



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** **25 June 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.

18 June 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, 25 JUNE 2004,
COMMENCING AT 9.00 AM**

TABLE OF CONTENTS

<u>ITEM</u>		<u>PAGE NO.</u>
1	APOLOGIES	1
2	URGENT BUSINESS	1
3	CONFIRMATION OF MINUTES	1
4	PROFESSIONAL SERVICES CONTRACT NO. FS 04002 - DANGEROUS GOODS SERVICES 2004/2005	2
5	CONTRACT NO. FS04004 - AFTER HOURS NOISE CONTROL 2004/2005	5
6	CONTRACT NO. TA04501B - SIGNS MAINTENANCE CONTRACT 2004/2005	8
7	CONTRACT NO. TA04502B - ROAD RE-MARKING AND RAISED PAVEMENT MARKERS 2004/2005	12

**AGENDA FOR AN ORDINARY MEETING OF THE TENDERS SUBCOMMITTEE
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WAITAKERE CITY, ON FRIDAY, 25 JUNE 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 - Friday, 11 June 2004

RECOMMENDATION

That the minutes of the Ordinary Meeting of the Tenders Subcommittee held on Friday, Friday, 11 June 2004, as circulated, be taken as read and now be confirmed.



4 **PROFESSIONAL SERVICES CONTRACT NO. FS 04002 - DANGEROUS GOODS SERVICES 2004/2005**

PURPOSE OF THE REPORT

To gain approval from the Tenders Subcommittee to commit expenditure in the 2004/2005 financial year in order to award Professional Services Contract No. FS 04002 - Dangerous Goods Services 2004/2005.

BACKGROUND

For the last three years Council has been contracting out its inspection and advice requirements in relation to dangerous goods as Council's responsibilities under the full implementation of the Hazardous Substances and New Organisms Act (HSNO) were projected to decrease significantly.

With the end of the transition period of Hazardous Substances and New Organisms Act (31.3.04) all licensing and associated inspections of dangerous goods handling and storage facilities by Council have ceased. While Council's requirement for professional dangerous goods input is much reduced under Hazardous Substances and New Organisms Act a small contract is still required to meet the statutory requirements that remain. The contract is required to deliver the following:

- provide immediate response to emergency callouts i.e. chemical fire, spill, etc and where necessary provide technical advice and physical response to mitigate the effects of an incident involving hazardous substances in public space;
- provide Council with a technical overview of building consent applications;
- provide professional advice regarding LIM and PIM reports.

As this is the first year of Hazardous Substances and New Organisms Act after the end of transition period there is still some uncertainty associated with the specific requirements of Territorial Local Authorities under Hazardous Substances and New Organisms Act and this is reflected in the contingency sum of the contract.

TENDERS RECEIVED

Tenders were publicly advertised on Wednesday, 14 April 2004 and Saturday, 17 April 2004. Two tenders were received by the closing date of Tuesday, 11 May 2004. These are summarised in table 1 below:

TENDERER	REGIONAL OFFICE	TENDER PRICE (EXCL. GST)
Hazardous Substances Inspection Services Limited.	Auckland	\$24,520.00
T.J Moorhouse trading as: Sentinel Safety and Security	Auckland	\$38,929.00
Pre-tender contract estimate		\$28,129.00

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	Relevant Experience	Track Record	Technical Skills	Management Skills	Methodology	Price	Total Weight
	Weight	20	10	10	10	10	40	100
Tenderer	Tender Sum	Grades						Index
Index Hazardous Substances Inspection Services	\$24,520	65	60	65	60	50	73	66
Sentinel Safety and Security	\$38,929	80	65	65	60	50	27	51
Engineers Estimate	\$28,129							

Attribute grading as defined by Transit NZ in their CCP Tender Evaluation Manual

Table 2 - Summary of Tender Evaluation

All of the tenderers have carried out work of a similar nature and have the experience and skills required to provide the dangerous goods services sought by Waitakere City Council.

Hazardous Substances Inspection Services Limited, the lowest priced tenderer is currently providing similar dangerous goods services to both Auckland City Council and North Shore City Council.

TAGS, ERRORS OR OMISSIONS

There were no tags contained in the tender submitted by Hazardous Substances Inspection Services Limited however, it did contain errors relating to two provisional items and an item for the provision of technical advice. Clarification was obtained from the tenderer.

There were no tags contained in the tender submitted by T.J Moorhouse trading as: Sentinel Safety and Security however it did contain one error. Clarification was obtained from the tenderer. Both tenders remain open for acceptance.

CREDIT CHECK

A credit check dated 4 June 2004 revealed no adverse information.

SUMMARY

The result of the tender evaluation, as summarised in Table 2, shows that the tender submitted by Hazardous Substances Inspection Services Limited achieved the highest index value of 66. This tenderer has the lowest priced tender and has the relevant experience and expertise to undertake the contract services to the required standards.

JOB COSTS

	<u>EXCL. GST</u>
Tender Sum - Hazardous Substances	
Inspection Services Limited	\$24,520
Contingency	\$ 5,000

Total Job Cost	\$29,520

SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance (shortfall)
Dangerous Goods	37-5730- 38590-333	\$16,500	Nil	\$16,500	\$13,020

Shortly before going out to tender it became apparent that the market for dangerous goods services commanded a higher price than had been anticipated at the time of the draft Annual Plan. Consequently \$20,000 has been recommended as an additional amount for the 2004/2005 Annual Plan for consideration by the Long Term Council Community Plan and Annual Plan Special Committee.

RECOMMENDATIONS

1. That the Professional Services Contract No. FS04002 - Dangerous Goods Services 2004/2005 report be received.
2. That the tender from Hazardous Substances Inspection Services Limited for Professional Services Contract No. FS04002 - Dangerous Goods Services 2004/2005 in the sum of \$24,520 plus \$3,065 GST, totalling \$27,585 be accepted.
3. That authority to enter into Professional Services Contract No. FS04002 - Dangerous Goods Services 2004/2005 on behalf of Council be delegated to the Manager: Field Services.
4. That a commitment against the 2004/2005 financial year, for a 12-month contract to a maximum value of \$27,585 inclusive of GST be approved.
5. That authority be given to the Manager: Field Services to extend the contract for a further 12 months, subject to the satisfactory performance of the contractor and mutual agreement on rates to apply to the extended term of contract.
6. That the Tenders Subcommittee commits the resulting unallocated balance of \$6,980 to this project as an additional contingency due to the uncertainty associated with operating in the first year after the end of the transitional period of Hazardous Substances and New Organisms Act.

Report prepared by: Max Wilde, Manager: Field Services.



5 CONTRACT NO. FS04004 - AFTER HOURS NOISE CONTROL 2004/2005

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. FS04003 - After Hours Noise Control 2004/2005.

BACKGROUND

The successful tenderer will be required to provide enforcement officers to respond to and resolve, after hours noise complaints received by Council's Call Centre, including responsibility for the seizure of noise emitting devices, the disconnection of faulty alarm systems causing excessive noise and the gathering of evidence for the issue of noise infringement notices by Council.

The contract will commence on 1 July 2004 and run for a period of 12 months until 1 July 2005, with a potential right of renewal for 12 months through to 1 July 2006 subject to the satisfactory performance of the contractor and agreement on rates.

The current incumbent supplier of after hours noise control services, Armourguard Security Limited, declined to submit a tender for this contract.

TENDERS RECEIVED

Tenders were publicly advertised on Monday, 17 May 2004 and Monday, 19 May 2003. One tender was received by the closing date of Tuesday, 1 June 2004 and is summarised in Table 1 below:

TENDERER	REGIONAL OFFICE	TENDER PRICE (EXCL. GST)
Icon Security Group Limited	Auckland	\$222,975.00
Pre-tender contract estimate		\$189,913.00

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	Relevant Experience	Track Record	Technical Skills	Management Skills	Methodology	Price		Total Weight
	Weight	20	20	15	5	10	30		100
Tenderer	Tender Sum	Grades							Index
Icon Security Group Limited	\$222,975.00	70	75	75	75	80	33		62
Engineers Estimate	\$189,913.00								

Table 2 - Summary of Tender Evaluation

The tender sum outlined above is only a guide to the likely total cost to Council, as the contractor will be paid on a per call-out performance basis and per-seizure and per alarm disconnection basis.

Calculation of the engineers estimate was based on the estimated quantity of work under the contract, the charges levied by the current contractor, and a factor to account for inflation.

For the purpose of comparison, and in accordance with the tender document, the tender prices are based on an estimated quantity of 5030 noise complaints attended, 70 seizures of equipment and 32 alarm disconnections per year. These estimated quantities are based on current trends in complaints received; however, in practise there is no way of accurately forecasting how many noise related call-outs will actually occur.

Icon Security Group Limited currently provides security services to Waitakere City Council, Watercare Services, Carter Holt Harvey and Unitec. Reference checks confirmed that Icon Security Group Limited is competent and reliable in the professional delivery of timely customer-focussed security related enforcement services.

Although Icon Security Group does not currently provide noise control services, it has considerable management and operational experience and expertise in providing a wide range of security services, including noise control.

Icon Security Group Limited already provides training to its personnel in conflict resolution and personal safety and security, and does not see any barriers to providing a swift, effective and specific course in noise control. Council officers will provide assistance in the provision of such noise control training.

TAGS, ERRORS OR OMISSIONS

There were no tags, errors or omissions were identified in the tender.

CREDIT CHECK

A credit check dated 10 June 2004 revealed no adverse information.

SUMMARY

The tender submitted by Icon Security Group Limited is the sole tender received for this contract.

Icon Security Group Limited is a stable company with relevant experience and a very good track record in the provision of security services. Icon Security has the resources and management skills required to meet required performance standards of this contract.

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

The estimated job costs are outlined below and are based on:

- the rates tendered;
- estimated quantities of 5030 Requests For Service, 70 Seizures of equipment and 32 Alarm Disconnections within the 12-month period of this contract.

EXCL. GST

Tender sum - Icon Security Group Limited	\$222,975.00

Total Estimated Job Cost	\$222,975.00

SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Draft Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance (Shortfall)
Contract Payments	37-5730-38600-280	\$173,000.00	Nil	\$173,000.00	\$49,975.00

\$50,000.00 has been recommended as an additional amount for the 2004/2005 Annual Plan for consideration by the Long Term Council Community Plan and Annual Plan Special Committee.

RECOMMENDATIONS

1. That the Contract No. FS04004 - After Hours Noise Control 2004/2005 report be received
2. That the tender from Icon Security Group Limited for Contract No. FS04003 - After Hours Noise Control 2004/2005 in the sum of \$222,975.00 plus \$27,871.88 GST, totalling \$250,846.88 be accepted.
3. That authority to enter into Contract No. FS04003 After - Hours Noise Control 2004/2005 on behalf of Council be delegated to the Director: City Services.

4. That a commitment against the 2004/2005 financial year, for a 12-month contract to a maximum value of \$250,846.88 inclusive of GST be approved.
5. That authority be given to the Director: City Services to extend the contract for a further 12 months, subject to the satisfactory performance of the contractor and mutual agreement on rates to apply to the extended term of contract.

Report prepared by: Alan Ahmu, Team Manager Environmental Compliance.



6 **CONTRACT NO. TA04501B - SIGNS MAINTENANCE CONTRACT 2004/2005**

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. TA04501B - Signs Maintenance Contract 2004/2005

BACKGROUND

This contract forms part of Council's asset maintenance and renewal programmes as provided for in the 2004/2005 Annual Plan and specifically the maintenance of road signs throughout the city.

SCOPE OF WORK

The scope of work includes the maintenance and installation of new signs where required within Waitakere City. The Contract to be awarded is either a twelve month option ending 30 June 2005 or a thirty six month option ending 30 June 2007. Each option allows for the term to be extended by a twelve month period plus a further twelve month period, each period at the sole discretion of Council dependant upon the Contractor's performance.

The extent of road signs to be maintained includes, but is not limited to, the following:

- A comprehensive maintenance and installation service, covering traffic signs, hazard markers, miscellaneous amenity and information signs within the legal road reserve, and on nominated Council Car Parks within the City, following inspection reports, Request for Service and other action requests;
- Safety surveys;
- The maintenance of computerised inventory and activity to RAMM and other systems.

TENDERS RECEIVED

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

TENDERER	REG OFFICE	TENDER PRICE (EXCL. GST) Twelve month option	TENDER PRICE (EXCL. GST) Thirty Six month option
Directions Limited	Glenfield	\$279,730.70	\$834,951.50
Spray Marks NZ Limited	Tauranga	\$486,647.00	\$1,452,235.00
Pre-tender contract estimate		\$372,120.00	\$1,109,455.00

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 (work valued by the Principal and placed within the Schedule of Prices) they are deducted from the Tender Sum prior to evaluating each tender. These procedures also require that a Qualified Tender Evaluator be included within the evaluation panel since the tender sum for physical works is in excess of \$100,000. One Qualified Tender Evaluator was included.

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 2A and 2B:

Tender Evaluation	Attributes	Exper.	Track Record	Tech. Skill	Resour.	Manag. Skill	Method.	Price	Contract Number TA04501B Option 1
									Total Weights
	Weights	6	6	6	2	5	5	70	100
Tenderer	Tender Sum	Grades							INDEX
Directions Limited	\$279,730.70	86	80	81	84	83	81	77	79
Spray Marks NZ Limited	\$486,647.00	46	71	47	42	60	55	23	33
Med.n Tender Price	\$383,188.85								

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

Table 2A - Option 1: Twelve Month Contract Period

Tender Evaluation	Attributes	Exper.	Track Record	Tech. Skill	Resour.	Manag. Skill	Method.	Price	Contract Number TA04501B Option 2
									Total Weights
	Weights	6	6	6	2	5	5	70	100
Tenderer	Tender Sum	Grades							INDEX
Directions Limited	\$834,951.50	86	80	81	84	83	81	77	79
Spray Marks NZ Limited	\$1,452,235.00	46	71	47	42	60	55	23	33
Med.n Tender Price	\$1,143,593.25								

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

Table 2B - Option 2: Thirty Six Month Contract Period

A comparison of the weighted attribute indices in Table 2A and Table 2B demonstrates that Directions Limited ranked higher in both Option 1 and Option 2. Directions Limited has the lower tender price for each option.

Option 2 offers a saving to Council of \$4,240 during the thirty six months compared to Option 1. Additionally annual tendering costs of approximately \$5,000 per year plus annual inflation costs of approximately \$5,600, based on 2% inflation, will be saved giving a total saving to Council over the three year period of \$25,440.

There are also benefits such as continuity of work, development of working relationships, long-term “ownership” of the network and forward work programming that have an indirect cost and quality implication that can be gained from entering into a longer-term contract with a contractor that Council is familiar with and has performed to a good standard.

It is therefore recommended that the Option 2 contract be awarded and, on the satisfactory performance of this tenderer, and at the discretion of Waitakere City Council, two further 12 month extensions (reviewed annually) to the contract be offered. This has been allowed for in the Tender.

TAGS, ERRORS OR OMISSIONS

No tags, errors or omissions were found in the tenders.

CREDIT CHECK

A credit check of Directions Limited dated 8 June 2004 revealed no adverse information.

SUMMARY

The results of the tender evaluation as summarised in Table 2A and Table 2B shows that the tenders submitted by Directions Limited achieved the higher index of 79 for both Option 1 and Option 2. Directions Limited have the lowest tender sum for each option.

Directions Limited is the current Signs Maintenance Contractor. Directions Limited has held this contract for the past five years and has carried out the contract works to an acceptable standard. Directions Limited is familiar with Council’s procedures and contract specifications and has developed a good working relationship with Council staff.

There are cost savings for Council in awarding Option 2 in preference to Option 1.

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>EXCL. GST</u>
Tender sum - (Option 2), Directions Limited	\$834,951.50
Contingency	\$85,000.00
Engineering & Supervision	\$108,000.00
Total Job Cost	\$1,027,951.50

SOURCE OF FUNDING

Budget Description 2004/2005 LTCCP Annual Plan	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance
Signs Maintenance	46-7150-24540-280	320,000	11,000	307,000	1,000
Traffic Services - Professional Services	46-7150-24360-132	114,000	90,000	24,000	0.00
Traffic Services Signs	46-7154-24570-132	320,000	307,000	12,000	1,000
	Sub Total			343,000	
Required 2005/2006 LTCCP Funding				343,000	
Required 2006/2007 LTCCP Funding				343,000	
	Sub Total - Option 2			\$1,029,000	
2006/2007 LTCCP Funding Required (only on approval of contract extension).				350,000	(2% increase in contract sum)
2007/2008 LTCCP Funding Required (only on approval of contract extension)				357,000	(2% increase in contract sum)

RECOMMENDATIONS

1. That the Contract No. TA04501B - Signs Maintenance Contract 2004/2005 report be received.
2. That the tender from Directions Limited for Option 2 (thirty six months period) for Contract No. TA04501B - Signs Maintenance Contract 2004/2005 in the sum of \$834,951.50 plus \$104,368.93 GST, totalling \$939,320.43, be accepted.
3. That the commitment to the 2004/2005 Annual Plan of \$343,000 plus GST for Contract No. TA04501B - Signs Maintenance Contract 2004/2005, be approved.

4. That the commitment to the 2005/2006 Annual Plan of \$343,000 plus GST and to the 2006/2007 Annual Plan of \$343,000 plus GST, be approved.
5. That authority to enter into Contract No. TA04501B - Signs Maintenance Contract 2004/2005 on behalf of Council be delegated to the Group Manager: Asset Management.
6. That authority to extend Contract No. TA04501B - Signs Maintenance Contract 2004/2005 beyond 30 June 2007 on an annual basis until 30 June 2009 based on the satisfactory performance by the contractor be delegated to the Director: City Services.

Report prepared by: Ara Ovanessoff, Principal Transport Engineer, Asset Maintenance, Transport Assets.



7 CONTRACT NO. TA04502B - ROAD RE-MARKING AND RAISED PAVEMENT MARKERS 2004/2005

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. TA04502B - Road Re-Marking and Raised Pavement Markers 2004/2005.

BACKGROUND

This contract forms part of Council's asset maintenance and renewal programmes as provided for in the 2004/2005 Annual Plan and specifically annual re-marking program of existing markings and raised pavement markers. In addition, the contract allows to create new markings where instructed.

SCOPE OF WORK

The scope of work includes the annual re-marking of existing road markings and installation of new road marking work where required within Waitakere City. The Contract is for a period of twelve months ending 30 June 2005. The contract allows for the term to be extended by a further twelve month period (to 30 June 2006) plus another twelve months (to 30 June 2007), each 12 month period solely at Council's discretion based on the satisfactory performance of the Contractor.

The extent of marking to be maintained includes, but is not limited to, the following:

- Routine annual programme of works including the re-marking of existing road markings and replacement of faulty raised pavement markers.
- Ordered works identified and issued to the contractor by the Engineer including the following:
 - new road markings and raised pavement markers on request;
 - removal of existing road markings and raised pavement markers on request.

TENDERS RECEIVED

Tenders were publicly advertised with five sets of documents being uplifted. Three tenders were received by the closing date of 25 May 2004. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (EXCL. GST) One Year Contract
Coastline Roadmarkers Ltd	Whangarei	\$355,612.80
Spray Marks NZ Ltd	Tauranga	\$417,289.00
Caplin Group Ltd	Avondale	\$1,190,512.71
Pre-tender contract estimate		\$430,119.95

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. These procedures also require that a Qualified Tender Evaluator be included within the evaluation panel since the tender sum for physical works is in excess of \$100,000. One Qualified Tender Evaluator was included.

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 TA04502B
									Total Weights
	Weights	6	6	6	2	5	5	70	100
Tenderer	Tender Sum	Grades							INDEX
Coastline Roadmarkers Limited	\$355,612.80	77	75	79	74	75	75	65	68
Spray Marks NZ Limited	\$417,289.00	85	78	80	78	77	76	50	59
Caplin Group Limited	\$1,190,512.71	79	74	78	80	77	79	-135	-71
Med.n Tender Price	\$417,289.00								

Table 2 - Summary of Tender Evaluation

TAGS, ERRORS OR OMISSIONS

The tender submitted by Coastline Roadmarkers Limited contained a summation error. They have acknowledged this error and confirmed in writing that the tender sum is to remain. The tender submitted by Caplin Group Limited also contained a summation error. This error has not been addressed with this tenderer as it does not affect the outcome of the tender evaluation process.

There were no other tags, errors or omissions.

CREDIT CHECK

A credit check on Coastline Roadmarkers Limited dated 8 June 2004 revealed no adverse information.

SUMMARY

The results of the tender evaluation as summarised in Table 2 show that the tender submitted by Coastline Roadmarkers Limited achieved the highest index of 68. This tender is also the lowest priced tender.

Coastline Roadmarkers Limited is a specialist road-marking contractor with 21 years experience.

Coastline Roadmarkers Limited has experience working on Transit New Zealand State Highway and Motorway contracts. They also hold road marking contracts similar to the Waitakere City contract in Thames/Coromandel, Tauranga and Whangarei District Councils. Referees from these areas have been sought and good references have been received. Coastline Roadmarkers Limited is familiar with Local Authority procedures and contract specifications and has developed good working relationships on their current contracts.

Coastline Roadmarkers Limited have confirmed in writing that they have the resources available to complete all the requirements of this contract.

It is recommended that, on the satisfactory performance of this tenderer, and at the discretion of Council, two further 12 month extensions (reviewed annually) to the contract be offered. This has been allowed for in the 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

	<u>EXCL. GST</u>
Tender - Coastline Roadmarkers Limited	\$355,612.80
Contingency	\$ 36,000.00
Engineering & Supervision	\$ 31,000.00

Total Job Cost	\$422,612.80

SOURCE OF FUNDING

Budget Description (from Annual Plan line item) 2004/2005 LTCCP	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance
Traffic Facilities -Road Marking	46-7150-24530-280	\$480,000	\$51,000	\$392,000	\$37,000
Professional Services	46-7150-24510-132	\$114,000	\$94,000	\$20,000	0
Professional Services	46-7150-24530-132	\$480,000	\$432,000	\$11,000	\$37,000
	Subtotal 2004/2005			\$423,000	
2005/2006 LTCCP Annual Plan (only on approval of contract extension)	Subtotal			\$430,000	
2006/2007 LTCCP Annual Plan (only on approval of contract extension)	Subtotal			\$437,000	
	Total			1,290,000	

RECOMMENDATIONS

1. That the Contract No. TA04502B - Road Re-Marking and Raised Pavement Markers 2004/2005 report be received.
2. That the tender from Coastline Roadmarkers Limited for Contract No. TA04502B - Road Re-Marking and Raised Pavement Markers 2004/2005 in the sum of \$355,612.80 plus \$44,451.60 GST, totalling \$400,064.40, be accepted.
3. That the commitment of \$423,000.00 plus GST to the 2004/2005 Annual Plan for Contract No. TA04502B - Road Re-Marking and Raised Pavement Markers 2004/2005, be approved.
4. That the commitment of \$430,000.00 plus GST to the 2005/2006 Annual Plan and \$437,000.00 plus GST to the 2006/2007 Annual Plan respectively for Contract No. TA04502B - Road Re-Marking and Raised Pavement Markers 2004/2005, totalling \$867,000.00 plus GST, be approved.
5. That authority to enter into Contract No. TA04502B - Road Re-Marking and Raised Pavement Markers 2004/2005 on behalf of Council is delegated to the Group Manger: Asset Management.
6. That authority to extend Contract No. TA04502B - Road Re-Marking and Raised Pavement Markers 2004/2005 beyond 30 June 2005 on an annual basis until 30 June 2007 based on the satisfactory performance by the contractor be delegated to the Group Manager: Asset Management.

Report prepared by: Ara Ovanessoff, Principal Transport Engineer, Asset Maintenance.

