



NOTICE OF MEETING

TENDERS SUBCOMMITTEE

I hereby give notice that an Ordinary Meeting of the Tenders Subcommittee will be held on:-

DATE: **Friday** **21 February 2003** **TIME:** **9.00 am**

VENUE: **Civic Centre, 6 Waipareira Avenue, Lincoln, Waitakere City**

to consider the business as set out herein and to take any necessary action connected therewith.

13 February 2003

Sharon Simiona
COMMITTEE SECRETARY

Telephone (09) 836 8000 extn 8820

MEMBERSHIP:

Councillors JM Clews, QSO, JP (Chairperson)
 GB Presland (Deputy Chairperson)

Chief Executive

Director: City Services

Director: Corporate & Civic Services

Director: Strategy & Development

Director: Finance

Maori Issues Manager

Mayor, Bob Harvey, QSO, JP (ex officio)

Deputy Mayor, CA Stone (ex officio)

(Quorum 4 members)

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(The reports and recommendations contained in all agendas are reports and recommendations only and are not to be construed, in any way, as Council policy until adopted.)

**AGENDA FOR AN ORDINARY MEETING OF THE TENDERS SUBCOMMITTEE
TO BE HELD IN THE CIVIC CENTRE, 6 WAIPAREIRA AVENUE, LINCOLN,
WAITAKERE CITY, ON FRIDAY, 21 FEBRUARY 2003,
COMMENCING AT 9.00 AM.**

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WAITAKERE CITY, ON FRIDAY, 21 FEBRUARY 2003,
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1 APOLOGIES



2 URGENT BUSINESS

Section 46A(7) and (7A) of the Local Government Official Information Act and Meetings Act 1987 provides that where an item of business is not on the agenda, it may only be dealt with at the meeting if:

- (i) the item is a minor matter; and
- (ii) the Chairperson has explained at the beginning of the meeting (when open to the public) that the item will be raised for discussion, why the item is not on the agenda, and why it cannot be delayed until a subsequent meeting; and
- (iii) the Committee resolves to deal with the item.

No resolution, decision, or recommendation may be made in respect of the item except to refer the item to a subsequent meeting for further discussion.

NOTE: Urgent Business need not be dealt with now and may be delayed until later in the meeting.



3 CONFIRMATION OF MINUTES

Ordinary - 7 February 2003

RECOMMENDATION

That the minutes of the Ordinary Meeting of the Tenders Subcommittee held on Friday, 7 February 2003, as circulated, be taken as read and now be confirmed.



4 KAY ROAD BALEFILL GAS EXTRACTION MAINTENANCE

PURPOSE OF THE REPORT

The purpose of this report is to obtain committee approval to award tender AC02002.17 - Kay Road Balefill Gas Extraction Maintenance.

BACKGROUND

Kay Road Balefill is a historical balefill site accessed from Kay Road in Waitakere City. The site operated between 1985 and 1996 and contains an estimated 766,000 tonnes of baled solid waste.

The site produces methane gas that is collected by 42 wells. This is piped to a gas flare complex and burnt in accordance with resource consent conditions.

The "Kay Road Gas Operation and Maintenance Plan" has been developed to describe operation and maintenance of the gas extraction system at the site, and this plan provides the primary requirements of this contract. In essence this is to carry out weekly inspections and adjustment of the wellheads, along with inspection and maintenance of the gas flare.

TENDERS RECEIVED

The tender was publicly advertised with four (4) sets of tender documents being uplifted. Two (2) tenders were received by the closing date of 4.00pm Tuesday, 17 December 2002 these are summarised in Table 1 below:

TENDERER	REG OFFICE	Tender Price (ex GST)
Envirowaste Services Ltd	345 Neilson St, Onehunga.	\$29,406.00
CRL Energy Ltd	Ruakura Research Centre, Ruakura.	\$58,855.00
Pre Tender Contract Price Estimate		\$35,000.00

Table 1 - Summary of Tender Prices

TENDER EVALUATION

In accordance with the conditions of tendering, tenders were evaluated in line with the Weighted Attribute Method contained in Transfund New Zealand's "Competitive Pricing Manual".

Tender Evaluation	Attributes	Exper.	Track Record	Tech. Skill	Manag. Skill	Method.	Resource	Price	Contract Number AC02002.17
									Total Weights
Weights		15	15	15	10	5	15	25	100
Tenderer	Tender Sum	Grades							INDEX
Envirowaste	\$29,406.00	75	60	75	70	65	75	66	69
CRL Energy	\$58,855.00	65	60	75	70	75	75	-18	47
Pre Tender Estimate	\$35,000.00								

Table 2 - Summary of Tender Evaluation

Envirowaste Services Limited is the incumbent service provider and has provided quality service to Council to date.

CRL Energy Limited currently undertakes a similar contract for Hamilton City Council on the Horotiu landfill, Hamilton. They are also involved in a variety of emission testing procedures on landfills and mines around New Zealand.

TAGS ERRORS OR OMISSIONS

No tags, errors, or omissions were identified.

CREDIT CHECK

A credit check on 6 January 2003 showed Envirowaste Services Limited to have a low risk of delinquent payment.

SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	2002/2003 Annual Plan Budget	Allocation to This Project	Commitment	Unallocated Balance
Resource Consent Monitoring	46-6510-40620-280	\$218,340	\$29,406	\$185,273.52	\$3,660.48

SUMMARY

The tender from Envirowaste Services Limited is both the highest scoring and lowest priced tender and as such will be recommended for award.

Envirowaste Services Limited is the incumbent service providers and has provided a good service to date. They have expertise in the area of work, have good back up procedures, good technical skills, and give added value by being able to provide mechanical engineering services and emergency back up gas flare if required.

The contract term is initially for one year with a right of renewal for two further one-year terms, i.e. 1 + 1 + 1 year contractual term. This enables the contract to be reviewed at the end of each year, and if the contractor does not perform adequately the contract will not be extended. The tendered price is also seen as extremely competitive and provides certainty of price without increase for a further two years.

The Director: City Services has the financial delegation to enter into the contract and renew it each year, however the funding for future financial years will need to be approved by Committee for 2003/2004, 2004/2005, and for eight months of 2005/2006.

As part of City Services vision "Quality Health and Safety is Not Negotiable" all contractors have had this focus clearly reinforced through the contract documents and this will be strongly reiterated at the subsequent pre-start meeting and imposed during the contract period.

RECOMMENDATIONS

1. That the information be received.
2. That funding for Contract AC02002.17 - Kay Road Balefill Gas Extraction Maintenance of \$29,406 (ex GST) be approved for the 2003/2004 financial year.

3. That funding for Contract AC02002.17 - Kay Road Balefill Gas Extraction Maintenance of \$29,406 (ex GST) be approved for the 2004/2005 financial year.
4. That funding for Contract AC02002.17 - Kay Road Balefill Gas Extraction Maintenance of \$19,604 (ex GST) be approved for the 2003/2004 financial year.
5. That the tender from Envirowaste Services Limited for Contract AC02002.17 - Kay Road Balefill Gas Extraction Maintenance in the sum of \$29,406 plus \$3,675.75 GST, totalling \$33,081.75 be accepted.
6. That the tender is approved on the basis of a 1 + 1 + 1 year renewal contract subject to satisfactory performance.
7. That authority to enter into contract AC02002.17 - Kay Road Balefill Gas Extraction Maintenance Contract on behalf of Council be delegated to the Director: City Services.

Report prepared by: David Nelson, City Services, Aftercare Engineer.



5 CONTRACT PK02504B - RESERVES DEVELOPMENT- PHYSICAL WORKS

PURPOSE OF THE REPORT

The purpose of this report is to seek approval to award Contract PK02504B - Reserves Development - Physical Works.

BACKGROUND

This contract forms part of Council's parks asset creation programme as provided for in the 2002/2003 Annual Plan. Landscape construction work is proposed at Parris Park, Tatyana Park, Lockington Green Reserve and Whenuapai Hall Reserve.

SCOPE OF WORK

This contract is for the physical works associated with the reserve developments including the installation of concrete paths, drainage, seats, tables, rubbish bins, a gravel car park and playgrounds on the various reserves.

TENDERS RECEIVED

Tenders were publicly advertised with three sets of documents being uplifted. Two tenders were received by the closing date of Tuesday 28 January 2003. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (EXCL. GST)
Parks and Maintenance Services Ltd	Waitakere	\$159,533.00
Techscape Ltd	North Harbour	\$258,849.34
Pre-tender contract estimate		\$204,920.00

Table 1 - Summary of Tender Prices

TENDER EVALUATION

In accordance with the conditions of tendering, tenders were evaluated in line with the Weighted Attribute Method contained in Transfund New Zealand's "Competitive Pricing Procedures Manual".

A summary of the evaluation results is shown in Table 2:

Tender Evaluation	Attributes	Exper	Track Record	Tech Skills	Re-source	Man-agement	Method	Price	Total Weight
Tenderer	Weight	10	10	5	5	5	5	60	100
	Tender Sum	Grades							Index
Parks & Maintenance Services Ltd	\$161,133.00*	80	85	85	80	85	70	73	76
Techscape Ltd	\$258,849.34	75	80	80	80	65	70	27	46
Median Tender Price	\$209,991.17								

* Adjusted tender sum to allow for tags

Table 2 - Summary of Tender Evaluation

Parks and Maintenance Services Limited have completed numerous landscaping and construction contracts for Waitakere City Council and these contracts have been completed to a high standard.

The tender price submitted by Parks and Maintenance Services Limited is significantly lower than the engineer's estimate, however, an assessment of the schedule of prices and discussions with the tenderer have confirmed that all items have been covered and the low price is due to very competitive tendered rates.

TAGS, ERRORS OR OMISSIONS

The tender submission from Techscape Limited contained two arithmetic errors. Techscape Limited were advised of these errors and they subsequently confirmed their tender sum.

The tender submission from Parks and Maintenance Services Limited contained a tag. In order that the tender could be compared fairly with the other submissions the value of the tag was added to the tender sum prior to the evaluation being carried out.

CREDIT CHECK

A credit check on Parks and Maintenance Services Limited has been requested.

SUMMARY

The results of the tender evaluation as summarised in Table 2 shows that the tender submitted by Parks and Maintenance Services Limited achieved the highest index of 76. This tender is also the lowest priced tender.

As part of City Services vision "Quality and Health and Safety is not negotiable" all contractors have had this focus clearly reinforced through the contract documents and this will be strongly reiterated at the subsequent pre-start meeting and imposed during the contract period.

JOB COSTS

EXCL. GST

Tender sum - Parks & Maintenance Services Limited	\$159,533
Contingency	\$16,000
Consultancy Costs	\$25,727
Other - consents QA fees etc	\$5,000

Total Job Cost	\$206,260

SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Tatyana Park	75-9825-41960	\$100,000	\$0	\$100,000	\$0
Parrs Park-Benita Place	75-9825-46320	\$80,000	\$20,000	\$60,000	\$0
Whenuapi Hall Reserve Development	75-9825-46350	\$50,000	\$25,000	\$25,000	\$0
Lockington/ Cron/ Blueridge/ Fairdene Stage 2 Landscaping	75-9825-27440	\$65,000	\$43,740	\$21,260	\$0
Total		\$295,000	\$88,740	\$206,260	\$0

RECOMMENDATIONS

1. That the information be received.
2. That subject to a satisfactory credit check the tender from Parks and Maintenance Services Limited for Contract PK02504B - Reserves Development - Physical Works in the sum of \$159,533.00 plus \$19,941.63 GST, totalling \$179,474.63 be accepted.
3. That authority to enter into Contract PK02504B - Reserves Development - Physical Works on behalf of Council be delegated to the Director: City Services.

Report prepared by: Katharine Slack, Parks Projects Manager.



6 **CONTRACT SP02505 (PREVIOUSLY SP02504) MASSEY LIBRARY PHOTOVOLTAIC PANELS - REGISTRATION OF INTEREST**

PURPOSE OF THE REPORT

This report is to obtain approval of the shortlist of registrants for the Massey Library Photovoltaic Panels contract.

BACKGROUND

A Registration of Interest from prospective tenderers, to design and build the Massey Library Photovoltaic Panels was called for by way of advertisement in the New Zealand Herald on 20 November 2002.

The reasons for using the registration of interest process for this project are:

- this is a large-scale photovoltaic project with significant external interest;
- the project is externally funded and is of a high technical nature;
- pre-selecting specialists to ensure a high level of performance during the works and competitive bids during the tender phase.

The registration of interest process was carried out in accordance with the Waitakere City Council's Contract and Tendering Procedures Manual. The evaluation of respondents is generally in accordance with the Transit NZ Weighted Attributes Method.

REGISTRATIONS RECEIVED

Five registrations of interest were received by the closing date of 11 December 2002 and one registration was received 9.00am 12 December 2002, through pre-arranged agreement:

Registrant	Reg. Office
Pacific Solar Power Limited	Not provided
Air Resource Management Limited	34 Lincoln Road, Henderson
Reid Technology	3-5 Auburn Street, Takapuna
Alphatron Pacific	10/36 William Pickering Drive, North Harbour Industrial Estate
BP Solar Pty Limited	2 Australia Avenue, Homebush Bay, New South Wales, Australia
Solar Energy Solutions	13 Rangimaarie Crescent, Snells Beach

Table 1 - Summary of Registrants

REGISTRANT EVALUATION

Registrants were evaluated generally in accordance with the "Weighted Attributes Method" contained in Transit New Zealand's "Manual of Competitive Pricing Procedures" using Council's standard attributes for tender evaluation.

A summary of the evaluation results is shown in Table 2 below:

Registration of Interest Evaluation	Attributes	Exper.	Track	Tech.	Resour.	Manag.	Total Weights
	Weights	20	30	20	10	20	
Tenderer		Grades					INDEX
BP Solar Pty Ltd		75	75	75	75	75	75
Air Resource Management Ltd		65	65	65	60	65	65
Reid Technology		60	60	60	60	60	60
Solar Energy Solutions		60	60	55	60	55	58
Alphatron Pacific		55	55	60	60	50	56
Pacific Solar Power Ltd		45	0	45	0	45	Disqualified

Table 2 - Summary of Registration of Interest Evaluation

The evaluation was carried out by reviewing the documentation provided and phone calls with the registrants verifying their experience in design and installation of solar panels. Pacific Solar Power Limited did not provide sufficient information as outlined in the Registration of Interest and hence has been disqualified.

All five qualifying registrants have experience in installing solar panels and are supported by reputable solar panel manufacturers. Through the Registrations of Interest at least three different solar panel products are represented.

An area of concern highlighted by the Registrations of Interest is health and safety. Both BP Solar Pty Limited and Air Resource Management Limited had health and safety procedures in place for their company and sub-contractors. Reid Technology and their sub-contractor were reviewing their procedures and expected to have it completed in January 2003. Solar Energy Solutions and Alphatron Pacific only submitted health and safety procedure for their sub-contractors delivering the physical works. The solar panel industry is still an emerging industry in New Zealand and the level of health and safety procedures of the industry reflects this. The health and safety practices required for this project will need to be stipulated clearly during the tender process to meet Council requirements for both the main tendering company and its sub-contractors.

SUMMARY

The Registration of Interest document for this process specified the information required and the format of the registrant's submissions. This document also identified that a list of selected tenders would be selected from the Registrations of Interest.

From table 2 above, the five qualifying registrants are BP Solar Pty Limited, Air Resource Management Limited, Reid Technology, Alphatron Pacific, and Solar Energy Solutions.

There is a distinct range of gradings from average to very good for the selected registrants given the limited quantity of similar projects in New Zealand, and therefore limited experience for some of the registrants. All five selected registrants are capable of carrying out this project in a competent manner.

The actual tenders will be evaluated using the weighted attributes method, which will take into account the nominated personnel and proposed sub-contractors, other specific contract attributes such as methodology, price, and health and safety.

RECOMMENDATIONS

1. That the information is received.
2. That approval is given to invite BP Solar Pty Limited, Air Resource Management Limited, Reid Technology, Alphantron Pacific and Solar Energy Solutions to tender for the Massey Library Photovoltaic Panel - Design and Build contract (SP02505).
3. That authority to enter into Contract SP02505 (previously SP02504) Massey Library Photovoltaic Panel - Registration of Interest , on behalf of Council be delegated to the Director: City Services.

Report prepared by: Michelle Dawson, Project Manager and Suresh Nagaiya, Special Projects Engineer.

