



**AGENDA FOR AN ORDINARY MEETING OF THE TENDERS SUBCOMMITTEE TO BE  
HELD IN THE CIVIC CENTRE, 6 WAIPAREIRA AVENUE, LINCOLN,  
WAITAKERE CITY, ON FRIDAY, 30 MAY 2003,  
COMMENCING AT 9.00 AM.**

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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 - 16 May 2003

**RECOMMENDATION**

That the minutes of the Ordinary Meeting of the Tenders Subcommittee held on Friday, 16 May 2003, as circulated, be taken as read and now be confirmed.



#### 4 **CONTRACT FOR VALUATION SERVICES**

##### **PURPOSE OF THE REPORT**

The purpose of the report is to obtain approval for the Chief Executive to enter into a contract between Council and Quotable Value Rating (QV Rating) for the provision of Valuation Services and the maintenance of Council's National Property Database.

##### **BACKGROUND**

Council is required under the Rating Valuations Act 1998 to prepare and maintain a District Valuation Roll for the District. The roll is required for the purposes of rating. Council's previous contract with QV Rating expired on 30 June 2002 and a new contract needs to be negotiated so that Council's rating services and legal obligations under the Rating Valuations Act 1998 and Local Government (Rating) Act 2002 can be maintained. This includes the provision of a National Property Database for all the properties within our district. Since July 2002 on-going discussions have been held with QV Rating to finalise a new contract. Other Local Authorities in the Auckland Region have also completed renegotiation of new contracts since 1 July 2002.

Services since the expiry of the old contract have been maintained on a month-by-month basis. Although our last contract with QV Rating allowed Council to offer a further term, it was considered necessary to place the matter back before the Subcommittee, as a change is proposed to the fee structure.

##### **STRATEGIC CONTEXT**

Council has legal obligations to meet under the Local Government (Rating) Act 2002, Rating Valuations Act 1998, and the Rating Valuations Rules. Once met, these requirements allow us to structure a rating database for the collection of Waitakere City Council rates.

##### **ISSUES**

The provision of valuation services has been contestable since 1 July 1998. Since this time a small number of Councils moved to other service providers, but these have tended to be smaller Local Authorities, some of which have subsequently renegotiated with QV Rating. Currently QV Rating holds contracts with 64 Local Authorities, which includes all the larger authorities in the Auckland Region.

The rating valuations environment is specialised and differs from standard valuation practice. QV Rating has specialist knowledge in this area, has strong local knowledge and has delivered good service to Council over previous years. They can provide a complete service in the delivery of rating valuation services and have provided solutions to all of the numerous provisions of the Rating Valuations Act and Rating Valuation Rules with which Council must comply. For the continuity and experience that QV Rating offer they minimise Council's exposure to non-compliance with legislative requirements.

Previously the contract for valuation services allowed for a fee of \$495,000 per annum, with the provision of a wash up clause should the levels of work associated with objections, sub-divisions and buildings consents exceed agreed limits. In each year those limits have been exceeded in the subdivision and building consent areas, which has substantially increased the annual cost of the contract. It has also generated considerable pressures in-house through monitoring, discussion and follow up.

It is proposed to enter into a fixed price contract (no wash up clause) which is inclusive of all work that needs to be done in the subdivision and building consent areas. The proposed contract price of \$555,000 is higher than the previous contract, but there are potential savings as, in the last rating year, the cost of valuation services was approx \$580,000 due to the wash up clause.

The contract price for the database management remains the same at \$43,000 plus GST per annum.

### **CONCLUSION**

Contracting QV Rating/Quotable Value New Zealand to provide valuation services for the district ensures stable continuity of service by a supplier with a proven track record and competency and experience in providing rating valuations in Waitakere City.

### **RECOMMENDATIONS**

1. That the information be received.
2. That approval be given for the Chief Executive to enter into a contract with Quotable Value New Zealand (QV Rating) to be its Valuation Service Provider for the term 1 July 2002 to 30 June 2006 at the quoted price of \$555,000 plus GST per annum.
3. That approval be given for the Chief Executive to enter into a contract with Quotable Value New Zealand (QV Rating) for a National Property Database Management Contract for the term 1 July 2002 to 30 June 2006 at the quoted price of \$43,000 plus GST per annum.

Report prepared by: Andrew Pollock, Director: Finance.



## **5 SIGNS MAINTENANCE CONTRACT NO TA02022.2**

### **PURPOSE OF THE REPORT**

The purpose of this report is to seek approval to extend the current Contract TA 02022.2-Signs Maintenance 2001/2002 for an additional twelve-month period ending on 30 June 2004.

### **BACKGROUND**

This contract forms part of Council's asset maintenance and renewal programmes as provided for in the 2003/2004 Annual Plan and specifically the maintenance and installation of traffic signs, amenity signs and street name plates throughout the city.

The initial contract document included the option for a one-year extension based on performance of the contractor with no cost escalation to the contract rates.

### **SCOPE OF WORK**

Council currently has approximately 14,000 traffic and street signs. This contract provides for both a quick response and proactive approach to replacement of damaged or vandalised traffic, advisory and directional signs, Belisha discs at pedestrian crossings and posts. It also includes the collection of inventory data for inclusion into Council's RAMM system and various safety surveys when requested. The contract also provides for new signs to be supplied and erected upon instruction.

Directions Limited is the current Signs Maintenance Contractor. Directions Limited have held this contract for the past two years and have carried out the contract works to a satisfactory standard. They are well knowledgeable with Council's procedures and contract specifications and have developed a strong working relationship with Council staff.

Rates received from Directions Limited for the original tender are favourable and will be applied during the extension period without any change or adjustments.

### ISSUES

Directions Limited have confirmed their agreement to continue with Contract TA02022.2 - Signs Maintenance 2001/2002 for another twelve months period without any rate adjustment.

Directions Limited will provide the same service as per the requirements of the Tender Documents at the same prices indicated within the current contract.

The original contract value was \$488,284.50. Assuming an inflation rate of 2.5% per annum over the past two years gives a saving in the order of \$24,414.00. Further saving could be the fees for professional services for new tender documents, re-tendering and other disbursement costs. This is estimated to be in the order of \$6,000.00. Consequently, the overall saving is in the order of \$30,414.00

### RESOURCES

#### EXCL. GST

Extension estimated Amount	\$ 288,000.00
Contingency	\$ 28,000.00
Engineering & Supervision	\$ 27,000.00
	-----
Total Job Cost	\$ 343,000.00

Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance
46-7150-24540	\$330,000.00	\$25,000.00	\$305,000.00	-
75-9860-36440	\$120,000.00	-	\$ 38,000.00	\$82,000.00
		<b>TOTAL</b>	<u>\$343,000.00</u>	
<b>2003/2004 Funding Required</b>			\$343,000.00	

### CONCLUSION

The cost savings attained in extending the current contract are significant and beneficial to Council.

Directions Limited has carried out the signs maintenance for Council over the past two years to a satisfactory standard and has built a high level of experience and local knowledge and retained a strong relationship with council staff together with a high degree of responsiveness and ownership of the works.

It is recommended to extend the current contract for an additional twelve months period ending 30 June 2004.

### **RECOMMENDATIONS**

1. That the information be received.
2. That the current Contract TA 02022.2, Signs Maintenance 2001/2002, be extended for an additional twelve months period ending 30 June 2004 in the sum of \$288,000.00 plus \$36,000.00 GST totalling \$324,000.00 be accepted.
3. That authority to extend contract TA02022.2 Signs Maintenance Contract 2001/2002 for an additional twelve months period to end 30 June 2004 be delegated to the Director: City Services.

Report prepared by: Ara Ovanessoff - Principal Transportation Engineer/Transport Asset.



## **6 PK03600A PARKS LANDSCAPE PROGRAMMED MAINTENANCE CONTRACT**

### **PURPOSE OF THE REPORT**

The purpose of this report is to seek approval to award Contract PK03600A Parks Landscape Programmed Maintenance

### **BACKGROUND**

This work is being commissioned as part of the new Park Maintenance contracts. A report was presented to the Tenders Subcommittee on 7 March 2003 for approval to negotiate a price from Techscape Limited:

*“That approval is given to negotiate a 2 + 1 + 1 + 1 year contract for Contract PK03600A Parks Landscape Maintenance Contract with Techscape.*

*That no tender be called for this contract for the following reasons:*

- *known performance in service delivery;*
- *improvements in the quality of work;*
- *familiarity with the Waitakere City Parks and Community*
- *close working relationship;*
- *shared technology platforms; and*
- *cost savings to Council*

*That if satisfactory progress has not been made in contract negotiations by 30 April 2003, a report will be brought back to the Tenders Subcommittee to take any necessary action.*

*That details of the negotiated contract be referred to the Tenders Subcommittee and the Finance and Operational Performance Committee for approval.”*

344/2003

## SCOPE OF WORK

The contract works involve the programmed maintenance of the city's passive and neighbourhood parks, streetscape and town centres which includes mowing, toilet cleaning, litter collection and garden maintenance. All other response and non programmed maintenance is to be undertaken by a separate Response contractor.

The contract is for an initial contract period of 24 months with a renewal period of a further 1+1+1 year, subject to the quality of the contractor's performance and at the discretion of the Council.

## TENDERS RECEIVED

A tender has been negotiated with Techscape. This is summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST) 1 Year	TENDER PRICE (excl. GST) 2 Year
Techscape Limited	North Harbour	\$1,689,473.00	\$3,378,946.00
<b>Pre-tender contract engineers estimate</b>		\$1,700,000.00	\$1,700,000.00

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 Procedures Manual".

Tender Evaluation	Attributes	Rel Exp	Track Record	Tech Skill	Resour	Manag. Skills	Method ology	Price	Contract Number PK 03600A
									Total Weights
	Weights	5	10	5	5	15	10	50	100
Tenderer	Tender Sum			Grade					INDEX
Techscape Limited	\$1,689,473.00	80	80	85	85	75	80	50	65
Med.n Tender Price	\$1,689,473.00								

Table 2 - Summary of Tender Evaluation

This contract is a measure and value contract based on schedule sums.

Techscape's on the ground performance has improved over the past four to five months largely due to considerable work undertaken by Mike Anneff. A strong and good working relationship has developed between the Waitakere Parks team and Techscape's green team, with open communication and liaison with both teams working together towards improving and providing quality service to the city's residents.

The Tenders Subcommittee had approved the negotiation of contract, on the understanding that it would be possible to benchmark the tenders using information provided by another local authority for six contracts. Unfortunately this local authority has not supplied the tender prices for the six contracts, but it has been possible to undertake limited benchmarking through two of these contracts as these were awarded to Techscape.

Although the tendered sum cannot be fully benchmarked against other contractors' rates, it has been possible to negotiate a fair and reasonable price with Techscape through full disclosure and an intensive negotiation process.

In addition, Techscape will introduce procedures for self-auditing to ensure continuous quality improvement and performance will be measured by Council staff through key performance indicators reporting.

#### **TAGS, ERRORS OR OMISSIONS**

There were no tags errors or omissions.

#### **CREDIT CHECK**

A credit check has revealed no adverse information.

#### **SUMMARY**

The results of the tender evaluation as summarised in Table 2 shows that the tender submitted by Techscape achieved the index of 65.

Techscape have also requested that the bond sum be reduced from 10% of the contract sum to \$50,000. It is considered that a sum of \$75,000 is sufficient to ensure performance of the contractor's obligations under the Contract Agreement.

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**

	<u><b>EXCL. GST</b></u>
2003/2004 and 2004/2005 - 24 months contract period	
Tender sum Parks Maintenance Services	\$3,378,946.00
Contingency and materials	\$ 220,000.00
Supervision and Quality Control	\$ 36,000.00
	-----
Total Job Cost for 24 months	\$3,634,946.00
Annual Costs 2005/2006 and 2006/2007 and 2007/2006	
Tender Sum Parks Maintenance Services	\$1,689,473.00
Contingency	\$ 110,000.00
Supervision and Quality Control	\$ 18,000.00
	-----
Total Job Cost for 1 Year	\$1,817,473.00

## SOURCE OF FUNDING

### 2003/2004 (12 months)

Account	Budget	Committed to other Projects	Allocation to this Project	Unallocated Balance
Fixtures, facilities and paths Maintenance	\$432,632	\$332,632	\$100,000	\$0
Litter Control Parks	\$240,540	\$160,000	\$80,540	\$0
Grasslands Maintenance	\$1,828,270	\$876,270	\$952,000	\$0
Planting Maintenance	\$1,060,910	\$483,450	\$577,460	\$0
Coastal and Structures Maintenance	\$271,238	\$231,238	\$40,000	\$0
Toilet Services and Car park Maintenance	\$422,280	\$352,280	\$70,000	\$0
<b>Totals</b>	<b>\$4,255,870</b>	<b>\$682,150</b>	<b>\$1,820,000</b>	<b>\$0</b>

### 2004/2005 (12 months)

Account	Budget	Committed to other Projects	Allocation to this Project	Unallocated Balance
Fixtures, facilities and paths Maintenance	\$432,632	\$332,632	\$100,000	\$0
Litter Control Parks	\$240,540	\$160,000	\$80,540	\$0
Grasslands Maintenance	\$1,828,270	\$876,270	\$952,000	\$0
Planting Maintenance	\$1,060,910	\$483,450	\$577,460	\$0
Coastal and Structures Maintenance	\$271,238	\$231,238	\$40,000	\$0
Toilet Services and Car park Maintenance	\$422,280	\$352,280	\$70,000	\$0
<b>Totals</b>	<b>\$4,255,870</b>	<b>\$682,150</b>	<b>\$1,820,000</b>	<b>\$0</b>

## RECOMMENDATIONS

1. That the information be received.
2. That it be recommended to the Finance and Operational Performance Committee as follows:
  - (i) That the tender from Techscape Limited for Contract PK03600A Parks Landscape Programmed Maintenance in the sum of \$3,378,946.00 plus \$422,368.25 GST, totalling \$3,801,314.25 be accepted.
  - (ii) That approval be given to committing \$1,689,473.00 plus \$211,184.13 GST totalling \$1,900,657.13 against the 2003/2004.
  - (iii) That approval be given to committing \$1,689,473.00 plus \$211,184.13 GST totalling \$1,900,657.13 against the 2004/2005.
  - (iv) That authority to enter into Contract PK03600A Parks Landscape Programmed Maintenance on behalf of Council be delegated to the Director: City Services.

- (v) That authority to exercise the right of renewal for the period of the 2005/2006, 2006/2007 and 2007/2008 financial years be delegated to the Director: City Services, subject to Council providing the budget.
- (vi) That the Contractor's bond be set at \$75,000.

Report prepared by: Grant Jennings, Service Manager - Parks and Green Assets.



## 7 PK03600B SPORTS PARKS PROGRAMMED MAINTENANCE CONTRACT

### PURPOSE OF THE REPORT

The purpose of this report is to seek approval to award Contract PK03600B Sports Parks Programmed Maintenance

### BACKGROUND

This work is being commissioned as part of the new Park Maintenance contracts. A report was presented to the Tenders Subcommittee on 7 March 2003 for approval to negotiate a price from Techscape Limited:

That approval be given to negotiate 1 + 1 + 1 + 1 + 1 year contract for Contract PK03600B City Sports Facilities Maintenance Contract with Techscape.

*“That no tender be called for this contract for the following reasons:*

- *known performance in service delivery;*
- *improvements in the quality of work;*
- *familiarity with the Waitakere City Parks and Community*
- *close working relationship;*
- *shared technology platforms; and*
- *cost savings to Council*

*That if satisfactory progress has not been made in contract negotiations by 30 April 2003, a report will be brought back to the Tenders Subcommittee to take any necessary action.*

*That details of the negotiated contract be referred to the Tenders Subcommittee and the Finance and Operational Performance Committee for approval.”*

*344/2003*

### SCOPE OF WORK

The contract works involve the programmed maintenance of the city's sports parks, which includes sports facility maintenance, mowing, toilet cleaning, litter collection and garden maintenance. All other response and non-programmed maintenance is to be undertaken by a separate Response contractor.

The contract is for an initial contract period of 12 months with a renewal period of a further 1+1+1+1 year, subject to the quality of the contractor's performance and at the discretion of the Council.

## TENDERS RECEIVED

A tender has been negotiated with Techscape. This is summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST) 1 Year
Techscape Limited	North Harbour	\$1,110,527.00
<b>Pre-tender contract engineers estimate</b>		\$1,100,000.00

**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 Procedures Manual".

Tender Evaluation	Attributes	Rel Exp	Track Record	Tech Skill	Resour	Manag. Skills	Method ology	Price	Contract Number PK 03600B
									Total Weights
	Weights	5	10	5	5	15	10	50	100
Tenderer	Tender Sum			Grade					INDEX
Techscape Limited	\$1,110,527.00	80	80	85	85	75	80	50	65
<b>Med.n Tender Price</b>	\$1,110,527.00								

**Table 2 - Summary of Tender Evaluation**

This contract is a measure and value contract based on schedule sums.

Techscape's on the ground performance has improved over the past 4 – 5 months largely due to considerable work undertaken by Mike Anneff. A strong and good working relationship has developed between the Waitakere Parks team and Techscape's green team, with open communication and liaison with both teams working together towards improving and providing quality service to the city's residents.

The Tenders Subcommittee had approved the negotiation of contract, on the understanding that it would be possible to benchmark the tenders using information provided by another local authority for six contracts. Unfortunately this local authority has not supplied the tender prices for the six contracts, but it has been possible to undertake limited benchmarking through two of these contracts as these were awarded to Techscape.

Although the tendered sum cannot be fully benchmarked against other contractors' rates, it has been possible to negotiate a fair and reasonable price with Techscape through full disclosure and an intensive negotiation process.

In addition, Techscape will introduce procedures for self-auditing to ensure continuous quality improvement and performance will be measured by Council staff through key performance indicators reporting.

## TAGS, ERRORS OR OMISSIONS

There were no tags errors or omissions.

## CREDIT CHECK

A credit check has revealed no adverse information.

## SUMMARY

The results of the tender evaluation as summarised in Table 2 shows that the tender submitted by Techscape achieved the index of 64.

Techscape have also requested that the bond sum be reduced from 10% of the contract sum to \$50,000. This is a suitable sum to ensure performance of the contractor's obligations under the Contract Agreement.

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

2003/2004 - 12 months contract period	
Tender sum Techscape	\$1,110,527.00
Contingency and materials	\$ 50,000.00
Supervision and Quality Control	\$ 10,000.00
	-----
Total Job Cost for 12 months	\$1,170,527.00
Annual Costs 2004/2005, 2005/2006, 2006/2007 and 2007/2008	
Tender sum Techscape	\$1,110,527.00
Contingency and materials	\$ 50,000.00
Supervision and Quality Control	\$ 10,000.00
	-----
Total Job Cost for 1 Year	\$1,170,527.00

## SOURCE OF FUNDING

### 2003/2004 (12 months)

Account	Budget	Committed to other Projects	Allocation to this Project	Unallocated Balance
Sports Facilities Maintenance	\$269,600	\$0	\$269,600	
Fixtures, facilities and paths Maintenance	\$432,632	\$332,632	\$120,000	\$0
Litter Control Parks	\$240,540	\$150,540	\$90,000	\$0
Grasslands Maintenance	\$1,828,270	\$1,428,270	\$400,000	\$0
Planting Maintenance	\$1,060,910	\$870,510	\$190,400	\$0
Coastal and Structures Maintenance	\$271,238	\$231,238	\$40,000	\$0
Toilet Services and Car park Maintenance	\$422,280	\$362,280	\$60,000	\$0
<b>Totals</b>	<b>\$4,525,470</b>	<b>\$3,375,470</b>	<b>\$1,170,000</b>	<b>\$0</b>

## **RECOMMENDATIONS**

1. That the information be received.
2. That it be recommended to the Finance and Operational Performance Committee as follows:
  - (i) That the tender from Techscape Limited for Contract PK03600B Sports Parks Programmed Maintenance in the sum of \$1,110,527.00 plus \$138,815.88 GST, totalling \$1,249,342.88 be accepted.
  - (ii) That approval is given to committing \$1,110,527.00 plus \$138,815.88 GST, totalling \$1,249,342.88 against the 2003/2004.
  - (iii) That authority to enter into Contract PK03600B Sports Parks Programmed Maintenance on behalf of Council be delegated to the Director: City Services.
  - (iv) That authority to exercise the right of renewal for the period of the 2004/2005, 2005/2006, 2006/2007 and 2007/2008 financial years be delegated to the Director: City Services, subject to Council providing the budget for each of these years.
  - (v) That the Contractor's bond be set at \$50,000.

Report prepared by: Grant Jennings, Service Manager - Parks and Green Assets.



## **8 PK03600C CITY WIDE GRAFFITI MANAGEMENT CONTRACT**

### **PURPOSE OF THE REPORT**

The purpose of this report is to seek approval to award PK03600C City Wide Graffiti Management

### **BACKGROUND**

This work is being commissioned as part of the new Park Maintenance contracts. A report was presented to the Tenders Subcommittee on 7 March 2003 for approval to negotiate a price from Tag Out Trust:

*“That approval be given to negotiate a 2 + 1 + 1 + 1 year contract for the Contract PK03600C City Wide Graffiti Removal and Management Contract with the Tag Out Trust*

*That no tender be called for this contract for the following reasons:*

- *known performance in service delivery;*
- *improvements in the quality of work;*
- *familiarity with the Waitakere City Parks and Community*
- *close working relationship;*
- *alignment with the Council's strategic direction and community partnerships and cost savings to Council.”*

## SCOPE OF WORK

The work involves the removal of Graffiti from major and minor Commercial centres, park facilities, toilets and changing rooms, major arterial routes, bus shelters, Waikumete Cemetery facilities, major council owned buildings, art works, street furniture and light poles. There will also be preventative programmes as part of the contract including youth education, community services, self-help and community programmes.

The contract is for an initial contract period of 24 months with a renewal period of a further 1+1+1 year, subject to the quality of the contractor's performance and at the discretion of the Council.

## TENDERS RECEIVED

Tenders were negotiated with the Tag Out Trust. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST) 1 Year	TENDER PRICE (excl. GST) 2 Year
Tag Out Trust	Henderson	\$450,000.00	\$900,000.00
<b>Pre-tender contract engineers estimate</b>		\$450,000.00	\$900,000.00

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 Procedures Manual".

Tender Evaluation	Attributes	Rel Exp	Track Record	Tech Skill	Resour	Manag. Skills	Method ology	Price	Contract Number PK 03600C
	Weights	5	5	10	5	15	10	50	Total Weights
<b>Tenderer</b>	<b>Tender Sum</b>			<b>Grade</b>					<b>INDEX</b>
Tag Out Trust	\$450,000.00	90	85	85	85	75	90	50	67
<b>Med.n Tender Price</b>	\$450,000.00								

Table 2 - Summary of Tender Evaluation

This contract is a measure and value contract based on schedule sums.

The Tag Out Trust has successfully undertaken the Town Centre/Arterial Roads graffiti removal contract and part of the Parks graffiti removal work for a number of years.

The Trust has been performing extremely well on this contract and has the systems, necessary resources and skills to undertake the expanded graffiti removal and education programme for the full city. This company is Waitakere based with all staff residing in the city.

## TAGS, ERRORS OR OMISSIONS

There were no tags errors or omissions.

## CREDIT CHECK

A credit check has revealed no adverse information.

## SUMMARY

The results of the tender evaluation as summarised in Table 2 shows that the tender submitted by Tag Out Trust achieved the highest index of 67.

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

2003/2004 and 2004/2005 - 24 months contract period	
Tender sum Parks Maintenance Services	\$900,000.00
Contingency and materials	\$ 48,000.00
Supervision and Quality Control	\$ 40,000.00
	-----
Total Job Cost for 24 months	\$988,000.00
Annual Costs 2005/2006 and 2006/2007 and 2007/2006	
Tender Sum Parks Maintenance Services	\$450,000.00
Contingency	\$ 24,000.00
Supervision and Quality Control	\$ 20,000.00
	-----
Total Job Cost for 1 Year	\$494,000.00

## SOURCE OF FUNDING

### 2003/2004 (12 months)

Account	Budget	Committed to other Projects	Allocation to this Project	Unallocated Balance
Graffiti Control	\$334,619	\$0	\$334,619	\$0
Litter Control	\$240,540	\$160,540	\$80,000	\$0
Toilet Services and Car park Maintenance	\$422,280	\$342,280	\$80,000	\$0
<b>Totals</b>	<b>\$997,439</b>	<b>\$502,820</b>	<b>\$494,619</b>	<b>\$0</b>

**2004/2005 (12 months)**

<b>Account</b>	<b>Budget</b>	<b>Committed to other Projects</b>	<b>Allocation to this Project</b>	<b>Unallocated Balance</b>
Graffiti Control	\$334,619	\$0	\$334,619	\$0
Litter Control	\$240,540	\$160,540	\$80,000	\$0
Toilet Services and Car park Maintenance	\$422,280	\$342,280	\$80,000	\$0
<b>Totals</b>	<b>\$997,439</b>	<b>\$502,820</b>	<b>\$494,619</b>	<b>\$0</b>

**RECOMMENDATIONS**

1. That the information be received.
2. That the tender from Tag Out Trust for Contract PK03600C City Wide Graffiti Management in the sum of \$450,000.00 plus \$56,250.00 GST, totalling \$506,250.00 be accepted.
3. That approval be given to committing \$450,000.00 plus \$56,250.00 GST, totalling \$506,250.00 against the 2003/2004.
4. That approval be given to committing \$450,000.00 plus \$56,250.00 GST, totalling \$506,250.00 against the 2004/2005.
5. That authority to enter into Contract PK03600C City Wide Graffiti Management on behalf of Council be delegated to the Director: City Services.
6. That authority to exercise the right of renewal for the periods of the 2005/2006, 2006/2007 and 2007/2008 financial years be delegated to the Director: City Services, subject to Council providing the budget for each of these years.

Report prepared by: Grant Jennings, Service Manager - Parks and Green Assets.

