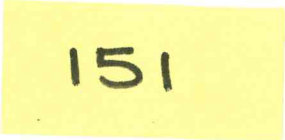


17.1 GRADER TENDER

Responsible officer: Matthew Sherman, Manager Infrastructure Services

Attachments: 1. Grader assessment summary



Section under the Act	The grounds on which part of the Council or Committee may be closed to the public are listed in Section 90(2) & (3) of the <i>Local Government Act 1999</i> .
Sub-clause and Reason:	(k) - tenders for the supply of goods, the provision of services or the carrying out of works.

Executive Summary

Council allocated funding in the 2020/21 budget for the replacement of P419 Caterpillar 12M Motor Grader as part of its ongoing plant replacement program. The budget allocation for this Grader is \$380,000.

Council advertised tenders for the grader replacement via the SA Tenders website which opened on 2 October 2020 and closed 5pm 30 October 2020. A total of three companies submitted tenders.

The tenders were evaluated against the tender assessment criteria included in the tender documentation. The successful tender is Cavpower.

RECOMMENDATION

That Council purchases one new Caterpillar 140 Motor Grader from Cavpower for the purchase price of \$370,000 ex GST.

**MOVED COUNCILLOR PAUL IRELAND
SECONDED COUNCILLOR TREVOR HANCOCK**

That Council purchases one new Caterpillar 140 Motor Grader from Cavpower for the purchase price of \$370,000 ex GST.

CARRIED.

Background

Council’s plant replacement program is documented and used to form part of the budget development each year. It clearly sets out which plant is due to be replaced each financial year. Council has allocated \$380,000 for the replacement of P419 Caterpillar 12M Motor Grader this year.

Context

Council called for tenders via the SA Tenders website. The tender period opened on 2 October 2020 and closed 5pm 30 October 2020. Three tenders were submitted.

All tenders were conforming. The companies that tendered were Cavpower, Komatsu and RDO Equipment (John Deere).

Tenders were evaluated in accordance with the plant purchase tender scoring form that was included in the tender as well as assessment on price, availability/delivery, quality and adherence to safety.

Tender prices provided by each company are all GST exclusive.

Policy and statutory implications

Council has a procurement policy and the tender process has been undertaken in accordance with the policy.

All Council purchases must be carried out in compliance with the Local Government Act 1999 (the Act). Section 49 (a1) of the Act requires Council to develop and maintain procurement policies, practices and procedures directed towards:

- Obtaining value in the expenditure of public money, and
- Providing for ethical and fair treatment of participants, and
- Ensuring probity, accountability and transparency in the procurement process.

Council is not obliged to accept the lowest tender or any tender.

Issues

An assessment summary and tender evaluation is provided as an attachment to this report.

Alternate options

This is planned and budgeted plant replacement and other options, such as delaying plant replacement, are considered inferior options.

Financial implications

The total budget allocation for this financial year for this plant replacement is \$380,000.

Cavpower's tender come in under budget. Komatsu was \$4,000 over budget, however, if you add the 2D cross slope (\$19,150), which is standard on Caterpillar and John Deere, this then increases the price substantially. There were two options from RDO Equipment being the John Deere 620GP and the John Deere 670GP. The 620GP was \$10,000 over budget and considered the next best option while the 670GP was \$46,000 over budget. The Cavpower tender is the preferred.

Work Health and Safety and Risk implications

The submitted tenders included work health and safety components. There are no risk implications.

Consultation

Council included this capital allocation for plant replacement in the 2020/21 Annual Business Plan and Budget which was the subject of community consultation. Council staff were given the opportunity to test drive graders on Friday 30 October in Adelaide. Their views were considered in the tender evaluation. Staff indicated that the Caterpillar grader was the preferred option, then John Deere 620GP or 670GP with the Komatsu the least preferred.

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BID COMPARISON DETAILS

Description of Goods or Service	Quantity required	Unit's	Cavpower		Komatsu		John Deere 620GP		John Deere 670GP	
			Cost per Unit Quantity	Cost per Item	Cost per Unit Quantity	Cost per Item	Cost per Unit Quantity	Cost per Item	Cost per Unit Quantity	Cost per Item
Motor Grader			\$ 370,000.00	\$ 370,000.00	\$ 384,400.00	\$ 384,400.00	\$ 390,000.00	\$ 390,000.00	\$ 426,000.00	\$ 426,000.00
					cross slope	\$ 19,150.00				
			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Item Sub Total			\$ 370,000.00	\$ 370,000.00	\$ 403,550.00	\$ 403,550.00	\$ 390,000.00	\$ 390,000.00	\$ 426,000.00	\$ 426,000.00
Contingencies (%)			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Item & Contingencies Sub Total			\$ 370,000.00	\$ 370,000.00	\$ 403,550.00	\$ 403,550.00	\$ 390,000.00	\$ 390,000.00	\$ 426,000.00	\$ 426,000.00
GST (10%)	10%		\$ 37,000.00	\$ 37,000.00	\$ 40,355.00	\$ 40,355.00	\$ 39,000.00	\$ 39,000.00	\$ 42,600.00	\$ 42,600.00
GRAND TOTAL			\$ 407,000.00	\$ 407,000.00	\$ 443,905.00	\$ 443,905.00	\$ 429,000.00	\$ 429,000.00	\$ 468,600.00	\$ 468,600.00

BID COMPARISON SUMMARY

BID COMPARISON SUMMARY

Vendors Name	Cavpower		Komatsu		John Deere 620GP		John Deere 670GP		
Tendered Price	\$407,000.00		\$443,905.00		\$429,000.00		\$468,600.00		
	WEIGHTING (%)	Point Score (out of 5)	Weighted Score	Point Score (out of 5)	Weighted Score	Point Score (out of 5)	Weighted Score	Point Score (out of 5)	
Price	70	5.0	70.0	4.6	64.2	4.7	66.4	4.3	60.8
Availability / Delivery	10	3.0	6.0	3.0	6.0	3.0	6.0	3.0	6.0
Quality	15	4.0	12.0	3.0	9.0	4.0	12.0	4.0	12.0
Adherence to Safety	5	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
TOTAL (out of 100%)			92.0		83.2		88.4		82.8

Recommendation:

Median Price = \$436,452.50

Council has a budget allocation of \$380,000 ex GST for the acquisition of 1 x new motor grader to replace one of Council current graders P419. There wer 3 companies that tendered that being Cavpower [CAT 140], Komatsu [GD 655-7] & John Deere [620GP & 670GP]. Only the CAT 140 grader was under the budget price. A Council staff member undertook driver appraisal of all graders tendered with the CAT 140 being the preferred option. The John Deere 620GP was the second option preferred. The Komatsu didn't have 2D cross slope as standard [cost extra \$19,150] compared to the other graders as well it would require 50 litres of add blue per 2-3 tanks of fuel. The recommendation is that Council purchase from Cavpower 1 x Caterpillar 140 Motor Grader for the price of \$370,000 ex Gst.

Evaluator's Name: Matthew Sherman, John Woolford & Neil Steer

Date: 2-Nov-20

Approved by Manager:

Date:

Supplier / Contractor / Consultant Rating:
5 = Excellent
4 = Very good
3 = Good, better than average
2 = Acceptable
1 = Marginally adequate - success

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