

18 CONFIDENTIAL ITEMS**18.1 PURCHASE OF A COMBINATION ROLLER****RECOMMENDATION**

That:

1. Pursuant to Section 90(2) & (3) of the Local Government Act 1999 the Council orders that the public, with the exception of the Chief Executive Officer, Manager Corporate Services, Manager Infrastructure Services, Manager Property and Development Services, Manager Major Project Delivery, Coordinator Executive Services, Coordinator Organisational Development and the Minute Secretary be excluded from attendance at the meeting held on Wednesday 15 September 2021 for Agenda Item 18.1 Purchase of a Combination Roller;
2. The Council is satisfied that pursuant to section 90 (3) (k) of the Local Government Act 1999, the information to be received, discussed or considered in relation to the Agenda Item 18.1 Purchase of a Combination Roller is:

tenders for the supply of goods, the provision of services or the carrying out of works.
3. The Council is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed by the need to discuss this Agenda Item 18.1 in confidence.

**MOVED COUNCILLOR NEVILLE PFEIFFER
SECONDED COUNCILLOR PAUL IRELAND**

That:





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2. The Council is satisfied that pursuant to section 90 (3) (k) of the Local Government Act 1999, the information to be received, discussed or considered in relation to the Agenda Item 18.1 Purchase of a Combination Roller is:

tenders for the supply of goods, the provision of services or the carrying out of works.
3. The Council is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed by the need to discuss this Agenda Item 18.1 in confidence.

CARRIED.

18.1 PURCHASE OF A COMBINATION ROLLER

Responsible officer: Matthew Sherman, Manager Infrastructure Services

- Attachments:**
1. Bid Comparison  
 2. Bid 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 2021/22 budget for the replacement of a P120 combination roller as part of its ongoing plant replacement program. The budget allocation for this combination roller is \$90,000 Ex GST.

Council advertised tenders for the combination roller replacement via the SA Tenders website which opened on 2 August 2021 and closed on 30 August 2021. A total of two companies submitted tenders.

The tenders were evaluated against the tender assessment criteria included in the tender documentation. The successful tender is KE & DM Pahl Pty Ltd.

RECOMMENDATION

That Council purchases one new Combination Roller from KE & DM Pahl Pty Ltd for the sum of \$79,000 (Ex GST + Freight).

**MOVED COUNCILLOR NEVILLE PFEIFFER
SECONDED COUNCILLOR REBECCA BOSELEY**

That Council purchases one new Combination Roller from KE & DM Pahl Pty Ltd for the sum of \$79,000 (Ex GST + Freight).

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 \$90,000 Ex GST for the replacement of a P120 Combination roller this year.

Context

Council called for tenders via the SA Tenders website. The tender period opened on 2 August 2021 and closed at 5pm on 30 August 2021. Two tenders were submitted.

The companies that tendered were Broons and KE & DM Pahl Pty Ltd.

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 are provided as attachments 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 \$90,000. The KE & DM Pahl Pty Ltd tender has come in under budget at \$79,000 Ex GST. The build time is 8 weeks from the date the purchase order is issued.

Broons was over budget to the extent of \$27,050 coming in at \$117,050. Considering Council paid \$82,730 back in March 2020 for the recent combination roller it purchased from Broons this is a significant increase in a short amount of time. It is also noted that as part of the tender supplied by Broons any further steel price increases would be passed on to the customer. Given the current climate regarding steel prices and the build time of between 22-26 weeks the likely hood of this happening is high.

Council currently owns and operates a Pahl roller which was purchased by Council in 2002 for the sum of \$26,500.

Work Health and Safety and Risk implications

There are no new work, health and safety or risk implications associated with this matter.

Consultation

Council included this capital allocation for plant replacement in the 2021/22 Annual Business Plan and Budget which was the subject of community consultation.

BID COMPARISON SUMMARY

Combo Roller 2021/22

BID COMPARISON SUMMARY

Vendors Name	KE & DM Pahl Pty Ltd	Broons	0	0	0
Tendered Price	\$79,000.00	\$117,050.00	N/A	N/A	N/A
Price	70	70.0	6.0	3.0	6.0
Availability / Delivery	10	8.0	1.5	3.0	6.0
Quality	15	9.0	4.0	12.0	12.0
Adherence to Safety	5	3.0	4.0	4.0	4.0
TOTAL (out of 100%)	100	90.0	66.2	#####	#####

Recommendation:

Median Price = \$98,025.00

Council has a budget allocation of \$90,000 ex GST for the acquisition of 1 x new combination roller to replace one of Council current rollers P120. There were 2 companies that tender that being KE & DM Pahl Pty Ltd and Broons. Broons price was \$27,050 over budget with the Pahl roller coming in under budget. Considering the pricing of the Broons Combination roller there has been a massive increase in pricing over since Council purchased the same unit in April 2020 for \$82,730. It is also noted that as part of Broons tender any further increase in steel prices will be passed on whilst the build is underway. Given a build time of 22-26 weeks the likelihood of a increase is high. The build for the Pahl roller is 8 weeks from order placement. Given that Council currently has a Pahl roller in use, the massive price difference and in consultation with staff the Pahl Combination roller is the recommended roller to be purchased by Council

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

Date: 1-Sep-21

Approved by Manager:

Date:

Supplier / Contractor / Consultant Rating:
5 = Excellent
4 = Very good
3 = Good, better than average
2 = Acceptable
1 = Marginally adequate - success likely but not assured
0 = Will fail to satisfy required standards (disqualification)

18 CONFIDENTIAL ITEMS**18.1 PURCHASE OF A COMBINATION ROLLER****RECOMMENDATION**

That having considered agenda Item 18.1 in confidence under section 90 (2) and (3) (k) of the Local Government Act 1999, the Council pursuant to section 91 (7) of the Act orders that the documents considered by the Council, including the officer's report and all minutes be retained in confidence. This order is to be reviewed at or before the ordinary Council meeting to be held in January 2022, as to if this order is to continue in operation.

MOVED COUNCILLOR NEVILLE PFEIFFER**SECONDED COUNCILLOR TREVOR HANCOCK**

That having considered agenda Item 18.1 in confidence under section 90 (2) and (3) (k) of the Local Government Act 1999, the Council pursuant to section 91 (7) of the Act orders that the documents considered by the Council, including the officer's report and all minutes be retained in confidence. This order is to be reviewed at or before the ordinary Council meeting to be held in January 2022, as to if this order is to continue in operation.

CARRIED.