

REPORT TO: HOUSING, DUNDEE CONTRACT SERVICES AND ENVIRONMENT SERVICES COMMITTEE - 25 OCTOBER 2010

REPORT ON: PURCHASE OF RECYCLING PLANT AND EQUIPMENT

REPORT BY: HEAD OF WASTE MANAGEMENT

REPORT NO: 605-2010

1.0 PURPOSE OF REPORT

1.1 To authorise the purchase of three items of recycling plant. The items of replacement plant will be used as part of a rationalisation of recycling operations within Waste Management.

2.0 RECOMMENDATIONS

2.1 It is recommended that approval be given to purchase the following equipment:

1 shredder	Blue Machinery (Scotland) Ltd	£301,808.84
1 trommel screen	Blue Machinery (Scotland) Ltd	£151,790.42
1 wheeled shovel	Liebherr UK Ltd	£102,251.00

Total cost £555,850.26

3.0 FINANCIAL IMPLICATIONS

3.1 £133,000 will be met from the Department's 2010-11 Capital Plan, with the balance of £422,850.26 from the Department's 2010-11 Revenue Budget.

4.0 MAIN TEXT

4.1 The range of recycling services and processes operated by the Waste Management Department includes composting of green waste at Riverside and recycling of commercial and bulky waste at Baldovie. At present, the shredding stage of these operations is carried out separately at both sites and this necessitates frequent use of a contract hire machine. The procurement of a single high-capacity mobile unit will allow a single machine to serve both sites and significantly reduce the requirement to contract hire. The higher capacity machine will also allow for a rationalisation of the operations at Baldovie by combining two existing recycling processes.

4.2 A number of the items of plant at both the Riverside and Baldovie sites are due for replacement. A review of the equipment requirements has shown that it is feasible to rationalise the operations and integrate the shredding element of three operations into one. This will provide an increase in the operational efficiency and also an estimated annual saving of £70,000 can be achieved through the reduction in operating and maintenance costs associated with the existing machines. The above costs include 5 year maintenance contracts for each item of plant.

4.3 Procurement of the equipment was carried out in conjunction with the Procurement Group. A summary of the evaluated tenders is attached in the background papers (Schedule 1).

5.0 POLICY IMPLICATIONS

5.1 This report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti-Poverty, Equality Impact Assessment and Risk Management.

5.2 There are no major issues.

6.0 CONSULTATION

6.1 The Chief Executive, Depute Chief Executive (Support Services), Director of Finance and Assistant Chief Executive have been consulted in relation to this report.

7.0 BACKGROUND PAPERS

7.1 Schedule of Recycling Plant (see attached).

Jim Laing
Head of Waste Management

Date: 16th September 2010

Dundee City Council - Waste Management Department**Summary of Compliant Tenders for 'Recycling Plant and Equipment' (Ref WM/10/02/01) - Page 1 of 3****Description of Equipment Item - Shredding Plant**

Bid No.	Name & Address of Equipment Supplier	Type of Equipment Tendered	Price tendered (inc 5-years maintenance)	Trade offer for existing equipment	NET PRICE OF BID	Recommendation/Justification
1	Blue Machinery (Scotland) Ltd Springkerse Ind Est, Falkirk	Doppstadt DW3060	£311,808.84	£60,000	£251,808.84	
2	Blue Machinery (Scotland) Ltd Springkerse Ind Est Falkirk	Doppstadt DW3060Bio	£361,808.84	£60,000	£301,808.84	Recommended for purchase Best machine in terms of throughput and quality of material output. Demonstrated in operation on DCC site. Best warranty (24 months) provided with machine. Additional throughput of this unit will permit rationalisation of current multiple operations.
3	Fraser C Robb Drymen Glasgow	Tana Shark 440	£330,685.00	below minimum value	-	
4	Komptech UK Ltd Forge End Warwick	Terminator 500SF Diesel	£403,065.50	£72,250	£330,815.50	

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Summary of Compliant Tenders for 'Recycling Plant and Equipment' (Ref WM/10/02/01) - Page 2 of 3

Description of Equipment Item - Trommel Screen

Bid No.	Name & Address of Equipment Supplier	Type of Equipment Tendered	Price tendered (inc 5-years maintenance)	Trade offer for existing equipment	NET PRICE OF BID	Recommendation/Justification
1	Blue Machinery (Scotland) Ltd Springkerse Ind Est, Falkirk	Doppstadt SM518	£157,790.42	£6,000	£151,790.42	Recommended for purchase. Existing identical machine currently in service is 8 years old and has provided 1st class service. Most competitive price.
2	Fraser C Robb Drymen Glasgow	Terra Select T5	£157,161.50	£2,000	£155,161.50	
3	Komptech UK Ltd Forge End Warwick	MAXX Screener	£165,103.80	£4,800	£160,303.80	

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Summary of Compliant Tenders for 'Recycling Plant and Equipment' (Ref WM/10/02/01) - Page 3 of 3

Description of Equipment Item - Wheeled Shovel

Bid No.	Name & Address of Equipment Supplier	Type of Equipment Tendered	Price tendered (inc 5-years maintenance)	Trade offer for existing equipment	NET PRICE OF BID	Recommendation/Justification
1	Liebherr GB Ltd	Liebherr L550	£124,251	£22,000	£102,251	Recommended for purchase. Identical machine currently in use and has provided excellent service. Most competitive price.
2	Finning UK Ltd	Cat 938H	£141,565.80	£19,500	£122,065.80	