

Relevant Information for Council

FILE: X011992.001 **DATE:** 13 December 2024

TO: Lord Mayor and Councillors

FROM: Veronica Lee, Executive Director City Services

THROUGH: Monica Barone PSM, Chief Executive Officer

SUBJECT: Information Relevant To Item 6.14 – Exemption from Tender and Contract Variation – Bulky Organics and Cleansing Waste Processing

For Noting

This memo is for the information of the Lord Mayor and Councillors.

Purpose

Provide clarification for 3-year term of the contract extension requested and additional information regarding other waste processing services not directly related to this contract.

Background

At the meeting of the Corporate, Finance, Properties and Tenders Committee on 9 December 2024, further information was sought on the following:

Term of contract extension and other details

Complex contracts that require transfer and processing of multiple material streams can require longer lead times. Typically for this type of contract staff would commence market research and early tender document drafting approximately 12 months out from contract start. This allows time for document assembly for each stream and review of available suppliers, legal review of tender documents and contract, internal review and approvals, tenders or quotes out to market and evaluation, potential negotiations and contract transition.

Extending the current contract by 2 years will result in staff restarting the process of market analysis and tender document preparation within one year of the contract extension. It is not anticipated that any meaningful new processing facilities will be established during the extended contract period.

Additionally, the requested extension period will accommodate the 12-month insect processing trial scheduled to start in January 2025 and allow adequate time for evaluation and future service planning prior to the preparation of tender requirements for the next contract.

The contracts do not require the City to deliver minimum tonnages to any of the processing facilities.

Waste contract details and links to contractor enterprise bargaining agreements

Further information was also requested regarding other waste related contracts managed by the City, namely, who we have contracts with, how long the contracts are for, details of any extensions and information regarding relevant awards or enterprise agreements our suppliers have with their staff.

The below table provides details of all residential waste contracts including confirmation of awards or links to relevant enterprise agreements.

Contract name	Material processed	Contractor name	Sub-contractor name	Contract expiry	Extension options	Awards / Enterprise Agreement
Residential waste collection	Collection of bins and bulky waste	Cleanaway	NA	30 June 2026	30 June 2029	Cleanaway Solid Waste Services – City of Sydney (Municipal) Enterprise Agreement 2023
Bulky, organics and cleansing waste processing	Bulky, organics and cleansing waste	Veolia	Resource Co, ANL and Downer.	1 January 2018	30 June 2025	Veolia Environmental Services Banksmeadow & Port Botany Transfer Terminals Enterprise Agreement 2023
Recyclables receipt and processing	Comingled recyclables	Visy Recycling	NA	1 April 2018	30 June 2025*	Agreements attached. AE518392 AE518573
Dangerous goods processing	Dangerous goods (hazardous waste)	Cleanaway Co	NA	30 June 2025**	N/A	Award: Waste Management Award 2020
Metals and whitegoods processing	Appliances, metals	Sell & Parker	NA	31 July 2025**	N/A	Award: Manufacturing and Associated Industries and Occupations Award 2020

Contract name	Material processed	Contractor name	Sub-contractor name	Contract expiry	Extension options	Awards / Enterprise Agreement
Residual waste processing	Red bin waste, parks bins waste and cleansing waste (putrescible)	Cleanaway	NA	1 January 2023	31 December 2028	Agreement attached (SUEZ and TWU)
Electronics processing	Electronics and other material	SPC ECycle	NA	30 June 2025**	NA	Awards: Clerks - Private Sector Award 2020 Waste Management Award 2020 Commercial Sales Award 2020
Mattress collection and processing	Mattresses and ensembles	Soft Landing (regional contract with SSROC)	N/A	30 April 2025***	N/A	Confirming with contractor
Doorstep recycling service	Doorstep textiles	SCR Group	N/A	28 February 2025	28 February 2026	Award relevant to roles
Insect farming	Food organics	Goterra Pty Ltd	N/A	6 March 2026	N/A	Award: Waste Management Award 2020

* Tender currently out to market

** Out to market in early 2025

*** Tenders closed and under evaluation (regional tender)

Memo from Veronica Lee, Executive Director City Services

Prepared by: Gemma Dawson, Waste Strategy Manager

Attachments

Attachment A. Visy Enterprise Agreements AE518392 and AE518573 (Confidential)

Attachment B. Suez and TWU (Operations) Agreement 2019 (Cleanaway)
(Confidential)

Approved

P. M. Barone

MONICA BARONE PSM

Chief Executive Officer