

**18 CONFIDENTIAL ITEMS****18.1 WHEEL LOADER TENDER**

222

**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, Acting Manager Infrastructure Services, Manager Property and Development Services, Manager Major Project Delivery, Coordinator Executive Services and the Minute Secretary be excluded from attendance at the meeting held on Wednesday 17 August 2022 for Agenda Item 18.1 Wheel Loader 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 Wheel Loader 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 NEVILLE PFEIFFER  
SECONDED COUNCILLOR TREVOR HANCOCK****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, Acting Manager Infrastructure Services, Manager Property and Development Services, Manager Major Project Delivery, Coordinator Executive Services and the Minute Secretary be excluded from attendance at the meeting held on Wednesday 17 August 2022 for Agenda Item 18.1 Wheel Loader 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 Wheel Loader 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 WHEEL LOADER TENDER**

**Responsible officer:** Neil Steer, Acting Manager Infrastructure Services

**Attachments:** 1. Wheel loader 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 2022/23 budget for the purchase of a new wheel loader as part of its ongoing plant replacement program. The budget allocation is \$280,000 Ex GST.

Council advertised tenders for the new wheel loader via SA Tenders website which opened on 6 July 2022 and closed 5pm 28 July 2022. A total of seven companies submitted tenders.

The tenders were evaluated against the tender assessment criteria included in the tender documentation. The successful tender is RDO Equipment -John Deere 544K wheel loader

**RECOMMENDATION**

That Council purchases one new John Deere 544K wheel loader from RDO Equipment for the purchase price of \$277,500 Ex GST

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

**That Council purchases one new John Deere 544K wheel loader from RDO Equipment for the purchase price of \$277,500 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 \$280,000 Ex GST for the purchase of a new wheel loader this year.

**Context**

Council called for tenders via the SA Tenders website. The tender period opened on 6 July 2022 and closed 5pm 28 July 2022. Seven tenders were submitted. Tender panel comprised Council Works Coordinators Neil Steer, John Woolford and Acting CEO Matthew Sherman

All Seven tenders were conforming. The companies that tendered are as below:

Cavpower - \$273,950 [Cat 924]

Hitachi- \$262,150 [ZW150-5]

Komatsu- \$281,830 [WA 270-8]

Liebherr- \$352,000 [L538]

JCB- \$263,610 [CB426HT]

RDO Equipment- \$277,500 [John Deere 544K]

Tutt Bryant- \$290,000 [Vanieri 13.63WL]

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.

The assessment panel highlighted 3 tenderers being Cavpower, RDO Equipment and Hitachi to advance to the next step of the process to purchase. As a result, Council staff members had the opportunity on 2<sup>nd</sup> August 2022 to inspect and operate both the Hitachi and John Deere loaders. Council has a Caterpillar 924-wheel loader and therefore no inspection was required of this loader

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 in this financial year for this item of plant is \$280,000. The recommended purchase of the John Deere 544K wheel loader from RDO Equipment is under budget

**Work Health and Safety and Risk implications**

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

**Consultation**

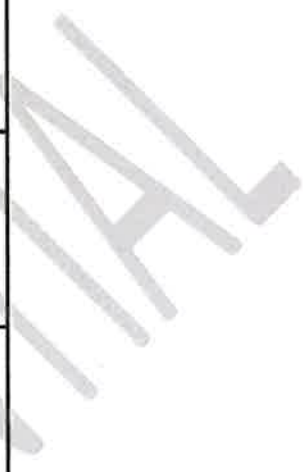
Council included this capital allocation for plant replacement in the 2022/23 Annual Business Plan and Budget which was the subject of community consultation. Council staff members had the opportunity on 2<sup>nd</sup> August 2022 to inspect and operate both the Hitachi and John Deere loaders.

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**BID COMPARISON DETAILS**

Quantity required		Hitachi		Caypower		RDO Equipment-John Deere		JCB		Komatsu		Leibheer		Tuttt Bryant	
		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	Cost per Unit Quantity	Cost per Unit Quantity	Cost per Item	Cost per Unit Quantity	Cost per Unit Quantity	Cost per Item
Wheels 1.6m x 1.0m x 1.2m - all prices GST Inclusive			\$ 262,150.00		\$ 273,950.00		\$ 277,500.00		\$ 263,610.00		\$ 281,830.00		\$ 352,000.00		\$ 290,000.00
1 x Wheel Loader (12-15 tonne)			\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -
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Item Sub Total			\$ 262,150.00		\$ 273,950.00		\$ 277,500.00		\$ 263,610.00		\$ 281,830.00		\$ 352,000.00		\$ 290,000.00
Contingencies (%)			\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -
Item & Contingencies Sub Total			\$ 262,150.00		\$ 273,950.00		\$ 277,500.00		\$ 263,610.00		\$ 281,830.00		\$ 352,000.00		\$ 290,000.00
GST (10%)			\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -
<b>GRAND TOTAL</b>			<b>\$ 262,150.00</b>		<b>\$ 273,950.00</b>		<b>\$ 277,500.00</b>		<b>\$ 263,610.00</b>		<b>\$ 281,830.00</b>		<b>\$ 352,000.00</b>		<b>\$ 290,000.00</b>

**Rule Out Over Budget      Rule Out Over Budget**



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**BID COMPARISON SUMMARY**

Cell 'F1' requires project name / bid description details >>>>>>>>

**BID COMPARISON SUMMARY**

Vendors Name	Hitachi	Cavpower	RDO Equipment-John Deere	JCB	Komatsu
Tendered Price	\$262,150.00	\$273,950.00	\$277,500.00	\$263,610.00	\$281,830.00
	<b>WEIGHTING (%)</b>				
Price	Point Score (out of 5) 5.0 Weighted Score 70.0	Point Score (out of 5) 4.8 Weighted Score 67.0	Point Score (out of 5) 4.7 Weighted Score 66.1	Point Score (out of 5) 5.0 Weighted Score 69.6	Point Score (out of 5) 4.7 Weighted Score 65.1
Availability / Delivery	3.0 6.0	3.5 7.0	4.0 8.0	2.5 5.0	1.0 2.0
Quality	3.5 10.5	4.0 12.0	4.0 12.0	3.0 9.0	3.0 9.0
Adherence to Safety	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>90.5</b>	<b>90.0</b>	<b>90.1</b>	<b>87.6</b>	<b>80.1</b>

**Recommendation:**

After reviewing the tenders and the comparison summary -Hitachi, Cavpower and RDO Equipment [John Deere] were the 3 companies chosen to progress to evaluation Acting Manager Infrastructure and staff member Lyall Ribbons undertook an inspection and testing of the Hitachi and John Deere Loaders in Adelaide 2nd August 2022.

The Caterpillar Loader is the same model as the one Council currently owns so staff deemed it had all the information regarding this loader. After taking in the inspection and testing it was deemed that the John Deere Loader was better designed & built, superior radiator system for maintenance and the factory quick hitch far exceeded the system on

the Caterpillar and Hitachi loader respectively. RDO Equipment-John Deere offer excellent after sales support and have just opened a new factory in Adelaide which will further allow for greater technical support and parts service. The recommendation is that Council purchase from RDO Equipment the John Deere 544K wheel loader

Evaluator's Name:

Date:

Approved by Manager:

Date:

Neil Steer - Acting manager Infrastructure Services

3-Aug-22

**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 WHEEL LOADER 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 2023, as to if this order is to continue in operation.

**MOVED COUNCILLOR ANDREW GRIEGER**

**SECONDED COUNCILLOR NEVILLE PFEIFFER**

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 2023, as to if this order is to continue in operation.

**CARRIED.**