

18.3 Waste Contract (Report No: 345/20)**Motion – Exclusion of the Public – Section 90(3)(b)****C271020/2106**

1. That pursuant to Section 90(2) of the *Local Government Act 1999* the Council hereby orders that the public be excluded from attendance at this meeting with the exception of the Chief Executive Officer and Staff in attendance at the meeting in order to consider Report No: 345/20 - Waste Contract in confidence.
2. That in accordance with Section 90(3) of the *Local Government Act 1999* the Council is satisfied that it is necessary that the public be excluded to consider the information contained in Report No: 345/20 - Waste Contract on the following grounds:
 - b. pursuant to Section 90(3)(b) of the Act, the information to be received, discussed or considered in relation to this Agenda Item is information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the Council is conducting business and the disclosure of the information could prejudice Council's commercial position.

In addition, the disclosure of this information would, on balance, be contrary to the public interest. The public interest in public access to the meeting has been balanced against the public interest in the continued non-disclosure of the information. The benefit to the public at large resulting from withholding the information outweighs the benefit to it of disclosure of the information.

Moved Councillor Lonie, Seconded Councillor Abley

Carried Unanimously

Council has a current contract with Solo Resource Recovery (Solo) for the collection and processing of residual waste, dry recycles and green organic recycling for the city. Solo is primarily a waste collection business and so relies on sub-contract relationships with Southern Region Waste Resource Authority (SRWRA) to dispose of collected residual waste, Visy Recycling to process dry recycles and a 3rd party processor to process green organics recycling. The existing waste contract also requires Solo to collect residual waste from street litter bins and undertake ad-hoc bin collection as directed by Council. A separate contract has been awarded to Solo to collect, recycle and dispose of residual waste from on-demand kerbside hard rubbish collections.

Solo's head contract expires on 31 March 2021 and administration has been examining options to provide Council's waste and recycling collections, processing and disposal. Options examined include:

Option 1: Commercial offer from Solo to extend the contract for a further 5 years.
Option 2: Call open tenders for waste collection and processing services.

SRWRA has committed to build a new Materials Recycling Facility (MRF) at its Seaford Heights facility and Council has resolved that Council will have its dry recycles processed by SRWRA. The new MRF is expected to be commissioned by April 2021.

Administration sought independent advice from consultant BRM Advisory on the risks associated with extending the contract without going to open tender and on the commerciality of the proposed 5 year contract extension offered by Solo drawing on BRM Advisory knowledge of current waste contract prices. A report was subsequently submitted to the Audit Committee seeking their views on a proposed recommendation to extend the contract.

Copies of the report submitted to the Audit Committee inclusive of Solo's 5 year extension offer and BRM Advisory's Letter of Advice are presented for Council's information. A copy of the Audit Committee's recommendation and Solo's subsequent offer for a 1 year extension were also presented.

This report sought Council's approval to award Solo Resource Recovery a 1 year extension to their waste collection contract under revised terms as outlined and to enable Administration to commence negotiations with SRWRA for commercial processing of Council's collected dry recyclables.

Administration will then proceed to prepare tender documentation for an open tender process for waste collection and disposal services to be in place post 31 March 2022.

Motion

C271020/2107

1. That Council:

- a) **note the Report No 312/20 presented to the Audit Committee at their meeting on 7 October 2020;**
- b) **note the recommendation from the Audit Committee in relation to extending the Waste Services contract with Solo Resource Recovery from their meeting held 7 October 2020;**
- c) **having regard to the recommendation from the Audit committee at their meeting of 7 October 2020, authorise the extension of the existing waste services contract with Solo Resource Recovery Solo based on revised pricing as submitted in their letter dated 16 October 2020 for a period of 1 year from 1 April 2021 until 31 March 2021; and**

- d) **note that Administration will prepare tender documentation for an open tender process to provide Council's waste collection and disposal services commencing from 1 April 2022.**

RETAIN IN CONFIDENCE - Section 91(7) Order

2. **That having considered Agenda Item 18.3 Report No: 345/20 - Waste Contract in confidence under Section 90(2) and (3)(b) of the *Local Government Act 1999*, the Council, pursuant to Section 91(7) of that Act orders that the report and minutes relevant to this item be retained in confidence for a period of 18 months and the Chief Executive Officer be authorised to release of the documents thereafter.**

Moved Councillor Smedley, Seconded Councillor Snewin **Carried Unanimously**

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