

6.3 Policy Reports

6.4 Financial Reports

6.4.1 Contract 22-013 - Supply of 2 x New Motor Graders and Mono Rollers

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Recommendation(s)

That Council approve:

- The tender submitted by William Adams PTY. LTD for the supply of two (2) only Cat 140 Motor Graders with attached Broons 'Graderoll' type mono rollers, be accepted for the contract sum of \$1,064,348.00 (\$532,174.00 each) excluding GST.
- The tenderers are advised accordingly.
- The common seal of the Council is affixed to the contract documents.

Attachments

1. CONFIDENTIAL - Confidential Memorandum - Circulated to Councillors only [6.4.1.1 - 3 pages]

Executive Summary

This report details the tenders received for contract CT 22-013, relating to the supply two (2) Motor Graders fitted with Broons 'Graderoll' type mono rollers for the purpose of compaction.

Tender requests were submitted using the Municipal Association of Victoria (MAV) Procurement panel, NPN2.15.2 Plant and Machinery contract. Three (3) Motor Grader suppliers were invited to tender. These included William Adam's (CAT), Komatsu Australia (Komatsu) and RDO Equipment Australia (John Deere).

This tender and its process are in accordance with Councils purchasing and procurement policies and Councils Plant Replacement Program.

Background

Council currently operate six (6) Motor Graders across the Shire to maintain its vast unsealed road and shoulder network. These graders operate up to six days per week depending on workload and operate in specific work zones to reduce the time and costs in mobilisation.

Each grader is fitted with a rear mounted roller to enable the pavement surface to be compacted following grading. This tender includes the replacement of the two (2) 'Horwood Bagshaw' type free rollers. Broons Graderoll type mono rollers are now the sole supplier of this type of equipment and therefore been chosen as a suitable replacement.

The optimum replacement of a Motor Grader is determined based on the graders age, hours of use and maintenance history. This is a critical factor to ensure a grader does not enter the

period of risk that may require major repairs and significant down time. Comparative figures from this industry could see repairs in excess of \$50,000 per annum. Accompanied with price increases and depreciation, retaining the grader could result in costs up to \$100,000 per annum.

Provision has been made within the 2021-22 budget for the replacement of two (2) of Councils oldest Motor Graders, Plant numbers 27 and 29. Replacement of these graders is in line with Council's Plant Replacement Program. The change over time for this grader optimises its best serviceable life combined with optimum financial benefit.

Cardinia as a major growth municipality with increasing traffic movements accompanied with extreme weather conditions have seen Council's unsealed road network experiencing increasingly high levels of maintenance. It is imperative to keep high demand equipment such as graders in a condition that provides optimum performance to maintain service levels as required and expected by our growing community and the Road Management Act.

The benefits for the Council and our community with purchasing these new graders include:

- A more reliable grader fleet with minimal downtime, therefore improving effectiveness.
- Quieter operation due to improvements in sound deadening engine upgrades.
- Environmental improvements with compliance to Tier 3 standards and lower Co2 emissions.
- Improved ergonomics reducing driver fatigue with latest technology, using joystick controls reducing arm movement up to 78%.
- Provision of blade down sensors to monitor grading effort.
- Enhanced safety improvements, including grouped ground level service points and cameras.
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Policy Implications

The purchase of these Motor Graders with attached mono rollers will enable Council to maintain its unsealed road and shoulder network in accordance with its Road Management Plan.

Relevance to Council Plan

2.1 We support the creation of liveable spaces and places

2.1.5 Upgrade Council's road network to improve safety and connectivity while considering traffic demand and freight transport needs.

Climate Emergency Consideration

The tender evaluation considered engine emission standards, with Tier 3 being the minimum. The Cat 140 Motor Grader uses electronic throttle control which helps improve productivity by providing the best match of horsepower and torque for the demands of the application, minimising fuel use.

The Cat Motor Grader is fitted with the following environmental safeguards,

- Ecology drains help make draining fluids more convenient and help prevent spills.
- Cartridge style hydraulic fluid filters provide safe clean draining of filters prior to replacement, helping to prevent fluid spills.

Cat Products Environmental Declaration mentions sustainability and the impact of the products used on the environment.

Consultation/Communication

Stakeholder consultation occurred initially to understand the needs of the Grader operators. The consultation process included grader demonstration and test driving. Following this process, a detailed Product Design Brief was developed to issue for tender.

Financial and Resource Implications

Budget provision has been made within the 2021-22 capital fleet replacement program, for the replacement of both graders 27 & 29 along with attached mono rollers.

The offer received by William Adams at \$1,064,348.00 (\$532,174.00 each excl. GST) plus statutory charges represents the best value option for Council.

At this stage, it is anticipated these two (2) Motor Graders and mono rollers will be delivered in November 2022.

The current graders (Graders 27 & 29) & mono rollers, will be sold via public auction once the new graders and mono rollers have arrived, are settled in, and they are no longer required for operational service.

Conclusion

It is recommended that the tender submitted by William Adams for the two (2) CAT 140 Motor Graders fitted with Broons 'Graderoll' type mono rollers at \$1,064,348.00 (\$532,174.00 each) excluding GST, to be accepted for the replacement of Graders 27 & 29