

## 6.7. FLEET RENEWAL PROGRAM 2023-2024 - TRUCKS

<b>REPORT AUTHOR</b>	Brydehn Bender, Project Manager
<b>MANAGER</b>	Scott Hahne, Manager Project Office
<b>DEPARTMENT</b>	Project Office

### RECOMMENDATION

That Council resolves to:

- 1. Purchase a Hino 300 Series 917 crew cab, Hino 916 AMT 3870 wide cab hybrid and Hino 717 MT 4200 crew cab from Honeycombes Sales & Services Pty Ltd, ABN:54 011 002 556.**
- 2. Delegates authority under s 257 of the *Local Government Act 2009* to the Chief Executive Officer to negotiate, finalise and execute any and all matters associated with the contract.**

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### EXECUTIVE SUMMARY

In accordance with our Plant Asset Management Plan, Council attempts to renew trucks every 8-10 years. Trucks scheduled for replacement are 11 years old. On 5 September 2023, Council requested quotes through LocalBuy on VendorPanel for five new replacement trucks and trade-in of the existing trucks as part of the process.

The tender was advertised through the VendorPanel Marketplace and on Council's website. Council received three (3) submissions in total. All submissions were accepted and evaluated. The evaluation was in accordance with Council's procurement procedures and resulted in a recommendation of Honeycombes Sales & Services Pty Ltd for \$307,464.40 (including trade-ins and GST exclusive) for three new trucks.

The two remaining trucks required will be re-tendered due to not receiving any offers / being too expensive for the specifications requested.

The evaluation process and recommendation were workshopped with Councillors on 31 October 2023.

### BACKGROUND

Douglas Shire Council has adopted principles to take reasonable action to provide its customers with reliable and safe services. The fleet asset management plan addresses these principles to ensure that Council can deliver services in an optimised manner by planning for and implementing the maintenance and renewals of necessary plant and equipment.

The lifecycle management of the items covered in the fleet asset management plan is based on routine maintenance as per the manufacturer's recommendations and replacement at the end of the expected life.

Council owns a 2012 Hino 300 Series - concrete crew truck, 2012 Isuzu 300 Series - open spaces beach crew truck, and a 2012 Hino 300 series dual cab tipper - open spaces crew truck and these trucks are scheduled for replacement/trade-in.

## COMMENTS

Council released an open tender via the VendorPanel Marketplace procurement portal and advertised on Councils website on the 5 September 2023 which closed on 26 September 2023.

The *Local Government Act 2009* (the Act) and the *Local Government Regulation 2012* provide the legislative framework for local government procurement in Queensland.

The evaluation and recommendations were workshopped with the Councillors on 31 October 2023.

Three (3) submissions were received and consisted of three conforming and nil non-conforming submissions. The submissions received and their respective lump sum values are listed below.

**Table 1. Received conforming submissions.**

Name of Conforming Tenders	Price Inc Trade-in (excl GST)
Honeycombes Sales & Services Pty Ltd	\$307,464.40
Company #2	\$357,698.19
Company #3	\$362,611.87

## PROPOSAL

That Council resolves to:

1. Purchase a Hino 300 Series 917 crew cab, Hino 916 AMT 3870 wide cab hybrid and Hino 717 MT 4200 crew cab from Honeycombes Sales & Services Pty Ltd, ABN:54 011 002 556.
2. Delegates authority under s 257 of the *Local Government Act 2009* to the Chief Executive Officer to negotiate, finalise and execute any and all matters associated with the contract.

## FINANCIAL/RESOURCE IMPLICATIONS

Council allocated \$800,000 in the 2023-2024 CAPEX budget to Fleet Renewal. The recommended tenderer price of \$307,464.40 is below the proportional budget allowance for truck replacements of \$360,000 for these three vehicles.

## RISK MANAGEMENT IMPLICATIONS

Failure to accept the recommended proposal and continuing to operate the old concrete crew truck, open spaces truck, and the open spaces beach truck will lead to more breakdowns and will become increasingly unsafe for staff to utilise. The cost of repair will increase and will also impact the services that Council provides to the Douglas Shire.

## SUSTAINABILITY IMPLICATIONS

<b>Economic:</b>	Replacing the concrete crew truck, open spaces crew truck and the open spaces beach crew truck will ensure that Council can deliver services in the most optimised way.
<b>Environmental:</b>	Newer vehicles will have up to date emissions systems and be more economical to operate.
<b>Social:</b>	Nil

## CORPORATE/OPERATIONAL PLAN, POLICY REFERENCE

This report has been prepared in accordance with the following:

### Corporate Plan 2019-2024 Initiatives:

#### Theme 2 - Fostering Sustainable Economic Growth

A robust economy is at the heart of a thriving community and enables investment in environmental protection. While our remoteness is a key attribute, it also presents challenges for attracting new business and investment. We must also meet the challenges of fierce competition in the tourism sector. Council will partner with industry to build, diversify and promote the Douglas economy. Council will design and deliver infrastructure, strategies and services that support the local economy and businesses.

**Goal 1** - *We will build appropriate infrastructure and deliver services that connect and support businesses.*

## COUNCIL'S ROLE

Council can play a number of different roles in certain circumstances, and it is important to be clear about which role is appropriate for a specific purpose or circumstance. The implementation of actions will be a collective effort and Council's involvement will vary from information only through to full responsibility for delivery. The following areas outline where Council has a clear responsibility to act:

<b>Custodian</b>	Council owns and manages infrastructure, facilities, reserves, resources and natural areas. In fulfilling its role as custodian, Council will be mindful of the community, the economy, the environment, and good governance.
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## **CONSULTATION**

**Internal:** Infrastructure Department  
Councillor Workshop 31 October 2023

**External:** Nil

## **COMMUNITY ENGAGEMENT**

N/A

## **ATTACHMENTS**

Nil