



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: **Wednesday 21 December 2005** **TIME:** **4.00 pm**

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.

16 December 2005

Sharon Simiona
**DEMOCRACY SUPPORT AND
SISTER CITY OFFICER**

Telephone (09) 836 8000 extn 8820

MEMBERSHIP:

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

Chief Executive Officer

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 WEDNESDAY, 21 DECEMBER 2005, COMMENCING AT 4.00 PM**

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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 - 9 December 2005

RECOMMENDATION

That the minutes of the Meeting of the Tenders Subcommittee held on Friday, 9 December 2005, as circulated, be taken as read and now be confirmed.



4 **CONTRACT NO. TA 04560B - HENDERSON VALLEY ROAD / SMYTHE ROAD INTERSECTION UPGRADE**

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. TA04560B - Henderson Valley Road / Smythe Road Intersection Upgrade.

BACKGROUND

The construction of the new Civic Centre will significantly increase both traffic and pedestrian movements at the Henderson Valley Road / Smythe Road Intersection. To ensure the safety of motorists, pedestrians and cyclists attending the adjacent school a safety upgrading of this intersection is required

LOCATION AND SCOPE OF WORK

This contract is for the upgrading and installation of traffic signals at Henderson Valley Road / Smythe Road Intersection.

The works include road widening, concrete footpaths, kerb and channel, vehicle crossings, cesspits, manholes, asphaltic concrete paving, installation of traffic signals, traffic signs, street lights, road marking and other associated works.

TENDERS RECEIVED

Tenders were publicly advertised with four sets of documents being uplifted. Four tenders were received by the closing date of Tuesday, 6 December 2005. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (EXCL. GST)
Traffic Systems Limited	Mission Bay	\$408,919.00
HEB Smithbridge Limited	Drury	\$460,645.31
M Keogh Contractors Limited	Onehunga	\$507,138.00
John Fillmore Contracting Limited	Royal Oak	\$628,709.50
Pre-tender contract estimate		\$418,560.00

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 (WAM) contained in Transfund New Zealand's "Competitive Pricing Procedures Manual".

These procedures require that where the tender includes Provisional Sums (work valued by 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 \$2,000.

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 TA 05027A
	Weights	8	8	4	3	4	3	70	Total Weights
Tenderer	Tender Sum	Grades							INDEX
Traffic Systems Limited	\$406,919.00	77	62	70	72	63	69	66	68
HEB Smithbridge Limited	\$458,645.31	70	76	74	73	74	60	55	59
M Keogh Contractors Limited	\$505,138.00	75	83	78	73	80	66	45	55
John Fillmore Contracting Limited	\$626,709.50	80	74	72	63	73	63	20	36
Med.n Tender Price	\$481,891.66								

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

Table 2 - Summary of Tender Evaluation

Traffic Systems Limited has the highest overall final index score of 68. Their tender price is also the lowest priced tender.

Traffic Systems Limited has a recent history with Council as being a contractor with a satisfactory standard of workmanship and management. The staff nominated are well known to Council having been involved in maintaining Waitakere City Council's traffic signals and belisha beacons for several years. They have also installed most of the new traffic signals in the City over the past ten years and have installed many of Council's pedestrian refuge and traffic splitter islands. They are the current contractor for Contract No's. TA05008B Miscellaneous Minor Safety Projects, TA05003B Miscellaneous Drainage Repair Works and TA05002B Vehicle Crossings and Roundabout.

They were recently the Contractor for Contract No's. TA04515B Miscellaneous Footpath and Traffic Island Construction, TA03519 Minor Safety Works and TA04534 Victory Road and Cyclorama Crescent new parking bay. In general the company have proved to be very co-operative and competent contractors with no issues related to their work.

TAGS, ERRORS OR OMISSIONS

An arithmetic check was carried out on the Schedule of Prices of all tenders.

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

CREDIT CHECK

A credit check of Traffic Systems Limited dated 8 December 2005 revealed no adverse information.

SUMMARY

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

Traffic Systems Limited have proven to be capable contractors who work to a high quality and with good communication and management and are highly regarded by Council staff.

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 - Traffic Systems Limited	\$ 408,919.00
Contingency	\$ 56,081.00
Engineering and Supervision	\$ 41,195.00
Disbursements	\$ 19,820.00

Total Job Cost	\$ 526,015.00

SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Henderson Valley Road / Smythe Road Intersection Upgrade	75-9882-49310	801,984.00	\$250,546.00	\$526,015.00	\$25,423.00

RECOMMENDATIONS

1. That the Contract No. TA 04560B - Henderson Valley Road/Smythe Road Intersection Upgrade report be received.
2. That the tender from Traffic Systems Limited for Contract No. TA04560B - Henderson Valley Road/Smythe Road Intersection Upgrade in the sum of \$408,919.00 plus \$51,114.88 GST, totalling \$460,033.88 be accepted.
3. That authority to enter into Contact No. TA04560B - Henderson Valley Road/Smythe Road Intersection Upgrade on behalf of Council be delegated to Group Manager: Project Services.

Report prepared by: Keerthi Mayakaduwa, Roading Engineer.



5 CONTRACT NO. EW05084A - HURUHURU CREEK SWIMMING HOLE INFILLING

PURPOSE OF THE REPORT

The purpose of this report is to seek approval to award Contract No. EW05084A - Huruhuru Creek Swimming Hole Infilling.

BACKGROUND

This project is part of the approved 2005/2006 Annual Plan works programme to ensure public safety is protected at the Huruhuru Creek swimming hole.

SCOPE OF WORK

The work involves infilling the swimming hole using the following process:

- Construct a temporary access path over the Woodside Reserve;
- Construct “in stream” coffer dams both up stream and down stream of the hole;
- Construct a temporary diversion drain to divert the stream-water flow around the hole itself;
- De-sludge the hole to remove all silt and organic material;
- Pump low strength bulk fill concrete into the hole to replace the volume of water;
- Excavate into the surrounding sandstone cliff faces and epoxy in reinforcing starter bars that connect the concrete surface into the sandstone rock;
- Place a structural layer of concrete on top of the bulk fill concrete;
- Shape, texture and colour a finishing layer of gunited concrete to form a series of rapids that are clearly visible from the surrounding stream banks. Gunited concrete is concrete that is sprayed onto surfaces by a compressed air system;
- Post signs informing the public of the changes that have been made to the stream.

TENDERS RECEIVED

Tenders were publicly advertised and 10 sets of documents were uplifted by interested companies. Seven tenders were received by the closing date of 22 November 2005. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (EXCL. GST)
Nick Liewing Contractors	91 Kanuka Road, Bombay, Auckland	\$439,595.50
Pipeline & Civil Limited	5c Rabone Street, Henderson, Auckland	\$492,344.00
Rogers Earthmoving Limited	312 Lincoln Road, Henderson, Auckland	\$507,683.70
McLaren King Limited	312 Glenrar Road, 1 Torbay, Auckland	\$560,560.35
Vuksich & Borich Limited	43-51 Fremlin Place, Avondale, Auckland	\$686,607.00
Civil Construction Group Limited	300 Richmond Road, Grey Lynn, Auckland	\$701,375.00
Nasey Contractors Limited	6 Tait Place, Albany, Auckland	\$663,987.00
Pre-tender contract estimate		\$503,431.00

Table 1 - Summary of Tender Prices Less (Contingency and GST)

TENDERER	REG OFFICE	TENDER PRICE (EXCL. GST)
Nick Liefing Contractors	91 Kanuka Road, Bombay, Auckland	\$466,385.50
Pipeline & Civil Limited	5c Rabone Street, Henderson, Auckland	\$492,344.00
Rogers Earthmoving Limited	312 Lincoln Road, Henderson, Auckland	\$507,683.70
McLaren King Limited	312 Glenrar Road, 1 Torbay, Auckland	\$560,560.35
Nasey Contractors Limited	6 Tait Place, Albany, Auckland	\$663,987.00
Vuksich & Borich Limited	43-51 Fremlin Place, Avondale, Auckland	\$686,607.00
Civil Construction Group Limited	300 Richmond Road, Grey Lynn, Auckland	\$701,375.00
Pre-tender contract estimate		\$503,431.00

Table 1a - Summary of Adjusted Tender Prices Less (Contingency and GST)

In Table 1a above, the tender price has been adjusted in three (3) instances.

- The tenders supplied by Vuksich & Borich Limited and Civil Construction Group Limited applied incorrect (too low) contingency sums;
- The Nick Liefing Limited tender did not price Item 4.4, and this item has been tagged. Consequently an average price has been used to allow a fair comparison to be made.

TENDER EVALUATION

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

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

Tender Evaluation	Attributes	Exper.	Track Record	Tech. Skill	Resour.	Manag. Skill	Method.	Price	Contract Number EW 05-084A
									Total Weights
Weights		5	5	10	5	5	10	60	100
Tenderer	Tender Sum	Grades							INDEX
Pipeline & Civil Ltd	\$492,344.00	65	50	55	80	80	70	62	64
Rogers Earthmoving Ltd	\$507,683.70	80	95	75	80	80	70	59	67
Civil Construction Group Ltd	\$701,375.00	70	70	80	80	60	50	25	42
Nick Liefing Contractors Ltd	\$466,385.50	50	50	40	75	45	45	67	60
Nasey Contractors Ltd	\$663,987.00	80	80	80	80	65	85	32	51
Vuksich & Borich Ltd	\$686,607.00	60	80	50	80	40	40	28	39
McLaren King Ltd	\$560,560.35	75	60	85	80	75	95	50	63
Med.n Tender Price	\$582,706.08								

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

Table 2 - Summary of Tender Evaluation

- McLaren King Limited are a new company and have no direct relevant experience or track record constructing this type of work. Their submission contained the best, well thought through methodology for carrying out the work however their price is too high;
- Similarly Vuksich & Borich, Civil Construction Group and Nacey Contractors are ruled out on price;
- Pipeline and Civil specialise in pipeline construction and do not have evidence of broader civil engineering work;
- Nick Liefing is a small contractor with no experience of dealing with this type of construction work;
- Rogers Earthmoving received excellent reports from quoted references concerning track record. One reference stated that the company are “genuine constructors, and are excellent at doing good work and completing it.” They are the only tenderer to submit a construction programme. The programme demonstrates that they have thought through how they intend to undertake the work.

TAGS, ERRORS OR OMISSIONS

The question of contamination of the mud in the hole has been raised and in general, tenderers have priced for disposal to landfill operation. Nick Liefing Contractors, omitted to price for removal and disposal of mud to landfill.

Vuksich & Borich and Civil Construction Group provided an incorrect (and low) contingency sum. Due to the location of this work (in a riverine environment), it is important to have the correct contingency provision in the evaluation.

Pipeline and Civil have stated that a contract period of eight (8) weeks is required. The allowance for the specialised surfacing is inadequate and the tender period should be revised.

MACO was listed as a nominated sub-contractor in the tender document. Following submissions from Shotcrete and Rock NZ Limited, the tender requirements were modified by a notice to tenderers requiring a MACO price to be submitted, and allowing for an additional price from Shotcrete and Rock NZ Limited should the individual tenderer so wish. Only Rogers Earthmoving Limited provided a price from MACO. All the other tenders are non-conforming in this respect.

A credit check has been carried out on Shotcrete and Rock Limited. This company was established in April 2005. A previous company having the same name but different directors was liquidated about a year ago.

MACO have operated as a company for eight (8) years. One of the Directors, has been in the same line of work for a much longer period. MACO is a distinct specialist operator while Shotcrete and Rock NZ Limited generally undertake normal shotcreting work. The MACO price is higher but is in line with the estimate for this part of the work.

CREDIT CHECK

A credit check on Rogers Earthmoving Limited and MACO Limited has been requested.

SUMMARY

The lowest priced tender was submitted by Nick Liefing Contractors. This tender has not achieved a pass in all the non-price attributes and therefore is not recommended for award. The work is in a sensitive creek subject to rapid storm response and the contractor neglected to provide any statement of methodology relevant to the job or to in any way state how the work would be approached. It would by far be the most significant contract undertaken by this company and presents a risk to Council.

The Lowest Priced Conforming Tender (i.e. that tender which achieved a pass in all the non-priced attributes) was that submitted by Pipeline and Civil. This was the second lowest tender received. This tender is not recommended for award as it did not provide a price from MACO Limited as required.

Many of the tenderers provided a quote from Shotcrete and Rock Limited, which is lower than the price from the nominated sub-contractor, MACO Limited. When the tender prices are equalised in terms of pricing for either Shotcrete and Rock or MACO, (i.e. same sub contractor in each tender), the tender from Rogers Earthmoving is the lowest conforming bid. Their overall rates excluding the specialised work are the best offered. The combination of these rates together with the use of the more experienced specialist sub-contractor presents Council with the least-risk option for proper completion of the works.

It should be noted from Table 2 that in terms of weighted attributes, Rogers Earthmoving Limited rank the highest of the tenderers. This offer should be accepted.

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 - Rogers Earthmoving Limited	\$507,683.70
Contingency	\$ 76,152.56
Engineering & Supervision	\$ 76,163.74

Total Job Cost	\$660,000.00

SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Huruhuru Creek Stream Safety	85-9815-49430	\$3,140,000	1,350,000	\$660,000.00	\$1,130,000

RECOMMENDATIONS

1. That Contract No. EW05084A - Huruhuru Creek Swimming Hole Infilling report be received.
2. That, subject to a satisfactory credit check, the tender from Rogers Earthmoving Limited for Contract No. EW05084A - Huruhuru Creek Swimming Hole Infilling in the sum of \$507,683.70 plus \$63,460.46 GST, totalling \$571,144.16 be accepted.
3. That authority to enter into Contract No. EW05084A - Huruhuru Creek Swimming Hole Infilling on behalf of Council be delegated to the Group Manager: Asset Management.

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

