

TECHNICAL ADVISORY COMMITTEE

MINUTES

9 August 2012

(REF: COMMITTEES-14334)

A meeting of the Technical Advisory Committee was held at the EMRC Administration Office, 1st Floor, 226 Great Eastern Highway, BELMONT WA 6104 on **Thursday, 9 August 2012**. The meeting commenced at **4:00pm**.

TABLE OF CONTENTS

1	DECLARATION OF OPENING AND ANNOUNCEMENT OF VISITORS	1
2	ATTENDANCE, APOLOGIES AND LEAVE OF ABSENCE PREVIOUSLY APPROVED	1
3	DISCLOSURE OF INTERESTS	1
4	ANNOUNCEMENT BY THE CHAIRMAN OR PERSON PRESIDING WITHOUT DISCUSSION	1
5	CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS	2
	<i>5.1 MINUTES OF THE TECHNICAL ADVISORY COMMITTEE MEETING HELD ON 10 MAY 2012 (Ref: Committees-14257)</i>	
6	PRESENTATIONS	2
7	ANNOUNCEMENT OF CONFIDENTIAL MATTERS FOR WHICH THE MEETING MAY BE CLOSED TO THE PUBLIC	2
8	BUSINESS NOT DEALT WITH FROM A PREVIOUS MEETING	2
9	REPORTS OF OFFICERS	3
	<i>9.1 PURCHASE OF 20-25 TONNE WHEEL LOADER / INTEGRATED TOOL CARRIER (Ref: Committees-14485)</i>	3
	<i>9.2 PURCHASE OF AN ARTICULATED DUMP TRUCK (Ref: Committees-14483)</i>	10
	<i>9.3 PURCHASE OF 20-25 TONNE TRACK EXCAVATOR (Ref: Committees-14533)</i>	16
	<i>9.4 ITEMS CONTAINED IN THE INFORMATION BULLETIN (Ref: Committees-14335)</i>	22
10	CONFIDENTIAL MATTERS FOR WHICH THE MEETING MAY BE CLOSED TO THE PUBLIC	23
11	GENERAL BUSINESS	23
12	FUTURE MEETINGS OF THE TECHNICAL ADVISORY COMMITTEE	23
13	DECLARATION OF CLOSURE OF MEETING	23



1 DECLARATION OF OPENING AND ANNOUNCEMENT OF VISITORS

The Chairman opened the meeting at 4:00pm.

2 ATTENDANCE, APOLOGIES AND LEAVE OF ABSENCE PREVIOUSLY APPROVED

Committee Members

Mr Jim Coten (Chairman)	Executive Manager Operations	City of Swan
Mr Shane Purdy	Director Infrastructure Services	Shire of Mundaring
Mr Doug Pearson (<i>from 4:02pm</i>)	Director Technical Services	City of Bayswater
Mr Ric Lutey	Director Technical Services	City of Belmont
Mr Sam Assaad (Deputising for Mr Higham)	Manager Infrastructure Services	Shire of Kalamunda
Mr Peter Schneider	Chief Executive Officer	EMRC

Apologies

Mr Simon Stewert-Dawkins (Deputy Chairman)	Director Operational Services	Town of Bassendean
Mr Clayton Higham	Director Development and Infrastructure Services	Shire of Kalamunda

EMRC Officers

Mr Brian Jones	Director Waste Services
Mr Hua Jer Liew	Director Corporate Services
Mr Stephen Fitzpatrick	Manager Project Development
Ms Giulia Bono	Administration Officer (Minutes)

3 DISCLOSURE OF INTERESTS

Nil

4 ANNOUNCEMENT BY THE CHAIRMAN OR PERSON PRESIDING WITHOUT DISCUSSION

Nil



5 CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

5.1 MINUTES OF TECHNICAL ADVISORY COMMITTEE MEETING HELD ON 10 MAY 2012

That the Minutes of the Technical Advisory Committee meeting held on 10 May 2012, which have been distributed, be confirmed.

TAC RESOLUTION(S)

MOVED MR LUTEY

SECONDED MR PURDY

THAT THE MINUTES OF THE TECHNICAL ADVISORY COMMITTEE MEETING HELD ON 10 MAY 2012 WHICH HAVE BEEN DISTRIBUTED, BE CONFIRMED.

CARRIED UNANIMOUSLY

6 PRESENTATIONS

Nil

7 ANNOUNCEMENT OF CONFIDENTIAL MATTERS FOR WHICH THE MEETING MAY BE CLOSED TO THE PUBLIC

Nil

8 BUSINESS NOT DEALT WITH FROM A PREVIOUS MEETING

Nil



9 REPORTS OF OFFICERS

9.1 PURCHASE OF 20-25 TONNE WHEEL LOADER / INTEGRATED TOOL CARRIER

REFERENCE: COMMITTEES-14485

PURPOSE OF REPORT

The purpose of the report is to recommend acceptance of the quote for the supply and delivery of a wheel loader/integrated tool carrier submitted by CJD Equipment.

KEY ISSUES AND RECOMMENDATION(S)

- Quotes for the supply and delivery of a 20-25 tonne wheel loader/integrated tool carrier, with a 5 year/8,000 hour extended warranty, were requested from suppliers on the WALGA Preferred Supplier Panel.
- WesTrac (Caterpillar), Liebherr Australia (Liebherr) and CJD Equipment (Volvo) each provided quotes.
- Funds for the purchase of the wheel loader/integrated tool carrier have been included in the 2012/2013 Budget.

Recommendation(s)

That Council:

1. Accept the quote for the supply and delivery of a Volvo L120F wheel loader/integrated tool carrier with a 5 year/8,000 hour extended warranty, submitted by CJD Equipment, for the sum of \$395,500.00 (ex. GST).
2. Accept the offer to undertake the servicing and repair of the Volvo L120F for a 5 year/8,000 hour period submitted by CJD Equipment at an initial cost of \$8.86/hr (ex. GST).

SOURCE OF REPORT

Director Waste Services

BACKGROUND

In the 2012/2013 Capital Expenditure budget an amount of \$441,000.00 was included for the purchase of a wheel loader/integrated tool carrier to replace the Caterpillar IT28 that was disposed of in 2011/2012.

Following the adoption of the 2012/2013 Budget quotes were requested from WesTrac (Caterpillar), Liebherr Australia (Liebherr) and CJD Equipment (Volvo), each of whom are on the WALGA Preferred Supplier Panel, for the supply and delivery of a wheel loader/integrated tool carrier in the 20-25 tonne range.

REPORT

Each of the suppliers, from whom quotes were requested (Attachment 1), submitted quotes. WesTrac priced to supply a 23.7 tonne Caterpillar 966H and Liebherr priced to supply a 17.3 tonne L556 but qualified the price indicating it was subject to exchange rate variation. The Euro : AU\$ rate used was not provided. CJD Equipment priced to supply a 20.0 tonne Volvo L120F that is essentially identical to three of the Volvo L120 loaders currently on site and their quote for the service/maintenance cost was based on the rate being fixed for the first three years and subject to an adjustment based on annual variations to the cost of replacement parts, consumables and labour for years 4 and 5.

The delivery times quoted were 18-22 weeks for the Cat 966H, 4-6 weeks for the Liebherr L556 and 'late September' (6-8 weeks) for the Volvo L120F.



Item 9.1 continued

To properly assess the quotes the information supplied was utilised to develop an hourly ownership/operating cost using estimates for the depreciation costs, the cost of capital, the service and maintenance costs, and the cost of fuel. The cost per hour developed was used to generate a cost/kW hour in terms of engine output and the cost/kN hour in terms of breakout force so as to have a 'standardised measure' to compare machines of different engine capacity and breakout force.

The Volvo L120F has the lowest cost/kW hour and lowest cost/kN hour and received the highest financial score.

CJD Equipment have consistently provided excellent field service and the Volvo loaders currently in use have provided trouble free service. Based on qualitative scoring – operator familiarity, supplier capability etc. the Volvo L120F scored highest.

At Red Hill there is a Volvo L70, purchased in 1995, that has worked over 22,000 hours with only minor repairs still being used on a daily basis and a Volvo L120E, purchased in January 2007, that has worked over 8,000 hours without any repairs being required. In that the attachments on site are interchangeable among Volvo machines there would be no requirement to purchase additional attachments if the Volvo L120F was to be purchased.

STRATEGIC/POLICY IMPLICATIONS

Key Result Area 1 – Environmental Sustainability

- 1.1 To provide sustainable waste disposal operations
- 1.2 To improve regional waste management

Key Result Area 4 – Good Governance

- 4.1 To improve member Council and EMRC financial viability

FINANCIAL IMPLICATIONS

The expenditure is budgeted.

The amount of \$395,500.00 is less than that allocated for the purchase of a wheel loader/integrated tool carrier and will be charge to Account Code 24410/00 – Purchase/Replace Plant – Red Hill.

SUSTAINABILITY IMPLICATIONS

Nil



Item 9.1 continued

MEMBER COUNCIL IMPLICATIONS

Member Council	Implication Details
Town of Bassendean	} Nil
City of Bayswater	
City of Belmont	
Shire of Kalamunda	
Shire of Mundaring	
City of Swan	

ATTACHMENT(S)

1. Pro-forma letter (Ref: Committees-14512)
2. Schedule of costs (Ref: Committees-14512)

VOTING REQUIREMENT

Simple Majority

RECOMMENDATION(S)

That Council:

1. Accept the quote for the supply and delivery of a Volvo L120F wheel loader/integrated tool carrier with a 5 year/8,000 hour extended warranty, submitted by CJD Equipment, for the sum of \$395,500.00 (ex. GST).
2. Accept the offer to undertake the servicing and repair of the Volvo L120F for a 5 year/8,000 hour period submitted by CJD Equipment at an initial cost of \$8.86/hr (ex. GST).

Mr Pearson entered the meeting at 4:02pm.

Discussion ensued

The Director Waste Services provided an overview of the review process and the basis for the recommendations.



Item 9.1 continued

TAC RECOMMENDATION(S)

MOVED MR ASSAAD

SECONDED MR LUTEY

That Council:

1. Accept the quote for the supply and delivery of a Volvo L120F wheel loader/integrated tool carrier with a 5 year/8,000 hour extended warranty, submitted by CJD Equipment, for the sum of \$395,500.00 (ex. GST).
2. Accept the offer to undertake the servicing and repair of the Volvo L120F for a 5 year/8,000 hour period submitted by CJD Equipment at an initial cost of \$8.86/hr (ex. GST).

CARRIED UNANIMOUSLY

Enquiries: Brian Jones
Direct Line: 9424 223
Our Ref: EMRC-148282

17 July 2012

«Title» «First_Name» «Last_Name»
«Company_Name»
«Address_Line_1»
«City» «State» «Postcode»

Dear «First_Name»

RE: SUPPLY AND DELIVERY OF A 20 - 25 TONNE WHEEL LOADER / INTEGRATED TOOL CARRIER

Please provide a price, in accordance with the WALGA Preferred Supplier Panel pricing schedule, for the supply and delivery of a Wheel Loader/Integrated Tool Carrier in the 20 - 25 Tonne range.

The machine will be utilised at the EMRC's Red Hill Waste Management Facility on a variety of tasks and, accordingly, will need to be supplied with a quick hitch arrangement and a standard 3 - 3.5m³ bucket.

The EMRC requires a machine that will provide reliable service at the lowest Whole of Life cost. The options of an extended 5 year/8,000 hour warranty and a 5 year/8,000 hour service/maintenance agreement must be priced.

The fuel consumption figures for the machine offered, working under a range of operating conditions, are to be supplied as is the lead time between placement of order and delivery to site as the cost of hiring a machine for that period will be a factor in the purchasing decision.

In addition to an air conditioned, pressurised, sound suppressed cab, sealed to ensure operators are not subject to dust when operating in dusty conditions, the machine is to have an AM/FM radio, a roof mounted rotating beacon, a 9kg fire extinguisher, located so as to be easily accessible to the operator, and be fitted with a two way radio that will be supplied by the EMRC.

The option of a central lubricating system and a reversible engine cooling fan, to prevent radiator clogging, is also to be priced.

Please submit your prices, by email to brian.jones@emrc.org.au followed by a hard copy in the mail by 4:00pm Tuesday 24 July 2012 so that an item can be taken to the August 2012 Council meeting for a decision.

A hard copy is to be sent to:

Director Waste Services
C/o EMRC Tender Box
PO Box 234,
BELMONT WA 6984

If you are unable to submit a price it would be appreciated if you could advise us of the fact by letter.

Yours sincerely

BRIAN JONES
Director Waste Services

Wheel Loader / Integrated Tool Carrier				
Budget \$441,000				
	Ownership/Operating Costs (cost/hr)	Engine Output (cost/kW.hr)	Breakout Force (cost/kN.hr)	
Volvo (L120F)	\$80.45/hr	\$0.449/kW.hr	\$0.491/kN.hr	
Liebherr (L556)	\$68.00/hr	\$0.491/kW.hr	\$0.529/kN.hr	
Cat (996H)	\$93.92/hr	\$0.482/kW.hr	\$0.516/kN.hr	



9.2 PURCHASE OF AN ARTICULATED DUMP TRUCK

REFERENCE: COMMITTEES-13586

PURPOSE OF REPORT

The purpose of the report is to recommend acceptance of the quote, for the supply and delivery of an articulated dump truck, submitted by CJD Equipment.

KEY ISSUES AND RECOMMENDATION(S)

- Quotes, for the supply and delivery of an articulated dump truck in the 25-30 tonne range with a 5 year/8,000 hour extended warranty were requested from suppliers on the WALGA Preferred Supplier Panel.
- WesTrac (Caterpillar), CJD Equipment (Volvo), Hitachi (Bell) and Liebherr Australia (Liebherr) each provided quotes.
- Funding for the purchase of an articulated dump truck was included in the 2012/2013 Budget.

Recommendation(s)

That Council:

1. Accept the quote for the supply and delivery of a Volvo A30F articulated dump trucks with a 5 year/8,000 hour extended warranty, submitted by CJD Equipment, for the sum of \$436,000.00 (ex. GST).
2. Accept the offer to undertake the servicing and repair of the Volvo A30F for a 5 year/8,000 hour period submitted by CJD Equipment at an initial cost of \$10.91/hr (ex. GST).

SOURCE OF REPORT

Director Waste Services

BACKGROUND

At the meeting held 16 February 2012 Council resolved to approve the purchase of two Volvo A30F articulated dump trucks from CJD Equipment to replace the tipper trucks that had been in use to cart spoil, daily cover and final cover etc. at the Red Hill Waste Management Facility (Committees-13586).

The trucks have performed well, have reduced the cost of carting spoil from excavations, carting daily, intermediate and final cover material and have been able to continue working when, in the past, inclement weather would have resulted in the tip trucks being bogged.

The clearing of over burden for the next landfill cell that, in the past, would have required contractors to be engaged, has been undertaken in-house and has resulted in substantial savings. However the haul distances are such that another articulated dump truck is required to 'balance' the excavation/loading capacity with the cartage capacity. The 2012/2013 Capital Budget included funding for the purchase of another articulated dump truck.

Following the adoption of the 2012/2013 Budget quotes were requested from suppliers on the WALGA Preferred Supplier Panel to supply and deliver an articulated dump truck in the 25-30 tonne range. The quotes were to include an extended 5 year/8,000 hour warranty and items such as central lubrication, a roof mounted rotation beacon and air conditioning etc. (Attachment 1).



Item 9.2 continued

REPORT

Quotes were requested from WesTrac (Caterpillar), CJD Equipment (Volvo), Hitachi (Bell) and Liebherr Australia (Liebherr).

In addition to the supply and delivery of the articulated dump truck, and the extended warranty, quotes for the servicing and maintenance/repair of the articulated dump truck for a 5 year/8,000 hour period were also requested.

CJD Equipment offered a Volvo A30F truck (256kW/28 tonne/18.1m³ pay load) identical to those currently in use. Hitachi offered a Bell B30D truck (232kW/27.3 tonne/16.6m³ pay load) whilst Liebherr Australia offered a TA230 truck (270kW/30.0tonne/19.0m³ pay load) and WesTrac offered a Caterpillar 725 truck (225kW)/26.0tonne/14.3m³ pay load). The Liebherr Australia quote was 'subject to exchange rate fluctuation' but the rate of exchange used to establish the A\$ quote was not provided.

Whilst each supplier offered an extended 5 year/8,000 hour warranty only CJD Equipment priced for a 5 year/8,000 hour service and maintenance/repair contract. The price quoted by CJD Equipment is fixed for 3 years and subject to adjustment for years 4 and 5 based on annual variations to the cost of replacement parts, consumables and labour. WesTrac, Liebherr and Hitachi priced for servicing the equipment but did not include the maintenance/repair component.

To properly assess the quotes the estimated cost/hour to own and operate was calculated for each machine based on the information provided using estimates for the depreciation costs, the cost of capital, the service and repair costs, the fuel costs and the cost of tyre replacement over the 5 year/8,000 hour 'holding period'.

The calculated hourly cost was used to estimate a cost/cubic metre based on a 6 minute cycle time and, at \$0.446/m³ the Bell B30D is slightly more economical than the Volvo A30F. At \$0.448/cubic metre the Volvo A30F rated next most economical in terms of cost per cubic metre over the useful life of 5 years/8,000 hours but as there would be additional savings in having the same trucks it is considered the Volvo A30F provides the best value.

Site personnel were consulted in regards to ease of operation, reliability and servicing/repairs capability and based on the performance of the two Volvo A30F trucks on site and the performance of CJD Equipment in regards to servicing and response times and in regards to qualitative criteria the Volvo A30F rated highest.

The delivery time for the Volvo and Bell trucks were quoted as 4-6 weeks, the Caterpillar 725 was quoted as 19-23 weeks and Liebherr indicated that a truck, with a 'slightly different' specification, is available in the East Coast within 4-6 weeks but, ex-factory, the lead time would be 14-24 weeks.

Ranking the machines in terms of cost/cubic metre and ease of operation, reliability and supplier performance identified the Volvo A30F truck offered by CJD Equipment as offering the Best Value for Money.

CJD Equipment have consistently provided excellent field service and the Volvo loaders currently in use have provided trouble free service. Based on qualitative scoring – operator familiarity, supplier capability etc. the Volvo L120F scored highest.

STRATEGIC/POLICY IMPLICATIONS

Key Result Area 1 – Environmental Sustainability

- 1.1 To provide sustainable waste disposal operations
- 1.2 To improve regional waste management

Key Result Area 4 – Good Governance

- 4.1 To improve member Council and EMRC financial viability



Item 9.2 continued

FINANCIAL IMPLICATIONS

The expenditure is budgeted and the amount of \$436,000.00 (ex. GST) per machine will be charged to Account Code 24410/00 – Purchase/Replace Plant – Red Hill.

SUSTAINABILITY IMPLICATIONS

The purchase of the articulated dump trucks will improve the economic sustainability of waste disposal operations.

MEMBER COUNCIL IMPLICATIONS

Member Council	Implication Details
Town of Bassendean	} Nil
City of Bayswater	
City of Belmont	
Shire of Kalamunda	
Shire of Mundaring	
City of Swan	

ATTACHMENT(S)

1. Pro-forma letter (Ref: Committees-14507)
2. Schedule of costs (Ref: Committees-14540)

VOTING REQUIREMENT

Simple Majority

RECOMMENDATION(S)

That Council:

1. Accept the quote for the supply and delivery of a Volvo A30F articulated dump trucks with a 5 year/8,000 hour extended warranty, submitted by CJD Equipment, for the sum of \$436,000.00 (ex. GST).
2. Accept the offer to undertake the servicing and repair of the Volvo A30F for a 5 year/8,000 hour period submitted by CJD Equipment at an initial cost of \$10.91/hr (ex GST).

Discussion ensued

The Director Waste Services provided an overview of the review process and the basis for the recommendations. Mr Lutey enquired whether it was more economical to hire an articulated dump truck instead of purchasing. The Director Waste Services advised that the EMRC have previously hired the equipment, but it was more economical to own and operate, particularly with the decision to undertake more work in-house and allows bulk earthworks to be done throughout the year rather than over short period of time.



Item 9.2 continued

TAC RECOMMENDATION(S)

MOVED MR LUTEY

SECONDED MR PURDY

That Council:

1. Accept the quote for the supply and delivery of a Volvo A30F articulated dump trucks with a 5 year/8,000 hour extended warranty, submitted by CJD Equipment, for the sum of \$436,000.00 (ex. GST).
2. Accept the offer to undertake the servicing and repair of the Volvo A30F for a 5 year/8,000 hour period submitted by CJD Equipment at an initial cost of \$10.91/hr (ex GST).

CARRIED UNANIMOUSLY

Enquiries: Brian Jones
Direct Line: 9424 223
Our Ref: EMRC-148276

17 July 2012

«Title» «First_Name» «Last_Name»
«Company_Name»
«Address_Line_1»
«City» «State» «Postcode»

Dear «First_Name»

RE: THE SUPPLY AND DELIVERY OF A 25 – 30 TONNE ARTICULATED DUMP TRUCK

Please provide a price for the supply and delivery to the Red Hill Waste Management Facility of a 25 – 30 tonne articulated dump truck in accordance with the WALGA Preferred Supplier Panel pricing schedule.

An articulated dump truck in the 25-30 tonne payload range is required to undertake work at the EMRC's Red Hill Waste Management Facility.

The truck is to have a central lubrication system, be fitted with a roof mounted rotating beacon, window tinting, air conditioning and be capable of operating in dusty conditions at high ambient temperatures.

In addition to being fitted with an AM/FM radio provision should be also made for the fitting of a two way radio, to be supplied by the EMRC, for the supply of a 9kg fire extinguisher, mounted such that it is easily accessible by the operator and for driver training.

The details of the standard warranty and the cost of an extended warranty for 5 years/8,000 hours are to be provided together with the cost of a service/maintenance agreement for 5 years/8,000 hours. The lead time from date of order to delivery is also required.

Please submit your price no later than 4:00pm, Tuesday 24 July 2012 and email to brian.jones@emrc.org.au.

A hard copy is to be sent to:

Director Waste Services
C/o EMRC Tender Box
PO Box 234,
BELMONT WA 6984

If you are unable to submit a price it would be appreciated if you could advise us of the fact by letter.

Yours sincerely

BRIAN JONES
Director Waste Services

Articulated Dump Trucks		
Budget \$462,000		
	Ownership/Operating Costs (cost/hr)	Cost/m³
Volvo (A30F)	\$81.12/hr	\$0.448/m ³
Liebherr (TA230)	\$86.85/hr	\$0.457/m ³
WesTrac (Cat725)	\$82.20/hr	\$0.570/m ³
Hitachi (Bell B30D)	\$74.00/hr	\$0.446/m ⁴



9.3 PURCHASE OF A 20-25 TONNE TRACK EXCAVATOR

REFERENCE: COMMITTEES-14533

PURPOSE OF REPORT

The purpose of the report is to recommend acceptance of the quote, for the supply and delivery of a Volvo track excavator for use at Hazelmere, submitted by CJD Equipment Pty Ltd.

KEY ISSUES AND RECOMMENDATION(S)

- Quotes, based on the WALGA Preferred Supplier Panel for Heavy Plant, were sought from WesTrac (Caterpillar), Hitachi, Liebherr Australia, Tutt Bryant Equipment (formerly BT Equipment) and CJD Equipment (Volvo) for the supply and delivery of a track excavator in the 20-25 tonne operating weight range.
- Each supplier was requested to quote for a 5 year/8,000 hour service/repair and maintenance agreement, a 5 year/8,000 hour extended warranty, to include for the machine to be fitted with a quick hitch attachment arrangement, a general purpose bucket, a grapple bucket and a downsizing attachment to downsize industrial wood waste, a 'dozer blade and for additional equipment deemed necessary for safe, efficient operation.
- Funds for the purchase of the excavator were set aside in the 2012/2013 capital expenditure budget.

Recommendation(s)

That Council:

1. Approve the purchase of a Volvo ECR 235 CL, fitted with a quick hitch attachment, buckets and additional items as per the offer, from CJD Equipment for the sum of \$275,000.00 (ex. GST).
2. Accept the CJD Equipment Scheduled service and repair proposal, to cover repairs and services over the proposed 5 year/8,000 hour holding period, of \$7.86/hour (ex. GST).

SOURCE OF REPORT

Director Waste Services

BACKGROUND

To process the additional quantities of industrial woodwaste currently being received, and the increased quantities likely to be received when hardwood woodwaste is accepted at Hazelmere, a larger excavator with the capacity to downsize large pieces of timber pallets and sheets of plywood is required.

As the machine will be working on an asphalt hardstand rubber cleats are required to be fitted to the tracks and the machine should also have a 'dozer blade attachment to push the downsized timber into a stockpile.

Funds for the excavator were included in the 2012/2013 capital expenditure budget and, after the 2012/2013 Budget was adopted track excavator suppliers on the WALGA Preferred Supplier Panel were requested to submit prices for the supply and delivery of an excavator in the 20-25 tonne range with attachments and items of equipment such as a rear view camera to ensure operations were undertaken in a safe manner. The suppliers were also requested to include the cost of an extended 5 year/8,000 hours warranty and to provide a quote for the servicing/maintenance and repair for a 5 year/8,000 hour period.

The machine currently on site will be utilised at Hazelmere in processing the greenwaste, in the mattress operations and in the other recycling activities proposed for Hazelmere.



Item 9.3 continued

REPORT

Quotes were received from CJD Equipment (Volvo ECR 235 CL), from Liebherr Australia (Liebherr R 906) and Tutt Bryant Equipment (formerly BT Equipment) (Sumito SH 210 LC-5).

The quote from CJD Equipment included all the items requested including the extended warranty for 5 years/8,000 hours, the service/repair and maintenance quote for 5 years/8,000 hours, the 'dozer blade, the rear view camera, the auto lube system, the rubber pads on the track shoes and the downsizing and grapple attachment. The price quoted for the service maintenance is fixed for the first three years and subject to an adjustment based on annual variations to the cost of replacement parts, consumables and labour for years 4 and 5.

The Liebherr R 906 machine on which the Liebherr Australia quote was based cannot be fitted with a 'dozer blade and though the extended warranty for 5 years/8,000 hours was priced, only the service component of the service/repair and maintenance equipment was priced.

The Tutt Bryant Equipment (TBE) quote only included an extended warranty for 3 years/6,000 hours not the 5 year/8,000 hours requested. The TBE submission also only included the service component of the service/repair and maintenance request. Neither the 'dozer attachment nor the rear view camera was offered for the Suminto SH 210 LC-5 and, accordingly the machine was not considered suitable.

The cost to own and operate was calculated based on an estimate of the depreciation costs, the cost of capital, the service/repair and maintenance cost, the fuel costs and the estimated cost of track repairs for the 5 year/8,000 hour holding period.

The estimated cost to own and operate the Volvo ECR 235 CL was 5% less than that estimated for the Liebherr R 906 and in regards to net power the cost/kW.hr for the Volvo ECR 235 CL was 9.2% less than that for the Liebherr R 906. The Volvo ECR 235 CL offers the Best Value for Money.

CJD Equipment have consistently provided excellent field service and the Volvo loaders currently in use have provided trouble free service. Based on qualitative scoring – operator familiarity, supplier capability etc. the Volvo ECR 235 CL scored highest.

STRATEGIC/POLICY IMPLICATIONS

The purchase of the track excavator will reduce the overall cost of operations.

Key Result Area 1 – Environmental Sustainability

- 1.1 To provide sustainable waste disposal operations
- 1.2 To improve regional waste management

Key Result Area 4 – Good Governance

- 4.1 To improve member Council and EMRC financial viability

FINANCIAL IMPLICATIONS

The expenditure is budgeted and the amount of \$275,000.00 (ex. GST) will be charged to Account Code 24401/01 – Purchase/Replace Plant – Hazelmere.



Item 9.3 continued

SUSTAINABILITY IMPLICATIONS

The purchase of the track excavator will improve the economic sustainability of operations at Hazelmere.

MEMBER COUNCIL IMPLICATIONS

Member Council	Implication Details
Town of Bassendean	} Nil
City of Bayswater	
City of Belmont	
Shire of Kalamunda	
Shire of Mundaring	
City of Swan	

ATTACHMENT(S)

1. Pro-forma letter (Ref: Committees-14534)
2. Schedule of Costs (Ref: Committees-14544)

VOTING REQUIREMENT

Simple Majority

RECOMMENDATION(S)

That Council:

1. Approve the purchase of a Volvo ECR 235 CL, fitted with a quick hitch attachment, buckets and additional items as per the offer, from CJD Equipment for the sum of \$275,000.00 (ex. GST).
2. Accept the CJD Equipment Scheduled service and repair proposal, to cover repairs and services over the proposed 5 year/8,000 hour holding period, of \$7.86/hour (ex. GST).

Discussion ensued

The Director Waste Services provided an overview of the selection process and the basis for the recommendations.



Item 9.3 continued

TAC RECOMMENDATION(S)

MOVED MR ASSAAD

SECONDED MR PEARSON

That Council:

1. Approve the purchase of a Volvo ECR 235 CL, fitted with a quick hitch attachment, buckets and additional items as per the offer, from CJD Equipment for the sum of \$275,000.00 (ex. GST).
2. Accept the CJD Equipment Scheduled service and repair proposal, to cover repairs and services over the proposed 5 year/8,000 hour holding period, of \$7.86/hour (ex. GST).

CARRIED UNANIMOUSLY

Enquiries: Brian Jones
Direct Line: (08) 9424 2223
Our Ref: EMRC-148257
WALGA Contract: TPS 0814 & 0816

26 July 2012

«Title» «First_Name» «Last_Name»
«Company_Name»
«Address_Line_1»
«City» «State» «Postcode»

Dear «First_Name»

**RE: PRICING FOR THE SUPPLY AND DELIVERY OF A 20-25 TONNE TRACK EXCAVATOR
WITH AN EXTENDED WARRANTY AND SERVICE / MAINTENANCE CONTRACT**

Please provide a price in accordance with the WALGA Preferred Supplier Panel pricing schedule for the supply and delivery of a track excavator to the EMRC's Hazelmere Recycling Facility.

The excavator's primary function is to downsize timber and load the slow speed timber shredder and is to be fitted with a quick hitch arrangement and the pricing should include for a general purpose bucket, a grapple bucket and downsizing attachment.

Rubber cleats are required for the tracks as the machine will be working on an asphalt hard stand and, in addition to a pressurized sound suppressed ROPS cab, air conditioning, an AM/FM ra dio, a roof mounted rotating beacon, a fire extinguisher and cab and boom working lights as the machine will be working in dusty conditions the cab should be sealed so the operators are not affected by dust entering the cab.

A central lubricating system together with a reversible engine cooling fan to prevent radiator clogging and hose rupture cut off valves are preferred and allowance should be made in the pricing for a two way radio, to be supplied by the EMRC, to be fitted.

The options of a dozer blade and a rear view cameras as well as an extended warranty for 5 years / 8,000 hours and a service/maintenance agreement for 5 years / 8,000 hours are to be priced.

Please indicate the earliest delivery can be affected as time is of the essence and will be a factor in making the selection.

Please submit your prices by Tuesday 31 July, 2012 so that an item can be taken to Council for its decision.

Yours sincerely

BRIAN JONES
Director Waste Services

Track Excavator 20-25 Tonne		
Budget \$329,000		
	Ownership/Operating Costs (cost/hr)	Engine Output (cost/kW.hr)
Volvo (ECR235CL) (Op.Wt.24.12T)	\$62.03/hr	\$0.564/kW.hr
Liebherr (R906) (Op.Wt.23.80T)	\$65.19/hr	\$0.621/kW.hr



9.4 ITEMS CONTAINED IN THE INFORMATION BULLETIN

REFERENCE: COMMITTEES-14335

The following items are included in the Information Bulletin, which accompanies the Agenda.

1. WASTE MANAGEMENT SERVICES

- 1.1 COUNCIL TONNAGE COMPARISONS AS AT 30 JUNE 2012 (Ref: Committees-14504)
- 1.2 REZONING OF LOTS 8, 9 AND 10 TOODYAY ROAD, RED HILL (Ref: Committees-14506)

Discussion ensued

The Director Waste Services recommended that recycling tonnages from member Councils be reported in future tonnage reports as the information will be useful in influencing the design of the Hazelmere Resource Recovery Park. A request will be made to member Council officers to provide the information.

RECOMMENDATION

That the Information Bulletin be noted.

TAC RESOLUTION(S)

MOVED MR PEARSON SECONDED MR ASSAAD

THAT THE INFORMATION BULLETIN BE NOTED.

CARRIED UNANIMOUSLY



10 CONFIDENTIAL MATTERS FOR WHICH THE MEETING MAY BE CLOSED TO THE PUBLIC

Nil

11 GENERAL BUSINESS

The Committee discussed the proposed activities to be undertaken at the Hazelmere Resource Recovery Park and the requirements of the member Councils' resource recovery efforts as well as the existing contracts in place with the respective member Councils.

The Director Waste Services will circulate a memo with a view to having a meeting with member Council officers to explore and discuss the member Councils' requirements.

12 FUTURE MEETINGS OF THE TECHNICAL ADVISORY COMMITTEE

The next meeting of the Technical Advisory Committee will be held on **Thursday 6 September 2012 (if required)** at the EMRC Administration Office, 1st Floor, Ascot Place, 226 Great Eastern Highway, Belmont WA 6104 commencing at 4:00 pm.

Future Meetings 2012

Thursday	6	September (if required)	at	EMRC Administration Office
Thursday	4	October	at	EMRC Administration Office
Thursday	22	November (if required)	at	Red Hill Waste Management Facility

13 DECLARATION OF CLOSURE OF MEETING

There being no further business, the Chairman declared the meeting closed at 4:20 pm.