucks to be tracked during the course of the day using co-ordinates logged in the Map Grid of Australia.

If bins are rejected by the SITA RESI system, the information is logged with the following:

- GPS time and date
- Collection truck ID number
- Tag ID number
- Bin number
- Corresponding address
- Bin rejection status

This information can be accessed in real-time via secure connection to SITA's database on the internet.

