

## 7.17. 2026-042 KTS COMBINED SERVICES CONTRACT

|                      |                                           |
|----------------------|-------------------------------------------|
| <b>REPORT AUTHOR</b> | Technical Officer Resource Management     |
| <b>EXECUTIVE</b>     | General Manager Corporate and Communities |
| <b>DEPARTMENT</b>    | Corporate and Communities                 |
| <b>TEAM</b>          | Environment and Planning                  |
| <b>DATE</b>          | 27 July 2026                              |

### RECOMMENDATION

#### That Council:

- 1. Resolves to award Contract 2026-042 KTS Combined Services to Remondis Australia Pty Ltd & FGF Developments No.1 Pty Ltd (Joint Venture) for a period of four (4) years and five (5) months commencing 15 August 2026.**
- 2. Delegates authority under section 257 of the *Local Government Act 2009* to the Chief Executive Officer (or delegate) to negotiate, finalise and execute all matters in relation to this contract.**

---

### EXECUTIVE SUMMARY

Council currently manages its waste services through a range of contractual arrangements, including two (2) contracts that are approaching expiry:

1. Waste Management Contract 1396
2. Waste Disposal Contract 2024-004

The Waste Management Contract will reach the end of its term on 14 August 2026. The services provided under this arrangement include:

- Weighbridge operations at the Killaloe Transfer Station
- Management of the putrescible waste receipt and storage area at the Killaloe Transfer Station (predominantly general waste collected under Council's kerbside collection service)
- Loading of this putrescible waste into waste transport vehicles for offsite disposal at an approved landfill in the region

The putrescible waste managed under this contract was previously transported to an Advanced Resource Recovery Facility in Cairns. Following the destruction of this facility by fire, the waste is now disposed of at landfill.

The Waste Disposal Contract will reach end of term on 31 October 2027. The Contract provides for:

- The provision of a waste transport vehicle and driver to collect residual landfill waste from the Killaloe Transfer Station (this includes domestic and commercial sources)
- The offsite disposal of this waste to an approved landfill in the region

It was determined that consolidating these services into a single contract would improve contract management and operational efficiency.

A Request for Tender was released through the Vendor Panel platform on 16 April 2026. The Request for Tender closed on 11 May 2026, with one (1) conforming submission received from Remondis Australia Pty Ltd & FGF Developments Pty Ltd (Joint Venture)

## **PREVIOUS COUNCIL CONSIDERATIONS / RESOLUTIONS**

There are no previous Council resolutions relevant to this report.

## **REPORT/BACKGROUND**

The Killaloe Waste Disposal Facility (landfill) reached its capacity for accepting waste on 7 September 2022.

Environmental licence conditions for the Killaloe Transfer Station require putrescible waste to be removed from the site and transported to an approved facility within 48 hours. Since the closure of the Advanced Resource Recovery Facility (Bedminster), the only lawful regional disposal option for this waste stream is an approved landfill.

Key considerations include:

- Alternative recovery and processing options are limited due to a lack of regional investment and infrastructure, significant transport distances, and insufficient waste volumes to support existing technologies such as waste to energy facilities
- Council's Resource Recovery Officer has implemented several initiatives to reduce this waste stream at its source, including community education programs promoting home composting of food waste

Residual landfill waste removed from the Killaloe Transfer Station is not subject to a prescribed removal timeframe. Instead, Council must manage stockpile volumes to ensure on-site storage capacity, and approved storage limits are not exceeded. Relevant considerations include:

- Residual landfill waste comprises the remaining material that cannot be recovered, recycled, or reused following the implementation of resource recovery and reuse initiatives.
- Council's Resource Management Team has implemented several recovery and reuse initiatives for commercial and domestic waste, including the Scrap Shack at the Killaloe Transfer Station

The Springmount Waste Management Facility in Mareeba is currently the only active landfill in the region licensed to accept these waste streams.

Council has elected to combine the two (2) expiring waste management contracts to align with the future strategic direction for the Killaloe site. Consolidating these services will streamline contract administration, improve operational efficiencies, and support the long-term management of Council's waste operations.

## FINANCIAL AND RESOURCE IMPLICATIONS

The estimated annual cost for the combined contract is \$1,789,113.

The contract is subject to rise and fall provisions which will be applied on a quarterly basis.

## RISK MANAGEMENT IMPLICATIONS

Failure to manage these waste streams appropriately and lawfully at Council's Transfer Stations may result in breaches of Council's Environmental Authority or breaches of other legislative requirements. These breaches can incur significant penalties.

## ENVIRONMENTAL IMPLICATIONS

Failure to manage these waste streams appropriately and lawfully at Council's Transfer Stations may result in environmental harm.

## SOCIAL IMPLICATIONS

The contract will ensure the continued delivery of essential waste management services to the Douglas Shire community.

## CORPORATE AND OPERATIONAL PLAN

This report has been prepared in accordance with the following:

### Corporate Plan 2025-2030 Initiatives:

#### Theme 3 - Service Delivery

We deliver Council services effectively and efficiently to meet community expectations, focusing on the wellbeing of both the community and our employees.

**3.6 - Deliver Council services to meet community expectations.**

### Operational Plan 2026-2027 Actions:

Legislative requirement.

## LEGISLATION AND POLICY

- *Environmental Protection Act 1994*

- *Environmental Protection Regulation 2019*
- *Waste Reduction and Recycling Act 2011*
- *Waste Reduction and Recycling Regulation 2023*

## CONSULTATION

Internal Consultation:

- Douglas Shire Council Resource Management Team
- Douglas Shire Council Procurement Team

External Consultation:

- Kavney Consulting Pty Ltd
- Helix Legal Pty Ltd
- Helix Compliance Solutions Pty Ltd

## CONCLUSION

Tenders were publicly invited for the provision of services (KTS Combines Services Contract), to replace Waste Management Contract 1396 and Waste Disposal Contract 2024-004. One (1) submission was received from Remondis Australia Pty Ltd & FGF Developments Pty Ltd (Joint Venture).

The Tender Evaluation Panel assessed the submission and recommended that Council accept the tender submitted by Remondis Australia Pty Ltd & FGF Developments Pty Ltd (Joint Venture).

The combined contractual arrangement will ensure that Council remains compliant with relevant legislation and continues to provide essential waste management services to the Douglas Shire community and maintains compliance with applicable environmental and legislative requirements.

## ATTACHMENTS

Nil