



Waitakere City Council
Te Taiao o Waitakere

NOTICE OF MEETING

TENDERS SUBCOMMITTEE

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

DATE: **Friday** **1 October 2004** **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.

24 September 2004

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: Quality Assurance

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, 1 OCTOBER 2004,
COMMENCING AT 9.00 AM**

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**AGENDA FOR AN ORDINARY MEETING OF THE TENDERS SUBCOMMITTEE
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1 APOLOGIES



2 URGENT BUSINESS

Section 46A(7) of the Local Government Official Information 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 Subcommittee by resolution so decides; 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 and decision, why the item is not on the agenda, and why it cannot be delayed until a subsequent meeting.

The Subcommittee may make a decision on a matter determined to be urgent.

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



3 CONFIRMATION OF MINUTES

Ordinary - 17 September 2004

RECOMMENDATION

That the minutes of the Ordinary Meeting of the Tenders Subcommittee held on Friday, 17 September 2004, as circulated, be taken as read and now be confirmed.



4 REAPPOINTMENT AUDIT NEW ZEALAND AS AUDIT SERVICE PROVIDER

PURPOSE OF THE REPORT

The report seeks approval to reappoint Audit New Zealand as the preferred Audit Service Provider on behalf of the Auditor General.

BACKGROUND

Audit New Zealand's contract as Audit Service Provider on behalf of the Office of the Controller and Auditor General expires at the end of their audit of the financial statements for the year ended 30 June 2004.

Council continues to have a very good working relationship with Audit New Zealand and despite significant staff turnover in the accounting profession, Council has enjoyed relative stability in respect of audit staff continuity. In particular, while Audit New Zealand's Director responsible for the audit has relocated to the Palmerston North office, and although his initial six year term as Director of Council's audit expires this year, the Audit office has approved, and the Director has agreed, to continue as Director in charge of the audit for a further three years.

From discussions with staff and senior management at Council, Enterprise Waitakere, and Waitakere Properties Limited, there is favourable comment about Audit New Zealand continuing as Audit Service Provider and in particular the role of their current Director. Council's Director: Finance and Director: Quality Assurance met with Council's Chair of the Finance and Operational Performance Committee and Tenders Subcommittee to further confirm the generally held view on Audit New Zealand's favourable performance and preference for continuing as Council's Audit Service Provider.

Audit New Zealand has proposed base fees for the audit of Council, Enterprise Waitakere, Waitakere Properties Limited, Waitakere City Holdings Limited, and the Sinking Fund Commissioners that recognises a discount of \$20,000 per annum for reliance they intend placing on internal assurance work and indexed only for inflation. The base tender fee net of reliance on internal assurance work of \$120,000 compares favourably with other city councils as follows:

Council	Amount	Comments
Manukau City Council	\$152,000	Audit New Zealand does other audit assurance work outside of the attest audit.
North Shore City Council	\$146,000	
Wellington City Council	\$179,000	
Auckland City Council	\$194,000	
Christchurch City Council	\$160,000	

STRATEGIC CONTEXT

Council has begun planning in preparation of the 2006 Long Term Council Community Plan. This plan will be based on detailed community consultation regarding community outcomes and levels of service, and much of the data will be underpinned by detailed financial information and non-financial information regarding Council's infrastructure and asset management plans. Audit New Zealand has already gained an in-depth understanding of Council's strategic direction, systems and procedures, and is currently involved in an observer capacity with Council's ongoing development of asset management plans and detailed activity plans.

RESOURCES

There is budget provision in the 2004/2005 and subsequent financial years.

CONCLUSION

The Auditor General has already approved extending Audit New Zealand's role for a further three years should Council seek to roll over the contract for a further three years. Audit New Zealand has developed a very good working relationship with Council and its organisations, and has proposed a competitive fee for the next three years. From discussion with staff and senior management, there appears to be no benefit in openly tendering for the audit of Council.

RECOMMENDATIONS

1. That the Reappointment Audit New Zealand As Audit Service Provider report be received.
2. That the Tenders Subcommittee endorse the officer's recommendation not to publicly tender for the role of Audit Service Provider to Council.

3. That the Chief Executive be authorised to negotiate a contract with Audit New Zealand for the audit of Council, Enterprise Waitakere, Waitakere Properties Limited, Waitakere City Holdings Limited and Sinking Fund Commissioners for the three years ending 30 June 2007.

Report prepared by: Robert Rudd, Director: Quality Assurance.



5 CONTRACT NO. EW 04001C - GALLONY AVENUE STORMWATER UPGRADE

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. EW 04001C - Gallony Avenue Stormwater Upgrade.

BACKGROUND

Substantial property and roadway flooding is occurring around No. 39 Gallony Avenue and adjacent Malmo Place due to an under-capacity stormwater system and insufficient inlet devices to capture and channel overland flow. Unsatisfactory catchpits on Gallony Avenue and Kilcar Place also worsen the flooding issues, and there was an instance of potential property loss during the storm events of Easter 2004. In order to alleviate the flooding problem, it is proposed to upgrade the existing under-capacity pipe and inlet structure, and provide superpits and a secondary flow path.

SCOPE OF WORK

The scope of work includes the installation of 140 metres of 750 mm diameter concrete pipe by trenchless methods, connection to existing manholes, and construction of an inlet structure, new superpits, new vehicle crossings and other associated drainage works.

TENDERS RECEIVED

Tenders were publicly advertised with 8 sets of documents being uplifted. Two tenders were received by the closing date of 17 August 2004. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
H & H Contractors Ltd	PO Box 15 084, Glendene	\$413,505.00
Harker Underground Construction Ltd	PO Box 38 264, Howick	\$509,975.00
Pre-tender contract estimate		\$383,300.00

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".

The "Two envelope process" as described in Section 2.7 of the above manual was followed. Under this method, only the first tender envelope is opened and the non-price attributes evaluated for all tenders before the second envelope containing the tender price is opened, and the tender prices duly included in the evaluation.

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

Tender	Attributes	Exper.	Track Record	Tech. Skill	Resour.	Manag. Skill	Method.	Price	Contract No. EW 04001C
Evaluation									Total Weights
	Weights	5	5	5	5	5	5	70	100
Tenderer	Tender Sum				Grades				INDEX
H & H Contractors Limited	\$413,505.00	80	75	75	75	75	85	60	66
Harker Underground Construction Limited	\$509,975.00	85	75	80	80	85	75	40	52
Median Tender Price	\$461,740.00								

Table 2 - Summary of Tender Evaluation

Scores for the non-price attributes were determined on the basis of information provided in each tender and on recent experience with the contractors, both of whom have satisfactorily completed drainage contracts for Council recently.

H & H Contractors Limited submitted a very detailed contract specific methodology. The Harker Underground Construction Limited tender also included a reasonably detailed methodology, but its proposal to access the site through the Emerald Valley Reserve through the clearing of 6 trees is not desirable.

Both tenderers also propose to use pipes larger than the specified 750 mm diameter due to supply reasons and to suit their particular equipment and construction techniques, and this is acceptable. H & H Contractor Limited proposes a 900 mm diameter pipe, while Harker Underground Construction Limited proposes to use a significantly larger 1310 mm diameter pipe.

Both firms have the capability and the required resources to undertake this contract satisfactorily, and this is reflected in the non-price attribute scores given.

TAGS, ERRORS OR OMISSIONS

The tender from H & H Contractors Limited did not contain any errors or omissions but contained 14 tags. The tags were evaluated as to their acceptability in accordance with clause WCT 11.4 of the Conditions of Tendering. One tag was considered to be not acceptable. When requested by fax to withdraw this tag, the tenderer complied in writing.

The tender from Harker Underground Construction Limited also did not contain any errors or omissions but contained 6 tags. These tags were evaluated and considered acceptable.

CREDIT CHECK

A credit check on H & H Contractors Limited on 9 September 2004 revealed no adverse information.

SUMMARY

The results of the tender evaluation as summarised in Table 2 show that the tender submitted by H & H Contractors Limited achieved the highest overall index of 66. This tender is also the lowest priced tender.

It is considered that H & H Contractors Limited has the experience and capability to complete this contract satisfactorily.

As part of Council's 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 - (H & H Contractors Limited)	\$413,505.00
Contingency	\$ 42,000.00
Engineering & Supervision	\$ 5,900.00

Total Job Cost	\$461,405.00

SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Stormwater Upgrading Programme	85-9845-60000- 999	\$850,000.00	\$29,450.00	\$461,405.00	\$359,145.00

RECOMMENDATIONS

1. That the Contract No. EW 04001C - Gallony Avenue Stormwater Upgrade report be received.
2. That the tender from H & H Contractors Limited for Contract No. EW 04001C - Gallony Avenue Stormwater Upgrade in the sum of \$413,505.00 plus \$51,688.13 GST, totalling \$465,193.13 be accepted.
3. That authority to enter into Contract No. EW 04001C - Gallony Avenue Stormwater Upgrade on behalf of Council be delegated to the Group Manager, Asset Management.

Report prepared by: Tony Miguel, Group Manager, Asset Management.



6 CONTRACT NO. EW 04021C - WATERMAIN RENEWALS 2004/2005 - CONTRACT 12

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. EW 04021C - Watermain Renewals 2004/2005 - Contract 12.

BACKGROUND

The proposed works are required due to recurrent faults in the existing asbestos cement watermains at Karapiti Place, Inver Street, Cochran Road and Rua Road in Waitakere City.

SCOPE OF WORK

The contract works comprise the construction of a total of approximately 144 metres of 180 mm polyethylene pipe and 485 metres of 125 mm polyethylene pipe by directional drilling at four locations in Waitakere City together with service connections and associated valves and fittings.

TENDERS RECEIVED

Tenders were publicly advertised and four tenders were received by the closing date of 10 August 2004. The tenders received are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (Excl. GST)
Drill Tech (1996) Limited	PO Box 23 399, Papatoetoe	\$158,900.00
JB Pipeline Services Limited	PO Box 13 447, Onehunga	\$161,680.00
Excell Corporation Limited	PO Box 58 740, Greenmount	\$168,748.00
Works Infrastructure Limited	PO Box 511, Silverdale	\$187,255.19
Pre tender contract estimate		\$164,000.00

Table 1 - Summary of Tender Prices

TENDER EVALUATION

In accordance with the conditions of tendering, tenders were evaluated in line with the Weighted Attributes 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. Skill	Resour	Manag. Skill	Method	Price	Contract Number EW 04021C
									Total Weights 100
Weights	10	10	10	10	5	5	50		
Tenderer	Tender Sum	Grade							INDEX
Drill Tech (1996) Limited	\$158,900.00	65	45	60	50	60	65	54	55
JB Pipeline Services Limited	\$161,680.00	80	70	80	75	70	65	52	63
Excell Corporation Limited	\$168,748.00	80	70	80	75	70	65	48	61
Works Infrastructure Limited	\$187,255.19	80	70	80	80	75	65	37	56
Median Tender Price	\$165,214.00								

Table 2 - Summary of Tender Evaluation

The various scores given to the tenderers for the attributes were based on their performance in the previous contracts of similar nature with the Waitakere City Council and their tender submission.

Drill Tech (1996) Limited submitted the lowest priced tender. However, the recent track record of Drill Tech (1996) Limited with Council has not been good. A contract at Totara & Rankin Avenue in New Lynn was delayed and on the same job, an incident involving the discharge of sediment into the stormwater system is currently being investigated by the Auckland Regional Enforcement Team.

JB Pipeline Services Limited submitted the second lowest tender and they have satisfactorily completed many projects for Waitakere City Council and other local authorities. JB Pipeline Services have the resources and experience to complete this project satisfactorily.

TAGS, ERRORS OR OMISSIONS

There were no tags, errors or omissions identified in any of the tenders received.

CREDIT CHECK

A credit check dated 4 August 2004 for JB Pipeline Services Limited did not show any adverse results.

SUMMARY

The results of the tender evaluation as summarised in Table 2 show that the tender submitted by JB Pipeline Services Limited achieved the highest overall index of 63. This is the second lowest priced tender.

As part of the Council's vision "Quality and Health and Safety are 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 (JB Pipeline Services Limited)	\$161,680.00
Contingency	\$ 16,168.00
Engineering & Supervision	<u>\$ 19,000.00</u>
Total Job Cost	<u>\$196,848.00</u>

SOURCE OF FUNDING

Project	Budget description (from Annual Plan line item)	Project SFL Code	Budget Amount	Committed to other projects	Allocation to this project	Unallocated balance
WMR 2004/2005 - Contract 12	Water Network Renewals Programme	85-9855-60000-999	\$2,000,000.00	\$755,895.60	\$196,848.00	\$1,047,256.40

RECOMMENDATIONS

1. That the Contract No. EW04021C - Watermain Renewals 2004/2005 - Contract 12 report be received.
2. That the tender from JB Pipeline Services Limited for Contract No. EW04021C: Watermain Renewals 2004/2005 - Contract 12 in the sum of \$161,680.00 plus \$20,210.00 GST, totalling \$181,890.00 be accepted.
3. That the tender for Contract No. EW04021C: Watermain Renewals 2004/2005 - Contract 12 be awarded to other than the lowest priced tender, because the weighted attributes tender evaluation method requires the Council to enter into a contract only with the tender that scores the highest overall index
4. That authority to enter into Contract No. EW04021C: Watermain Renewals 2004/2005 - Contract 12 on behalf of Council be delegated to the Group Manager: Asset Management.

Report prepared by: David Nelson, Water Projects Manager, Project Services.



7 **CONTRACT NO. EW04054C: MC7 - LYNWOOD/KOHEKOHE/MAUNDER PLACE - NEW LYNN WASTEWATER RENEWALS**

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. EW04054C: MC7 - Lynwood/Kohekohe/Maunder Place - New Lynn Wastewater Renewals.

BACKGROUND

The Council has an objective to reduce flows in the wastewater network by 25% through the Infiltration and Inflow Control Programme. The New Lynn wastewater catchment is the first to be assessed under this programme and rehabilitation work has already been carried out on public drains in mini-catchments MC4, MC9, MC21 and MC2.

Mini-catchment MC7 is next in order of priority. It has experienced a large amount of development in recent years which has resulted in an increased demand on the system. The existing wastewater pipelines between Lynwood Road, Kohekohe Street to Maunder Place are in poor condition and require replacement.

SCOPE OF WORK

This contract is for the replacement of the existing 150 mm diameter earthenware wastewater pipeline. The scope of the work includes:

- construction of approximately 452 metres of 160 mm diameter PE80 SDR17 wastewater pipeline by pipe bursting;
- construction of approximately 135 metres of 160 mm diameter PE80 SDR17 wastewater pipeline by thrusting;
- construction of approximately 175 metres of 150 mm diameter uPVC SN16 wastewater pipeline by open excavation;
- construction of none new manholes;
- reinstatement of existing service connections.

TENDERS RECEIVED

Tenders were publicly advertised with seven sets of documents being uplifted. Five tenders were received by the closing date of 31 August 2004. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
Techscape Ltd	PO Box 302 909, North Harbour	\$445,565.37
Civil Construction Group Ltd	PO Box 46009, Herne Bay	\$533,390.00
PipeWorks Rehabilitation Solutions	PO Box 62 077, Mt Wellington	\$545,501.60
JB Pipeline Services Ltd	PO Box 13 447, Onehunga	\$594,475.00
Hughes Civil Ltd	222 Old Titirangi Road, Titirangi	\$599,595.00
Pre-tender contract estimate		\$535,478.00

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".

These procedures require that where the tender includes Provisional Sums they be deducted from the tender sum prior to evaluating each tender. The value of Provisional Sums in this contract is \$3,000.00.

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

Tender Evaluation	Attributes	Exper	Track Record	Tech Skills	Resour.	Manag. Skill	Method.	Price	Contract No. EW04054C
									Total Weights
	Weights	10	10	10	10	10	10	40	100
Tenderer	Tender Sum	Grades	Index						
Techscape Ltd	\$442,565.37	55	55	55	50	50	50	68	59
Civil Construction Group Ltd	\$530,390.00	65	55	60	60	60	70	52	58
PipeWorks Rehabilitation Solutions	\$542,501.60	65	65	65	60	60	65	50	58
JB Pipeline Services Ltd	\$591,475.00	65	70	65	65	65	75	41	57
Hughes Civil Ltd	\$596,595.00	60	65	65	65	65	65	40	55
Median Tender Price	\$542,501.60								

Table 2 - Summary of Tender Evaluation

Scores for the non-price attributes were determined on the basis of information provided in the tenders and on recent experience with the contractors.

Techscape Limited has undertaken a number of wastewater infiltration and inflow control contracts for Council in previous years. However, they have not done similar work of Council in recent times. Historically the quality of the work constructed by Techscape Limited has been acceptable.

Techscape Limited proposes to use subcontractors and existing staff to carry out the work.

The tender price from Techscape Limited is within the pre-tender estimate. The estimate was based on prices for similar work undertaken in the last financial year.

TAGS, ERRORS OR OMISSIONS

The tender from Techscape Limited contained an arithmetic error that has caused an understatement of its tender price, but no tags or omissions. When contacted over the error, Techscape confirmed in writing that its tender price stands.

The tender from Civil Construction Group Limited contained an omission but no arithmetic error or tags. When contacted over the omission, Civil Construction Group Limited confirmed that its price for the item is zero, and that its tender price stands.

The tender from PipeWorks Rehabilitation Solutions contained tags and omissions and an arithmetic error. The tags, omissions and error were not taken up with PipeWorks Rehabilitation Solutions since its tender price is the third highest and thus the resolution of them would not affect the outcome of the tender evaluation.

There were no tags, errors or omissions in the other two tenders received.

CREDIT CHECK

A credit check from Baycorp dated 21 September 2004 carried out on Techscape Limited revealed *no adverse information*.

SUMMARY

The results of the tender evaluation as summarised in Table 2 show that the tenders submitted by Techscape Limited achieved the highest overall index of 59. It is considered that Techscape Limited has the necessary expertise and resources to carry out the work satisfactorily.

As part of Council's 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 - Techscape Limited	\$445,565.37
Contingency	\$ 45,000.00
Engineering & Supervision	<u>\$ 44,135.00</u>
Total Job Cost	<u>\$534,700.37</u>

SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Wastewater Renewal	85-9835-225110-999	\$2,109,100.00	\$1,203,662.08	\$534,700.37	\$370,737.55

RECOMMENDATIONS

1. That the Contract No. EW04054C: MC7 – Lynwood/Kohekohe/Maunder Place - New Lynn Wastewater Renewals report be received.
2. That the tender from Techscape Limited for Contract No. EW04054C: MC7 - Lynwood/Kohekohe/Maunder Place - New Lynn Wastewater Renewals in the sum of \$445,565.37 plus \$55,695.67 GST, totalling \$501,261.04 be accepted.
3. That authority to enter into Contract No. EW04054C - MC7 - Lynwood/Kohekohe/Maunder Place – New Lynn Wastewater Renewals on behalf of Council be delegated to the Group Manager: Asset Management.

Report prepared by: David Nelson, Water Projects Manager, Project Services.



8 CONTRACT NO. PK04621B - SAND FIELD DEVELOPMENT

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. PK04621B - Sand Field Development of Archibald Park & McLeod Park.

BACKGROUND

This contract forms part of Council's parks asset upgrade programme as provided for in the 2004/2005 Annual Plan.

SCOPE OF WORK

The scope of work in this contract is to further develop Fields No.1 & 2 at Archibald Park and McLeod Park. It involves the supply and installation of uPVC field drains, sand slit drains, sand carpet and irrigation system.

TENDERS RECEIVED

Tenders were publicly advertised with four set of documents being uplifted. Two tenders were received by the closing date of 7 September 2004. This is summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
Field Drainage Specialists Ltd.	Silverdale	\$ 503,388.42
Strachan Brothers	Ngaruawhia	\$ 641,003.85
Pre-tender contract estimate		\$ 548,176.94

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	Attributes	Exper.	Track	Tech.	Resour.	Manag.	Method.	Price	Contract Number PK 04621B
Evaluation			Record	Skill		Skill			Total Weights
	Weights	5	5	5	5	5	5	70	100
Tenderer	Tender Sum				Grades				INDEX
Field Drainage Specialists Ltd	\$503,388.42	80	80	80	80	80	85	62	68
Strachan Brothers Ltd	\$641,003.85	60	65	75	45	60	60	38	45
Med.n Tender Price	\$572,196.14								

* Attribute grading as defined by Transit NZ in their CPP Tender Evaluation Manual Effective 1 March 1997

Table 2 - Summary of Tender Evaluation

Strachan Brothers Limited has been involved in the sports field industry for a considerable time.

They have undertaken the construction of only one sand field. There is a concern that Strachan Brothers Limited do not have the resources available to undertake a contract of this scale within the timeframes required with the resources identified in the submitted tender.

Field Drainage Specialists Limited has constructed all of the Waitakere City Council sand fields for the last 12 years and their work has consistently been completed to a high standard. Field Drainage Specialists Limited has also satisfactorily completed numerous sand field development contracts for North Shore City and Rodney District Council.

TAGS, ERRORS OR OMISSIONS

There were no tags, errors or omissions in the tender submitted by Field Drainage Specialists Limited.

There are eight tag and two schedule errors in the in the tender submitted by Strachen Brothers Limited. These tags will have cost and time implications to the contract.

CREDIT CHECK

A credit check on Field Drainage Specialists Limited has been requested.

SUMMARY

The results of the tender evaluation, as summarised in Table 2, shows that the tender submitted by Field Drainage Specialists Limited achieved a total index of 68. This tender is also the lowest tender submitted.

Field Drainage Specialists Limited have successfully completed numerous similar contracts in Waitakere City. They have performed well on these contracts and have shown a high standard of workmanship.

As part of Council's 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 - Field Drainage Specialists Ltd	\$503,388.32
Contingency	\$ 50,338.83
Engineering & Supervision	\$ 9,562.00
Total Job Cost	\$563,289.15

SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to this Project	Unallocated Balance
Archibald Park Conversion of fields to Sandfields	75-9825-49370-999	\$240,000.00	\$9,571.00	\$230,429.00	\$0.00
McLeod Park Sports field conversion	75-9825-49400-999	\$240,000.00	\$9,991.00	\$230,009.00	\$0.00
Parks Drainage Issues	75-9825-27180-280	\$83,000.00	\$1,270.00	\$81,730.00	\$0.00
Grasslands Maintenance	46-7618-27270-999	\$1,926,170.00	\$1,905,048.90	\$21,121.15	
TOTAL				\$563,289.15	

RECOMMENDATIONS

1. That the Contract No. PK04612B - Sand Field Development report be received.
2. That subject to a satisfactory credit check the tender from Field Drainage Specialists Limited for Contract PK04621B - Sand Field Development in the sum of \$503,388.32 plus \$62,923.54 GST, totalling \$566,311.86 be accepted.
3. That authority to enter into Contract PK04621B - Sand Field Development on behalf of Council be delegated to the Group Manager: Asset Management.

Report prepared by: Alan Duxfield, Parks Assets Project Manager.



9 CONTRACT NO. PK04621C - SAND FIELD SANDLIFTS

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. PK04621C - Sand Field Sandlifts.

SCOPE OF WORK

The scope of work in this contract is for the supply and application of 10mm thick sand lift/topping, grass seed and fertilizer to 28 sports fields throughout Waitakere City.

The total estimated quantity of sand required is in the order of 3120m³ to cover an approximate area of 312,000m².

TENDERS RECEIVED

Tenders were publicly advertised with four sets of documents being uplifted. Two tenders were received by the closing date of 7 September 2004. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
Field Drainage Specialists Limited	Silverdale	\$185,546.80
Recreational Services Limited	Glenfield	\$221,985.60
Pre-tender contract estimate		\$187,640.00

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:

Table 2 - Summary of Tender Evaluation

Tender	Attributes	Exper.	Track	Tech.	Resour.	Manag.	Method.	Price	Contract Number PK 04621C
Evaluation			Record	Skill		Skill			Total Weights
	Weights	5	5	5	5	5	5	70	100
Tenderer	Tender Sum				Grades				INDEX
Field Drainage Specialists Ltd	\$185,546.80	80	80	80	80	80	85	59	66
Recreational Services Ltd	\$221,985.60	80	70	80	80	75	80	41	52
Med.n Tender Price	\$203,766.20								

* Attribute grading as defined by Transit NZ in their CPP Tender Evaluation Manual Effective 1 March 1997

TAGS, ERRORS OR OMISSIONS

Both Tenders received contained no tags, errors or omissions.

CREDIT CHECK

A credit check on Field Drainage Specialists Limited has been requested.

SUMMARY

The results of the tender evaluation, as summarised in Table 2, shows that the tender submitted by Field Drainage Specialists Limited achieved the highest index of 66. This tender is also the lowest priced tender.

Field Drainage Specialists Limited have in the past successfully carried out numerous similar contracts in Waitakere City. They have performed well on these contracts and have shown a high standard of workmanship and willingness to work in with our maintenance contractor.

As part of Council's 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 - Field Drainage Specialists Limited	\$ 185,546.80
Contingency	\$ 0.00
Engineering & Supervision	\$ 0.00
Total Job Cost	----- \$ 185,546.80

There is no contingency sum in this contract as it is a fixed sum contract.

Engineering and supervision will be provided by Parks staff and therefore there is no external cost.

SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to this Project	Unallocated Balance
Grasslands Maintenance	46-7618-27270-999	\$1,926,170.00	\$1,873,541.20	\$52,628.80	\$0
Sand Sports Field Renewals	75-9823-49330-999	\$128,000.00	\$4,812.00	\$123,188.00	\$0
Sports Facilities Renewals	75-9823-47990-999	\$59,000.00	\$49,270.00	\$9,730.00	\$0
			Total	\$185,546.80	

RECOMMENDATIONS

1. That the Contract No. PKO4621C - Sand Field Sandlifts report be received.
2. That subject to a satisfactory credit check the tender from Field Drainage Specialists Limited for Contract PK04621C Sand Field Sandlifts in the sum of \$185,546.80 plus \$23,193.35 GST, totalling \$208,740.15 be accepted.
3. That authority to enter into Contract PK04621C Sand Field Sandlifts on behalf of Council be delegated to Group Manager, Asset Management.

Report prepared by: Alan Duxfield, Parks Assets Project Manager.



10 **CONTRACT NO. 10217 - WAITAKERE CITY PLAYGROUND MAINTENANCE- EXTENSION TO CONTRACT**

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to extend Contract No. 10217 - Waitakere City Playground Maintenance for a period of two and a half years.

BACKGROUND

Parks and Maintenance Services were awarded the Waitakere City Playground Maintenance Contract for a term of three years, from July 2001 to June 2004. They were awarded the contract based on their extremely competitive contract rates established through a public tendering process.

A further six month extension (to 31 December 2004) for this contract was approved by the Director: City Services following negotiating on a revised contract sum with Parks and Maintenance Services. The change in contract sum was to account for market increases and a change in the scope of works.

The scope of works for the contract has changed since 2001 to include the following

- the number of playgrounds maintained has increased from 118 playgrounds in 2001 to 140 playgrounds in 2004 due to new playgrounds being constructed;
- programmed playground inspections have increased from fortnightly inspections to weekly inspections for fifteen high profile/high use playgrounds to ensure safety and quality standards are not compromised;
- additional annual bark top ups to meet safety standards;
- allowance of \$5,000 per month for additional repairs/renewal of works over and above the programmed maintenance scope of the contract.

SCOPE OF WORK

The scope of works for this contract involves the programmed maintenance of the City's playgrounds, skate facilities, and basketball half courts. This specifically includes the following:

- a) Planning and programming of the Contract Works.
- b) Preparation of reports and compliance with a Quality Assurance Plan.
- c) Maintenance of safety surfacing.
- d) Litter, weed and debris removal.
- e) Repair and maintenance of all playgrounds and timber skate ramps.
- f) Repair and maintenance of basketball hoops, backings and poles.
- g) Inspections of playgrounds, basketball hoops and timber skate ramps.

ISSUES

The current contract with Parks and Maintenance Services is working well with good results. It is considered that there is benefit for Council in extending the Playground Maintenance Contract with Parks and Maintenance Services as they have consistently exceeded the contract performance measures and there have been no serious playground incidents associated with the contractor to date. Parks and Maintenance Services have carried out the contract to a high standard and it is preferable to use the same firm again for consistency and efficiency and to maintain continuity.

Parks and Maintenance Services have adopted a proactive approach to the contract works and have demonstrated:

- performance in service delivery;
- improvements in the quality of work;
- the ability to develop processes and systems to improve playground management;

- a familiarity with Waitakere City Playgrounds and Community;
- a close working relationship with Council;
- the ability to produce innovative ideas and solutions.

Benefits to Council:

- long term savings in quality solutions with reduced maintenance costs;
- introduction of known products with low maintenance costs;
- detailed safety record reduces risk to Council.

SUMMARY

Parks and Maintenance Services Limited have performed extremely well and quality standards have been high in the delivery of the contract. Accordingly it is recommended that the contract be extended for a further two and a half year period from 1 January 2005 to 30 June 2007.

JOB COSTS

	EXCL. GST
2004/2005 (6 months)	
Contract sum	\$149,443.00
Playground Renewals	\$ 15,162.70
Supervision	\$ 1,000.00
Contingency	<u>\$ 14,944.30</u>
Total Job Cost	\$180,550.00

	EXCL. GST
2005/2006 (12 months)	
Contract sum	\$298,886.00
Playground Renewals	\$ 30,325.40
Supervision	\$ 2,000.00
Contingency	<u>\$ 29,888.60</u>
Total Job Cost	\$361,100.00

	EXCL. GST
2006/2007 (12 months)	
Contract sum	\$298,886.00
Playground Renewals	\$ 30,325.40
Supervision	\$ 2,000.00
Contingency	<u>\$ 29,888.60</u>
Total Job Cost	\$361,100.00

SOURCE OF FUNDING

2004/2005 (6 months)

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Play Facilities	46-7618-27370	\$221,100	\$110,550	\$110,550	\$0
Play Facility Renewals	75-9823-27370	\$280,250	\$210,250	\$70,000	\$0
Total		\$501,350	\$320,800	\$180,550	\$0

2005/2006 (12 months)

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Play Facilities	46-7618-27370	\$221,100	\$0	\$221,100	\$0
Play Facility Renewals	75-9823-27370	\$280,250	\$140,250	\$140,000	\$0
Total		\$501,350	\$140,250	\$361,100	\$0

2006/2007 (12 months)

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Play Facilities	46-7618-27370	\$221,100	\$0	\$221,100	\$0
Play Facility Renewals	75-9823-27370	\$280,250	\$140,250	\$140,000	\$0
Total		\$501,350	\$140,250	\$361,100	\$0

RECOMMENDATIONS

1. That Contract No. 10217 - Waitakere City Playground Maintenance - Extension to Contract report be received.
2. That Contract No. 10217 - Waitakere City Playground Maintenance with Parks and Maintenance Services Limited be extended for two and a half years in the sum of \$747,215.00 plus \$93,401.87 GST, totalling \$840,616.87.
3. That the commitment to the 2005/2006 financial year for Contract No. 10217 -Waitakere City Playground Maintenance totalling \$361,100.00 plus GST be approved.
4. That the commitment to the 2006/2007 financial year for Contract No. 10217 -Waitakere City Playground Maintenance totalling \$361,100.00 plus GST be approved.
5. That authority to extend Contract No. 10217 - Waitakere City Playground Maintenance on behalf of Council be delegated to the Group Manager: Asset Management.

Report prepared by: Katharine Slack, Parks Projects Manager.



11 **CONTRACT NO. TA04521A - TE ATATU ROAD/OLD TE ATATU ROAD ROUNDABOUT**

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. TA04521A Te Atatu Road/Old Te Atatu Road Roundabout.

BACKGROUND

The Te Atatu Road/Old Te Atatu Road roundabout has been proposed to improve traffic safety, and access for the Harbour View and "Old Te Atatu Road" catchments.

LOCATION AND SCOPE OF WORK

The works are located on the Te Atatu Road / Old Te Atatu Road intersection, Te Atatu Peninsula in Waitakere City. The works are located within the road reserve.

The scope of work includes construction of a roundabout with associated road widening and approach islands at the intersection of Te Atatu Road and the Old Te Atatu Road, and to include an entrance for Harbour View.

The works include the following:

- clearing and earthworks;
- 170m of kerb and channel;
- traffic islands;
- 250m² of footpath;
- carriageway widening;
- surfacing;
- minor drainage;
- street lighting and planting.

TENDERS RECEIVED

Tenders were publicly advertised with three (3) set of documents being uplifted. Two (2) tenders were received by the closing date of 7 September 2004. This is summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (Excl. GST)
M Keoghnan Contractors	375 West Coast Road, Glen Eden, Auckland	\$311,174.00
HEB Contractors Ltd	PO Box 226, Dury, Auckland	\$331,293.45
Pre-tender contract estimate		\$ 242,158.50

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".

These procedures require that where the tender includes Provisional Sums (work valued by the Principal and placed within the Schedule of Prices) they are deducted from the Tender Sum prior to evaluating each tender.

In this contract there are no Provisional Sums.

The "Two envelope process" as described in Section 2.7 of the above manual was followed. Under this method, only the first tender envelope is opened and the non-price attributes evaluated for all tenders before the second envelope containing the tender price is opened, and the tender prices duly included in the evaluation.

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

Tender Evaluation	Attributes	Exper.	Track Record	Tech. Skill	Resour.	Manag. Skill	Method.	Price	Contract Number TA04521A
									Total Weights
	Weights	6	7	6	2	5	4	70	100
Tenderer	Tender Sum	Grades							INDEX
M Keoghan Contractors	\$311,174.00	78	80	70	73	66	60	53	59
HEB Contractors Ltd	\$331,293.45	80	74	72	78	73	77	47	55
Med.n Tender Price	\$321,233.73								

* Attribute grading as defined by Transit NZ in their CPP Tender Evaluation Manual Effective 1 March 1997

Table 2 - Summary of Tender Evaluation

M Keoghan Contractors Limited has completed several contracts for Waitakere City Council over the past two years. These have included a roundabout very similar to the one proposed, three kerb, channel and footpath construction projects and five retaining wall contracts. All contracts were carried out to a very good standard and the company are well regarded by Waitakere City Council staff for work quality and management skills.

TAGS, ERRORS OR OMISSIONS

There were no tags or omissions in any of the tenders received. One error in rate extensions was discovered in the Tender from M Keoghan Contractors Limited. It has been discussed with the contractor who has confirmed the Tender Sum.

CREDIT CHECK

A credit check of M Keoghan Contractors Limited dated 28 June 2004 reveals no adverse information.

SUMMARY

The result of the tender evaluation summarised in Table 2.1 show that the tender submitted by M Keoghan Contractors Limited achieved the highest index of 59. This tender is also the lowest priced tender.

In M Keoghan Contractors tender the site establishment, planting, and reinstatement price are higher while the civil construction prices are similar to those in the engineers estimate.

Although the proposed tender is \$69,000 greater overall, it is \$20,000 less than the only other tender.

M Keoghan Contractors Limited have proven to be capable contractors who work to a high quality standard with good communication and management and they are highly regarded by Waitakere City Council staff.

Due to the above analysis it is recommended that M Keoghan Contractors Limited tender be accepted.

As part of Council's vision, "Quality and Health & 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 - (M Keoghan Contractors Limited)	\$311,174.00
Contingency	\$ 31,000.00
Engineering & Supervision	\$ 15,725.00

Total Job Cost	<u>\$347,899.00</u>

SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Harbourview Park Ta Atatu Road	75-9880-47690	566,706	200,000	\$347,899	18,807

RECOMMENDATIONS

1. That the Contract No. TA04521A - Te Atatu Road/Old Te Atatu Road Roundabout report be received.
2. That the tender from M Keoghan Contractors Limited for Contract No. TA04521A - Te Atatu Road/Old Te Atatu Road Roundabout in the sum of \$311,174.00 plus \$38,896.75 GST, totalling \$350,070.75 be accepted.
3. That the authority to enter into Contract No. TA04521A - Te Atatu Road / Old Te Atatu Road Roundabout on behalf of Council be delegated to the Group Manager: Asset Management.

Report prepared by: Edwin Dearham, Principal Transport Engineer Construction.

