



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** **18 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.

11 February 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, 18 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 - 4 February 2005

RECOMMENDATION

That the minutes of the Meeting of the Tenders Subcommittee held on Friday, 4 February 2005, as circulated, be taken as read and now be confirmed.



4 **CONTRACT NO. CM02005G - SUPPLY, INSTALL AND COMMISSION CREMATOR AT WAIKUMETE CEMETERY AND CREMATORIUM**

PURPOSE OF THE REPORT

The purpose of this report is to seek approval to award Contract No. CM02005G - Supply, Install and Commission Cremator for the Waikumete Cemetery and Crematorium.

BACKGROUND

The existing cremators at the Waikumete Cemetery and Crematorium have reached the end of their useful lives and are to be replaced by a single modern unit. Other upgrading and refurbishment is also to be undertaken under concurrent but separate contracts.

A report was submitted to the Tenders Subcommittee on 12 December 2003 advising the Committee of the issues with regard to this contract and seeking approval to call for tenders, through the following resolution:

"That approval be given to invite tenders from Major Engineering Limited and Austeng Limited plus other suitable suppliers for Contract Number CM02005D - Supply and Installation of Cremator at Waikumete Crematorium.."

4370/2003

At that time, there were a number of issues with regard to the Auckland Regional Council's requirements for air discharge consents that would have increased the cost of the cremator installation by \$800,000. A decision was made to delay the tender process until negotiations with the Auckland Regional Council were completed to achieve a reasonable set of conditions for the air discharge consent.

This process was not completed until August 2004 and consequently the air discharge consent requirements are not as stringent, but will add an estimated \$30,000 over Council's previous estimates. Thus tenders were only called after the Auckland Regional Council's issues had been resolved.

SCOPE OF WORK

The scope of the work includes the following:

- Supply and installation of one cremator;
- Design, supply, construction, installation and commissioning of fans, flues, stack and all equipment ancillary to the new cremator;
- Supply and installation of two sampling ports on the new stack;
- Design, supply, construction, installation and commissioning of an automatic control, monitoring and data-logging system, including continuous oxygen, temperature and opacity monitoring and reporting system of stack gases and the facility for monitoring from the administration wing of the building;
- Supply and installation of all interconnecting signal cabling;
- Supply and installation of all service connections between the battery limits and the cremator;
- Supply and application of all finishes to the cremator to arrive at an aesthetically complete and harmonious installation as agreed in consultation with the Principal's architect;
- Supply and commissioning of a charging bier compatible with the cremator;

- Supply and installation of a new cremulator unit including ancillary implements;
- Supply of a transfer trolley;
- Supply of ash pans and rack;
- Operator training and supply of operations and maintenance manuals;
- Providing post commissioning warranties.

TENDERS RECEIVED

Tenders were invited from approved companies, both of whom submitted tenders by the closing date of 26 October 2004. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)	
		As tendered AU\$	Tender sum converted to NZ\$
Major Engineering Pty Ltd	100 Fairbank Road, Clayton, Victoria 3169 Australia	AU\$ 432 768.00	NZ\$ 474,501.97
Australian Engineering Solutions Pty Ltd	78-80 Douro Street North Geelong, Victoria 3125 Australia	AU\$ 472 575.00	NZ\$ 504,080.50
Pre-tender contract estimate		NZ\$ 450,000	

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 Record	Tech. Skill	Resour.	Manag. Skill	Method.	Refractory Warranty Period	Price	Contract CM02005G Total Weights
Evaluation	Weights	10%	5%	5%	10%	5%	10%	5%	50%	100%
Tenderer	Tender Sum				Grades					INDEX
Australian Engineering Solutions Pty Ltd	\$504,081	75	80	85	80	75	50	80	47	60
Major Engineering Pty Ltd	\$474,502	85	80	65	85	75	50	35	53	Disqualified
Median Tender Price	\$489,291									

Table 2 - Summary of Tender Evaluation

The results of the tender evaluation as summarised in Table 2 shows that the tender submitted by Australian Engineering Solutions Pty Limited is the only compliant tender. This tender is the higher of the two submitted by the amount of \$NZ 29,580 and exceeds the Engineer's estimate by \$54,080.50.

The tender submitted by Major Engineering Pty Limited did not comply with conditions of Council's tender documents.

In view of the above, the Group Manager Asset Management undertook negotiations with both suppliers to reduce the cost and address the contractual issues regarding warranties and conditions of payment, with revised tenders being submitted by the closing date of 31 January 2005. Both tenderers were requested to submit prices in fixed \$NZ but Major Engineering Pty Limited failed to comply with this requirement. For comparison their price has been converted to \$NZ at the current exchange rate.

The revised tenders received are summarised in Table 3 below.

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)	
		As tendered	Tender sum converted to NZ\$
Major Engineering Pty Limited	100 Fairbank Road, Clayton, Victoria 3169 Australia	AU\$ 447,970.00	*NZ\$ 478,611.00
Australian Engineering Solutions Pty Limited	78-80 Douro Street North Geelong, Victoria 3125 Australia	NZ\$ 486,690.00	NZ\$ 486,690.00
Pre-tender contract estimate		NZ\$ 450,000	

* exchange rate as at 1/2/05 1 \$AU = 1.0684 \$NZ

Table 3 - Summary of Revised Tender Prices

The tender from Major Engineering Pty Limited excludes professional indemnity insurance for the flue design. The value of an independent design check is estimated to be \$6,250. Adjusting Major Engineering Pty Limited's price for this tag increases their price to \$NZ484,861.

The tender from Australian Engineering Solutions Pty Limited includes an allowance of \$3,000 for consequential loss insurance which is not required. Adjusting Australian Engineering Solutions Pty Limited's price for this tag decreases their price to \$NZ483,690.

Thus, the adjusted tender sums are as shown in Table 4.

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)	
		Tender sum converted to NZ\$	Adjusted Tender Sum NZ\$
Major Engineering Pty Limited	100 Fairbank Road, Clayton, Victoria 3169 Australia	*NZ\$ 478,611.00	NZ\$484,861
Australian Engineering Solutions Pty Ltd	78-80 Douro Street North Geelong, Victoria 3125 Australia	NZ\$ 486,690.00	NZ\$483,690
Pre-tender contract estimate		NZ\$ 450,000	

* exchange rate as at 1/2/05 1 \$AU = 1.0684 \$NZ

Table 4 - Summary of Adjusted Tender Prices

REVISED TENDER EVALUATION

In accordance with the conditions of tendering, the revised 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 5:

Tender Evaluation	Attributes	Exper	Track Record	Tech Skill	Resour.	Manag. Skill	Method	Refractory	Price	Contract Number CM02005G
	Weights	10	5	5	10	5	10	5	50	Total Weights
										100
Tenderer	Tender Sum	Grades								INDEX
Australian Engineering Solutions Pty Ltd	\$483,690.00	75	80	85	80	75	50	80	50	62
Major Engineering Pty Ltd	\$484,861.00	85	80	65	85	75	50	40	50	60
Median Tender Price	\$484,275.50									

Table 5 - Summary of Revised Tender Evaluation

Analysis of the tenders is detailed below:

Both tenderers present an adequate track record of engineering and manufacturing capability. Of the two, Major Engineering Pty Limited has somewhat more history, but this is adequately balanced by Australian Engineering Solutions Pty Limited's association with Furnace Construction Limited in the United Kingdom.

Both have adequate lists of recent installations, here and in Australia, although Major Engineering Pty Limited has the greater number of New Zealand installations.

It is considered that both are capable of providing professional project quality plans and meeting Council's program requirements.

Whilst the Australian Engineering Solutions Pty Limited tender price has decreased, the Major Engineering Pty Limited price has increased due to the inclusion of additional items previously excluded by tags. The resultant weighted index is slightly higher for Australian Engineering Solutions Pty Limited.

While both tenderers are compliant in respect of minimum door size, the Australian Engineering Solutions Pty Limited cremator offers the larger opening and this is seen as very advantageous given that Waikumete Cemetery sometimes encounters very large caskets.

The refractory warranty offered by Australian Engineering Solutions Pty Limited is at least twice as long as that offered by Major Engineering Pty Limited, and has been graded accordingly.

Australian Engineering Solutions Pty Limited claims significantly lower fuel consumption than its competitors. This claim has not been verified.

TAGS, ERRORS OR OMISSIONS

Australian Engineering Solutions Pty Limited have confirmed that their price is fixed in NZ\$ until 28 February 2005, whereas Major Engineering Pty Limited will not fix the price in \$NZ until they receive a letter of acceptance. This subjects Council to risk from currency fluctuations.

Major Engineering Pty Limited have based their bid proposal on payment terms different from the programme provided in the tender document. Their terms provide for progress payments totalling 85% of the Contract price at the stage of delivery of the cremator to site, compared to 60% for Council's terms as given in the tender document. They have also not allowed for retentions. As Major Engineering Pty Limited is not the recommended tenderer these issues do not need consideration.

CREDIT CHECK

A credit check on Australian Engineering Solutions Pty Limited is satisfactory.

SUMMARY

The results of the tender evaluation as summarised in Table 5 shows that the tender submitted by Australian Engineering Solutions Pty Limited achieves the higher grading. Their adjusted tender price is the lower of the two submitted by the amount of \$NZ1,171. Their revised tender price is significantly reduced on that originally submitted and their bid is compliant.

JOB COSTS

	<u>EXCL. GST</u>
Revised Tender sum - Australian Engineering Solutions Pty Limited	\$486,690.00
Less deduction of consequential loss insurance item	<u>\$ 3,000.00</u>
Subtotal	<u>\$ 483,690.00</u>
Contingency (5%)	\$ 25,000.00
Engineering & Supervision	\$ 10,000.00

Total Job Cost	\$ 518,690.00

SOURCE OF FUNDING

Budget Description (from Annual Plan)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Budget line item		\$738,419	\$199,339	\$518,690	\$20,390

RECOMMENDATIONS

1. That the Contract No. CM02005G - Supply, Install and Commission Cremator at Waikumete Cemetery and Crematorium report be received.
2. That the tender from Australian Engineering Solutions Pty Limited for Contract No. CM02005G - Supply, Install and Commission Cremator at Waikumete Cemetery and Crematorium in the sum of \$483,690 plus \$60,461.25 GST, totalling \$544,151.25 be accepted.
3. That the commitment to the Annual Plan 2005/2006 for Contract No. CM02005G - Supply, Install and Commission Cremator at Waikumete Cemetery and Crematorium totalling \$483,690 plus GST be approved.
4. That authority to enter into Contract No. CM02005G - Supply, Install and Commission Cremator at Waikumete and Crematorium on behalf of Council be delegated to the Group Manager: Asset Management.

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



5 CONTRACT NO. TA04512B - LUANDA DRIVE / WAITEMATA DRIVE ROUNDABOUT

PURPOSE OF THE REPORT

The purpose of this report is to seek approval to award Contract No. TA04512B - Luanda Drive / Waitemata Drive Roundabout.

BACKGROUND

This roading construction contract is being commissioned to improve the safety of the Luanda Drive / Waitemata Drive intersection with the construction a new roundabout.

SCOPE OF WORK

This contract is for the construction of a roundabout at the intersection of Luanda Drive and Waitemata Drive.

The works include the following:

- Site clearance;
- Setting out;
- Earthworks;
- Tree removal;
- Minor stormwater drainage works;
- Road works including pavement construction, kerbing and concrete traffic islands;
- Chipsealing and hotmixing works;
- Construction of new footpaths and grassed berms;
- Roadmarking and traffic signs;
- Relocation of signs, and street lights;
- Planting of roundabout island and street trees;
- All other works indicated, described or implied in the drawings or specifications and any temporary work required for the completion of the works.

TENDERS RECEIVED

Tenders were publicly advertised on 25 November 2004 with two sets of documents being uplifted. One tender was received by the closing date of 14 December 2004. This is summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
HEB Contractors Limited	Drury	\$220,154.13
Pre-tender contract estimate		\$239,860.00

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.

In this contract the value of Provisional Sums is \$4,000.00

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 TA04512B
									Total Weights
	Weights	7	8	6	3	3	3	70	100
Tenderer	Tender Sum	Grades							INDEX
HEB Contractors Ltd.	\$216,154.13	80	75	75	80	75	80	50	58
Med.n Tender Price	\$216,154.13								

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

Table 2 - Summary of Tender Evaluation

TAGS, ERRORS OR OMISSIONS

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

CREDIT CHECK

A credit check on HEB Contractors Limited, dated 1 November 2004, revealed no adverse information.

SUMMARY

The results of the tender evaluation as summarised in Table 2 shows that the tender submitted by HEB Contractors Limited achieved the highest index of 58. This tender is the only priced tender but is slightly below the Engineer's Estimate and as such is considered to be a good price.

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

	<u>EXCL. GST</u>
Tender sum - HEB Contractors Limited	\$220,154.13
Contingency	\$ 22,015.00
Engineering & Supervision	\$ 22,350.00
Other (Disbursements)	\$ 2,791.00

Total Job Cost	\$267,310.13

SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
AIS Safety	75-9874-30390	\$705,805	\$438,495	\$267,310	\$0

RECOMMENDATIONS

1. That the Contract No. TA04512B - Luanda Drive/Waitemata Drive Roundabout report be received.
2. That the tender from HEB Contractors Limited for Contract No. TA04512B - Luanda Drive/Waitemata Drive Roundabout in the sum of \$220,154.13 plus \$27,519.27 GST, totalling \$247,673.40 be accepted.
3. That authority to enter into Contract No. TA04512B - Luanda Drive/Waitemata Drive Roundabout on behalf of Council be delegated to Group Manager: Asset Management.

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



6 CONTRACT NO. PK 05001B - ROADSIDE VEGETATION MAINTENANCE

PURPOSE OF THE REPORT

The purpose of this report is to seek approval to award Contract No. PK 05001B Roadside Vegetation Maintenance.

BACKGROUND

Approval was granted by the Tenders Subcommittee at the 26 November 2004 meeting to invite public tenders for the roadside vegetation maintenance contract for two (2) years with extensions of two (2) plus two (2) years, as follows:

"That approval be given to invite public tenders for Contract PK 05001B City Roadside Vegetation Maintenance Contract for two (2) years with extensions of two (2) plus two (2) years."

2127/2004

This contract is a continuation of Council's routine maintenance programme for the control of roadside vegetation. The principal objectives of the programme are to maintain or improve Council's assets through prevention of damage to built assets (seal edges, footpaths, kerbs and damage from slips); reduction of flooding; and reduction of threats to the environment both within and surrounding the road reserve (erosion, silt control and damage to habitat).

SCOPE OF WORK

This Contract is for the control of roadside vegetation by scheduled works within Henderson Ward, Massey Ward, New Lynn Ward, and Waitakere Ward. It also incorporates the major commercial centres and associated car parks. The contract includes a combination of chemical spraying and manual control methods as required.

TENDERS RECEIVED

Tenders were publicly advertised with three sets of documents being uplifted. Two tenders were received by the closing date of 11 January 2005. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
Aspin Weed Control Limited	PO Box 45-103, Te Atatu Peninsula, Waitakere City	\$417,079.21
Masta Maintenance Services NZ Limited	PO Box 38-900, Wellington Mail Centre, Wellington	\$921,694.35
Pre-tender contract estimate		\$340,000.00

Table 1 - Summary of Tender Prices

TENDER EVALUATION

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

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 No. PK 05001B
									Total Weights
	Weights	10	10	15	15	10	10	30	100
Tenderer	Tender Sum	Grades							INDEX
Aspin Weed Control Ltd	\$417,079.21	80	75	75	70	70	65	88	77
Masta Maintenance Services NZ Ltd	\$921,694.35	80	70	75	75	70	70	12	55
Med.n Tender Price	\$669,386.78								

Table 2 - Summary of Tender Evaluation

There is a difference between the lowest tender sum and the pre-tender estimate caused by market prices being significantly increased as a result of the increases in petrol and materials over the last two years as this is a predominantly mobile operation.

TAGS, ERRORS OR OMISSIONS

Aspin Weed Control Limited proposed reporting and survey formats that differed from those provided within the tender document. This was resolved by way of a clarification letter, requiring Aspin Weed Control Limited to implement the Council's reporting and surveying format.

There was one arithmetical error in the Masta Maintenance Services NZ Limited tender. It has no impact on the tender sum or the outcome of the tender evaluation.

CREDIT CHECK

A credit check of Aspin Weed Control Limited dated 27 January 2005 revealed no adverse information.

SUMMARY

The results of the tender evaluation as summarised in Table 2 show that the tender submitted by Aspin Weed Control Limited achieved the highest index of 77. This tender is also the lowest priced tender.

Aspin Weed Control Limited has undertaken the roadside vegetation maintenance contract for Waitakere City Council for a number of years. They are familiar with both the sites and the scope of work. Aspin Weed Control Limited has performed to a highly satisfactory level during the present 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

	<u>EXCL. GST</u>
Tender sum - Aspin Weed Control Limited	\$417,079.21
Contingency	\$ 20,000.00
Engineering and Supervision	\$ 0.00

Total Job Cost	\$437,079.21

Engineering and supervision will be provided by Parks staff and an auditor through a separate contract therefore there is no external cost associated with this contract.

SOURCE OF FUNDING

Budget Description (from draft Annual budget)	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Roadside Vegetation Control	\$221,239.60	Nil	\$221,239.60	Nil

The following funding commitments are required:

A commitment to fund the roadside vegetation maintenance estimated at \$221,239.60 is requested from the 2005/2006 Annual Plan.

A commitment to fund the roadside vegetation maintenance estimated at \$215,839.60 is requested from the 2006/2007 Annual Plan.

The distribution of funding for this contract is different for each year as the set up costs of traffic management and quality assurance plans are required only at the beginning of the two year contract period.

RECOMMENDATIONS

1. That the Contract No. PK 05001B - Roadside Vegetation Maintenance report be received.
2. That the tender from Aspin Weed Control Limited for Contract No. PK 05001B Roadside Vegetation Maintenance in the sum of \$417,079.21 plus \$52,134.90 GST, totalling \$469,214.11 be accepted.
3. That the commitment to the 2005/2006 financial year for Contract No. PK 05001B Roadside Vegetation Maintenance in the sum of \$221,239.60 plus \$27,654.95 GST, totalling \$248,894.55 be accepted.
4. That the commitment to the 2006/2007 financial year for Contract No. PK 05001B Roadside Vegetation Maintenance in the sum of \$215,839.60 plus \$26,979.95 GST, totalling \$242,819.55 be accepted.
5. That authority to extend Contract No. PK 05001B Roadside Vegetation Maintenance for a further two (2) plus two (2) years be delegated to Group Manager: Asset Management.
6. That authority to enter into Contract No. PK 05001B Roadside Vegetation Maintenance on behalf of Council be delegated to Group Manager: Asset Management.

Report prepared by: Debbie Chapman, Asset Manager: Environmental.



7 CONTRACT NO. PK04607B - MANAWA WETLAND RESERVE EXTENSION

PURPOSE OF THE REPORT

The purpose of this report is to seek approval to award Contract No. PK04607B - Manawa Wetland Reserve Extension.

BACKGROUND

In 2003, Council purchased the 0.8ha vacant section located at 6 Margan Avenue, New Lynn adjacent to the existing Manawa Wetland Reserve. The site, which is located in a 1:100 year flood plain, lies between the Manawa and Rewarewa Streams. It is intended to develop the site to provide additional area to the existing reserve. In particular, the site provides a long road frontage onto Margan Avenue, an open recreation area requested by the local community, and extra stormwater remediation capacity.

The site is an historical landfill and as part of the development, a significant amount of old fill will be removed and replaced with clean topsoil. Due to the nature of the work, funding for this project has been allocated from Aftercare.

The Concept Plan for the site has been developed in partnership with the local community and the consultation undertaken through the New Lynn Reserves Management Plan, which was adopted by the New Lynn Community Board in August 2004.

SCOPE OF WORK

The objective of this contract is to implement all stages of the physical works required to develop the landscape plan for the extension to the Manawa Wetland Reserve, located at Margan Ave, New Lynn, including the earthworks required to recontour the site, the construction of the paths, boardwalk, bridges and parks furniture and the associated landscaping and planting. The aim of the project is to construct an artificial wetland on the vacant site that will collect local stormwater runoff by diverting discharge from existing cesspits in Melview Place and Margan Ave into the wetland via planted swales. Having passed through the wetland, the filtered stormwater will then join the existing ponds in the adjacent Manawa Wetland Reserve.

The contract work involves the removal of old fill, recontouring of the site to construct the swales, wetland and spillway, diversion of stormwater from existing catch pit into above ground swales, supply and installation of clean topsoil, erosion mat, geotextile, seats, picnic tables, boardwalk maze, swale crossings, spillway bridge, pathways and rock placement. In addition, the work includes the preparation of all planting areas and supply and installation of all plants. The contract physical works are to be undertaken between February and April 2005.

TENDERS RECEIVED

Tenders were publicly advertised with nine sets of documents being uplifted. Four tenders were received by the closing date of 18 January 2005. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
Excell Corporation	357 East Tamaki Road Manukau City Ltd	289,203.06
Brett Garea Environments	75 Vauxhall Road Devonport	312,222.00
Heb Contractors Limited	PO Box 226 Drury	365,589.46
Civil Construction Group Limited	PO Box 46009 Herne Bay	554,869.50
Pre-tender contract estimate		\$270,472.00

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	Exper	Track Record	Tech Skill	Resource	Manag Skill	Method	Price	Contract Number PK04607B
									Total Weights
	Weights	10	5	10	5	5	5	60	100
Tenderer	Tender Sum	Grades							INDEX
Excell Corp	\$289,203.06	70	65	70	75	70	75	65	68
HEB Contractors	\$365,589.46	75	70	80	80	75	75	42	55
Brett Garea	\$312,222.00	85	85	80	80	80	65	58	67
Civil Construction	\$554,869.50	70	70	75	80	75	75	-14	21
Median Tender Price	\$338,905.73								

Table 2 - Summary of Tender Evaluation

The pre-contract engineers estimate for the contract was \$270,472.00. All tenders received were greater than the pre-contract estimate, the highest tender being \$284,397.50 more than the pre-tender estimate, the lowest being \$18,731.06 over the estimate.

All four tenderers were considered reliable and capable of carrying out the work to Council satisfaction. All have good track records on landscaping projects of this scale and all have successfully completed previous contracts for Waitakere City Council. As all four tenderers met all the criteria used to evaluate the weighted attributes evaluation, the weighting on price gave the lowest tenderer the advantage. The tender evaluation shows that the tender by Excell Corporation, the lowest tender, scored 68 on the total weights index, the highest score.

All tenders include a contingency of \$15,000.00 in the tender sum.

TAGS, ERRORS OR OMISSIONS

The construction budget for this project is \$285,000.00. Due to the fact that all the tenders were over the allocated budget, the tender was unable to be awarded at the original scope. Therefore the Scope of Works was reduced by four minor amendments:

- the removal of a section of concrete pathway;
- a reduction in the amount of decorative sleepers in the gravel path;
- structural alterations to the boardwalk design (approved by an engineer); and
- the removal of the requirement for a Traffic Management Plan, as one has already been prepared for the Resource Consent.

It is considered that these changes are minor and will not significantly affect the overall design of the park. The additional section of pathway could be added at a later date if it is shown to be required.

All four tenderers were asked to re-submit their price on this revised Scope of Works. Only the three lowest tenderers resubmitted by the required revised tender deadline. As a result, an evaluation of the revised Schedule of Prices shows that the lowest tender is still the preferred tender, and is now within the allocated budget. The tender sum of \$271,077.42 by Excell Corporation is \$256,077.00 and includes a contingency sum of \$15,000.00.

Tender Evaluation	Attributes	Exper.	Track Record	Tech. Skill	Resour.	Manag Skill	Method	Price	Contract Number PK04607B
									Total Weights
	Weights	10	5	10	5	5	5	60	100
Tenderer	Tender Sum	Grades							INDEX
Excell Corp	\$271,077.00	70	65	70	75	70	75	67	69
HEB Contractors	\$356,621.96	75	70	80	80	75	75	41	55
Brett Carea	\$299,530.00	85	85	80	80	80	65	59	67
Civil Construction	\$554,869.50	70	70	75	80	75	75	-19	18
Median Tender Price	\$328,075.98								

Table 3 - Summary of Revised Tender Evaluation

CREDIT CHECK

A credit check dated 28 January 2005 revealed that Excell Corporation had three delinquent payments that currently affect its credit rating. However, upon request, the Chief Financial Officer of Excell Corporation has supplied a written assurance that any discrepancies in credit are due to payments yet to be settled and that Excell is of sufficient financial strength to undertake work of the nature tendered for and will take full responsibility for any debits. Further, the company guarantee that there will be no credit risk to Council in entering a contract with Excell. Excell Corporation have a good track record of completing previous contracts for Council on time and within budget, including the recent Waitemata Sports Complex landscaping. Therefore, it is considered that entering into a contract with Excell Corporation will not pose a financial risk to Council.

SUMMARY

The results of the tender evaluation as summarised in Table 2 show that the tender submitted by Excell Corporation Limited achieved the highest index of 68. This tender is also the lowest priced tender. As the original tenders were above the Engineers Estimate as well as the allocated budget for this project, all four tenderers were required to resubmit a price for a reduced Scope of Works. Three companies submitted reduced tenders by the tender deadline. The revised tenders are summarised in Table 3. Excell Corporation remains the lowest tender with a score of 69, again with the highest index. They are the preferred choice to carry out the work.

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 - Excell Corporation	\$271,077.42
Engineering & Supervision	<u>\$ 38,922.58</u>
Total Job Cost	<u>\$310,000.00</u>

SOURCE OF FUNDING

Sources of funding are from the Annual Plan 2004/2005.

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to this Project	Unallocated Balance
Manawa Wetland	75-9825-37400	\$285,000.00	0	285,000.00	0
Aftercare	75-9819-31240	\$ 1,201,718	\$1,176,718.00	25,000.00	0
TOTAL				310,000.00	

RECOMMENDATIONS

1. That the Contract No.PK04607B - Manawa Wetland Reserve Extension report be received.
2. That the tender from Excell Corporation Limited for Contract No. PK04607B - Manawa Wetland Reserve Extension in the sum of \$271,077.42 Plus \$33,884.67 GST, totalling \$304,962.09 be accepted.
3. That authority to enter into Contract No. PK04607B - Manawa Wetland Reserve Extension on behalf of Council be delegated to the Director: City Services.

Report prepared by: Mandy McMullin, Reserves Management Planner.

