



## DIRECTOR CORPORATE SERVICES REPORT

12<sup>th</sup> July 2005

<b>DCS5</b>	<b>TENDER - WHEEL LOADER / MATERIALS HANDLER</b>
	<b>FILE: C15-605 MPM</b>

### SUMMARY:

Reporting on tenders received for the purchase of one (1) wheel loader / materials handler and the sale of V1673 Caterpillar 916 wheel loader.



Tenders were called for the supply of one (1) wheel loader / materials handler and the sale of (1) 916 Caterpillar wheel loader V1673.

Tenders closed at 10.00 am 28<sup>th</sup> June 2005 where;

- a) five (5) companies submitted tenders for the supply of one (1) wheel loader/materials handler and trade of V1673 and,
- b) two (2) companies submitted a tender for the sale of V1673.

<u>Company</u>	<u>Wheel Loader Manufacturer</u>
Case Equipment Sales	Case
CJD Construction Equipment	Volvo
Hitachi Construction Equipment Australia	John Deere
Komatsu	Komatsu
Westrac Pty Ltd	Caterpillar

Upon evaluation the following Wheel loaders / Materials Handlers were identified as suiting Councils requirements:

<u>Company</u>	<u>Wheel Loader Manufacturer/ Model</u>	<u>Cost (GST exc)</u>
Komatsu	Komatsu WA200-5	\$227,736.00

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Hitachi Construction	John Deere 544J	\$228,273.09
CJD Construction	Volvo L60E	\$238,400.00
Equip		
Westrac Pty Ltd	Caterpillar 924G	\$266,100.00

Tenders were evaluated using net present value (NPV), operator evaluation, maintenance evaluation, risk, and product support. The evaluation is as follows:

<b>Maximum Points</b>	<b>100</b>	<b>40</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>15</b>
<b>Weighting</b>	100.00%	40.00%	15.00%	15.00%	15.00%	15.00%
<b>(Must=100)</b>						
Make & Model	Final Ranking	Net Present Value	Operator Evaluation	Maintenance Evaluation	Risk Evaluation	Product Support
John Deere 544J	100.00	40.00	15.00	15.00	15.00	15.00
Komatsu WA200-5	97.23	38.90	13.33	15.00	15.00	15.00
Volvo L60E	94.65	39.65	10.00	15.00	15.00	15.00
Cat 924G	92.75	35.25	12.50	15.00	15.00	15.00

Based on the tender assessment evaluation criteria the John Deere 544J wheel loader / materials handler is assessed as the most suited to the needs of Council.

## Sale of V1673

Sale of V1673 Caterpillar 916 wheel loader was evaluated with Hitachi Construction Equipment Pty Ltd providing the highest trade in value.

<u>Company</u>	<u>Cost (GST exc)</u>
Hitachi Construction	\$43,000
Westrac Pty Ltd	\$40,000
CJD Equipment Pty Ltd	\$34,000
Komatsu	\$32,000
Gary Lee	\$25,000
Mabuks Pty Ltd	\$17,500

In conclusion, evaluations and consultation with relevant Council staff it is recommended that a John Deere 544J be purchased and V1673 be traded in with Hitachi Construction Equipment Australia.

## **REPORT IMPLICATIONS:**

- **Environmental**

**Nil**

- **Social**

**Nil**

- *Economic (Financial)*

*Adoption of the following recommendation would result in financial implications of \$185,273, which will be funded, from the 2005/2006 Fleet Replacement Program. The Fleet Replacement program provides for acquisition costs of \$185,000.*

- *Policy or Statutory*

*Council Policy 10.5*

- *Director's Review*

*Nil*

## **RECOMMENDATION:**

1. That Council accept the tender from Hitachi Construction Machinery (Australia) Pty Ltd for the purchase of a John Deere 544J Powerllel, as per Council's tender specification, at a cost of \$228,273.09 (GST excl).
2. That Council accept the tender from Hitachi Construction Machinery (Australia) Pty Ltd for the sale of V1673 Caterpillar 916 Wheel Loader at a price of \$43,000 (GST excl.).

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**G B Snape**  
**DIRECTOR CORPORATE SERVICES**