

**4.1 TENDER FOR HEAVY PLANT MACHINERY AND EQUIPMENT**  
(CF2021054: DN)

Responsible Acting Director: Simon Hill

**RECOMMENDATION\***

*That Council:*

- Approves access to the following panel suppliers under the Municipal Association of Victoria (MAV) Contract No. NPN2.15-2 for the provision of Heavy Plant, Machinery and Equipment for a five (5) year term with options for extension of two (2) x one (1) year periods with an estimated annual expenditure of \$650,000 GST inclusive:*

*ADT Western Australia Pty Ltd  
 AFGRI EQUIPMENT AUSTRALIA PTY LTD  
 BT EQUIPMENT PTY LTD  
 C J D EQUIPMENT PTY LTD  
 C.E.G. Distributions Pty Ltd  
 C.F.C. HOLDINGS PTY LTD  
 CLARK EQUIPMENT SALES PTY LTD  
 CNH INDUSTRIAL AUSTRALIA PTY LIMITED  
 CONPLANT PTY LTD  
 EAGLE LODGE DEVELOPMENTS PTY. LTD.  
 EARTHMOVING EQUIPMENT AUSTRALIA PTY LIMITED  
 EARTHMOVING INDUSTRY ENGINEERING PTY LTD  
 GCM ENVIRO Pty Ltd  
 HASTINGS DEERING (AUSTRALIA) LIMITED  
 HITACHI CONSTRUCTION MACHINERY (AUSTRALIA) PTY LTD  
 HSR SOUTHERN CROSS PTY LTD  
 KOBELCO CONSTRUCTION MACHINERY AUSTRALIA PTY LIMITED  
 KOMATSU AUSTRALIA PTY LTD  
 KUBOTA AUSTRALIA PTY LTD  
 LIEBHERR-AUSTRALIA PTY. LTD.  
 MCINTOSH HOLDINGS PTY LTD  
 PACIFIC MATERIALS HANDLING PTY. LTD.  
 PHILDEN TRADE PTY LTD  
 PORTER EQUIPMENT AUSTRALIA PTY LTD  
 RDO AUSTRALIA GROUP PTY LTD  
 SEMCO PTY. LIMITED  
 The Trustee for GCM AGENCIES UNIT TRUST  
 The Trustee for Onetrak Unit Trust  
 The Trustee for R & D TRUST  
 The Trustee for Ronco Group Unit Trust  
 United Equipment Pty Limited*

WESTRAC PTY LTD  
WILLIAM ADAMS PTY LTD  
WIRTGEN AUSTRALIA PTY LTD

2. *Authorises the Chief Executive Officer or her delegate to execute the contract agreement; and*
3. *Notes that initial contract term ends 31 October 2025 and the contract has two extension options of one year each and authorises the Chief Executive Officer or her delegate to approve extension options subject to Municipal Association of Victoria extending the contract and satisfactory performance.*  
*(\*Please note that all dollar figures are GST Inclusive unless stated otherwise).*

### **INTRODUCTION**

Council intends to access a contract with MAV for the provision of heavy plant, machinery and equipment and seeks authorisation to enter into a contract.

### **BACKGROUND**

Council procures a wide range of heavy plant, machinery and equipment required to deliver its services to the community such as but not limited to, tractors, loaders, trucks, waste handling equipment and various parts and accessories.

Council currently engages the services through the MAV and Procurement Australia for heavy plant, machinery and equipment of this type. Under the Local Government Act 1989 the MAV and Procurement Australia are able to establish contracts on behalf of local government authorities so that they may access suppliers in an efficient and cost effective manner. These organisations are focused on achieving better procurement outcomes by aggregating the needs of individual Councils into contracts with greater volumes and thus better negotiating power.

Procuring through these agency arrangements also reduces risk to Council as any failure to meet requirements has the potential to impact the supplier's opportunities with all other local government authorities. Throughout the contract term the agencies also monitor the currency and validity of insurances and the supplier's financial position to allow them to remain as a supplier within the contract panel.

When purchasing heavy plant, machinery and equipment, Council could choose to use an agency contract such as those provided by MAV and Procurement Australia or tendering directly via Council's tender portal. Utilising the agency contracts is a more efficient and cost effective process.

The MAV contract is for an initial period of five (5) years, which commenced on the 1 November 2020 and ending 31 October 2025 with extension options of two (2) x one (1) year periods.

This report seeks approval to access this MAV contract from 1 February 2021 to assist Council with its future heavy plant and equipment replenishment program.

***NOTIFICATION***

A public notice was not required because the tenderers were selected from the MAV Contract Number NPN2.15-2 Heavy Plant Machinery Equipment as allowed under the Local Government Act 1989, Section 186, Part 5, in accordance with arrangements approved by the Minister.

***DISCUSSION***

All submissions were assessed for their compliance with the tender conditions including the contractual terms and conditions.

The MAV undertook an evaluation of all the submissions. Council was provided with a Recommendation Report from MAV detailing the suppliers that were successfully awarded a contract. The evaluation panel has reviewed the recommendation report and recommends that the City of Monash accesses this contract.

The successful suppliers form a panel of providers under the terms of the MAV contract NPN 2.15-2 Heavy Plant Machinery and Equipment.

***FINANCIAL***

When required, a request for quotation will be provided to selected pre-approved suppliers under the panel contract for each individual purchase. Each request for quotation will be evaluated in accordance with Council's procurement policy and approvals would be in accordance with Councils delegations. Where the value exceeds the delegation limits, approval from Council would be sought.

The estimated annual expenditure is \$650,000 per annum, which is accommodated from Council's approved capital budget for each year of the proposed contract period.

***CONCLUSION***

That Council approves the recommendations contained within this report.