

NOTICE OF MEETING

TENDERS SUBCOMMITTEE

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

DATE: Friday 16 April 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.

PP 

13 April 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)

(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, 16 APRIL 2004,
COMMENCING AT 9.00 AM**

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CITY, ON FRIDAY, 16 APRIL 2004,
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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 - 26 March 2004

RECOMMENDATION

That the minutes of the Ordinary Meeting of the Tenders Subcommittee held on Friday, 26 March 2004, as circulated, be taken as read and now be confirmed.



4 CONTRACT NO. CC03 103A - CITYWIDE SECURITY SERVICES

PURPOSE OF THE REPORT

The purpose of the report is to seek the approval from the Tenders Subcommittee to award Contract No. CC03 103A - Citywide Security.

SCOPE OF WORK

The scope of work includes the following:

- provision of mobile patrols and an alarm response service to 33 Council owned or leased properties and facilities in Waitakere City;
- provision of escort services at set times for staff working late on a regular basis, such as Library Services staff and Call Centre staff as well as on-demand services for other Council staff working late from time to time;
- provision of on-call Static guards to attend at designated sites where Council functions and/or public meetings are being held;
- provision of a Cash in Transit service to collect cash, cheques and negotiable securities from designated premises at specified times, and the make-up and delivery of cash floats to the Solid Waste Transfer Station premises.

BACKGROUND

Following termination of the Contract with the previous contractor, it has been necessary to tender for citywide security services.

In January 2004 a Registration of Interest from prospective tenderers, for the provision of citywide security services was called for.

Following consideration of a report and approval from the Tenders Subcommittee on Friday, 13 February 2004, the following tenders were invited:

TENDERS RECEIVED

Tender	Registered Office	Price
Icon Security Group Limited	28b William Pickering Dr, Albany	\$717,900.00
CDP and Te Whanua O Waipareira Trust	320 Ti Rakau Dr, East Tamaki	\$1,167,591.50
Chubb Protective Services Limited	5 Howe St, Newton	\$658,128.67
Guardian Security Limited	9a Te Atatu Rd Te Atatu	Late Tender

Table 1 - Tenders Received

Three tenders were received by the tender closing time. The Guardian Security tender was received after the closing time of 4pm on the 12 March 2004. As such this tender was returned unopened to the tenderer as a later tender. It was therefore disqualified from the tender process.

TENDER EVALUATION

Registrants were generally evaluated in accordance with the "Weighted Attributes Method" contained in Transit New Zealand's "Manual of Competitive pricing Procedures". Following on from the issues with the previous tender it was felt by the evaluation team that the main weightings should be given to Customer Service, Methodology and Price as this should give Council a tender that is not only price driven but highly customer focused, with a clear methodology for providing the security services Council demands.

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

Tenders Evaluation		Exp	Cust Serv	Tech Skill	Res	Mgr Skills	Method	Price	ROI No. CC03 103A Total Weight
		10	20	10	10	10	20	20	
Tenders	Tender Sum	Grades							Index
CDP Security Ltd and The Te Whānau O Waipareira Trust	\$1,167,591.50	70	70	80	80	65	65	-19	53
Icon Security Group Ltd	\$717,900.00	80	85	80	80	80	85	46	75
Chubb Security Ltd	\$658,128.67	65	60	80	70	65	65	55	64
Guardian Security Ltd	Nil								Late Tender Disqualified

Table 2 - Evaluations

Using the Weighted Attributes Grading method, the evaluation was carried out by reviewing the tender documentation provided. As well as the tender documentation, each tenderer was given the opportunity to make a presentation to the evaluation team so that they could expand on their tender document and also allow the team to fully understand their proposals.

Each tender was assessed for customer service levels, the proposed methodology they intend to use for this contract and the price of the contract over the next three years. They were also assessed on their management team, technical skills, resources and their security experience with similar contract.

The evaluation team rates Chubb Security at 60 for customer service. This was due to Chubb's past poor performance with several Council contracts including the noise control contract. Chubb raised these issues as part of their submissions, but it was felt by the evaluation team that while they had acknowledged the issues and demonstrated a methodology for non-reoccurrence, they provided insufficient evidence of improvement in the customer service area to be rated higher than 60.

TAGS, ERRORS OR OMISSIONS

There are no tags, errors or omissions with the Icon or CDP tenders.

The Chubb tender had an error in that it only contained a one year contract price. This was addressed by Chubb Security and the correct three year price included with the tender. There were no tags or omissions.

CREDIT CHECK

A credit check was carried out on Icon Security Group Limited on Tuesday, 23 March 2004. No adverse credit issues were identified.

SUMMARY

Following the evaluation of the tender documents and the presentations from each of the tenderers by the evaluation team and carrying out the calculations within the weighted attributes method, the three companies rated as follows:

Company	Rating
Icon Security Group Limited;	75
Chubb Security Limited;	64
CDP and The Te Whanua O Waipareira Trust	53

Table 3 - Ratings

Icon Security while not the lowest price tender has shown in the evaluation process to be significantly ahead of the other tenderers when evaluated across all of the attributes. Icon have been providing security services to Council on an interim basis since the previous contract was terminated and Council staff have found that the level of service provided has met expectations.

As part of the contract to cover any variations to service needs that may take place during construction and occupation of Waitakere Central it is stated as per part B section 2.2.1 of the contract document:

"The Council may order any variations on the services that:

- (a) Increase or decrease the quantity of services.*
- (b) Omit any services, whether or not such services omitted are carried out by a separate contractor.*
- (c) Change the character or quality of services.*
- (d) Require additional services to be done, or be added to or removed from the scope of the contract agreement."*

SOURCE OF FUNDS

Funding has been provided for in the Annual Plan for the total cost of this contract as part of the security arrangements.

RECOMMENDATIONS

1. That Contract No. CC03 103A - Citywide Security Services be received.
2. That the tender for Contract No. CC03 103A - Citywide Security Services be awarded to other than the lowest priced tender, because the weighted attributes tender evaluation method requires the tendering authority to enter into a contract with the tenderer that scores the highest overall index.
3. That the tender for Contract No. CC03 103A - Citywide Security Services for the period of 1 May 2004 to 30 April 2007 be awarded to Icon Security Group Limited in the sum of \$717,900.

4. That the authority to enter into Contract No. CC03 103A - Citywide Security Services on behalf of Council be delegated to the Director: Corporate & Civic Services.

Report prepared by: Warren Cornor, Security Manager.

