



Asset Management | Spatial Intelligence | Waste Management

Resource Recovery Options at Seven Mile Waste Management Facility

RFT Term Sheet

Prepared for Shire of Roebourne
February 2014
Project Number TW13025



Talis Consultants Pty Ltd
8/663 Newcastle St
Leederville WA 6007
Ph: 1300 251 070
www.talisconsultants.com.au
ABN: 85 967 691 321

NOTE: This Term Sheet is to be used, when approved, as the basis for drafting the Request for Tender for Resource Recovery Services at the Seven Mile Waste Management Facility for the Shire of Roebourne.

DOCUMENT CONTROL

Version	File Ref	Author	Reviewer
Draft released for client comment	TW13025 – RFT Term Sheet.1a	Michelle Kent	John King
Final version	TW13025 – RFT Term Sheet.1b	Michelle Kent	John King

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1 Introduction

The Shire of Roebourne (**Principal**) is looking to introduce resource recovery options for components of the waste stream that are currently accepted at the Seven Mile Waste Management Facility. It seeks to do this by leasing part of the Seven Mile Waste Management Facility site to a suitably qualified organisation which will develop, own and operate an approved Resource Recovery Facility (RRF).

The Principal operates the Seven Mile Waste Management Facility providing disposal facilities for waste generated by residents, businesses and industry. In 2012, the Facility accepted approximately 80,000 tonnes of Solid Waste for disposal (excluding clean fill). Approximately 60% of this was construction and demolition waste, 20% commercial and industrial waste and 20% municipal solid waste.

Kerbside recycling services are not currently provided by the Principal to residences and commercial properties in Karratha, however steel, lead acid batteries and oil are currently recovered for recycling.

This Request for Tender (RFT) is the second stage in a two part procurement process undertaken by the Shire. In August 2013, the Shire released an Expression of Interest (EOI) seeking submissions to determine further Resource Recovery Options. The EOI identified four Acceptable Tenderers that were able to provide suitable Resource Recovery Options at the Seven Mile Waste Management Facility. The four Acceptable Tenderers have been requested to submit a response to this Request for Tender (RFT).

The Principal wishes to engage a provider(s) of Resource Recovery Services for Wastes received at the Seven Mile Waste Management Facility including:

- Tyres;
- Concrete;
- Timber;
- Recyclables;
- Organic wastes; and
- Legacy wastes (existing material stockpiles on site).

The Principal will lease a 3 hectare site (the Site) on vacant land available on the Seven Mile Waste Management Facility site to accommodate the establishment of the RRF. The Contractor will provide suitable road access, utility services (electricity, water) and civil works at the Site, with the cost of these services covered by the Contractor.

1.1 Definitions

In this RFT the defined terms have the meaning set out below.

'Best Practice' means a working technique or set of working techniques that are officially accepted as being the best to utilise in a particular business or industry.

'Commencement Date' has the meaning given to the date of Contract Commencement.

'Commercial & Industrial Waste' means solid waste generated from commercial and industrial activities and enterprises and which has been collected or received by the Principal.



'Contractor' means the Tenderer identified by the Shire as preferred to provide Resource Recovery Services based on the evaluation methodology described in clause 2.5.

'Deadline' means the time and date that submissions must be received by the Principal in accordance with this RFT.

'Lease Agreement' means the Agreement between the Principal and the Contractor for the lease of the Site, contained in Appendix A.

'Lease Term' means the term of the Lease Agreement.

'Legacy Wastes' means waste currently stockpiled in the Seven Mile Waste Management Facility, and may also include waste that can be recovered from the landfill cells.

'Principal' means the Shire of Roebourne.

'Principal's Waste' means waste collected by or received by the Principal through its waste management services, and Legacy Wastes.

'Product' means a material or commodity that is produced by the Resource Recovery Facility, which has commercial value or assists the Principal to achieve environmental or social objectives.

'Resource Recovery Facility (RRF)' means the resource recovery facility to be established by the Contractor, at which the Wastes are to be received and processed by the Contractor in accordance with the Lease Agreement.

'Resource Recovery Services' means the waste processing services to be provided by the Contractor to the Principal during the Services Term.

'RFT' means this Request for Tender **RFT XX-XX-XX**.

'Services Agreement' means the Agreement between the Principal and the Contractor to provide Resource Recovery Services for the Principal's Waste, contained in Appendix B.

'Services Term' means the term of the Services Agreement.

'Shortfall' means the per annum quantity of Committed Wastes measured in tonnes that the Principal did not deliver to the RRF in accordance with this Services Agreement.

'Site' refers to area within the Seven Mile Waste Management Facility leased by the Principal to the Contractor as shown in Figure 1.

'Submission' means a submission made to the Principal in response to this RFT;

'Tender Briefing' means the briefing described in clause 2.4.

'Tenderer' means a party or parties that submit a Tender in response to this RFT;

'Wastes' means the waste streams which are currently received by the Principal at the Seven Mile Waste Management Facility as described in Section 1.

'Waste Strategy' means the *Western Australian Waste Strategy – Creating the Right Environment*, Waste Authority (2012).

1.2 Principal's Objectives of the RFT

The Principal has the following objectives in issuing this RFT:

- Provide cost resource recovery services for processing of waste that would otherwise be disposed within the Seven Mile Waste Management Facility;
- Provide a consistent and reliable service that meets the needs of the Principal given the waste types and quantities;
- Protect the Principal's reputation and to minimise its liabilities associated with its waste management services;



- Provide a service that diverts Waste from landfill and utilises existing Legacy Wastes and so extend the life of the Seven Mile Waste Management Facility;
- Achieve a high level of compliance with health, environment and safety requirements and compliance with Federal, State and Local regulatory requirements;
- Avoid, reduce, reuse and recycle or recover waste wherever practicable, in accordance with the waste hierarchy model and sustainable waste management practices; and
- Achieve waste minimisation and diversion targets contained within the Waste Strategy.



2 Request For Tender

2.1 Tender Submissions

Tenderers should provide full details of the following:

- The Name of the Tenderer and other parties that will be associated with the delivery of the Services;
- Responses to each of the tender assessment criterion listed in **Table 1**;
- Full details to demonstrate compliance with the Specifications and Technical Requirements;
- Plans and Protocols detailed in clause 3.3.
- Details of reference sites where the technology proposed for the RRF is currently in commercial operations;
- Fees as detailed in clause 4;
- How the tender will achieve the Principal's Objectives.

As outlined within Section 1, all Preferred Tenderers have been determined through the EOI process which consisted of an evaluation against compliance and qualitative criteria. This information will be utilised to assist in the evaluation of the RFT process. However, Tenderers are requested to provide only details of changes to the information provided contained within their EOI submission including but limited to key personnel, advancement of current waste infrastructure network and new contracts awarded.

2.2 Method for Lodging a Tender

Tenders shall be submitted electronically through the Principal's TenderLink page available from the following link: www.tenderlink.com/roebourne

Tenders must be fully uploaded into Tenderlink prior to the Deadline. The Principal does not take any responsibility for Tenders that are not received into Tenderlink by the Deadline.

Tenders submitted via any other means that in accordance with this Clause will not be accepted.

2.3 Lodgement of Tenders

The Tender must be lodged by the Deadline. The Deadline for this RFT is 2pm on 4 April 2014 (Australian Western Standard Time). Late Tenders will not be assessed.

2.4 Project Briefing

The Principal will conduct a optional briefing for Tenderers on 7 April 2014. The location of the briefing will be at the Seven Mile Waste Facility, Exploration Drive, Gap Ridge.

Tenderers are required to confirm their attendance at the briefing by emailing:

Donna Cleaver –Waste Services Office Supervisor

Phone: (08) 9186 8609

Email: donna.cleaver@roebourne.wa.gov.au



2.5 Evaluation of Submissions

The Preferred Tenderer will be selected based on which Tender has been determined to present the best value, according to multiple criteria, for the development of the RRF and provision of Resource Recovery Services required by the Principal. As part of the evaluation, Tenderers:

- May be asked to provide clarification in support of their Submissions;
- May have referees contacted by the Principal;
- Will be evaluated using:
 - Information provided in the Submissions;
 - Information (if any) obtained by the Principal from other sources;
 - Clarification provided by the Tenderer; and
 - Information obtained from interviews with the Tenderer and obtained from referees.

Tenderers are required to provide sufficient information in their Submission to allow the Principal to evaluate the Submissions against the Compliance Criteria and Qualitative Criteria.

2.6 Compliance Criteria

Tenders that have been received by the Principal in compliance with the Conditions of Tender will be assessed for compliance against the requirements of the RFT, including the specification and the Conditions of Contract and Tendering.

Tenderers must also demonstrate the proven performance of the RRF technology at a commercial scale.

Tenders that do not comply with the requirements of the RFT may be rejected by the Principal at its sole discretion.

2.7 Qualitative Criteria

Tenders that meet the Compliance Criteria in accordance with clause 2.6 will be assessed using the Qualitative Criteria set out in **Table 1** and by undertaking a Value assessment taking into consideration:

- the total cost to the Principal;
- the assessment against the Qualitative Criteria; and
- the degree to which each tender achieves the Principal's Objectives.

Table 1: RFT Qualitative Criteria

Criteria	Weighting
Financial	
Impact of the Principal's future Financial Liabilities	35%
Commercial risks to the Principal	15%
Technical	
Proven Experience of Tenderer	15%
Skills and experience of Key Personnel	10%



Criteria	Weighting
Flexibility in feed stock quality (including changes to waste collection practices)	5%
Environmental	
Proven ability to comply with applicable Best Practice environmental standards	10%
Percentage of Waste diverted by process	10%
Total	100%

The Preferred Tenderer will then be selected on the basis of having provided the best value option for the Principal, taking into account the Quantitative Score, the ability of the proposal to achieve the Principal's Objectives and the total cost to the Principal.

2.8 Tender Validity Period

All Tenders shall remain valid and open for acceptance for a minimum period of six (6) months from the Deadline.

2.9 Further Information

Tenderers requiring additional information should contact:

Donna Cleaver - Waste Services Office Supervisor

Welcome Rd. Karratha WA 6714
PO Box 219 Karratha WA 6714

Phone (08) 9186 8609

Email: donna.cleaver@roebourne.wa.gov.au

Tenderers must not contact Councillors or employees of the Principal in respect of this RFT.

2.10 Acceptance of Tenders

The Principal is not bound to accept and may reject any or all Tenders submitted. The acceptance of a Tender does not constitute the establishment of a contract between the Principal and the preferred Tenderer.

2.11 Conditions of Tender

The following list provides a summary of the other general Conditions of Tender to be included within the RFT:

- Tenderers to inform themselves
- Tender documents
- Alternative tenders
- Rejection of tenders
- Disclosure of contract information and documents
- Tender process
- Ownership of tenders
- Canvassing of Councillors
- Identity of the tenderer
- Provide all requested information



- Cost of tendering
- Tendered prices
- Discretions



3 Specifications and Technical Requirements

3.1 Services

The Contractor is required to develop a RRF on the Site. The Contractor will build, own and operate the RRF in accordance with the Lease Agreement. The Contractor is also required to operate the weighbridge and gatehouse in accordance with the Lease Agreement.

The Principal, at its sole discretion, may enter into a Services Agreement with the Contractor to provide Resource Recovery Services.

3.2 Resource Recovery Facility

The Resource Recovery Facility shall:

- Be capable of processing all or part of the Waste for reuse, recycling or the recovery of Products;
- Utilise only proven waste processing technologies that have demonstrated design and operational capabilities at a commercial scale that comply with Best Practice performance, including compliance with all relevant licensing and regulatory standards;
- Be capable of achieving or contributing to the achievement of the Principal's Objectives; and
- Be operated in accordance with all approved operating procedures, licenses, applicable laws and the commitments, undertakings and obligations of the Contractor contained in the Lease Agreement.

3.3 Plans and Protocols

The Contractor shall comply with the following Plans and Protocols:

- Project Implementation Plan;
- Minimum Technical Requirements and Design Plans including:
 - An engineering design report and preliminary design plans for the RRF and site layout including Additional Leased Area as set out in clause 3.3 of the Lease Agreement;
 - Operating performance standards of the RRF;
 - Quality and quantities of all products and residues;
- Commissioning Plan;
- Waste Acceptance Protocol including:
 - Procedures to be followed for the acceptance of Wastes
 - Procedures to be followed in the event that delivered Wastes do not meet the agreed Waste Acceptance Criteria.
- Products and Residue Management Plan:
 - Type of residue waste(s) including landfill disposal Class (I-V);
- Facility Performance Reporting Plan;
- Waste Delivery Plan (for Principal's Waste) specifying quantity of:
 - Quantity of Principal's Waste; and
 - Legacy Wastes;to be processed by the Contractor at the RRF.



3.4 Ownership of Wastes

Ownership of the Wastes delivered to the RRF shall transfer to the Contractor when accepted by the Contractor in accordance with the Waste Acceptance Protocol.

3.5 Term of the Agreements

The Term of the Lease Agreement is twenty (20) years starting from the Commencement Date plus extensions at the Principal's discretion.

The Term of the Lease for Additional Leased Areas will be negotiated with the Contractor at the Principal's discretion.

The Term of the Services Agreement is 20 years starting from the Date of Practical Completion plus extensions at the Principal's discretion.



4 Fees

4.1 Lease Fee

The Lease Fee is the amount that the Contractor wishes to pay the Principal for use of the Site in accordance with the Lease Agreement.

The Cost Escalation Rate is to be applied annually commencing on the Commencement Date. Each increase thereafter will apply from 1 July.

The Cost Escalation Rate shall be as detailed in the Lease Agreement.

4.2 Services Fee

The Services Fee is the amount that is payable by the Principal to the Contractor for processing Principal Waste in accordance with the Services Agreement.

The Cost Escalation Rate is to be applied annually commencing on the Date of Practical Completion. Each increase thereafter will apply from 1 July.

The Cost Escalation Rate shall be as detailed in the Services Agreement.

4.3 Shortfall Rate

The Shortfall Rate is the amount that is payable by the Principal to the Contractor for a Shortfall.

The Cost Escalation Rate is to be applied annually commencing on the Date of Practical Completion. Each increase thereafter will apply from 1 July.

The Cost Escalation Rate shall be as detailed in the Services Agreement.

