

5.1: QUOTATION – SUPPLY AND DELIVERY OF ROADSWEEPER

Proponent : City of Albany
Responsible Officer(s) : Executive Director Works & Services (S Grimmer)

IN BRIEF

- WALGA quotation P12001 for the supply and delivery of Road Sweeper be AWARDED to MacDonald Johnston Pty Ltd.

RECOMMENDATION

ITEM 5.1 RESOLUTION

VOTING REQUIREMENT: ABSOLUTE MAJORITY

MOVED: COUNCILLOR GREGSON

SECONDED: COUNCILLOR HOLDEN

THAT Council ACCEPT the Tender from MacDonald Johnston Pty Ltd for the purchase and delivery of a road sweeper

CARRIED 9-0

BACKGROUND

1. Council at its meeting held on 18th June 2002, adopted the Asset Replacement Program – Plant. This strategy predicted replacement times for Council's plant and equipment over a ten year life cycle.
2. In line with budget preparations for new financial years, this strategy is reviewed, amended and updated to determine long term requirements, optimal replacement times and maintenance of each individual item of plant in line with industry benchmarks and best practice methodology.
3. A further revised draft Asset Management Plan – Fleet and Plant went out for public consultation in February and March 2011, however this management plan was not subsequently adopted by Council.
4. WALGA has established a number of Preferred Supply Contracts for plant and equipment and have established a Preferred Supplier Panel for the Supply and Delivery of Sweeping Equipment. All Local Governments in Western Australia can access these contracts without going to tender.

DISCUSSION

5. Quotations were sent to those suppliers listed on the WALGA Preferred Supplier Panel that were able to supply and deliver a truck mounted road sweeper to Council.

6. The following table summarises the tenderers and overall evaluation scores applicable to the submissions.

	Total Evaluation Score
MacDonald Johnston	520.93
Rosmech – Option 2	511.52
Rosmech – Option 1	497.55

7. The tender documents included tender evaluation criteria using the weighted attribute method. This method scores the evaluation criteria and weights their importance to determine an overall point score for each tender. The criteria are tabled below:

Criteria	% Weight
Cost	50
Technical Compliance and Operational Suitability	40
Reliability	10
Total	100

8. It is best practice in both the private and Government industries to replace plant and equipment at an identified optimum replacement point. The optimum replacement point in the life of the machine is when the depreciation slows and the repairs and maintenance costs increase substantially.
9. On the basis of the total evaluation score the submission from MacDonald Johnston was considered to be the most advantageous offer to Council.

GOVERNMENT CONSULTATION

10. Nil.

PUBLIC CONSULTATION / ENGAGEMENT

11. Nil.

STATUTORY IMPLICATIONS

12. Provided for under the Local Government (Function and General) Regulations which provides a tender exemption to WALGA's Preferred Supplier Contracts.

STRATEGIC IMPLICATIONS

13. This item directly relates to the following elements of the 2011 City of Albany Strategic Plan:

Key Focus Area
Sustainability and Development

Community Priority
Road improvements

POLICY IMPLICATIONS

14. The City of Albany Tender and Quotation Policy is applicable to this item.

RISK IDENTIFICATION & MITIGATION

15. The risk identification and categorisation relies on the City's Risk Management Framework.

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
<i>Non compliance with contract or business failure</i>	<i>Unlikely</i>	<i>Medium</i>	<i>Medium</i>	<i>General conditions of contract allow for contract termination on the basis of failure to supply goods & services</i>

FINANCIAL IMPLICATIONS

16. The value of this tender is in excess of \$250,000 and therefore the approval is referred to Council for consideration.

17. The purchase price of \$320,600 (exc. GST) will be funded from the Plant Replacement Reserve and was included in the budget for the 2011/2012 financial year.

LEGAL IMPLICATIONS

18. Nil

ALTERNATE OPTIONS

19. Council is not bound to accept the lowest or any tender and can accept or reject the tenders as submitted.

SUMMARY CONCLUSION

20. On reviewing the submissions, the evaluation team assessed the submission from MacDonald Johnston Pty Ltd as providing the most advantageous offer for the delivery of a truck mounted road sweeper.

Consulted References	:	Local Government (Functions and General) Regulations 1995 Council Policy – Purchasing (Tenders & Quotes)
File Number (Name of Ward)	:	P12001 - WALGA
Previous Reference	:	OCM 18/06/02 - Item 13.2.6 OCM 15/02/11 - Item 3.3