

CONFIDENTIAL AGENDA

Ordinary Council Meeting Tuesday 19 November 2024

I hereby give notice that a Confidential Ordinary Meeting of Council will be held on:

Time: 6:00 pm
Date: Tuesday 19 November 2024
Location: Council Chamber - Civic Centre
10 Watson Terrace, Mount Gambier



Sarah Philpott
CHIEF EXECUTIVE OFFICER
15 November 2024

22.2 AF24/218 TENDER - PROCUREMENT - SUPPLY AND DELIVERY OF LANDFILL COMPACTOR (UNIT 41)

CONSIDERATION FOR EXCLUSION OF THE PUBLIC

Pursuant to section 90(2) of the Local Government Act 1999 the Council orders that all members of the public, except the Mayor, Councillors and (Council Officers) be excluded from attendance at the meeting for the receipt and consideration in confidence of AF24/218 Tender - Procurement - Supply and Delivery of Landfill Compactor (Unit 41).

The Council is satisfied that, pursuant to section 90(3) of the Act, the information to be received, discussed or considered in relation to the Agenda Item is:

(k) tenders for the supply of goods, the provision of services or the carrying out of works

The Council is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because the information to be discussed in this item relates to a contract between Council and GCM Enviro Pty Ltd.

The disclosure of information in association with this item could reasonably be expected to prejudice the commercial position of Council or confer advantage on third parties and is considered on balance to be contrary to the public interest as it could prejudice the Council's position in obtaining best value on behalf of the community.

Author: Steph McIntosh, Procurement Business Partner

Authoriser: Barbara Cernovskis, General Manager City Infrastructure
Sarah Philpott, Chief Executive Officer

RECOMMENDATION

1. That Council report titled 'AF24/218 Tender - Procurement - Supply and Delivery of Landfill Compactor (Unit 41)' as presented on Tuesday 19 November 2024 be noted.
2. That Council authorise the Chief Executive Officer to.
 - (a) Accept the tender submission from GCM Enviro Pty Ltd for the purchase of a Tana H260 Landfill Compactor for the tendered amount of \$824,900.00 (excluding GST).
 - (b) Accept the trade-in offer for the existing E260 Landfill Compactor for the amount of \$80,000.00 (excluding GST).

PURPOSE

To award a tender for Supply and Delivery of a Landfill Compactor (Unit 41).

SUMMARY OF IMPLICATIONS AND BENEFITS

Implications

- Committing to the purchase of a landfill compactor with associated maintenance and other operational costs.

Benefits

- Maintaining an up to date and fit for purpose fleet of plant.
- Purchase is within budget allocation for the 2024/2025 financial year.
- Estimated short lead time for delivery/changeover of plant item.

BACKGROUND / OPTIONS

Budget

Changeover of Council's existing Tana E260 Landfill Compactor (Unit 41) is included in the 2024/2025 Annual Budget (W76773):

Alias 41 – Landfill Compactor Replacement	\$1,050,000
Alias 41 – Income from Trade	-\$ 105,000
Net Budget for Changeover	\$ 945,000

** The above figures are the original budget adopted and do not include any budget reviews*

Tender Process and Submissions

An open tender process was undertaken via SA Tenders and Contracts. At close of tenders on 12 September 2024, submissions were received from four suppliers, a summary of which is as follows:

Supplier	Make/Model	Machine	Trade-In	Change-over
GCM Enviro Pty Ltd	Tana H320 (32t) Compactor	\$902,000	\$80,000	\$822,000
	Tana H260 (26t) Compactor	\$824,900	\$80,000	\$744,900
Cavpower Pty Ltd	Caterpillar 816 Compactor <i>(includes guidance software)</i>	\$923,400	\$25,000	\$898,400
Evcore Pty Ltd	Shantui SR28MR-3 Compactor	\$323,450	Not Provided	\$323,450 <i>(without trade)</i>
Tutt Bryant Equipment	Bomag BC473 RB-3 (26t) Landfill Compactor	\$760,000	\$50,000	\$710,000
	Bomag BC573 RB-3 (28t) Landfill Compactor	\$797,000	\$50,000	\$747,000
	Bomag BC773 RB-3 (40t) Landfill Compactor	\$1,045,000	\$50,000	\$995,000

** All figures are shown ex GST*

Evaluation Process

A qualitative criteria assessment was undertaken using previously agreed criteria. This assessment identified the Tana H260 and the Bowmag BC473 as the two preferred options as they:

- fitted the weight range (both were stated to be the optimum size for processing the current and future volumes of waste)
- were both from known reputable brands and offered the best value for money option*.

**It should be noted that the Shantui SR28MR-3 had the actual lowest value for money index following the qualitative criteria assessment, however the machine is not fit for the purpose required and significant deficiencies were identified.*

Council currently operates a Tana E260 so are familiar with the brand. To establish the suitability of the Bowmag, staff visited Horsham Rural Council to see the machine in operation (noting that it was a slightly larger model than Council were looking at).

Recommended Tender

The evaluation panel agreed unanimously to recommend the purchase of the Tana H260 Compactor from GCM Enviro Pty Ltd for the following reasons:

- Quality and operator familiarity
- High level of after sales service and excellent working relationship with service provider
- Availability of the Cummins engine in the preferred size model which allows for local expert service and repairs if needed (noting the current unit has over 10,000 hours without any major issues to the engine)
- The Tana has the advantage of a wider single pass footprint due to its twin larger width rollers as opposed to the Bomags 4 x steel wheel footprint

Position Partner Software

The purchase of position partner software is included as a separate item in the budget. Position Partner is a piece of software intelligence that will be attached to the compactor. The tender approached the market for both the software and the compactor, but they are separate purchases and a decision will be made separately regarding the software component. This does not need to be ordered at the same time as the compactor and staff will investigate the options available to determine the most suitable solution.

DETAILED IMPLICATIONS

Legal	Section 149 of the Local Government Act 1999 "Contracts and Tender Policies". A purchase order will be issued to the successful tenderer.
Financial and Budget	The budget for changeover of unit 41 is \$945,000. Acceptance of the preferred tender will result in a changeover amount of \$744,900 representing budget savings of \$200,100.
Other Resources	Changeover of unit 41 will be coordinated by the Procurement Business Partner and the Manager Waste, ReUse and Environment.

RISK ANALYSIS

Consequence	Consequence Rating:	Risk Likelihood Rating:	Risk Rating	Risk Controls and effectiveness	Risk Mitigation Plan
Finance	Minor (2)	Unlikely (2)	Low	Preferred tender is within Council budget	Ensure pricing is as per tender.
Reputation	Minor (2)	Unlikely (2)	Low	Contract management	Ensure contract terms and timelines are adhered to
Legal / Regulatory / Policy	Minor (2)	Unlikely (2)	Low	Procurement Policy	Ensure due diligence in regard to tender process.
Service Delivery	Moderate (3)	Possible (3)	Moderate	Contract management	Ensure pre and post-delivery service is an acceptable standard.
People	Moderate (3)	Possible (3)	Moderate	Operator induction process	Ensure relevant staff are familiar with operating new compactor.

Infrastructure	Moderate (3)	Unlikely (2)	Moderate	Service/ maintenance program	Ensure required service/ maintenance requirements adhered to
Environmental	Minor (2)	Unlikely (2)	Low	Emission Standards	Ensure compactor meets required emission standards

APPLICATION OF MOUNT GAMBIER 2035

Environment and Liveability

Ensuring our waste management fleet of vehicles is well maintained and fit for purpose assists in meeting our priorities around waste management.

APPLICATION OF STRATEGIC PLAN

Goal 3 Our Diverse Economy

3.5.2 Investing in sustainable waste management practices and progressive technology at the Council's Caroline Landfill facility, including methane collection and solar power options [Service Provider (Direct)].

RELEVANT COUNCIL POLICY

[Procurement](#)

IMPLEMENTATION, COMMUNICATION AND ENGAGEMENT

Specifications were developed and tenders were evaluated by a team of staff which included workshop staff and operators.

CONCLUSION

After a thorough evaluation process, it is recommended that Council accept the tender submission from GCM Enviro Pty Ltd for the purchase of a Tana H260 Landfill Compactor for the tendered amount of \$824,900 (excluding GST) and trade-in of the existing plant item.

ATTACHMENTS

Nil

CONSIDERATION FOR KEEPING ITEMS CONFIDENTIAL

1. In accordance with Sections 91(7) and 91(9) of the Local Government Act 1999 the Council orders that the report AF24/218 Tender - Procurement - Supply and Delivery of Landfill Compactor (Unit 41) and its attachments, resolution/s and minutes arising from the report, having been considered by the Council in confidence under:

- (k) tenders for the supply of goods, the provision of services or the carrying out of works

be kept confidential and not available for public inspection until 12 months after the execution of a contract, with the name of the successful tenderer and the tender contract value to be disclosed upon execution.

2. Further that Council delegates the power to review, revoke, but not extend the confidential order to the Chief Executive Officer in accordance with the provisions of Section 91(9)(c) of the Local Government Act 1999.



CONFIDENTIAL MINUTES

Ordinary Council Meeting Tuesday 19 November 2024



Minutes of City of Mount Gambier Confidential Ordinary Council Meeting held at:

Time: 6:00 pm

Date: Tuesday 19 November 2024

Location: Council Chamber - Civic Centre
0 Watson Terrace, Mount Gambier

22.2 AF24/218 TENDER - PROCUREMENT - SUPPLY AND DELIVERY OF LANDFILL COMPACTOR (UNIT 41)

RESOLUTION OCM 2024/215

Moved: Cr Max Bruins

Seconded: Cr Frank Morello

CONSIDERATION FOR EXCLUSION OF THE PUBLIC

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CARRIED

RESOLUTION OCM 2024/216

Moved: Cr Mark Lovett

Seconded: Cr Max Bruins

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CARRIED

RESOLUTION OCM 2024/217

Moved: Cr Max Bruins

Seconded: Cr Sonya Meziniec

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CARRIED