

10.1 2007 Acquisition of Garbage Compaction Units (Tender 7116)

This report is seeking Council approval for the purchase of two (2) Robotic Arm Collection Vehicles (RACV) as part of the 2007/08 Plant Replacement Schedule and in accordance with Tender 07116.

This is information seeking council direction.

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File Reference: Nil
Attachments: 1 –Tender Management System Evaluation (2 page)

1 Executive Summary

1.1 Topic

This report is seeking Council approval for the purchase of two (2) Robotic Arm Collection Vehicles (RACVs) as part of the 2007/08 Plant Replacement Schedule.

1.2 Context

A non-confidential report has been included in this agenda providing details in relation to the proposed replacement of two RACV's.

The pricing was received through an open tender process and assessed through Council's Tender Management System (TMS) on Tender 07116.

1.3 Suggested Outcome

The acquisition of two RACV's garbage compaction units.

2 Recommendation(s)

- 1 (a) **That under the provisions of Section 90(2) of the Local Government Act 1999 an order be made that the public be excluded from attendance at the meeting in order to consider in confidence this item.**
- (b) **That the Council is satisfied that it is necessary that the public be excluded to enable the Council to consider the report at the meeting on the following grounds:**
 - **Section 90(3)(k) tenders for the supply of goods, the provision of services or the carrying out of works.**

- (c) That accordingly, on this basis the principle that meetings of the Council should be conducted in a place open to the public has been outweighed by the need to keep the information or discussion confidential.
2. That the tender proposed by MacDonald Johnston Engineering for two (2) MacDonald Johnston GEN V 22m³ Side Loading Compactor bodies at a cost of \$139,590 including GST each (\$279,180 including GST for 2 units) be accepted.
3. That the tender proposed by North East Isuzu Adelaide SA, for two (2) Isuzu FVZ 1400 Cab Chassis at a cost of \$183,906 including GST each (\$367,812 including GST for 2 Units) be accepted.
4. That the trade in offer by North East Isuzu Adelaide SA of \$71,500 (including GST) each (\$143,000 including GST for 2 units) be accepted.
5. That an order be made under the provisions of Section 91(7) and (9) of the Local Government Act 1999 that the abovementioned document (or part of such document) including the minutes and the report of the Council relating to discussions of the subject matter of that document, having been dealt with on a confidential basis under Section 90 of the Act, should be kept confidential on the grounds of information contained in Section 90(3)(k) until the purchase order has been placed and confirmed.

Key Factors

3 Discussion

The tender process that supports the acquisition of a garbage compactor is broken into separate components for the garbage body and the cab chassis. The following paragraphs outline the process undertaken for each of these components.

Garbage Body

Only one tender was received as a result of the open tender process from MacDonald Johnston Engineering.

Council currently operates 14 compaction units supplied by MacDonald Johnston Engineering and have found them to be both reliable and effective with appropriate maintenance programs, parts supply and well supported service provision.

The compaction body and robotic controls have extremely complex electrical and hydraulic circuitry and time saved in diagnosis through experience and parts exchange capability is highly beneficial.

Tenderer	2 x Compactor Bodies ex GST	2 x Compactor Bodies incl GST
MacDonald Johnston Engineering. Gen V	\$253,800	\$279,180

Cab Chassis

The cab chassis was offered for tender and four suppliers of dual control trucks provided tenders. The comparison of specifications for the cab chassis is included in the table shown below.

Tenderer	Item Tendered	Engine	Engine Power	Fuel Cap	Brakes	Turn C	Delivery
North East ISUZU	Isuzu FVZ1400 Auto	Isuzu Sitec 275 9.8 Ltr	206 Kw 1030 Nm	300 L	S Cam	20 m	6-8 wks Cab Chas
CMI-Hino	Hino Ranger Pro 14 - Long Auto	Hino J08C-UK Turbo. 7.95 Ltr	191 Kw 745Nm	300 L	S Cam	20.4 m	Feb 08 Cab Chas
Stillwell International Trucks	International ACCO 2350G Auto	Cummins ISC6 Turbo 8.3 Ltr	194 Kw 1085Nm	360 L	S Cam	20 m	6-8 wks Cab Chas
South Central Trucks	Volvo FLE Euro 5 Auto	Volvo D7E 7.2 Ltr	206Kw 1050Nm	265 L	Disc Brakes	19.5m	Feb 08

The items shown in the table above represent the areas of greatest specification variation between suppliers, with most other specification requirements being either the same or equivalent.

A summary of the cost schedule is shown below (excluding the trade-in allowance).

Tenderer	2 X Cab Chassis ex GST	2 X Cab Chassis incl GST	2 X Cab Chassis Less Trade ex GST	2 X Cab Chassis Less Trade incl GST
North East ISUZU	\$334,375	\$367,812	\$204,375	\$224,812
CMI-Hino	\$325,354	\$357,889	\$219,899	\$241,889
Stillwell International Trucks	\$324,149	\$356,564	\$242,331	\$266,564
South Central Trucks	\$369,196	\$406,116	\$269,196	\$296,116

As can be seen from the above table the total cost for the two cab chassis units offered ranged from \$324,149 (ex GST) for the Acco to \$369,196 (ex GST) for the Volvo excluding Trade-in.

A whole of life costing assessment was undertaken and the results entered into Tender's Management System (TMS). The attached TMS report identifies the results of the evaluation process that takes into account a range of assessment criteria (including price). As a result of this evaluation the preferred supplier is North East Isuzu.

Council currently own and operate twenty one (21) Isuzu Trucks of various light to heavy applications including an equivalent vehicle as a rear loading compaction unit and are experiencing very good results.

The braking system is equivalent to Council's current RACV configuration which have proven to be extremely low maintenance in this area.

Council's RACV operators have assessed the units and found the cabin to be well appointed and comparable to other units offered in the areas of comfort, layout and space and have found them to be very reliable. Parts, service and serviceability are also all very good.