



Waitakere City Council  
*Te Taiao o Waitakere*

## NOTICE OF MEETING

# TENDERS SUBCOMMITTEE

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

**DATE:**        **Friday**                    **4 February 2005**                    **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.

27 January 2005

Ngareta Delamere  
**COMMITTEE SECRETARY**

Telephone (09) 836 8000 extn 8552

### **MEMBERSHIP:**

Councillors    JM        Clews, QSO, JP (Chairperson)  
                  RI        Clow (Deputy Chairperson)

Chief Executive

Director: City Services

Director: Corporate & Civic Services

Director: Strategy & Development

Director: Quality Assurance

Director: Finance

Maori Issues Manager

Mayor RA 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 A MEETING OF THE TENDERS SUBCOMMITTEE TO BE HELD IN THE  
CIVIC CENTRE, 6 WAIPAREIRA AVENUE, LINCOLN, WAITAKERE CITY,  
ON FRIDAY, 4 FEBRUARY 2005, COMMENCING AT 9.00 AM**

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**AGENDA FOR A MEETING OF THE TENDERS SUBCOMMITTEE TO BE HELD IN THE  
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ON FRIDAY, 4 FEBRUARY 2005, COMMENCING AT 9.00 AM**

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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 Committee 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 Committee 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**

Meeting Minutes - 17 December 2004

**RECOMMENDATION**

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



4 **CONTRACT NO. PK03675A - WAIKUMETE CEMETERY ANZAC GRAVES ROAD UPGRADING**

**PURPOSE OF THE REPORT**

The purpose of this report is to seek approval to award Contract No. PK03675A - Waikumete Cemetery Anzac Graves Road Upgrading.

**BACKGROUND**

This work is required as a maintenance upgrade funded from the War Graves Commission for work to the roading in the "Soldier's Graves" area of Waikumete Cemetery.

**SCOPE OF WORK**

This contract is for the upgrading of several roads in the older servicemen's areas, all within Waikumete Cemetery.

The work includes the following items:

- a) Installation and maintenance of temporary traffic control.
- b) Installation of kerb and channels.
- d) Installation of edge strip (where required).
- c) Installation of under channel drainage.
- d) Installation of cesspits and outlet pipes.
- e) Road pavement construction.
- f) Road shape correction.
- g) Machine laid asphaltic concrete surfacing.
- h) Minor storm water works.

**TENDERS RECEIVED**

Tenders were publicly advertised with three sets of documents being uplifted. Two tenders were received by the closing date of 21 December 2004. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
Auckland Civil Limited	PO Box 100 441 NSMC	\$303,343.20
HEB Contractors Limited	PO Box 226, Drury, Auckland	\$593,445.22
Pre-tender contract estimate		\$309,355.00

**Table 1 - Summary of Tender Prices**

**TENDER EVALUATION**

Tenders were evaluated in accordance with Council's Procurement Manual using the single envelope weighted attribute method. The Tenderers attributes 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. There are no Provisional Sums in this contract.

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 PK03675A
									Total Weights
	<b>Weights</b>	<b>10</b>	<b>15</b>	<b>10</b>	<b>2</b>	<b>8</b>	<b>5</b>	<b>50</b>	<b>100</b>
Tenderer	Tender Sum	Grades							INDEX
Auckland Civil Ltd.	\$303,343.20	80	75	78	75	70	65	82	79
HEB Contractors Ltd	\$593,445.22	75	74	72	78	75	85	18	46
<b>Med.n Tender Price</b>	\$448,394.21								

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

**Table 2 - Summary of Tender Evaluation**

Auckland Civil Limited have carried similar road upgrading work within Waikumete Cemetery for the previous three (3) years to a good standard, on time, and to budget. Their nominated personnel are the same as for the previous contracts. They also have a good record with other Waitakere City Council contracts.

### TAGS, ERRORS OR OMISSIONS

There were no tags, errors or omissions.

### CREDIT CHECK

A credit check dated 11 October 2004 on Auckland Civil Limited revealed no adverse information.

### SUMMARY

The results of the tender evaluation as summarised in Table 2 shows that the tender submitted by Auckland Civil Limited achieved the highest index of 79. This tender is also the lowest priced Tender.

As part of Council's contracting process "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 - Auckland Civil Limited	\$303,343.20
Contingency	\$ 30,000.00
Engineering & Supervision	\$ 30,000.00
	-----
Total Job Cost	\$363,343.20

### SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
City Enterprises Cemetery Capital Works - Upgrade ANZAC Graves' Paths	75-9525-49770	\$375,000	NIL	\$363,343.20	\$11,656.80

## **RECOMMENDATIONS**

1. That the Contract No. PK03675A - Waikumete Cemetery ANZAC Graves Road Upgrading report be received.
2. That the tender from Auckland Civil Limited for Contract: No. PK03675A - Waikumete Cemetery Anzac Graves Road Upgrading in the sum of \$303,343.20 plus \$37,917.90 GST, totalling \$341,261.10 be accepted.
3. That authority to enter into Contract No. PK03675A - Waikumete Cemetery Anzac Graves Road Upgrading on behalf of Council be delegated to the Group Manager: Asset Management.

Report prepared by: Martin Cockitt, Engineer Project Services.



## **5 CONTRACT NO. EW04 140C - PROJECT TWIN STREAMS SUPPLY OF ECOSOURCED PLANTS FOR THE 2005 PLANTING SEASON**

### **PURPOSE OF THE REPORT**

The purpose of this report is to seek approval to award Contract No. EW04 140C - Project Twin Streams Supply of Ecosourced Plants for the 2005 Planting Season.

### **BACKGROUND**

In order to fulfil the Project Twin Streams revegetation programme as provided for by Infrastructure Auckland funding, a large supply of ecosourced plants is required. Council currently has an existing contract for the supply of plants for the Oratia catchment. However, this contract does not provide sufficient numbers of plants to meet the requirements for the 2005 planting season.

Prior discussions with Techscape Limited had established that this company was unable to supply all the plant species required by Project Twin Streams. To ensure security of supply and reduce risks of plant loss at the nursery, the type and amount of plants required were separated into two contracts. Approval was obtained from the Tenders Subcommittee on 3 December 2004 to invite a tender from Techscape Limited and Oratia Native Plant Nursery, as follows:

1. *That the Contract No. EW04140C - Project Twin Streams Ecosourced Plant Supply Contract report be received.*
2. *That approval be given to negotiate contracts with Techscape Limited and Oratia Native Plant Nursery for the supply of ecosourced plants for 2004/2005 and 2005/2006 with reporting back to the Tenders Subcommittee for approval to enter into these contracts.*

2217/2004

## SCOPE OF WORK

The contract includes the following:

- to propagate and supply eco-sourced plants and trees of specified size and species to selected sites for Project Twin Streams;
- to deliver the plants at the specified time of planting days to locations within the Project Twin Streams catchments as advised, and to collect any trees/shrubs unable to be planted by the end of that day.

## TENDERS RECEIVED

One (1) Tender was invited from Techscape Limited. A tender was received from Techscape Limited by the closing date of 21 December 2004. This is summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
Techscape Limited	Private Bag 302 909, North Harbour. Auckland	\$97,420.00
Pre-tender contract estimate		\$105,000

**Table 1: Summary of Tender Prices**

## TENDER EVALUATION

The tender was evaluated on the basis of price and conformance with the scope of works.

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 the value of Provisional Sums is \$5,000.00.

## SUMMARY OF TENDER EVALUATION

The tender provided by Techscape Limited is competitively priced, based on similar contracts that have been awarded by the Council recently, and taking into account recent increases in costs of plant supply and delivery due to increased costs of materials in the nursery industry. However, Techscape Limited are unable to supply eleven (11) species of plants, totalling 9,625 plants, due to a lack of seed sources at this time of the year. Techscape Limited has been providing ecosourced plants to the Council for several years now, and has a proven track record in terms of service delivery and quality. The company has an extensive nursery which has the capacity to supply large quantities of plants of a large range of native plant species. Techscape Limited also has access to highly knowledgeable and skilled staff in this field. Techscape Limited is the current supplier for the Council's Parks department, with a contract to supply substantial numbers of plants from 2003 to 2007.

## TAGS, ERRORS OR OMISSIONS

There were no tags in the tender submitted by Techscape Limited. However, Techscape Limited are unable to supply eleven (11) species of plants, totalling 9,625 plants.

## CREDIT CHECK

Techscape Limited is a 50% owned subsidiary of Waitakere City Holdings Limited and financial and operational performance is monitored by that entity.

## SUMMARY

Techscape Limited has provided a very competitive tender, based on similar contracts recently awarded by the Council. Techscape Limited has extensive resources, including large capacity nurseries and highly skilful staff. Techscape Limited is unable to supply some of the items required in their tender, due to the unavailability of seed sources at this time of the year.

Techscape Limited is an existing supplier of native, ecosourced plants to the Council and has satisfactorily provided similar services in the past.

As part of Council's contracting process "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

### 2004/2005 Year

	<u>EXCL. GST</u>
Tender sum - (Contract No. EW04 140C)	\$48,710.00
Contingency	Nil
	-----
Total Job Cost	\$48,710.00

## SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to this Project	Unallocated Balance
	85-9815-63870-280	\$15,450,000	\$1,501,172	\$48,710.00	\$13,900,118.00

### 2005/2006 Year

	<u>EXCL. GST</u>
Tender sum - (Contract No. EW04 140C)	\$48,710.00
Contingency	Nil
	-----
Total Job Cost	\$48,710.00

## Source of Funding

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to this Project	Unallocated Balance
	85-9815-63870-280	\$15,450,000	\$1,501,172	\$48,710.00	\$13,900,118.00

## **RECOMMENDATIONS**

1. That the Contract No. EW04 140C - Project Twin Streams Supply of Ecosourced Plants for the 2005 Planting Season report be received.
2. That the tender from Techscape Limited for Contract No. EW04 140C - Project Twin Streams Supply of Ecosourced Plants for the 2005 Planting Season in the sum of \$97,420.00 plus \$12,177.50 GST, totalling \$109,597.50 be accepted.
3. That the commitment to the 2005/2006 financial year for Contract No. EW04 140C - Project Twin Streams Supply of Ecosourced Plants for the 2005 Planting Season totalling \$48,710.00 plus GST be approved.
4. That authority to enter into Contract No. EW04 140C - Project Twin Streams Supply of Ecosourced Plants for the 2005 Planting Season on behalf of Council be delegated to the Group Manager: Asset Management.

Report prepared by Anil Karan, Project Co-ordinator Environmental (Sustainable Engineering)



## **6 CONTRACT NO. EW04 140D - PROJECT TWIN STREAMS SUPPLY OF ECOSOURCED PLANTS FOR THE 2005 PLANTING SEASON**

### **PURPOSE OF THE REPORT**

The purpose of this report is to seek approval to award Contract No. EW04 140D - Project Twin Streams Supply of Ecosourced Plants for the 2005 Planting Season.

### **BACKGROUND**

In order to fulfil the Project Twin Streams revegetation programme as provided for by Infrastructure Auckland funding, a large supply of ecosourced plants is required. Council currently has an existing contract for the supply of plants for the Oratia catchment. However, this contract does not provide sufficient numbers of plants to meet the requirements for the 2005 planting season.

Prior discussions with Techscape Limited had established that this company was unable to supply all the plant species required by Project Twin Streams. To ensure security of supply and reduce risks of plant loss at the nursery, the type and amount of plants required were separated into two contracts. Approval was obtained from the Tenders Subcommittee on 3 December 2004 to invite a tender from Techscape Limited and Oratia Native Plant Nursery Limited, as follows:

- "1. That the Contract No. EW04140C - Project Twin Streams Ecosourced Plant Supply Contract report be received.
2. That approval be given to negotiate contracts with Techscape Limited and Oratia Native Plant Nursery Limited for the supply of ecosourced plants for 2004/2005 and 2005/2006 with reporting back to the Tenders Subcommittee for approval to enter into these contracts."

2217/2004

## SCOPE OF WORK

The Contract includes the following:

- to propagate and supply eco-sourced plants and trees of specified size and species to selected sites for Project Twin Streams;
- to deliver the plants at the specified time of planting days to locations within the Project Twin Streams catchments as advised, and to collect any trees/shrubs unable to be planted by the end of that day.

## TENDERS RECEIVED

One (1) tender was invited from Oratia Native Plant Nursery Limited on 3 December 2004. A tender was received by the closing date of 21 December 2004. This is summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
Oratia Native Plant Nursery Limited	64 Parker Road, Oratia. Auckland	\$152,508.50
Pre-tender contract estimate		\$162,000.00

**Table 1: Summary of Tender Prices**

## TENDER EVALUATION

The tender was evaluated on the basis of price and conformance with the scope of works.

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 the value of Provisional Sums is \$5,000.00.

## SUMMARY OF TENDER EVALUATION

The tender provided by Oratia Native Plant Nursery Limited is competitively priced, based on similar contracts that have been awarded by the Council recently, and taking into account recent increases in costs of plant supply and delivery due to increased costs of materials in the nursery industry. Oratia Native Plant Nursery Limited is the current supplier of ecosourced plants to Project Twin Streams, and has an existing contract to supply plants for the 2005/2006 financial year as well. Oratia Native Plant Nursery Limited has a satisfactory record for service delivery and quality for this contract. Oratia Native Plant Nursery Limited is well resourced with knowledgeable staff, a very large capacity nursery with further expansions occurring, and the ability to provide an extensive range of native, ecosourced plants. Oratia Native Plant Nursery Limited has also offered to provide workers and supervisors for Project Twin Streams planting days, which is a service the company has provided in the past with satisfactory results.

## TAGS, ERRORS OR OMISSIONS

Oratia Native Plant Nursery Limited included a tag in their tender by noting that a 10% discount was being applied to the price in Schedule One (plant supply list) on the basis that the total order was confirmed. This tag has since been removed after correspondence with Oratia Native Plant Nursery Limited and the discounted price has been retained.

Oratia Native Plant Nursery Limited provided a price for supplying Beilschmiedia tarairi in PB3 size, instead of the requested root-trainer (RT) size. This tag was accepted as the PB3 size is more appropriate than a root-trainer size for this plant species.

Oratia Native Plant Nursery Limited did not provide a fixed price for storage of plants in the Summary of Schedule of Prices. Instead, a storage charge of 10% of the cost of supply for the plant was quoted. This quotation was accepted, due to the need for storage requirements and, therefore, costs for different types and sizes of plants may vary.

### CREDIT CHECK

A credit check dated 6 January 2005 revealed no adverse information on Oratia Native Plant Nursery Limited.

### SUMMARY

The tender submitted by Oratia Native Plant Nursery Limited is priced very competitively, based on similar contracts awarded recently by the Council. This company has extensive resources, including large capacity nurseries and highly skilful staff. Oratia Native Plant Nursery Limited is an existing supplier of native, ecosourced plants to the Council and has satisfactorily provided similar services in the past.

As part of Council's contracting process "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

#### 2004/2005 Year

#### EXCL. GST

Tender sum	\$76,254.25
Contingency	Nil
	-----
Total Job Cost	\$76,254.25

#### Source of Funding

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
	85-9815-63870-280	\$15,450,000	\$1,501,172	\$76,300.00	\$13,872,528.00

#### 2005/2006 Year

#### EXCL. GST

Tender sum	\$76,254.25
Contingency	Nil
	-----
Total Job Cost	\$76,254.25

### Source of Funding

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
	85-9815-63870-280	\$15,450,000	\$1,501,172	\$76,300.00	\$13,872,528.00

### RECOMMENDATIONS

1. That Contract No. EW04 140D - Project Twin Streams Supply of Ecosourced Plants for the 2005 Planting Season report be received.
2. That the tender from Oratia Native Plant Nursery Limited for Contract No. EW04 140D - Project Twin Streams Supply of Ecosourced Plants for the 2005 Planting Season in the sum of \$152,508.50 plus \$19,063,56 GST, totalling \$171,572.06 be accepted.
3. That the commitment to the 2005/2006 financial year for Contract No. EW04 140D - Project Twin Streams Supply of Ecosourced Plants for the 2005 Planting Season totalling \$76,254.25 plus GST be approved.
4. That authority to enter into Contract EW04 140D - Project Twin Streams Supply of Ecosourced Plants for the 2005 Planting Season on behalf of Council be delegated to the Group Manager: Asset Management.

Report prepared by: Anil Karan, Project Co-ordinator Environmental (Sustainable Engineering).



## 7 CONTRACT NO. EW 04 135C - ON SITE WASTEWATER MANAGEMENT SYSTEMS - INSPECTION AND CLEANING

### PURPOSE OF THE REPORT

The purpose of this report is to seek approval to award Contract No. EW 04 135C - On Site Wastewater Management Systems - Inspection and Cleaning.

### BACKGROUND

The existing Contract EW 01 001C: On Site Wastewater Management Systems - Inspection and Cleaning is due to expire on 31 March 2005. The contract has been extended beyond the original term which was due to expire 31 December 2004.

A new contract is required in order to continue programmed maintenance of the on site wastewater management systems that exist within the city outside of the reticulated sewerage scheme.

### SCOPE OF WORK

The Contract is for the pumping out and/or cleaning out of on-site wastewater treatment systems including septic tanks, long drops and grease traps together with the inspection of and reporting on the condition of the on-site wastewater treatment systems within Waitakere City. High-Tech systems are not included in this contract.

It is estimated that there are 5,433 systems within the city, and the contract is 'Measure and Value' based on the actual number of systems serviced.

The contract term is three years with options for extension for a further three year term.

### TENDERS RECEIVED

Tenders were publicly advertised with 6 sets of documents being uplifted. 3 tenders were received by the closing date of 30 November 2004. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
Liquid Waste Disposal Limited	P O Box 97354 South Auckland Mail Centre Auckland	\$1,789,640.65
Onyx Group Limited	P O Box 36 113 Northcote Auckland	\$2,778,693.23
Chemwaste Industries Limited	P O Box 13 364 Onehunga Auckland	\$2,966,905.00
<b>Pre-tender contract estimate</b>		\$1,984,890.75

**Table 1 - Summary of Tender Prices**

### TENDER EVALUATION

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

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

Tender Evaluation	Attributes	Exper. & Track Record.	Technical Skills & Resources	Management Skill	Method -ology	Disposal Methods	Customer Focus	Price	Contract EW 04 135C
									Total Weight
<b>Tenderer</b>	<b>Weight</b>	<b>10</b>	<b>10</b>	<b>5</b>	<b>15</b>	<b>15</b>	<b>10</b>	<b>35</b>	<b>100</b>
	<b>Tender Sum</b>	<b>Grades</b>							<b>Index</b>
Liquid Waste Disposal Limited	\$1,789,640.65	95	85	85	90	70	80	86	84
Onyx Group Limited	\$2,778,693.23	60	55	55	55	45	60	50	53
Chemwaste Industries Limited	\$2,966,905.00	80	85	75	70	60	55	43	60
Median Tender Price	\$2,778,693.23								

**Table 2 - Summary of Tender Evaluation**

Tenders were evaluated in terms of the attribute weighting and the information submitted.

The tender submitted by Liquid Waste Disposal Limited was well thought through and comprehensive. Liquid Waste Disposal Limited was able to draw on its experience as the current contractor, and explained their proposed methodology in detail. Liquid Waste Disposal Limited have a good track record and have geared their business around servicing this contract.

Liquid Waste Disposal Limited scored highly in each attribute.

Liquid Waste Disposal Limited's tender explains the reason for the increase in the tender price as there is a significant increase from the existing contract due to changes in the treatment and disposal of waste. Liquid Waste Disposal Limited have a proposal in place to upgrade their treatment facility to meet the Auckland Regional Plan: Air, Land and Water. This plan is in the final stages of preparation and Liquid Waste Disposal Limited have a treatment and disposal system utilising dewatering and composting technology. Liquid Waste Disposal Limited are the only tenderer that have a composting system producing a reusable product for horticulture and gardens.

The tendered rate from Liquid Waste Disposal Limited is 10% less than the Engineers Estimate for the contract, which was calculated expecting a large increase in the costs of treatment and disposal. It should be noted that based on the rate provided by other contractors, the cost of treatment and disposal alone could have been as high as \$1.9 million.

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

Liquid Waste Disposal Limited have tagged their tender as follows:

*"That when the Engineer supplies the monthly work orders that we will clean every house in the street including addresses that have not been issued with a work order and that the Engineer will issue a works order for these addresses."*

This tag is reasonable as it will enable the rationalisation of the scheduling process. This tag can be accommodated wherever there is minimal disruption to residents. It is likely this will improve the service to residents as currently it is common for residents to ring Council enquiring why their tank has not been serviced when their neighbours have, not understanding the schedule is based on the date the property was last serviced.

Liquid Waste Disposal Limited allowed an additional sum for the use of a four wheel drive vehicle to access difficult site (1 hour at \$215.00). Liquid Waste Disposal Limited had omitted a rate for treatment and disposal costs and included this within the pump out rate, upon request this was changed with a rate included and the pump out rates altered so that the tendered sum remained unchanged.

The tenders from Onyx Group Limited and Chemwaste Industries Limited both contained arithmetical errors but none of the errors affect the recommendation to the Tenders Subcommittee. The tender from Onyx Group Limited contained small errors in the calculation from rates (total \$2.88), but then ignored the 2.5% at risk margin and incorrectly calculated the tender sum (correctly calculated sum \$73,945.41 greater than tender sum). The tender from Chemwaste Industries Limited contained what appeared to be a transpose of figures in the subtotal which was then used to calculate the tender sum (correctly calculated sum \$36,162.14 greater than tender sum).

## CREDIT CHECK

A credit check dated 16 December 2004 on Liquid Waste Disposal Limited revealed no adverse information.

## SUMMARY

The results of the tender evaluation as summarised in Table 2 shows that the tender submitted by Liquid Waste Disposal Limited achieved the highest index of 84. This tender is also the lowest priced tender.

Liquid Waste Disposal Limited is the incumbent and is considered capable to undertake the contract.

As part of Council's contracting process "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	\$1,789,640.65
Contingency	\$ 178,964.00
Engineering & Supervision	\$ 143,171.24
	-----
Total Job Cost	\$2,111,775.89

## SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to this Project	Unallocated Balance
2004/05 Annual Budget – Septic Tank Management	85-7365-38300	\$410,400.00	\$340,000.00	70,400.00	0
2005/2006 Funding Required				703,925.30	0
2006/2007 Funding Required				703,925.30	0
2007/2008 Funding Required				351,962.70	0

It should be noted that although the tender sum is higher than the current contract price, the additional costs have been provided for in the Draft 2005/2006 Annual Plan.

## RECOMMENDATIONS

1. That the Contract No. EW 04 135C - On Site Wastewater Management Systems - Inspection and Cleaning report be received.
2. That the tender from Liquid Waste Disposal Limited for Contract No. EW 04 135C - On Site Wastewater Management Systems - Inspection and Cleaning in the sum of \$1,789,640.65 plus \$223,705.10 GST, totalling \$2,013,345.75 be accepted.

3. That the commitment to the 2005/2006 financial year for Contract No. EW 04 135C - On Site Wastewater Management Systems - Inspection and Cleaning totalling \$703,925.30 plus GST be approved.
4. That the commitment to the 2006/2007 financial year for Contract No. EW 04 135C - On Site Wastewater Management Systems - Inspection and Cleaning totalling \$703,925.30 plus GST be approved.
5. That the commitment to the 2007/2008 financial year for Contract No. EW 04 135C - On Site Wastewater Management Systems - Inspection and Cleaning totalling \$351,962.70 plus GST be approved.
6. That authority to enter into Contract No. EW 04 135C - On Site Wastewater Management Systems - Inspection and Cleaning on behalf of Council be delegated to the Group Manager: Asset Management.

Report prepared by: Richard Taylor, Assets and Network Manager.

