

## 6.4.3 Additional Mowing Sites and Garden Beds

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### Recommendation(s)

That Council, in line with the attached document to this report:

1. Amend contract 23-0015 with **Skyline Landscape Services Pty Ltd**, to include sites excluded from the initial tender process in **Zone 1 (north)**.
2. Amend contract 23-0015 with **UDLM Pty Ltd**, to include sites excluded from the initial tender process in **Zone 2 (south) and Zone 4 (central)**.
3. Amend contract 23-0015 with **Antler Environmental**, to include sites excluded from the initial tender process in **Zone 3 (Eastern Central) and Zone 4 (Western central)**.

### Attachments

1. CONFIDENTIAL REDACTED - Attachment 1 Recommended Contract Variations per Contractor [6.4.3.1 - 1 page]

### Executive Summary

Following Council's decision to engage three contractors for Open Space Mowing and Horticultural maintenance services, discrepancies between contracted assets and those requiring maintenance were identified, needing negotiations and adjustments. Contractors cooperated, offering discounted rates to service additional sites, with an estimated cost of \$215,000 for the remainder of the financial year. Adjustments to the 2023/24 budget are made feasible by savings in other areas, without requiring additional funds.

The proposed 2024/25 budget reflects adjustments for a total contract cost of \$7,480,000. Anticipating rising costs, officers plan to explore alternative service solutions, considering potential extensions to existing contracts and evaluating long-term sustainability.

### Background

At its meeting on 20 November 2023, Council resolved to enter into three-year contracts with Skyline Landscape Services, UDLM and Antler Environmental for the provision of Open Space Mowing and Horticultural maintenance services across the Shire.

Systems and databases were upgraded in preparation for the commencement of the delivery of the services on 4 March 2024. Discrepancies in the assets listed for maintenance in all zones in the system and the executed contract were identified by contractors on the first day of service. Upon review of the data utilised, it was found that a number of assets that require service were excluded from the contract.

In order to ensure continuity of the delivery of service, negotiations with existing contractors commenced immediately, with the view to vary the list of assets serviced for the remainder of the 2023/24 financial year, and until officers were in a position to brief Council on the challenges and to recommend an appropriate course of action for the remainder of the contract term.

## **Initial Response and Financial Implications for 2023/24**

Meetings to discuss the challenges and options with all contractors took place on the week of 11 March. All contractors were willing to work with the organisation in resolving the problems, and provided discounted rates for the additional sites to the contract.

The approximate cost for the maintenance of additional assets to the contract for the remainder of the financial year is \$215,000. Exact costs cannot be provided as the frequency of service for assets will vary due to the standard of service associated with them, and external conditions that may affect the serviceability of each site.

Forecasts for the 2023/2024 have been adjusted accordingly. Given savings in other areas of the Operations Business Unit, no additional funds are required to be allocated to cover the servicing of additional sites.

## **Medium and Long-term Considerations**

In line with estimates, the proposed budget for 2024/25 has been adjusted so that the total cost of contract is \$7,480,000. The recommended variation value for each contract is included in the attachment of this report.

Cardinia's existing contracts allow for the possibility of extending agreements for two additional periods of up to three years each. It's anticipated that there will be a consistent and significant rise in costs for mowing and horticultural services in the coming years. It's responsible for the Council to explore alternative solutions for providing these services.

Officers will initiate a thorough examination of costs and services, with a subsequent presentation to the Council detailing the progress and expected results of this review at a later date.

## **Relevance to Council Plan**

### **2.1 We support the creation of liveable spaces and places**

2.1.2 Plan and maintain safe, inclusive and connected open spaces, places and active travel routes.

## **Conclusion**

Despite initial challenges, collaborative efforts with contractors ensured uninterrupted service delivery for the current financial year within budgetary constraints. With a proactive approach to future planning, including cost evaluations and exploring alternative service models, officers will explore option to sustainably meet community needs for open space maintenance.