

11.1 Acquisition of Robotic Arm Collection Vehicles (Tender 08121)

This report is seeking Council approval for the purchase of two (2) Robotic Arm Collection Vehicles (RACV's) as part of the 2008/09 Plant Replacement Schedule and in accordance with Tender 08121.

This is information seeking council direction.

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Contact Number: 8384 0746
File Reference: Nil
Attachments: 1 Tender Management System Evaluation (1 page)

1 Executive Summary

1.1 Topic

This report is seeking Council approval for the purchase of two (2) Robotic Arm Collection Vehicles (RACV's) as part of the 2008/09 Plant Replacement Schedule and in accordance with Tender 08121.

1.2 Context

A non-confidential report has been included on the 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 08121.

1.3 Suggested Outcome

The acquisition of two RACV's.

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 North East Isuzu Adelaide SA, for two (2) Isuzu FVZ 1400 Cab Chassis fitted with two (2) MacDonald Johnston GEN V 22m³ Side Loading Compactor bodies at a combined cost of \$323,044 each including GST (\$646,088 including GST for two Units) be accepted.**
 3. **That the trade-in offer by North East Isuzu Adelaide SA of \$136,500 including GST for two units be accepted.**
 4. **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 tendered goods have been purchased.**

Key Factors

4 Discussion

Tenders that offered different combinations of vehicle were received. The tenders were for:

- complete units, ie cab chassis and body
- complete units, ie cab chassis with alternative bodies
- body only.

Whilst the net amount (ex GST) tendered by the recommended provider is within the delegated authority of the Chief Executive Officer (CEO) there are two transactions involved in this tender ie the purchase and the trade-in. The total amount of the transaction exceeds the CEO's delegated authority and as such this item is presented to Council for approval.

The tender evaluation process that supports the acquisition of an RACV is broken into separate components ie the garbage body and the cab chassis. The process undertaken for each of these components is outlined below.

Through his employment Councillor Richard Peat provided pricing for a compaction body as part of this tender therefore it was deemed appropriate to appoint a probity auditor to oversee the tender process. John Dawson of Contracting and Tendering Services Pty Ltd was appointed as probity auditor. Councillor Peat has been advised of this action.

Councillor Peat has advised the Chief Executive Officer that he wishes to register a conflict of interest in this item and that as such he not be given a copy of this report. He therefore will be declaring his interest and leaving the Chamber during the debate and resolution period.

RACV body

One (1) tender for a body only was received from MacDonald Johnston Engineering.

We currently operate 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.

One (1) tenderer (CMI Hino) offered the option of either a Superior Pack body or the MacDonald Johnston Engineering body.

Superior Pack has a limited number of units in South Australia but has produced many units which are operated predominantly on the east coast.

The individual pricing of these compaction bodies is shown in the following table:

Tenderer	Body Offered	2 x Compactor Bodies ex GST	2 x Compactor Bodies inc GST
North East Isuzu	MacDonald Johnston	\$255,234	\$280,775
MacDonald Johnston Engineering. Gen V	MacDonald Johnston	\$255,234	\$280,775
Stillwell International Trucks	MacDonald Johnston	\$255,234	\$280,775
CMI Hino	MacDonald Johnston	\$255,234	\$280,775
CMI Hino	Superior Pack	\$258,742	\$284,616

RACV Cab Chassis

Three (3) tenderers responded with offers to supply dual control cab chassis. The comparison of specifications for these cab chassis is included in the following table. Items show the areas of greatest specification variation between suppliers with most other specification requirements being either the same or equivalent:

Tenderer	Item Tendered	Engine	Engine Power	Fuel Cap	Brakes	Turn Circle	Delivery
Stillwell International Trucks	International ACCO 2350G 6x4 Dual Control Auto 5 Metre Wheel base (ADR80/02 Uero 4 Compliant)	Cummins ISC 03 6 Cyl 8.3 Ltrs	194 Kw@2000Rpm 1085Nm @ 1300Rpm 8.3 litres	360 litres	Dual System S Cam Spring activated park exhaust brake	20.5	Not Stated
CMI-Hino	Hino 500Series 2630 Long Auto 300Hp Spring or Air Bag Suspension 5.250 Metre Wheel Base ADR80/02 (Euro 4 Compliant)	Hino A09CTJ 6 Cyl O/H Cam Turbo & int/cool	221Kw @ 2,100Rpm 1079Nm @ 1,100Rpm 8.866 litres	300 litres	S Cam Spring activated park exhaust brake	21	Feb-09
North East Isuzu	Isuzu FVZ1400Auto 6x4 (ADR80/02 Euro 4 Compliant) 5.3 m wheelbase	Isuzu sitec Ser 2 6HK1-TCS 295 6 Cyl	221Kw @ 2,400Rpm 981Nm @ 1,450Rpm 7,790 litres	300 litres	S Cam Spring activated park exhaust brake	18.5	6 to 8 weeks from date of order

A summary of the cost schedule is provided in the following table (excluding the trade-in allowance). This shows the total cost for the two cab chassis units offered ranged from \$463,262 (ex GST) for the Isuzu FVZ1400 with MacDonalld Johnston Engineering Gen V body, to \$538,741 (ex GST) for the International ACCO 2350G with MacDonalld Johnston Engineering Gen V body, including trade-ins offered.

Tenderer	Item	2 X RACV ex GST	2 X RACV incl GST	2 X RACV Less Trade ex GST	2 X RACV Less Trade incl GST
North East Isuzu	Isuzu FVZ1400 with MacDonalld Johnston Engineering. Gen V body	\$587,353	\$646,088	\$463,262	\$509,588

CMI-Hino	Hino 500 Series with MacDonald Johnston Engineering. Gen V body	\$586,328	\$644,961	\$477,237	\$524,961
CMI-Hino	Hino 500 Series with Superior Pack body	\$589,836	\$648,820	\$487,745	\$528,820
Stillwell International Trucks	International ACCO 2350G with MacDonald Johnston Engineering. Gen V body	\$584,195	\$642,615	\$538,741	\$592,615

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

We currently own and operate many Isuzu trucks of various light to heavy applications including a rear loading compaction unit and two RACV's. We have experienced very good results with these vehicles.

Our 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.