

4.3 CONTRACT FOR SUPPLY OF ONE COMBINATION DRAINAGE TRUCK (CF2019016 CL)

Responsible Director: Ossie Martinz

RECOMMENDATION

That Council:

- 1. Accepts the tender submissions from KOR Equipment Solutions for contract number CF2019016 for the supply of one combination drainage truck for the sum of \$625,000 inclusive of GST;*
- 2. Accepts the tender submission from KOR Equipment Solutions for contract number CF2019016 for the supply of servicing, repair, consumables and spare parts for a period of 12 Months with an estimated expenditure of \$20,000 inclusive of GST based on the submitted schedule of rates;*
- 3. Authorises the Chief Executive Officer to execute the contract agreement.*

INTRODUCTION

Council is seeking suitably qualified and experienced contractors to provide one combination drainage truck.

BACKGROUND

The City of Monash drainage maintenance team consists of a six person crew. The team uses three trucks, two of which are used for the cleaning of the stormwater drains and one is used for reactive maintenance works such as replacing lids and frames.

The jetting truck (two person crew) that currently cleans stormwater drains between pits is reaching end of life and is due for replacement in 2018.

The suction truck (two person crew) is used to clear blocked pits and is sometimes used in conjunction with the jetting truck when large amounts of root matter is extracted from pipe cleaning works. This truck is functioning well and is due for replacement in 2021.

It was determined that replacing the aging jetting truck with a combination jetting suction truck would improve productivity and allow teams to undertake additional pit clearing works.

DISCUSSION

An expression of interest was advertised in The Age newspaper on 22 of August and the 25 August 2018 for companies capable of providing suitable equipment for drainage pit and

pipe maintenance services. The tender closed on Wednesday 12 September 2018 at which time five submissions were received from DCS Manufacturing Pty Ltd, R A Ball and Co Pty Ltd, Spoutvac Industries Pty Ltd, KOR Equipment solutions Pty Ltd and Bucher Municipal Pty Ltd.

An evaluation was undertaken assessing submissions for:

- Completed submission documents
- Occupational Health and Safety
- Compliance with the specification
- Experience and Reputation
- Warranty. After sales service and spare parts backup.

The evaluation of the submissions identified that three of the providers were not able to meet the required specification for either suction hose or jetting hose size. There was also some concern about some of the vehicle designs potentially requiring operators to climb up on the equipment regularly to address blockages. The submissions from KOR Equipment Solutions and DCS Manufacturing Pty Ltd were the highest scoring and considered the equipment that would best meet Council's specification.

The two preferred submissions were then invited to submit tenders for the supply of one combination drainage truck, both companies submitted documentation.

TENDER EVALUATION

The tender submission was initially checked to ensure documentation was complete and tenders were conforming.

Following this the submissions were assessed against the selection criteria:

- Price;
- Experience and reputation;
- Conformance with specification;
- Technical, Service, Repair and Warranty Support
- Occupational Health and Safety Management System;
- Sustainability, Environmental Initiatives
- Ability to meet the required timeframe;

The submission from DCS Manufacturing was nonconforming having failed to complete the documentation correctly and offered equipment that was outside the specifications parameters. In particular, the offered equipment has not been supplied into Australia in the configuration offered and as such, no physical assessment of the equipment could be made. As the equipment in the proposed configuration has not operated in Australia, the evaluation team felt the risk of the equipment not performing as required was too high.

The submission from KOR was conforming and met the key specification requirements. The equipment is designed, built and tested in Italy by Cappellotto before being shipped to Australia in full working order. KOR has its head office, servicing and spare parts centre within the City of Monash. As part of the evaluation the work team visited the head

office and spare parts centre prior to a site demonstration. The work team felt the equipment meet expectations and the close proximity of the spare parts and service centre to the Monash Operations Centre would minimise any downtime. Reference checking revealed that Yarra City Council has utilised the same machine for the past six years and reported the machine is very manoeuvrable in tight streets and had no major problems. Of particular interest was the plan by KOR to refurbish the suction and jetting plant and re-fit to a new cab chassis, effectively reducing the life-cycle cost of the equipment significantly.

Tenderers also provided schedule of rates pricing for reactive service calls, general servicing, and consumable supplies.

FINANCIAL IMPLICATIONS

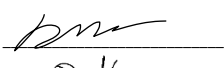
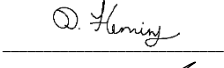

The purchase of the new equipment is programmed as part of the Plant and Equipment Replacement Program (project no. 9119) and allowed for in the capital budget (account no. 1.PQ.PQP.PQ21.000.1670). The investment in the new equipment is \$549,831 excluding GST, stamp duty and registration. The total expenditure required is \$625,000 including GST.

Servicing support and consumable expenditure has been allowed for in the fleet maintenance budget. The estimated cost for one year is \$20,000 including GST.

CONCLUSION

The evaluation panel recommends the appointment of KOR Equipment Solutions, for the supply of one combination drainage truck for the sum of \$625,000 including GST, Stamp Duty, Registration and Commissioning. The evaluation panel also recommends the appointment of KOR Equipment Solutions for a period of one year for the supply of maintenance services, equipment and consumables in accordance with the submitted schedule of rates.

Confidential Attachment

Supply & Delivery of One Combination Truck CF2019016 Expression of Interest Evaluation Summary						
Weighted Score		Bucher Municipal	R A BELL and CO	Spout Vac Industries	DCS Manufacturing	KOR
Weighted Score						
Compliance with Mandatory requirements						
	Complete and Signed Submission	Y	Y	Y	N	Y
	Insurances	Y	Y	Y	Y	Y
	Occupational Health and Safety	Y	Y	Y	Y	Y
	Sustainability and Environmental Management	Y	Y	Y	Y	Y
		Y	Y	Y	Y	Y
Compliance with the Requirements of the Specification						
	5 Tank Capacities (water and sludge)	3.0	3.0	3.0	4.0	4.0
	5 Suction System (hose size, vacume, CFM/LM, design)	1.0	1.0	1.0	4.0	4.0
	5 Jetting System (hose size, pressure, volume, Fitting connection)	1.0	1.0	1.0	4.0	4.0
	8 Vehicle (Turning Circle, Safety, Operation, Layout)	3.0	3.0	3.0	2.0	3.0
	5 Storage compartments and equipment holders	3.0	3.0	3.0	3.0	3.0
	5 Demonstrated operation of proposed vehicle	3.0	3.0	3.0	1.0	4.0
33	Weighted Total	15.8	15.8	15.8	19.2	23.8
Warranty, after sales service and spare parts back up						
	5 Warranty period	3.0	3.0	3.0	2.0	4.0
	4 Workshop facilities	3.0	2.0	2.0	3.0	3.0
	4 Parts supply	3.0	3.0	3.0	3.0	3.0
	4 On site service	4.0	3.0	3.0	4.0	4.0
17	Weighted Total	11.0	9.4	9.4	10.0	12.0
Experience and Reputation						
	5 Reference Checks	3.0	3.0	3.0	3.0	3.0
	5 Experience with equipment offered	2.0	3.0	3.0	2.0	4.0
10	Weighted Total	5.0	6.0	6.0	5.0	7.0
Total						
60	Total (Non Price)	31.80	31.20	31.20	34.20	42.80
Conformance assessment		NonConforming	NonConforming	NonConforming	NonConforming	Conforming
Schedule B1						
Combination Drainage truck						\$549,831
Stamp duty						\$16,335
GST						\$54,983
Subtotal						\$621,149
registration and commissioning allowance						\$3,850
Total						\$624,999
Schedule B2						
Servicing and Equipment supply schedule of rates estimate						\$20,000
Evaluation Panel						
David Santhakumaran Coordinator Infrastructure Maintenance				7/11/2018		
David Fleming Team Leader Drainage Maintenance				7/11/2018		
Derek Naylor Coordinator Fleet and Operations Centre Management				7/11/2018		
Jason Farrugia Manager Strategic Procurement				___/___/2018		