

Local Buy / National Procurement Network Contract Guide to Contract - BUS 233-1112

Supply of New Motor Vehicles (Passenger, Light Commercial, Vans, SUV, 4WD, EV, Hybrid and Charging Equipment) To QLD, NT, SA, TAS and VIC Local Government



Contract Period: from 01JUL13 to 30MAR18

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INTRODUCTION

Australian Local Governments recognise that procurement is a strategic activity that supports the delivery of Local Government goods and services. Local Governments are able to respond to cost pressures, the realities of a declining revenue base and the changing service expectations of the Community by utilising the combined buying power of Local Government via the National Procurement Network (NPN) and its partners to establish a Register of Pre-Qualified Suppliers Arrangement.

Register of Pre-Qualified Suppliers Arrangements deliver administrative efficiencies (standardised terms and conditions), exposure, endorsement, marketing support, centralised contract management and streamlined access to the Local Government sector for suppliers.

This Contract establishes a Panel of suitably qualified Contractors for the supply and deliver of motor vehicles and associated equipment:

- a) Passenger Motor Vehicles -
 - Light
 - Small
 - Medium
 - Large
 - Upper Large
 - People Movers
 - Sports

- b) Sports Utility Vehicles -
 - Small
 - Medium
 - Large
 - Upper Large

- c) Light Trucks -
 - Light Bus under 20 seats
 - Light Bus over 21 Seats
 - Van/CC Truck ,2.5 tonnes
 - Pick-up / Chassis 4x2
 - Pick-up / Chassis 4x4

- d) Electric Vehicle Charging Equipment

The Municipal Association of Victoria through its services arm, MAV Procurement, as part of the National Procurement Network (NPN), joined with the Local Government Association of Queensland procurement company Local Buy P/L to tender for the establishment of this 'Prequalified Supplier Arrangement'.

Local Buy is a wholly owned subsidiary of the Local Government Association of Queensland Inc. (LGAQ). Local Buy's core business is the provision of comprehensive, value adding procurement services to Queensland Local Government. Under the Local Government Act 2009 (as amended), Local Buy has the legislative enablement to establish LGA Arrangements on behalf of Queensland Local Government. Local Buy operates a suite of Contracts for the benefits of its members.

These are non-mandatory Contracts which aggregate the purchasing power of the sector delivering procurement value to members.

LGA Procurement Pty is a business unit of the Local Government Association of South Australia. Working solely for Councils and Local Government entities in South Australia. LGA Procurement is committed to identifying, developing and delivering value-added products and services to local government throughout South Australia and operates a suite of Contracts for the benefit of its members. These are non-mandatory Contracts, which aggregate the purchasing power of the sector to deliver procurement value to members.

This Contract will be primarily available for access by Queensland, Northern Territory, South Australian, Tasmanian and nominated Victorian local governments. However, a number of other organisations are able to procure from this Contract. These are defined in the General Conditions of Contract as a 'Purchaser'.

The objective of this arrangement is to streamline the Local Government procurement process, thereby reducing procurement costs for both Local Government and the Manufacturers of Passenger Vehicles and their retail outlets.

When a Local Government seeks to make a purchase, they can undertake a tender or request for quotation activity, or alternatively they can save time and money by simply obtaining competitive quotations from suppliers and/or distributors who have been pre-qualified and have entered an LGA Arrangement, thereby saving the time and costs of open tendering.

CONTRACT TYPE

Local Buy is able to establish two types of LGA Arrangements. However, due to the many specification variables and market dynamics of the motor vehicle Industry, a Register of Prequalified Suppliers from which Purchasers request quotations, was considered to offer the most efficient and effective procurement process to Purchasers.

All Nominated Motor Vehicles are able to be varied by Contractors when models are superseded.

Pricing does not form part of this arrangement and is not sought as part of the Request for Tender. Contractors are responsible for setting their own pricing under the arrangement and can vary their prices at any time.

ACCESSING THE CONTRACT

Purchasers wishing to use this contract are to register their initial interest with the relevant NPN agency, Local Buy for Queensland and Northern Territory, LGA Procurement for South Australia, MAV Procurement for Victoria and Tasmania, LGP for NSW via e-mail prior to issuing a Request for Quotation to a Contractor via Vendor Panel.

The relevant NPN Agency will issue a confirmation of access to the Purchaser as well as advise Contractors of the Purchasers intent to access the arrangement.

To ensure compliance with the Local Government Regulation 2012 (Qld), any purchase Order raised by a Purchaser against the contracted Contractor or its Vendors for the supply of Original Equipment Manufacturer Spare Parts and Servicing for/of a Motor Vehicle purchased under this Contract, during the life of the Motor Vehicle or up to a maximum of 8 years from date of purchase is deemed to be raised under this Contract

CONTRACTOR COMMITMENTS

Contractors are to guarantee that they or their Dealer network is capable of supplying the contractors **Nominated Motor Vehicles** and associated charging equipment, within 60 days of placement of an order by an approved Purchaser, subject to availability.

Contractors have nominated the Make and Model of **Nominated Motor Vehicle** and any associated charging equipment being offered under this Contract.

Contractors have participated in scheduled contract information sessions. These sessions are hosted to ensure all Contractor staff members at both regional and metro levels *branch / offices / Vendors* fully understand necessary processes and procedures in relation to working with the Local Buy contract document and are provided with communication strategies to engage with Purchasers under the arrangement.

Contractors either directly or through a Dealer network, must be able to provide to the Purchaser a Quotation **within 5 days** of the Request for Quotation being issued via **Vendor Panel**.

Purchasers are to provide with each Quotation to a Purchaser, the warranty terms and conditions offered on the **Nominated Motor Vehicle** and associated charging equipment if required and Accessories including extended warranty options and any costs pertaining to these warranties.

Purchasers are also able to obtain with each Quotation a list of scheduled service and maintenance on offer for the **Nominated Motor Vehicle** and associated charging equipment, including logbook service contract details, and full cost structure.

Purchasers can request with each Quotation, whole of life cost calculations for the **Nominated Motor Vehicle** and associated charging equipment.

Contractors can supply, if requested, running cost figures on all aspects of the **Nominated Motor Vehicle** and associated charging equipment' operation.

Contractors and their Vendors reserve the right not to provide requested information as part of a response to a Request for Quotation, if they believe the information being requested by the purchaser has previously been submitted to Local Buy as part of the Tender process for this LGA Arrangement

PURCHASER COMMITMENTS

Purchasers using this contract agree to use “Vendor Panel” ONLY when accessing this arrangement

Purchasers are to provide with their Request for Quotation a detailed specifications of their Motor Vehicle requirements, as well as a detailed list of and associated charging equipment accessories and Options required, when submitting their Request for Quotation via Vendor Panel.

Purchasers are required to advise Contractors or their Dealer’s of their Evaluation Period at the time the Purchaser Issues a “Request for Quotation”. An Evaluation Period is the period, in consecutive days; the Purchaser requires to evaluate the Quotation before making a formal decision and issuing a Purchase Order.

Purchasers are required to provide the relevant NPN agency details of any purchases of **Nominated Motor Vehicles** and associated charging equipment made under this arrangement upon receipt of a request outlining the details required. This information will be provided within seven consecutive days.

CONTRACT PRICING

Pricing for **Nominated Motor Vehicles** and associated charging equipment does not form part of this contract. Pricing is obtained by seeking a quotation from the contractors Dealer Network.

Pricing of **Nominated Motor Vehicles** and associated charging equipment will be based on the Contractors issued NPN Government List Price and subject to any further discounting offered by a Dealer and submitted as a response to a Request for Quotation (RFQ) to the Purchaser via Vendor Panel.

As this is a register of pre-qualified suppliers pricing was not sought from Tenderers. That said, successful Contractors were required to issue a discounted NPN Government List Price directly to their Dealers.

This pricing is at the Contractors' discretion but it is expected to be competitive with current government panel arrangements and will be benchmarked accordingly by three NPN during annual KPI meetings.

The NPN Government List Price will represent the highest price that Dealers are able to charge Purchasers. There is however no restriction on any discount that a Dealer may wish to offer by way of the RFQ process.

GENERIC SPECIFICATIONS

Contractors are only to supply Motor Vehicles that comply with all current Australian Design Rule Standards and that can be legally registered on Australian Roads.

Contractors are only to supply electric vehicle supply equipment (EVSE) that complies with all current Australian Electrical Standards.

Dealers are to have current accreditation to certify the installations of any certifiable accessories.

Dealers shall ensure that all motor vehicles are fitted with the relevant state Registration Plates, in accordance with standard commercial practice.

Dealers shall prepare the motor vehicle and associated charging equipment for delivery in such a manner as to ensure safe delivery and acceptance at the delivery point/s.

Dealers shall ensure each motor vehicle is delivered fully assembled and supplied capable of and ready for immediate use.

Dealers shall ensure all EVSE is delivered fully assembled and supplied capable of and ready for immediate use.

Dealers shall ensure each motor vehicle is furnished with an Operator's/ Owner's Manual, Service Book, Warranty Information.

Dealers shall ensure all EVSE is furnished with an Operator's/ Owner's Manual and Warranty Information.

Contractor or their Dealers shall supply each motor vehicle and associated charging equipment to the Purchaser complete with all documentation. The documentation shall include, but not limited to: safety and emergency information.

The vehicle Maintenance Manuals shall include a section relating to Vehicle Maintenance". provide adequate detail to allow maintenance staff to maintain the motor vehicle.

REQUESTING A QUOTE

Purchaser are permitted to discuss their requirements with a Contractor either directly or through the Contractors Dealer network of Agent and Dealers (Dealer) prior to issuing a Request for Quotation (RFQ) under this Contract.

Purchasers will require different levels of specification and accessories for Motor Vehicles they purchase. Vendor Panel offers the most efficient way to manage individual requirements by way of Purchasers issuing an RFQ utilising a standardised RFQ Proforma, developed and supplied by the NPN members.

A Purchaser issues an RFQ to one or more suppliers via the relevant State NPN Member's electronic Request for Quotation system "*Vendor Panel*". The request is submitted on the Contract RFQ Proforma supplied to Purchasers at time of registering.

The Contractor receives notification via email that a quote request is available to them within the Vendor Panel system. The Contractor will respond to the request within 5 days.

All RFQs received via VendorPanel must be responded to via Vendor Panel and in accordance with the terms of the Local Buy Contract, the Purchaser Conditions and relevant RFQ.

When seeking a Quotation under this LGA arrangement a Purchaser may seek further comprehensive information in regards to options, accessories, colour, warranty, workmanship.

Purchasers shall not issue special terms and conditions with their RFQ that duplicate any terms and conditions contained in the General Conditions of Contract of this LGA Arrangement.

Purchasers at their own discretion may nominate the preferred Dealer they wish the Contractor to on forward their RFQ to. Contractors are to work with Purchasers to ensure where possible their requests are catered for.

DEMONSTRATION UNITS

Dealers can provide, **when available**, demonstration units of the same type and model nominated in the contract, in a timely manner, pre quotation to Purchasers, as requested. Purchasers are to advise the Contractors and or their Vendors of their preferred location to view the demonstration unit.

THE ENGAGEMENT PROCESS

All purchasers are to be conducted in accordance with Part 5 Purchasers Conditions of Contract.

Purchasers are to reference the Contract Number when placing an RFQ, Ordering, paying an invoice or when establishing an account.

If a Purchaser does not reference the Contract Number, the Contractor and the Dealer are required to clarify with the Purchaser if the purchase is pursuant to the LGA Arrangement.

The Quoted price is to be maintain for 60 days after the closing date for quotations or as advised by the Purchaser.

Contractors either directly or through a Dealer network will be required to provide an expected delivery date and keep the purchaser informed of any delays in delivery if they are successful in obtaining a Purchaser Order from the Purchaser.

TRADE INS / LEASES

From time to time Purchasers may have used vehicles to trade in against new purchases. Dealers are required to state whether or not they are including an option to trade in used vehicles in their Quotation.

If requested Dealers are required to state in their Quotations whether or not they accept trades of competing branded vehicles. That is, brands they do not sell as new.

If requested Dealers are required to state in their Quotations whether or not they offer “Trade Back” arrangements and if so, provide broad details of these arrangements.

If requested Dealers are required to state in their Quotations whether or not they offer “Lease” arrangements and if so, provide broad details of these arrangements.

DELIVERY AND ACCEPTANCE

Before a motor vehicle can be despatched from the Dealer's premises, the motor vehicle and associated charging equipment is to be fully tested by the Dealers and, if required, in the presence of a Purchaser's Representatives. The Dealers shall be responsible for demonstrating the capability of the Motor Vehicle and associated charging equipment to meet the Purchasers requirements.

If there is a delay in the delivery of the ordered Motor Vehicle and associated charging equipment, the Dealers must keep the Purchaser fully informed on all aspects of the delay and anticipated new delivery date for the ordered motor vehicle.

The Dealers must give the Purchaser 10 days notice of the date the ordered motor vehicle will be ready for final inspection prior to delivery, so that the Purchaser or its representatives can be present. Four (4) Business Days before delivery, the Contractor or their Dealer is to advise the Purchaser of the delivery date. The Contractor shall deliver the new unit complete, registered (If required) and in working order no later than 2.00 pm on a normal business day as arranged by both parties. Delivery cannot occur on a Monday or a Friday without consent of the Purchaser

If, as a result of the Purchaser's review, inspection, examination, or witnessing of testing, the Purchaser is not satisfied that the ordered Motor Vehicle and associated charging equipment will comply in all respects with the Purchase Order and Specifications issued. The Purchaser informs the Dealer of its dissatisfaction, the Contractor agrees to take such steps as are necessary to ensure compliance.

Any review, inspection, examination or witnessing of testing that the Purchaser undertakes prior to delivery of the ordered Motor Vehicle and associated charging equipment does not relieve the Contractor or their Dealers of its responsibilities under this Agreement.

The Dealers can provide to the Purchaser at its request:

- a) copies of all Technical Materials relating to the ordered Motor Vehicle and associated charging equipment;
- b) progress reports setting out in such detail as the Purchaser requests the different stages of design, manufacture and testing of the ordered Motor Vehicle body (Utilities and Buses Only); and
- c) a detailed program for the projected supply of the ordered Motor Vehicle.
- d) a detailed program for the projected supply of any associated charging equipment that maybe required in support of the ordered Motor Vehicle