

12 October 2022

Sally-Ann Moffat

7(2)(a)

Tēnā koe Sally-Ann

Request for Information – Local Government Official Information and Meetings Act (LGOIMA) 1987

We refer to your official information request dated 5 September 2022, and clarification dated 10 September 2022. You have requested:

“...all preparatory and up-to-date material, recommendations and correspondence produced by HCC or their agencies in relation to the 'Resource Recovery Park' that has been produced/drafted/presented internally/written or discussed during the current triennium.”

On 12 September 2022, you clarified that your request referred to a “Resource Recovery Park’ at an alternate site’ (i.e. not associated with the Silverstream landfill facility).

Hutt City Council recently called for Registrations of Interest (ROI) on the GETS website (www.GETS.govt.nz) to operate the Silverstream Landfill, associated Refuse Transfer Station and Resource Recovery activities from early 2023. The Council is now involved in negotiations with interested parties, and information relevant to your request will be made public once these negotiations have concluded. Accordingly, your request is refused under section 17(d) of the LGOIMA, on the grounds that information relevant to your request will soon be publicly available on the Council’s website.

Meanwhile, you may be interested in the overview of the ROI, which is available [here](#), and we have also attached documentation that was provided with the ROI process as it is no longer accessible on the GETS website.

You have the right to seek an investigation and review by the Ombudsman of this response. Information about how to make a complaint is available at www.ombudsman.parliament.nz or freephone 0800 802 602.

Please note that this letter may be published on the Council’s website.

Nāku noa, nā



Susan Sales
Senior Advisor, Official Information and Privacy

Encl:
Registration of Interest (ROI) - Silverstream landfill and Resource Recovery Centre



Call for Registrations of Interest (ROI)

By: Hutt City Council

To: Deliver landfill and resource
recovery park operations.

To co-investment a Resource
Recovery Park development.

Reference: AD16-4433

ROI released:	5 th October 2021
Deadline for Questions:	5pm 22 nd October 2021
Deadline for Registrations:	5pm 29 th October 2021

The opportunity

What we need

Hutt City Council (HCC) is seeking an experienced and motivated partner to operate the Silverstream Landfill, associated Refuse Transfer Station and Resource Recovery activities with services commencing from early 2023. The transfer station operations will initially be provided from Silverstream, with potential for co-investment from the operations partner to establish a new Resource Recovery Park at an alternative site.

This Registration of Interest invites Respondents to register their interest in partnering with Council to deliver these critical services for the City. We are also interested to understand whether potential partners would be open to investing or co-investing in the development of a new Resource Recovery Park in the Hutt Valley.

What we don't want

We do not want registrations of interest from entities that cannot support and deliver on HCC's sustainability objectives. We only want to hear from entities that are suitably experienced in running landfill and resource recovery operations of a similar size.

What's important to us?

Council is looking for an experienced and proactive contractor partner, with a proven track record of delivering high-quality waste and resource recovery services of a similar scale under a partnership framework.

A key commitment of the Council is to promote effective waste minimisation. To deliver this, we are looking to partner with our operations contractor to increase the recovery of materials, which may involve operating a resource recovery park at the current location of the Silverstream transfer station, or establishing such park at an alternative site. If the Resource Recovery Park is to be located at an alternative site, Council is interested in considering alternative financing arrangements, such as investment by the contractor, or co-investment between the two parties.

Our long-term plan outlines key priorities for the city. The priorities of "investing in infrastructure" and "caring for and protecting our environment" are of particular relevance to this Registration of Interest. The improvement of infrastructure to support resource recovery aligns with Council's waste reduction and climate change commitments.

Operating as a local authority, it is essential we are optimising public value from our contracts, while upholding high health and safety standards. This is more than simply cost, we are interested in a high quality of service and delivering on Council priorities including waste reduction and decarbonisation.

The broader outcomes that HCC is seeking includes reducing greenhouse gas emissions, optimising operating efficiency, and enhancing community benefits. These outcomes will be embedded into the partnership, requiring our contractor to deliver on all of these priorities.

Why should you register your interest?

This is an opportunity to deliver resource recovery services and assist the Hutt Valley community to manage residual waste through transfer station services and the operation of Silverstream Landfill. This will be a high-value and long-term contract of approximately 10 years. HCC is seeking a single partner for the landfill, transfer station and resource recovery park operations; combined offers for either a joint venture or a lead and sub-contractor arrangement to deliver specific services are also welcome.

A bit about us

Hutt City Council is committed to promoting a sustainable city and plays a leading role in promoting energy efficiency, active modes and waste minimisation. Our community has indicated that environmental sustainability, particularly waste minimisation and carbon reduction, should be a top priority.

The District and City Councils in the Wellington region worked together to produce the Wellington Region [Waste Minimisation Plan 2017 – 2023 \(WMMP\)](#). The WMMP sets a vision for zero waste by 2050, and outlines a regional strategy and action plan to promote effective waste management and minimisation. The reuse of our resources, and a focus on the efficiency and emissions associated with waste service operations are of upmost importance for HCC.

Alongside the waste aspirations for the city, Council is also committed to reduce carbon emissions. In August 2021, it published its Carbon Reduction and Resilience Plan 2021-31, committing to decarbonise all of its activities.

Council's procurement process will be consistent with our own Procurement Policy and with good practice in New Zealand. It follows the principles outlined in the NZ Government Procurement Rules, 4th Edition, along with further principles in Hutt City Council's Procurement Policy. The principles this policy reflect are:

- Plan and manage for great results
- Be fair to all suppliers
- Get the right supplier
- Get the best deal for everyone
- Play by the rules
- Best value for money
- Transparency and accountability
- Consistency of approach
- Supply chain
- Broader outcomes

SECTION 1: Key Information

1.1 Context

- a. This Registration of Interest (ROI) is an invitation to submit a Registration of Interest for a contract to operate the Silverstream Landfill, and to either operate a Resource Recovery Park (including transfer station) at Silverstream, or invest or co-invest with Council in a Resource Recovery Park at an alternative site in the Hutt Valley.
- b. This ROI is the first step in a multi-step procurement process.
- c. The ROI is intended to identify interested parties and to assess the level of interest for investment or co-investment in a new Resource Recovery Park in the Hutt Valley.

1.2 Our timeline

Here is our timeline for this ROI (all are New Zealand times and dates):

Briefing for respondents

Deadline for Questions from Respondents:	22 Oct 2021
Deadline for Registrations:	5pm 29 Oct 2021
Respondents will be notified on next steps:	12 Nov 2021
RFP will be released to shortlisted Respondents:	week starting 22 Nov 2021
Contract start date	01 Feb 2023

1.3 How to contact us

- a. Contact us through our Point of Contact via email with reference 'Landfill Operations Procurement' in the subject line.
- b. Our Point of Contact:

Name: Rebecca Johnston
Title/role: Contracts Officer
Email address: waste@huttcity.govt.nz

1.4 Developing and submitting your Registration

- a. This is an open Registration of Interest process.
- b. Take time to read and understand the ROI. Please only register your interest in this opportunity if you can answer YES to all of the requirements as stated in the ROI Response Form.
- c. If you have any questions, contact our Point of Contact before the Deadline for Questions (see 1.2 above).
- d. Use the Response Form to submit your Registration.
- e. Complete and sign the declaration at the end of the Response Form.
- f. Check you have provided all the necessary information in the correct format and order.
- g. Submit your Registration before the Deadline for Registrations.

1.5 Address for submitting your Registration

Submit your Registration by email to the following address: waste@huttcity.govt.nz.

We will not accept Registrations sent by post or delivered to our office.

1.6 Our ROI Process, Terms and Conditions

The ROI is subject to the ROI Process, Terms and Conditions (shortened to ROI-Terms) described in the ROI Process, Terms and Conditions.

1.7 Later changes to the ROI or ROI process

- a. After publishing the ROI, if we need to change anything or provide additional information we will let all Respondents know by contacting Respondents by email.

1.8 Defined terms

These are shown by the use of capitals. You can find all definitions at the back of the ROI Process, Terms and Conditions.

SECTION 2: Our Requirements

2.1 Background

This procurement relates to a contractual partnership for the operation of the Silverstream Landfill and a Resource Recovery Park (including transfer station) at Silverstream or invest or co-invest with Council into a Resource Recovery Park at an alternative site in the Hutt Valley.

2.2 Key outcomes

Key outcomes are about what we are buying and why. This ROI relates to the purchase of waste and resource recovery services. The outcomes we want to achieve are outlined in the table below.

#1 Delivery of landfill operations, including:

- Acceptance and placement of refuse at Silverstream Landfill Phase 2 up to and including Slope 11 (the current operating Phase).
- Acceptance and placement of refuse at Silverstream Landfill Phase 3 (the subsequent phase).
- A partnership approach to the delivery of services focussed on innovation, decarbonisation and resource recovery.

The details of the operation of Phase 3 of Silverstream Landfill are still being developed. A key area of uncertainty is commercial access to the active disposal area, at the base of the valley, with potential for a range of waste handling requirements. The contract will need to provide for a change in operations methodology.

Refer to Appendix A for further detail on the landfill operations.

#2 Transfer station and resource recovery services, including:

- Operation of the existing Transfer Station and Resource Recovery area including acceptance of waste for disposal, recoverable items, recycling items, green waste, and hazardous waste, at Silverstream (at least initially).
- Investment by the contractor, or co-investment with Council, into a Resource Recovery Park at an alternative site in the Hutt Valley, with a particular focus on the recovery of construction and demolition waste.
- A partnership approach to the delivery of services focussed on innovation, decarbonisation and resource recovery.

#3 Proactive and effective management of health and safety, including:

- Delivering a safe environment for staff and site users.
 - Accredited H&S Management Systems.
 - H&S policies, monitoring, staff management and training programmes.
 - Safety record for the last two years.
 - Nominated H&S representation for the services.
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#4 Delivery of broader outcomes:

- Sustainability – suppliers will have and be implementing a sustainability strategy and/or action plan.
 - Emissions reductions – suppliers will be able to demonstrate how they are measuring their emissions, and decarbonising their activities (e.g. by electrifying their vehicle fleet, halving operational emissions by at least 50% by 2030)
 - Improving operating efficiency, reducing energy-use and implementing low impact water management over the life of the partnership.
 - Wider community benefits – suppliers to demonstrate wider social outcomes, for example local employment, economic opportunities and waste and sustainability education opportunities.
 - Employee wellbeing – supporting local employment and suppliers to demonstrate wellbeing initiatives, particularly in relation to their work force (e.g. commitment to a living wage, cadetships/training programmes, health benefits, employee support programmes).
 - Innovation – subject to HCC agreement, opportunity to trial technologies or solutions that are new to the waste and resource recovery industry in New Zealand.
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We are also open to the option of co-investing in the establishment of a new Resource Recovery Park. A key objective of this Registration of Interest Process is to gauge the level of interest in some form of co-investment.

2.3 Contract term

We expect that the Contract will commence in February 2023. The anticipated Contract term is 10 years.

2.4 Contract Value

We estimate the value of the operations component of the procurement to be in the order of \$50 - 60,000,000 over 10 years. The details of any co-investment arrangements or value will be determined at a later stage if this option is progressed.

2.5 Key deliverables

The key deliverables identified for this procurement are outlined below, however further detail on the key deliverables for the project will be provided in the next phase of the procurement process.

Description	Indicative date for delivery
Safe and effective landfill operations	For contract duration
Safe and effective resource recovery operations	For contract duration
Increasing proportion of materials captured for reuse, recycling or recovery.	For contract duration
Reducing carbon intensity of the services	For contract duration
Regular reporting of health and safety plans	Monthly
Regular reporting of KPIs	Monthly
Regular reporting of carbon reduction initiatives	Annually

SECTION 3: Our Evaluation Approach (for the RFP stage)

3.1 Background

This section sets out the Evaluation Approach that will be used to assess the next phase of the procurement stage (i.e. RFP stage). All Registrations of Interest will progress to the next phase of procurement if they satisfy the specified pre-conditions.

The Registration of Interest is seeking to understand the market interest in a long-term partnership with Council to deliver landfill operations and resource recovery services. Subject to market interest this may include opportunities to invest or co-invest in a new Resource Recovery Park with the selected partner.

The next phase of procurement will prioritise proposals that provide high quality services and achieve the specified non-financial outcomes for the contract. Consideration and evaluation of the financial component of the contract will be considered following evaluation of the other factors.

The Registrations of Interest received will not be evaluated. Rather they will enable Council to determine the scope of the services sought through the Request for Proposal (next phase) process. Information on the evaluation approach provided here is to provide an indication of Council's approach and priorities.

3.2 Evaluation approach

Responses to a future Request for Proposals will be assessed considering quality and cost to Council and the community. The evaluation process will be detailed in the Request for Proposals, but we are currently anticipating adopting the Price Quality Method (PQM). The advantage of (PQM) is the ability to put a dollar value on the difference in non-price attribute scores, to determine whether a higher priced submission represents better value than a lower priced submission.

The evaluation method will involve weighting of non-price attributes of 70% and a price weighting of 30%. Under this model, the price and non-price attributes are weighted to reflect their relative importance for achieving the procurement outcome.

Note that the Broader Outcomes to support sustainable procurement (discussed in Section 6) can impact each of the non-price attributes. Tenderers will be required to address specific questions targeted at Broader Outcomes under several evaluation criteria, albeit there will also be a specific criterion regarding decarbonisation.

Depending on the outcome of the evaluation of submitted responses at proposal stage, the Proposal Evaluation team may enter into negotiations with one or more shortlisted suppliers.

3.3 Request for Proposal indicative pre-conditions

Subject to finalisation of the Request for Proposal process, each Proposal will need to meet the following pre-conditions. Additional pre-conditions may be added or the pre-conditions here may be changed or removed as the Request for Proposal process is finalised in late 2021.

Council will not consider Proposals that fail to meet the pre-conditions set out in the Request for Proposal material.

#	Pre-conditions	Meets
1.	Track Record – must have experience delivering landfill and resource recovery services of a similar scale and environment.	[Yes/No]
2.	Health and Safety – accredited Health and Safety Management System	[Yes/No]
3.	Financial Stability – ability to meet the financial requirements to operate waste services of this scale.	[Yes/No]
4.	Embedded Sustainability Practices – have a sustainability strategy and outlined actions to improve the sustainability performance of operations including decarbonisation.	[Yes/No]

3.4 Broader Outcomes

Council will evaluate Proposals against the identified Broader Outcomes, these will be embedded into the evaluation criteria, except that there will also be a specific criterion on decarbonisation to address this particular broader outcome more specifically. We encourage you to consider how your track record, relevant experience and methodology will deliver these outcomes for Council and the community.

The Broader Outcomes that Council will consider are:

- Sustainability – require suppliers to have a sustainability strategy or action plan.
- Emissions reductions – requirement for supplier to demonstrate greenhouse gas emission reductions (e.g. minimum percentage of fleet battery-powered electric vehicles).
- Improving operating efficiency, reducing energy-use and implementing low impact water management.
- Wider community benefits – suppliers to demonstrate wider social outcomes.
- Employee wellbeing – supporting local employment and suppliers to demonstrate wellbeing initiatives, particularly in relation to their work force (e.g. commitment to minimum wages, cadetships/training programmes, health benefits, employee support programmes).
- Innovation – subject to HCC agreement, opportunity to trial technologies or solutions that are new to the waste industry in New Zealand.

Consideration and promotion of Broader Outcomes not specified in the list above will be considered during the evaluation stage.

3.5 Evaluation criteria

As noted in Section 3.1, Council will not evaluate the Registrations of Interest. The criteria noted here provide an indication of the criteria Council anticipates using to evaluate future Proposals in the next stage of the procurement process. Additional criteria may be added, or the criteria noted here may be changed or removed as the Request for Proposal process is finalised in late 2021.

The approach to considering potential investment or co-investment with the selected partner has yet to be developed in detail. This is because this Registration of Interest process will help Council to understand whether there is sufficient interest in investment or co-investment to pursue this possibility further. At this stage, if investment or co-investment is an option for the Council-Contractor partnership, it is anticipated that the following principles will be applied.

- The preferred partner will be selected based on their ability to deliver best value for money for the operation of the Silverstream Landfill and to provide transfer station and resource recovery services.
- Willingness to consider investment or co-investment in a new resource recovery park will be considered after the evaluation of Non price and Price components of Proposals from each Respondent and a preferred partner has been confirmed.

Draft Criteria	Indicative Weighting
<p>1. Health and Safety – the tenderer should outline their Health and Safety management system and demonstrate how they will take a proactive approach to delivering services safely.</p>	<p>10%</p>
<p>2. Track Record – the tenderer should provide details of at least two current or recent contracts for the operation of municipal landfills and resource recover parks of a similar scale and/or complexity.</p>	<p>20%</p>
<p>3. Relevant skills – the tenderer should demonstrate their ability to deliver the operations, including staff experience, certification, and resources.</p>	<p>15%</p>
<p>4. Decarbonisation – the tenderer should provide a sustainability strategy and/or action plan with their carbon footprint and reduction targets, along with relevant experience for decarbonising their operations.</p>	<p>10%</p>
<p>5. Methodology – the tenderers should describe the proposed approach and provide an outline of the implementation programme to deliver the contract, including use of equipment. This should demonstrate how it can deliver on Council’s key objectives, and identify any value-add services, including any co-investment in new resource recovery facilities.</p> <p>This will include an evaluation of the methodology contributes to the delivery of Council’s broader outcomes.</p>	<p>15%</p>
<p>5. Price – Price Quality Method</p>	<p>30%</p>
<p style="text-align: right;">Total weightings</p>	<p>100%</p>

SECTION 4: View the ROI Process, Terms and Conditions [here](#)

Appendix A – Silverstream Landfill Development

Silverstream Landfill is currently operating in Phase 2 of Stage 2. Assuming the waste input to Silverstream Landfill remains consistent between approximately 120,000 to 140,000 TPA, Phase 2 has a projected capacity for another 7 years (i.e. up till June 2028). The subsequent operational area for year 7 to year 15 (between year 2028 to 2036) is in Phase 3 of Stage 2.

We envisage that the landfill operator would need to manage two active tip pads for approximately 6 months around year 7 to year 8. This is to allow sufficient 'fluff layer' to be placed at the newly constructed Phase 3 prior to full waste operation to accept all types of waste.

Figure 1 below is a typical cross section of Silverstream Landfill and it illustrates the different locations of the respective Phases. Phase 2 is located at a higher elevation platform whereas Phase 3 will be located further down valley. Figure 2 is an aerial view of Silverstream landfill.

Figure 1 – Typical Cross Section of Silverstream Landfill Illustrating the Development Phases

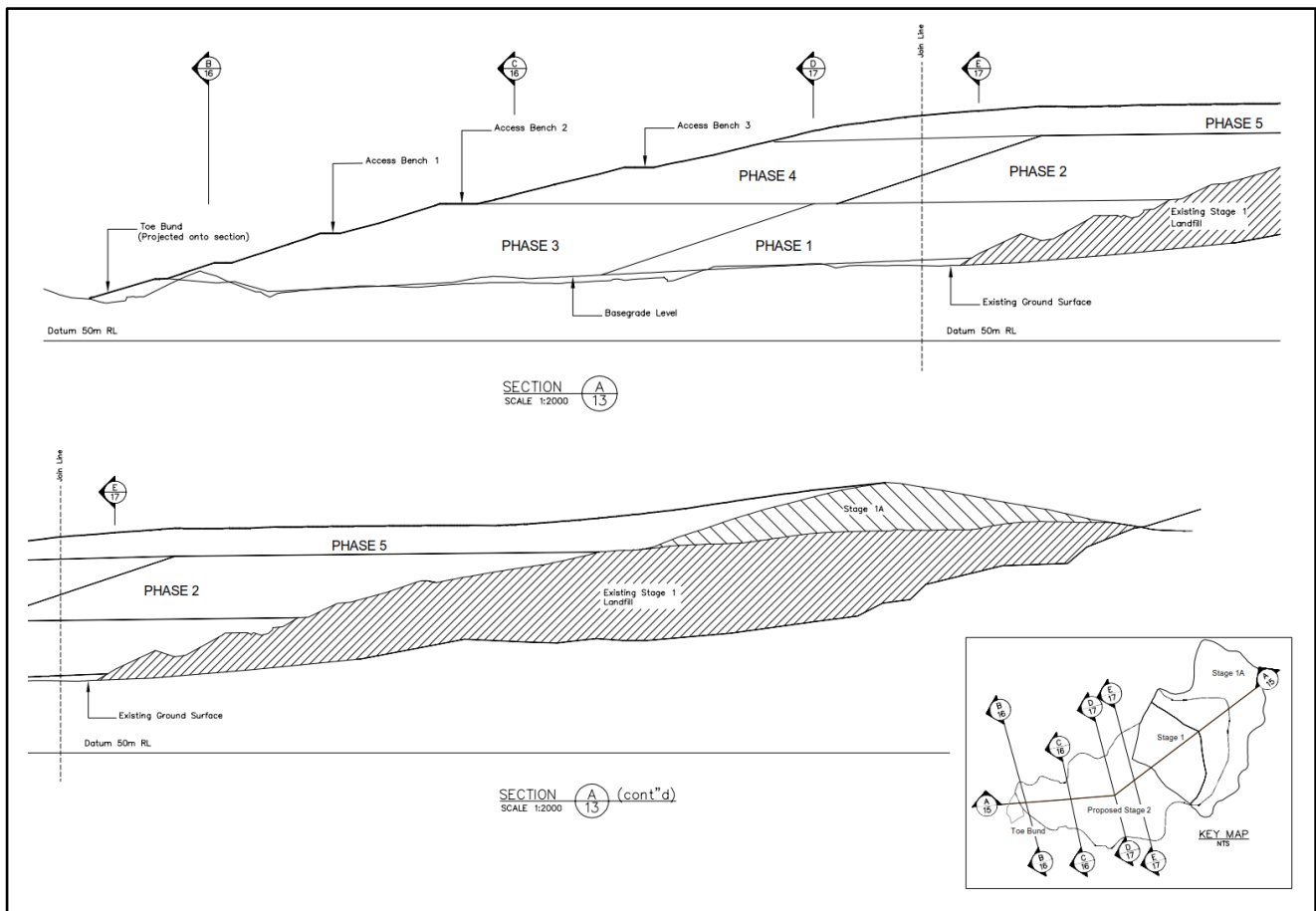


Figure 2 – Aerial view of Silverstream Landfill

