

**18 CONFIDENTIAL ITEMS****18.1 GRADER TENDER**

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**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 Acting Chief Executive Officer, Manager Corporate Services, Manager Infrastructure Services, Manager Property and Development Services, Coordinator Executive Services and the Minute Secretary be excluded from attendance at the meeting held on Wednesday 18 August 2021 for Agenda Item 18.1 Grader Tender;
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 Grader Tender 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 PAUL IRELAND****SECONDED COUNCILLOR REBECCA BOSELEY**

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 Acting Chief Executive Officer, Manager Corporate Services, Manager Infrastructure Services, Manager Property and Development Services, Coordinator Executive Services and the Minute Secretary be excluded from attendance at the meeting held on Wednesday 18 August 2021 for Agenda Item 18.1 Grader Tender;
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 Grader Tender 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 GRADER TENDER**

**Responsible officer:** Matthew Sherman, Manager Infrastructure Services

- Attachments:**
1. Bid Comparison
  2. Bid Comparison Summary

<b>Section under the Act</b>	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> .
<b>Sub-clause and Reason:</b>	(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 P423 Caterpillar 120M Motor Grader as part of its ongoing plant replacement program. The budget allocation for this Grader is \$400,000 Ex GST.

Council advertised tenders for the grader replacement via the SA Tenders website which opened on 25 June 2021 and closed 5pm 26 July 2021. 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 Grader from Cavpower for the sum of \$380,500 Ex GST less trade of \$120,000 Ex GST [Cat 120M-P423]

**MOVED COUNCILLOR PAUL IRELAND  
SECONDED COUNCILLOR ANDREW GRIEGER**

**That Council purchases one new Caterpillar 140 Grader from Cavpower for the sum of \$380,500 Ex GST less trade of \$120,000 Ex GST [Cat 120M-P423].**

**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 \$400,000 Ex GST for the replacement of P423 Caterpillar 120M Motor Grader this year.

**Context**

Council called for tenders via the SA Tenders website. The tender period opened on 25 June 2021 and closed 5pm 26 July 2021. Three tenders were submitted.

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

Pickles –tender for trade in only.

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.

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

### **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 \$400,000.

Cavpower's and RDO equipment tenders have come in under budget. Pickles trade price of \$100,000 Ex GST was the lowest offered compared to Cavpower \$120,000 Ex GST and RDO Equipment \$115,000 Ex GST

### **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 2021/22 Annual Business Plan and Budget which was the subject of community consultation. Council staff were given the opportunity to test drive a John Deere Grader on Friday 29 July 2021 within the district. Their views were strongly considered in the tender evaluation. Staff indicated that the Caterpillar 140 motor grader was the preferred option



**BID COMPARISON SUMMARY**

**Grader Tender 2021/22**

BID COMPARISON SUMMARY											
Vendors Name	Cavpower [Cat 140]		John Deere 620GP		John Deere 620GP		John Deere 620GP		Option No		
Tendered Price	\$380,500.00		\$382,500.00		\$372,000.00		\$372,000.00		0	N/A	
	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)	Weighted Score	Point Score (out of 5)	Weighted Score
Price	70	4.9	68.4	4.9	68.1	5.0	70.0	5.0	70.0	6.0	6.0
Availability / Delivery	10	3.0	6.0	3.0	6.0	3.0	6.0	3.0	3.0	3.0	6.0
Quality	15	4.0	12.0	4.0	12.0	4.0	12.0	4.0	4.0	4.0	12.0
Adherence to Safety	5	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
<b>TOTAL (out of 100%)</b>	<b>100</b>		<b>90.4</b>		<b>90.1</b>		<b>92.0</b>		<b>92.0</b>	<b>###</b>	<b>N/A</b>

**Recommendation:**

Median Price = \$380,500.00

Council has a budget allocation of \$400,000 ex GST for the acquisition of 1 x new motor grader to replace one of Council current graders P419. There were 3 companies that tendered that being Cavpower [CAT 140], John Deere [620GP & 670GP] and Pickles. Pickles only supplied a price for the trade which was the lowest offered. Council staff member undertook driver appraisal of all graders tendered, John Deere supplied a grader to council on site for employees to appraise whilst the Council staff member appraised the New Cat 140 grader Council purchased in the 2020/21 budget year. Both graders would more than adequately undertake both construction and patrol grading duties.

The recommendation is that Council purchase Cat 140 Grader from Cavpower

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

Date: 28-Jul-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)

Southern Mallee District Council Confidential

**18 CONFIDENTIAL ITEMS****18.1 GRADER TENDER****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 MICK SPARNON**

**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.**