



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**                    **16 June 2006**                    **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.

9 June 2006

Ngareta Delamere  
**COMMITTEE SECRETARY**

Telephone (09) 836 8000 extn 8552

### **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 FRIDAY, 16 JUNE 2006, 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 - 2 June 2006

**RECOMMENDATION**

That the minutes of the Meeting of the Tenders Subcommittee held on Friday, 2 June 2006, as circulated, be taken as read and now be confirmed.



**4 CONTRACT NO. PY05017F - RESPONSE MAINTENANCE BUILDING & PAINTING**

**PURPOSE OF THE REPORT**

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. PY05017F - Response Maintenance Building & Painting for a thirty six month term, being an initial twelve months with two one-year renewals, at Council's discretion.

**BACKGROUND**

This contract term differs from resolution 1980/2005 where the contract term was for an initial seven months, with two one-year renewals. The reason for the change to the contract term was due to a variation to the existing contract being raised and approved by the delegated authority due to staff changes in Property Contracts at the time this contract was due for tendering in November 2005.

The Response Maintenance Building & Painting contract covers thirty one Council-owned and leased properties, 335 housing for older adult units, and will now also include five Twin Stream properties which are long term rentals. Services provided will include response maintenance and general property maintenance and minor contract work for all building and painting requirements.

The Tenders Subcommittee meeting dated 14 October 2005 resolved:

*“That the Waitakere City Council Response Maintenance Building & Painting Contract - PY05017F be tendered with a thirty one (31) month term being an initial seven (7) months with two (2) one-year renewals.”*

*1980/2005*

**TENDERS RECEIVED**

Tenders were publicly advertised with eleven (11) sets of documents being uplifted. Four (4) tenders were received by the closing date of Tuesday, 16 May 2006. They are summarised in Table 1 and Table 2 following:

		<b>Edgecity Builders Limited</b>	<b>Fulton Hogan</b>	<b>Wiltek</b>	<b>PAE</b>
<b>Item</b>	<b>Description</b>	<b>\$ Rate (ex. GST)</b>	<b>\$ Rate (ex. GST)</b>	<b>\$ Rate (ex. GST)</b>	<b>\$ Rate (ex. GST)</b>
1	<b>Hourly Rate</b> Tradesman Labourer	\$28.00 \$18.00	\$42.00 \$30.00	\$34.00 \$27.50	\$45.00 \$30.00
2	<b>Mark-up on Net Invoiced Cost of Materials</b>	12.0%	10.0%	15.0%	10.6%
3	<b>After Hours Call Out</b>	\$70.00	\$63.00	\$48.00	\$135.00
4	<b>Hourly Rate Public/Stat Hols</b> Tradesman	\$42.00	\$84.00	\$48.00	\$105.00
5	<b>Travel Allowance</b>	No charge	Included in rates	86c per km to max. 10km's travelled / Tradesman after 5km's travelled	No charge

**Table 1**

**CONTRACT NO. PY05017F - RESPONSE MAINTENANCE BUILDING AND PAINTING**

Tender Evaluation	Attributes	Exper.	Track Record	Tech. Skill	Resour.	Manag. Skill	Method.	Price	Contract Number PY05017F
									Total Weights
Weights		15	10	5	5	7	8	50	100
Tenderer	Tender Sum	Grades							INDEX
Edgecity Builders Ltd	\$91,312.55	70	65	60	65	60	60	63	64
Fulton Hogan	\$117,384.22	60	60	60	75	70	60	38	50
PAE	\$123,318.32	40	40	40	40	40	40	32	36
Wiltek	\$91,370.29	60	60	50	50	55	60	62	60
<b>Med.n Tender Price</b>	\$104,377.26								

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

**Table 2**

**TENDER EVALUATION**

In accordance with the conditions of tendering, tenders were evaluated in line with the Weighted Attribute method for non price attributes and the Schedule of Rates. The rates submitted by the four tenderers were then calculated against actual claims from the preceding ten month period, July 2005 to April 2006.

Reference checks were undertaken for Fulton Hogan, PAE and Wiltek and the referees responses have been documented and placed on file. Reference checks were not undertaken for Edgecity Builders Limited as they are the incumbent service provider and have to date carried out response maintenance building and painting work to a satisfactory level.

**TAGS, ERRORS OR OMISSIONS**

There were no tags, errors or omissions.

**CREDIT CHECK**

A credit check dated 1 June 2006 for Edgecity Builders Limited revealed no adverse information.

**SUMMARY**

The tender received from Edgecity Builders Limited achieved the highest index score and is therefore recommended for award. They are the incumbent service provider for Waitakere City response maintenance building and painting requirements and this will enable them to provide continuity of service. Edgecity Builders Limited are based in Waitakere City with their business premises in New Lynn. They have provided a good level of service to date and have the appropriate resources, both for personnel and equipment, to undertake the response maintenance building and painting work for Waitakere City Council.

## SOURCE OF FUNDING

BUDGET DESCRIPTION (from Annual Budget line item)	CODES (Various codes, dependent on the site that building and painting work is undertaken at)	BUDGET 2006/2007	BUDGET 2007/2008	BUDGET 2008/2009
Response Maintenance - Building & Painting	XX-XXXX-XXXXX-428	\$45,000.00	\$45,000.00	\$45,000.00

## RECOMMENDATIONS

1. That the Contract No. PY05017F - Response Maintenance Building & Painting report be received.
2. That the tender from Edgecity Builders Limited for Contract No. PY05017F - Response Maintenance Building & Painting in the sum of \$135,000 plus \$16,875.00 GST, totalling \$151,875, be accepted.
3. That approval for Contract No. PY05017F - Response Maintenance Building & Painting is given to committing \$45,000 against the draft Annual Plan 2006/2007.
4. That approval for Contract No. PY05017F - Response Maintenance Building & Painting is given to committing \$45,000 against the Annual Plan 2007/2008.
5. That approval for Contract No. PY05017F - Response Maintenance Building & Painting is given to committing \$45,000 against the Annual Plan 2008/2009.
6. That the authority to enter into Contract No. PY05017F - Response Maintenance Building & Painting on behalf of Council be delegated to the Group Manager: Asset Management.
7. That the renewal for Contract No. PY05017F - Response Maintenance Building & Painting for the periods 2006/2007, 2007/2008 and 2008/2009 financial years be reported back to the Tenders Subcommittee for approval.

Report prepared by: Brenda Hoskins, Property Contracts Team Leader, Property Assets.



## 5 REQUEST FOR PROPOSAL CS06001 - EXTERNAL ADVICE FOR RESOURCE CONSENT PROCESSING

### PURPOSE OF THE REPORT

The purpose of this report is to:

- present to the Tenders Subcommittee evaluation results from a Request for Proposal (RFP) issued on 6 May 2006;
- seek the Tenders Subcommittee approval to negotiate contracts with the preferred suppliers identified through the RFP, in the form of the proposal documents and based on the submitted proposals; and

- seek the Tenders Subcommittee approval for these contracts to be subsequently awarded for a term of up to 3 years, subject to satisfactory performance and an ongoing need for the services on a 1+1+1 basis.

## **BACKGROUND**

Proposals were sought from suitably qualified Consultants to provide advice and other services on an as-required basis to assist with the processing of Waitakere City Council Resource Consents and to undertake other briefs relevant to the Consultant's area of expertise.

Consultants will generally be used to provide services either:

- To assist the Council in achieving its statutory obligations where Council staff capacity is at its maximum;
- To provide specialist technical input where the necessary expertise or resource is not available within the Council.

The Request For Proposal sought Consultants to provide one or more of the following specialist services:

- Resource Consent Planning;
- Geotechnical Review and Advice;
- Contamination Assessments and Advice;
- Landscape Assessments and Advice;
- Arboricultural Assessments.

An Request For Proposal process was chosen in preference to an open tender in order to allow for submissions both from Consultants who can offer only one discipline as well as Consultants that may be able to offer services in a range of disciplines, to allow for Consultants to submit based on their standard pricing models and also to allow Consultants the opportunity to present proposals that would realise benefits to the Council.

The Request For Proposal format was however closely based on the Council's standard long form Professional Services tender documentation to ensure that all pre-requisites to form contracts with the selected Consultants would be in place without undertaking an additional tender process and with minimum negotiation required to agree the final contracts.

The requirement for Consultant input to the Resource Consents process is expected to be an ongoing requirement and by establishing contracts for up to a three year term the Council achieves savings through avoidance of annual re-tendering and associated administration costs.

## **SCOPE OF SERVICES**

Proposals were invited from suitably qualified consultants to provide advice and other services on an as required basis to assist with the processing of Waitakere City Council resource consents and to undertake other briefs relevant to the Consultant's area of expertise. Consultants were sought to provide one or more of the following specialist services:

### Resource Consent Planning

The requirement is to provide Resource Consent Planning, review and recommendations of Resource Consents on behalf of Waitakere City Council. The Consultant may also be requested to undertake work related to a reference or appeal on an application or project to the Environment Court or to undertake other specific project/research work.

The requirement is for up to seven Consultants for processing of a total of up to 300 consents in a year (nine hours involvement per consent on average).

### Geotechnical Review and Advice

The requirement is to provide Geotechnical Review and recommendations on Resource Consents for Waitakere City Council Resource Planners or appointed Consultants acting for Waitakere City Council. The Consultant may also be asked to undertake other geotechnical reviews and/or provide specialist advice.

The requirement is for two Consultants for processing a total of up to 300 consents in a year (1.5 hours involvement per consent on average).

### Contamination Assessments and Advice

The requirement is to provide Contamination Assessments and recommendations on Resource Consents for Waitakere City Council Resource Planners or appointed Consultants acting for Waitakere City Council. The Consultant may also be asked to undertake work related to a reference or appeal on an application or project to the Environment Court or to undertake other specific project/research work.

The requirement is for two Consultants for processing a total of up to 100 consents in a year (1.5 hours involvement per consent on average).

### Landscape Assessments and Advice

The requirement is to provide Landscape Assessments and recommendations on Resource Consents for Waitakere City Council Resource Planners or appointed Consultants acting for Waitakere City Council. The Consultant may also be requested to undertake other specific project or research work for the client.

The requirement is for one Consultant for processing a total of up to 20 Consents in a year (4 hours involvement per consent on average).

### Arboricultural Assessments

The requirement is to provide Arboricultural Assessments and recommendations on Tree Resource Consents and/or specialist Arboricultural Assessment reports on vegetation for Waitakere City Council Resource Planners or appointed Consultants acting for Waitakere City Council. The Consultant may also be requested to undertake other specific project or research work for the client.

The requirement is for two Consultants for processing a total of up to 50 consents in a year (3 hours involvement per consent on average).

Under the contract agreements proposed to be established there is no commitment by either party to any minimum, maximum or total number of hours to be worked during the term of the agreement other than through the issue by the Client and acceptance by the Consultant of specific briefs. For each contract to be established a notional contract value will be assigned based on the submitted prices and an estimate of the expected usage for each Consultant.

The charges made by the Consultant for services related to resource consent processing are recovered from applicants in accordance with the Schedule of Regulatory Fees and Charges that is reviewed and notified annually. Where a consent is allocated to a Consultant for the purposes of resource consent planning the Consultant's charges are recovered, in the same way as Council staff time would be if they were undertaking the work, through the base fee charged to the applicant and only once that amount is exceeded would additional charges be applied (for the Consultant's charges). For the other services the current Schedule of Regulatory Fees and Charges provides for an on-charge at cost plus a 10% administration charge.

The Request For Proposal provided that the Consultant's Schedule of Rates will apply for the term of the agreement (initially 1 year), however for the purposes of subsequent extensions, if granted and agreed, the Consultant is able to request that the Schedule of Rates be amended and/or added to. Such requests are to be made in writing to the Client's Representative by 31 January of each year accompanied by suitable documentation. This is to allow for any agreed changes to be incorporated in the Schedule of Regulatory Fees and Charges prior to public notification. If the change in the Consultant's Schedule of Rates is agreed this would take effect from the date of extension (i.e. 1 July of the respective year). The Consultant's Schedule of Rates cannot be amended without the prior written approval of the Client.

Performance Standards were included within the Request For Proposal document and these will be incorporated in the contracts to be established. These include requirements for the Consultant to operate at all times in accordance with the Council's Customer Services Charter, to operate within the framework of any formal standards or guidelines for professional services and ethics, to meet timeframes and complete actions in accordance with statutory requirements, and to provide fully detailed and accurate job billing.

## PROPOSALS RECEIVED

The Request For Proposal was publicly advertised with 28 sets of documents being uplifted. 23 proposals were received by the closing date of 23 May 2006. These are summarised in Table 1 below:

Name of Submitter	Address
Boulder Planning Limited	PO Box 300-629, Albany
Hames Sharley International (NZ) Limited	48-52 Wyndham Street, Auckland
Resource Management Solutions Limited	P O Box 68-954, Newton
Maunsell Limited	47 George Street, Newmarket
Fraser Thomas Limited	P O Box 23-273, Papatoetoe
Treeline Parks Services	PO Box 38-042, Howick
Environmental & Earth Sciences Limited	PO Box 35-853, Browns Bay
Envirowaste Services Limited	345 Neilson Street, Penrose
Frear Surveyors Limited	123C Dominion Road, Mt Eden
Eclipse Group Limited	PO Box 5164, Wellesley Street, Auckland
GHD Limited	PO Box 6543, Wellesley Street, Auckland
Chris Boucher Limited	PO Box 125-062, St Heliers
Greenscene Limited	PO Box 56-551, Mt Eden
URS New Zealand Limited	PO Box 821, Auckland

Name of Submitter	Address
Kingett Mitchell Limited	PO Box 33-849, Takapuna
Owen Taylor Consulting Services Limited	PO Box 65-266, North Shore City
Wilcon Sylvan Parks & Landscape Management	341 Rimmer Road, Helensville
Harrison Grierson Consultants Limited	PO Box 5760, Auckland
K & E Planning	83 Deep Creek Road, Torbay
Integrated Planning Solutions Limited	PO Box 11-651, Ellerslie
Pattle Delamore Partners Limited	PO Box 9528, Newmarket
Andrew Stewart Limited	PO Box 911-310, Auckland
Riley Consultants Limited	PO Box 100-253, North Shore Mail Centre

**Table 1 - Summary of Submitted Proposals**

## PROPOSAL EVALUATION

Proposals were evaluated in line with the Weighted Attribute Method contained in Transfund New Zealand's "Competitive Pricing Procedures Manual".

Attributes, and the weightings applied for the evaluation, were generally as per the Council's standard criteria and were as follows:

Relevant Experience	20%
Track Record	20%
Technical Skills and Resources	15%
Management Skills	10%
Methodology	15%
Price	20%

The attributes for Relevant Experience and Track Record included requirements for Consultants to demonstrate their knowledge and experience applying the Waitakere City District Plan, Waitakere City Council's Code of Practice for City Infrastructure and Land Development and Waitakere City Council's business rules.

Price has been weighted at 20% on the basis that while the services to be provided should be cost effective and reasonable, bearing in mind that it is applicants that meet the costs, it is of critical importance to both the Council and the applicant that the advice provided is of a high standard and the Consultant is able to meet the required performance standards as reflected by the non-price attributes. In addition, as borne out by the Proposals received, the hourly rate charges for these services are within a defined band as dictated by the overall market with differences generally arising through the different cost structures of the Consultants and the different levels of technical expertise and experience offered by the Consultant's personnel.

For the purposes of the evaluation a notional contract value has been determined based on the submitted prices and an estimate of the expected usage for each Consultant. In many cases a schedule of prices has been submitted applicable to the different personnel to be used in delivering the services. In order to provide for a reasonable comparison and price evaluation a weighted rate has been calculated for those Consultants that have provided such a schedule of prices. The weighted rate has been derived as follows:

- Principal or Senior staff (high rate) - generally providing peer review or high level input 10%
- Senior or Intermediate staff (middle rate) - major contribution to service provision 50%

- Graduate, Junior or Assistant staff (low rate) - major contribution to service provision 30%
- Other staff e.g. administration staff or project manager, or mid-rate if not applicable 10%

Consultants have also provided allowance and/or rates for disbursements e.g. vehicle mileage, courier charges etc. As these items are generally a variable but small portion of the total time-based charges for the purposes of the evaluation an additional sum at 8% has been allowed in the notional contract value for disbursements.

A sensitivity analysis of the above basis for calculating the notional contract value indicated that the evaluation results were not altered by applying different realistic weightings on the rates or the general allowance for disbursements.

While all Consultants provided hourly rates to enable the above comparison to be undertaken one alternative proposal was received from Maunsell Limited for the resource consent planning service. Their proposal was to charge on a fixed fee basis at 75% of the base consent fee charged by the Council. This proposal was evaluated in accordance with Section 2.8 of the Transfund Manual. This requires all non-alternative tenders to be evaluated first, with the alternative tender being compared against the best of the non-alternative tenders. Maunsell Limited's indicated hourly rates were used in the primary evaluation.

As per the Request for Proposal Process Conditions evaluations were undertaken in respect of the individual specialist services being sought and where a Consultant's proposal was for more than one of those services each was subject to separate evaluation. Having evaluated Proposals in respect of the specific services consideration was then able to be given to any benefits or otherwise of a Consultant providing more than one of the specialist services, in accordance with any such Proposal.

Evaluation - Resource Consent Planning

The notional contract value is based on 405 hours (seven Consultants processing 45 consents each with nine hours involvement per consent on average). The Client Estimate is based on rates from existing contracts with the three Consultants most used in the past year (all of which have submitted proposals).

Proposal Evaluation	Attributes	Relevant	Track	Technical Skills	Management	Methodology	Price	CS06001 - Resource Planning Total Weights
		Experience	Record	& Resources	Skill			
Weights		20	20	15	10	15	20	100
Submitter	Notional Contract Value							INDEX
Andrew Stewart Limited	\$63,641.70	80	65	75	75	80	-22	55
Boulder Planning Ltd	\$41,553.00	70	65	75	70	75	38	64
Eclipse Group Ltd	\$40,022.10	90	90	80	75	80	42	76
Envirowaste Services Ltd	\$45,052.20	55	75	50	70	75	28	57
Frear Surveyors Ltd	\$39,366.00	90	85	80	65	75	43	73
GHD Ltd	\$55,812.24	85	85	80	80	75	-1	65
Hames Sharley International (NZ) Ltd	\$42,646.50	55	55	65	65	60	35	54
Harrison Grierson Consultants Ltd	\$40,350.15	90	85	80	80	80	41	75
Integrated Planning Solutions Ltd	\$40,678.20	60	65	65	65	70	40	60

Proposal Evaluation	Attributes	Relevant	Track	Technical Skills	Management	Methodology	Price	CS06001 - Resource Planning Total Weights
		Experience	Record	& Resources	Skill			
	<b>Weights</b>	<b>20</b>	<b>20</b>	<b>15</b>	<b>10</b>	<b>15</b>	<b>20</b>	<b>100</b>
Submitter	Notional Contract Value							INDEX
K & E Planning	\$34,992.00	90	85	80	70	75	55	76
Kingett Mitchell Ltd	No rates	35	35	70	80	35		Disqualified
Maunsell Ltd*	\$52,269.30	65	70	70	70	80	9	58
Owen Taylor Consulting Services Ltd	\$44,618.80	65	65	70	65	70	29	59
Resource Management Solutions Ltd	\$47,895.30	90	85	80	80	80	20	71
URS New Zealand Ltd	\$49,644.90	85	80	80	85	85	16	69
<b>Client Estimate</b>	<b>\$ 36,946.80</b>							

\* Maunsell Limited submitted an alternative proposal for pricing. They also provided indicative hourly rates which have been used in this table.

**Table 2 - Summary of Proposal Evaluation – Resource Consent Planning**

Based on the index scores resulting from the evaluation the top 7 Consultants in descending index order are:

- Eclipse Group Limited;
- K & E Planning;
- Harrison Grierson Consultants Limited;
- Frear Surveyors Limited;
- Resource Management Solutions Limited;
- URS New Zealand Limited;
- GHD Limited.

This group includes the 4 lowest prices and 5 of the Consultants are incumbent suppliers.

The next best ranked Consultant was Boulder Planning Limited (index score of 64).

Kingett Mitchell Limited provided separate proposals for different services however the proposal for this service while including details of the proposed personnel did not address any of the other attributes and they have therefore been disqualified.

Of the remaining Consultants most would likely be able to undertake the services but have not demonstrated the same or desired level of competency in the various attributes as the above Consultants. Andrew Stewart Limited's submitted rates were significantly higher than any other Consultant.

Maunsell Limited proposed an alternative basis of charging using a fixed fee approach with the fee set at 75% of the base fee charged for each resource consent. It is noted that Maunsell Limited did not score highly in the non-price attributes and in order for this alternative pricing model to alter the index scoring there would be an implied discount of approximately 28% to the hourly rates indicated in Maunsell Limited's proposal (as used in the table above). An analysis based on an estimate of the percentage of each consent type that might be allocated to the Consultant out of the 45 consents on which the evaluation has been based and applying the Maunsell Limited pricing at 75% of the base fees yielded a higher price (\$55,424.25) than that used in the primary evaluation for Maunsell Limited. The alternate proposal does not change the results of the evaluation.

Approval is therefore sought to negotiate a three year contract with the top seven Consultants and if a contract cannot be negotiated satisfactorily with one or more of those Consultants approval is sought to undertake negotiations with Boulder Planning Limited (as the next best ranked Consultant).

Geotechnical Review and Advice

The notional contract value is based on 225 hours (2 Consultants processing 150 consents each with 1.5 hours involvement per consent on average). The Client Estimate is based on the rates of the incumbent Consultant (who did not submit a proposal).

Proposal Evaluation	Attributes	Relevant Experience	Track Record	Technical Skills & Resources	Management Skill	Methodology	Price	CS06001 - Geotechnical
		Weights	20	20	15	10	15	20
Submitter	Notional Contract Value							INDEX
GHD Ltd	\$30,132.00	80	75	80	70	75	22	66
Maunsell Ltd	\$35,052.75	75	75	75	70	80	2	61
URS New Zealand Ltd	\$30,496.50	80	80	80	70	80	21	67
Client Estimate	\$23,625.00							

**Table 3 - Summary of Proposal Evaluation – Geotechnical Review and Advice**

All three Consultants would be acceptable for providing the required services although Maunsell Limited's prices were slightly higher than those of GHD Limited and URS New Zealand Limited.

Approval is accordingly sought to negotiate a 3 year contract with URS New Zealand Limited and GHD Limited for this work.

It is noted that this service is the second service in which both URS New Zealand Limited and GHD Limited have made successful proposals and a single contract with each Consultant is proposed to be negotiated incorporating both services based on the proposal documents and their submissions.

Contamination Assessments and Advice

The notional contract value is based on 75 hours (2 Consultants processing 50 consents each with 1.5 hours involvement per consent on average). The Client Estimate is based on the rates of the incumbent Consultant (who submitted a proposal).

Proposal Evaluation	Attributes	Relevant Experience	Track Record	Technical Skills & Resources	Management Skill	Methodology	Price	CS06001 - Contamination
		Weights	20	20	15	10	15	20
Submitter	Notional Contract Value							INDEX
Andrew Stewart Ltd	\$11,785.50	75	75	80	75	75	-31	56
Environmental & Earth Sciences Ltd	\$9,598.50	85	85	85	80	75	3	67
Envirowaste Services Ltd	\$8,343.00	75	75	75	75	80	22	65
Fraser Thomas Ltd	\$10,064.25	75	75	75	75	80	-4	60
GHD Ltd	\$7,387.20	75	75	70	75	70	37	66
Kingett Mitchell Ltd	\$8,950.50	80	80	80	85	80	13	67
Maunsell Ltd	\$10,266.75	75	75	80	70	80	-7	60
Pattle Delamore Partners Ltd	\$10,894.50	75	75	80	75	75	-17	57

Proposal Evaluation	Attributes	Relevant	Track	Technical Skills	Management	Methodology	Price	CS06001 - Contamination
		Experience	Record	& Resources	Skill			Total Weights
	<b>Weights</b>	<b>20</b>	<b>20</b>	<b>15</b>	<b>10</b>	<b>15</b>	<b>20</b>	<b>100</b>
Submitter	Notional Contract Value							INDEX
Riley Consultants Ltd	\$8,322.75	75	75	80	75	75	22	65
URS New Zealand Ltd	\$13,000.50	80	80	80	75	75	-49	53
Client Estimate	\$ 6,520.50							

**Table 4 - Summary of Proposal Evaluation – Contamination Assessments and Advice**

The results of the evaluation show that any of the Consultants who submitted proposals would be acceptable for the provision of Contamination Assessments and Advice with closely matched index scores for the top five Consultants. Kingett Mitchell Limited and Environmental & Earth Sciences Limited generally scored slightly higher in the area of experience and track record.

The top index score of 67 was obtained by both Kingett Mitchell Limited and Environmental & Earth Sciences Limited (the incumbent supplier). GHD Limited achieved the second highest score of 66 and has the lowest price.

The Kingett Mitchell Limited proposal included some tags specifically one in relation to the Conditions of Contract to be used. It is expected that those tags can be satisfactorily resolved through negotiation without any price impact.

Approval is sought to negotiate a three year contract with Kingett Mitchell Limited and Environmental & Earth Sciences Limited for this work and if a contract cannot be negotiated satisfactorily with either of those parties then negotiations be undertaken to contract with GHD Limited.

Landscape Assessments and Advice

The notional contract value is based on 80 hours (one Consultant processing 20 consents with four hours involvement per consent on average). The Client Estimate is based on the rates of the incumbent Consultant (who did not submit a proposal).

Proposal Evaluation	Attributes	Relevant	Track	Technical Skills	Management	Methodology	Price	CS06001 - Landscape
		Experience	Record	& Resources	Skill			Total Weights
	<b>Weights</b>	<b>20</b>	<b>20</b>	<b>15</b>	<b>10</b>	<b>15</b>	<b>20</b>	<b>100</b>
Submitter	Notional Contract Value							INDEX
GHD Ltd	\$10,108.80	80	80	85	70	75	66	76
Kingett Mitchell Ltd	\$9,288.00	80	80	85	80	75	73	79
Treeline Parks Services	\$4,924.80	55	55	45	60	75	100	66
Client Estimate	\$ 12,096.00							

**Table 5 - Summary of Proposal Evaluation - Landscape Assessments and Advice**

The proposals from both GHD Limited and Kingett Mitchell Limited fully demonstrated their experience, track record and availability of personnel with the appropriate technical skills to provide the services while Treeline Parks Services is a smaller company that did not demonstrate that it has experience providing the specific services relating to resource consent application processing.

The Kingett Mitchell Limited proposal included some tags and specifically one in relation to the Conditions of Contract to be used. It is expected that those tags can be satisfactorily resolved through negotiation without any price impact.

Either Kingett Mitchell Limited or GHD Limited would be suitable Consultants to engage to provide the required Landscape Assessments and Advice. As Kingett Mitchell Limited has scored the highest index based both on price, and a slightly higher assessed score in the Management Skills attribute, approval is sought to negotiate a three year contract with them for this work and if a contract cannot be negotiated satisfactorily with them that negotiations be undertaken to contract with GHD Limited.

It is noted that this service is the second service in which Kingett Mitchell Limited has made a successful proposal and a single contract is proposed to be negotiated with them incorporating both services based on the proposal documents and their submissions.

### Arboricultural Assessments

The notional contract value is based on 75 hours (2 Consultants processing 25 consents each with 3 hours involvement per consent on average). The Client Estimate is based on the rates of the incumbent Consultant (who submitted a proposal).

Proposal Evaluation	Attributes	Relevant Experience	Track Record	Technical Skills & Resources	Management Skill	Methodology	Price	CS06001 - Arboriculture
								Total Weights
	<b>Weights</b>	<b>20</b>	<b>20</b>	<b>15</b>	<b>10</b>	<b>15</b>	<b>20</b>	<b>100</b>
Submitter	Notional Contract Value							INDEX
Chris Boucher Ltd	\$6,480.00	85	80	80	75	60	50	72
Fraser Thomas Ltd	\$13,000.50	75	70	70	75	70	-51	47
Greenscene Ltd	\$6,885.00	85	80	80	75	60	44	70
Kingett Mitchell Ltd	\$5,578.88	70	70	70	75	75	64	70
Treeline Parks Services	\$5,103.00	60	65	65	60	70	71	66
Wilcon Sylvan Parks and Landscape Management	\$8,505.00	80	80	75	75	70	19	65

**Table 6 - Summary of Proposal Evaluation – Arboricultural Assessments**

The highest scored Consultant was Chris Boucher Limited (the incumbent supplier) with Greenscene Limited and Kingett Mitchell Limited the next best ranked, both achieving the same score of 70.

As only two Consultants are to be selected for this work the relevant merits of the proposals from Greenscene Limited and Kingett Mitchell Limited were further considered.

Greenscene Limited scored higher in the attribute scores for Relevant Experience, Track Record and Technical Skills. It is considered that Greenscene Limited are to be preferred over Kingett Mitchell Limited.

Treeline Parks Services was the lowest priced proposal but has scored average marks in the non-price attributes. Treeline Parks Services did not demonstrate that it has experience providing the specific services relating to resource consent application processing - its experience is more with the physical works aspects of tree care and landscaping. All other Consultants presented better credentials for providing these services than Treeline Parks Services as shown in the non-price attribute scores.

Approval is sought to negotiate a three year contract with Chris Boucher Limited and Greenscene Limited for this work and if a contract cannot be negotiated satisfactorily with either of those parties then negotiations be undertaken to contract with Kingett Mitchell Limited as the next best ranked Consultant.

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

Consultants generally submitted proposals in accordance with the Request For Proposal Process Conditions which required that proposals were prepared in the form and contain the information required by the Conditions and the Request for Proposal documents. Consultants were requested to include all relevant information, conditions or otherwise to enable the Client to properly evaluate the Proposal and to understand the basis on which the Consultant is willing to enter into a contract agreement with the Client. In particular any amendments that the Consultant would propose to the Conditions of Contract and Appendices contained within the Request For Proposal were required to be clearly identified in the Consultant's Proposal.

During the Proposal Evaluation few tags, errors or omissions were identified and where significant these have been included in the summary of proposal evaluations above.

The negotiation of contracts with the selected suppliers, if approved, will seek to resolve any identified tags errors and omissions in conformity with the Council's standard approved long form professional services contract and other relevant policy requirements. In addition, the scope of services as included within the Request For Proposal documentation and the commitments and pricing given through the Consultant's proposal on which their selection has been based will be incorporated within the contracts without significant amendment.

### **CREDIT CHECKS**

Credit checks will be undertaken on all Consultants with whom a contract agreement is to be entered following approval to proceed with the contract negotiation phase of the RFP process and prior to contract award.

### **SUMMARY**

An Request For Proposal process has been undertaken to select Consultants to provide services in five specialist disciplines as part of the Council's resource consent processing function. The Request For Proposal process has allowed the Council to obtain proposals from the market for the provision of these services on an as-required but ongoing basis.

The Request For Proposal has been successful in identifying suitable Consultants of the required number to provide the services.

The Request For Proposal format was closely based on the Council's standard long form Professional Services tender documentation to ensure that all pre-requisites to form contracts with the selected Consultants would be in place without undertaking an additional tender process and with minimum negotiation required to agree the final contracts. Approval is now sought to enter negotiations with the Consultants selected through the Request For Proposal with a view to concluding contract agreements by 30 June 2006.

The requirement for Consultant input to the Resource Consents process is expected to be an ongoing requirement and approval is sought for these contracts to be awarded for a term of up to three years, subject to satisfactory performance on a 1+1+1 basis.

All, except one, of the contracts to be negotiated on the above basis will have a three year notional value that is within the delegation of Council Officers. The contract proposed to be put in place with GHD Limited will however have a total three year contract value that exceeds Officer delegations. In addition GHD Limited are the substitute Consultant for two services should a contract not be successfully negotiated with the preferred Consultants. To avoid the need to refer this back to Tenders Subcommittee, this report seeks approval for the Director: City Services to be authorised on behalf of the Council to award the contract to be negotiated with GHD Limited to a maximum (annual) value of \$103,440.24 (inclusive of the possible additional services as the substitute Consultant).

Contract award and any subsequent extensions will be undertaken in accordance with the relevant Council policies and financial limits applicable at the time.

As part of Council's contracting process "Quality and Health and Safety is not negotiable" - all Consultants will have 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

	<b>Excl. GST</b>
Notional annual contract value (all proposed contracts)	\$409,913.19
Contingency	Nil
Other	Nil
	-----
Total Job Cost	\$409,913.19

Under the contract agreements to be established there is no commitment by either party to any minimum, maximum or total number of hours to be worked during the term of the agreement other than through the issue by the Client and acceptance by the Consultant of specific briefs. The job cost given is the total notional (and expected maximum) value of the contracts to be put in place. It is expected that the actual cost will be less than this total.

As described in the Scope of Services section of this report the Consultants are able to seek amendments or additions to the rates applicable to their contract on a yearly basis. Changes in the rates charged and changes in the volume of consents allocated to Consultants under any contract may change the annual notional value of the contract in the second and subsequent years. These potential changes are not included in the above job costs or source of funding figures below due to their unpredictability. As noted in this report the Consultant charges are generally recovered from applicants and an increase in charge rates does not necessarily lead to an increased budget commitment from the Council. Any increase in scope or price would only be undertaken by way of approved variation subject to the necessary budget and other required approvals being in place.

### SOURCE OF FUNDING

Payments for the proposed contracts are made from the Resource Consents Professional Services budget line item (38-5830-38060-022). Costs will be incurred due to staff vacancies or when demand is greater than staff capacity or where the advice required is of a specialist nature not provided for by internal resources. Costs incurred will be matched by revenue received with no net impact on existing budgets.

## RECOMMENDATIONS

1. That the Request for Proposal CS06001- External Advice for Resource Consent Processing report be received.
2. That contracts for the provision of External Advice for Resource Consent Processing be negotiated with the Consultants selected through the Request for Proposal in accordance with the Request for Proposal Process Conditions and this report and as detailed in the following recommendations.
3. That contracts be negotiated for a term of up to 3 years on a 1 + 1 + 1 basis, subject to satisfactory performance of the Consultant and an ongoing requirement for the services provided.
4. That contracts for the provision of External Advice for Resource Consent Processing be negotiated as follows:
  - for Resource Consent Planning with:
    - Eclipse Group Limited for a notional annual contract value of \$40,022.10;
    - K & E Planning for a notional annual contract value of \$34,992.00;
    - Harrison Grierson Consultants Limited for a notional annual contract value of \$40,350.15;
    - Frear Surveyors Limited for a notional annual contract value of \$39,366.00;
    - Resource Management Solutions Limited for a notional annual contract value of \$47,895.30.
  - for Contamination Assessments and Advice with:
    - Environmental & Earth Sciences Limited for a notional contract value of \$9,598.50.
  - for Arboricultural Assessments with:
    - Chris Boucher Limited for a notional annual contract value of \$6,480.00;
    - Greenscene Limited for a notional contract value of \$6,885.00.
  - for Resource Consent Planning and Geotechnical Review and Advice with:
    - URS New Zealand Limited for a combined notional annual contract value of \$80,141.40;
    - GHD Limited for a combined notional annual contract value of \$85,944.24.
  - for Contamination and Landscape Assessments and Advice with:
    - Kingett Mitchell Limited for a combined notional annual contract value of \$18,238.50.
5. That if a contract cannot be negotiated satisfactorily with one or more of the Consultants in accordance with recommendation 4, contracts may be negotiated as follows:
  - for Resource Consent Planning with:
    - Boulder Planning Limited for a notional annual contract value of \$41,553.00.

- for Contamination Assessments and Advice with:
    - GHD Limited as an additional service under their contract for a notional annual contract value of \$7,387.20.
  - for Landscape Assessments and Advice with:
    - GHD Limited as an additional service under their contract for a notional annual contract value of \$10,108.80.
  - for Arboricultural Assessments with:
    - Kingett Mitchell Limited as an additional service under their contract for a notional annual contract value of \$5,578.88.
6. That in respect of the contract to be negotiated with GHD Limited authority to enter into the contract on behalf of Council is delegated to the Director: City Services, with this delegation to be exercised at his discretion, and up to a maximum annual contract value of \$103,440.24.

Report prepared by: Michael Campbell, Manager: Resource Consents and Andrew Crann, Manager: Operations Support.



## **6 CONTRACT NO. PK03623B - LEGAL WEED CONTROL - EXTENSION TO CONTRACT SUM AND PERIOD**

### **PURPOSE OF THE REPORT**

The purpose of this report is to seek approval from the Tenders Subcommittee to extend Contract No. PK03623B - Legal Weed Control for a further period of one year from 1 July 2006 to 30 June 2007 as stipulated in the contract documents.

### **BACKGROUND**

This contract forms part of Council's weed management programme. The purpose of this contract is to meet Waitakere City Council's legal obligations as a land owner under the Auckland Regional Pest Management Strategy by controlling the following weed species:

#### Containment Pest Plants (removal)

- Bathurst bur (*Xanthium spinosum*);
- Bushy asparagus (*Asparagus densiflorus*);
- Evergreen buckthorn (*Rhamnus alaternus*);
- Kahili ginger (*Hedychium gardnerianum*) (WRWCZ);
- Mignonette vine (*Anredera cordifolia*);
- Moth plant (*Araujia sericifera*);
- Nodding thistle (*Carduus nutans*);
- Smilax (*Asparagus asparagoides*);
- Variegated thistle (*Silybum marianum*);
- Woolly nightshade (*Solanum mauritianum*) (WRWCZ);
- Yellow ginger (*Hedychium flavescens*) (WRWCZ).

Containment Pest Plants (boundary control)

- Australian sedge (*Carex longebrachiata*);
- Gorse (*Ulex europaeus*);
- Ragwort (*Senecio jacobaea*).

Contract No. PK03623B - Legal Weed Control was awarded to Techscape Limited in 2003/2004 under the following conditions:

Section C2, Contract Review states:

*"The Contract term is for an initial period of two years, with a renewal period of a further three years, rolled over each year at the discretion of the Principal."*

At the 29 August 2003 meeting of the Tenders Subcommittee, it was resolved:

*"That authority to exercise the right of renewal for the period of the 2005/2006, 2006/2007 and 2007/2008 financial years be delegated to the Director: City Services, subject to Council providing the budget."*

1771/2003

The contract was extended for one year during 2005/2006 financial year. Tenders Subcommittee is required to commit funding from the 2006/2007 financial year as the 2006/2007 draft Annual Plan has not been approved.

**PERFORMANCE**

The requirements of this contract are in two (2) stages:

1. **City-wide Weed Control** - control of all weed species mentioned above in all Waitakere City Council owned reserves to meet the requirements of the Auckland Regional Pest Management Strategy.
2. **Response Weed Control** - the intention of this programme is to respond and act on requests made to the Council by residents, ratepayers and other customers for weed control. This weed control is only to be undertaken on Council reserve land.

Techscape Limited's performance has been professional and all physical works undertaken have been of a high standard. The audits undertaken by Wildland Consultants Limited (an independent auditor) throughout the contract are consistent with Techscape's high level of performance with a rating of between 90 and 100 percent. The recommendation to extend the contract is for the following reasons:

- Known performance in service delivery;
- Improvements in the quality of work;
- Familiarity with the Waitakere City Parks and Community;
- Consistency in ongoing control of weed species;
- Close working relationship;
- Shared technology platforms.

## JOB COSTS

	<b>Excl. GST</b>
Negotiated Tenders Sum with Techscape Limited	
2006/2007 - 12 month period contract sum	\$199,715.54
Contingency	\$ 19,971.55
Engineering and Supervision	\$ 0.00
	-----
Total Job Cost	\$219,687.09

Techscape Limited's proposed tender sum for the extension of the Legal Weed Control contract is consistent with the original sum of \$189,589 per year submitted in 2003/2004 including cost fluctuations with regard to increasing fuel prices and the CPI index. Techscape Limited's submitted price is below the Engineer's estimate of \$200,000 and is within the available budget.

Engineering and supervision is provided through a separate professional services contract and therefore there are no costs associated with this contract.

## SOURCE OF FUNDING

Budget Description (from draft Annual Plan budget)	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Weed & Pest Maintenance	\$784,024.80	\$564,337.71	\$219,687.09	Nil

The following funding commitments are required:

- A commitment to fund the legal weed control estimated at \$219,687.09 is requested from the draft Annual Plan 2006/2007.

## SUMMARY

It is considered that there is benefit for Council in increasing the contract sum for 2006/2007 with Techscape Limited as they have carried out the contract works to a high standard in a timely manner and the works remain competitively priced.

Accordingly it is recommended that the contract sum be increased by \$10,126.54 for the 2006/2007 financial year to a new contract sum of \$199,715.54.

## RECOMMENDATIONS

1. That the Contract No. PK03623B - Legal Weed Control - Extension to Contract Sum and Period report be received.
2. That the renewal of Contract No. PK03623B - Legal Weed Control to Techscape Limited for the sum of \$199,715.54 plus \$24,964.44 GST, totalling \$224,679.98 be accepted.
3. That the commitment to the 2006/2007 financial year for Contract No. PK03623B - Legal Weed Control totalling \$199,715.54 plus GST be approved.
4. That authority to extend Contract No. PK03623B - Legal Weed Control on behalf of Council be delegated to the Group Manager: Asset Management.

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



7 **CONTRACT NO. PK05001C - PLANT AND ANIMAL PEST MAINTENANCE -  
EXTENSION TO CONTRACT SUM**

**PURPOSE OF THE REPORT**

The purpose of this report is to seek approval from the Tenders Subcommittee to increase the contract sum of Contract No. PK05001C - Plant and Animal Pest Maintenance for 2006/2007.

**BACKGROUND**

Approval was granted by the Tenders Subcommittee at the 27 May 2005 meeting to award Contract No. PK05001C - Plant and Animal Pest Maintenance for two (2) years with extensions of two (2) plus two (2) years, to Techscape Limited:

- "2. That the tender from Techscape Limited for Contract No. PK 05001C - Plant and Animal Pest Maintenance in the sum of \$828,881.17 plus \$103,610.15 GST, totalling \$932,491.32 be accepted.
3. That the commitment to the Annual Plan 2005/2006 for Contract No. PK 05001C - Plant and Animal Pest Maintenance in the sum of \$434,440.58 plus \$54,305.07 GST, totalling \$488,745.65 be approved.
4. That the commitment to the Annual Plan 2006/2007 for Contract No. PK 05001C - Plant and Animal Pest Maintenance in the sum of \$434,440.58 plus \$54,305.07 GST, totalling \$488,745.65 be approved.
5. That authority to extend Contract No. PK 05001C - Plant and Animal Pest Maintenance for a further two (2) plus two (2) years subject to satisfactory price and performance, be delegated to the Group Manager: Asset Management.
6. That authority to enter into Contract No. PK 05001C - Plant and Animal Pest Maintenance on behalf of Council be delegated to the Group Manager: Asset Management."

880/2005

This contract is a continuation of Council's routine maintenance programme for the control of plant and animal pests. The principal objectives of the programme are to maintain or improve the ecological integrity of Council's park and road reserve through the control of environmental weeds, possums, wasps and wild bees.

**SCOPE OF WORK**

The Plant and Animal Pest Maintenance Contract involves the combination of several smaller previous contracts. The scope of work includes programmed and response work involving the programmed control of environmental weeds on roadside and in parks, response to community requests, possum and wasp and wild bee treatment.

All other response and non programmed maintenance is to be undertaken by a separate response maintenance contractor.

**ISSUES**

Due to increases in the current levels of Consumer Price Index, Techscape Limited were invited to submit percentage cost fluctuation adjustments by indexation for Contract No. PK05001C Plant and Animal Pest Maintenance. Techscape Limited has agreed that their tender price market fluctuation for labour and material costs would be 5.0%.

The current contract with Techscape Limited is working extremely well with good results in quality, performance and service delivery. In the 2005/2006 contract period Techscape Limited have consistently met contract performance rating KPI targets.

Techscape Limited has demonstrated:

- Performance in service delivery;
- Improvements in the quality of work;
- A familiarity with Waitakere City Parks and Community;
- A close working relationship with Council;
- The ability to provide innovative ideas and solutions.

### JOB COSTS

	<b>Excl. GST</b>
Negotiated Tender Sum with Techscape Limited 2006/2007 12 month period contract sum	\$456,162.61
	-----
Total Job Costs	\$456,162.61

Funds have also been provided for the extension to the contract within the draft Long Term Council Community Plan 2006-2016.

### SOURCE OF FUNDING

Budget Description (from draft Annual budget)	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Weed & Pest Maintenance	\$784,024.80	\$438,629.72	\$345,395.09	\$0.00
Quarry Revegetation	\$7,039.87	\$0.00	\$7,039.87	\$0.00
Kay Rd Revegetation	\$8,213.18	\$0.00	\$8,213.18	\$0.00
Waikumete Weed Control	\$95,514.47	\$0.00	\$95,514.47	\$0.00
<b>TOTAL</b>	<b>\$894,792.32</b>	<b>\$438,629.72</b>	<b>\$456,162.61</b>	<b>\$0.00</b>

The following funding commitments are required:

- A commitment to fund plant and animal pest maintenance estimated at \$456,162.61 is requested from the draft Annual Plan 2006/2007.

### SUMMARY

It is considered that there is benefit for Council in increasing the contract sum for 2006/2007 with Techscape Limited as they have carried out the contract works to a high standard in a timely manner and the works remain competitively priced.

Accordingly it is recommended that the contract sum be increased by \$21,722.03 for the 2006/2007 financial year to a new contract sum of \$456,162.61

### RECOMMENDATIONS

1. That the Contract No. PK05001C - Plant and Animal Pest Maintenance - Extension to Contract Sum report be received.
2. That an increase in the contract sum of Contract No. PK05001C - Plant and Animal Pest Maintenance to the sum of \$456,162.61 plus \$57,020.33 GST totalling \$513,182.94 be accepted.

3. That the commitment to the 2006/2007 financial year for Contract No. PK05001C - Plant and Animal Pest Maintenance to the sum of \$456,162.61 plus \$57,020.33 GST totalling \$513,182.94 be approved.
4. That authority to extend Contract No. PK05001C - Plant and Animal Pest Maintenance on behalf of Council be delegated to the Group Manager: Asset Management.

Report prepared by: Debbie Chapman, Project Development Officer.



## 8 CONTRACT NO. PK05001B - ROADSIDE VEGETATION MAINTENANCE - EXTENSION TO CONTRACT SUM

### PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to increase the contract sum of Contract No. PK05001B - Roadside Vegetation Maintenance for 2006/2007.

### BACKGROUND

Approval was granted by the Tenders Subcommittee at the 18 February 2005 meeting to award Contract No. PK05001B - Roadside Vegetation Maintenance contract for two (2) years with extensions of two (2) plus two (2) years, to Aspin Weed Control Limited:

- "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 the Group Manager: Asset Management, subject to satisfactory price and performance.
6. That authority to enter into Contract No. PK 05001B Roadside Vegetation Maintenance on behalf of Council be delegated to the Group Manager: Asset Management."

158/2005

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.

## ISSUES

Due to increases in the current levels of Consumer Price Index, Aspin Weed Control Limited were invited to submit percentage cost fluctuation adjustments by indexation for Contract No. PK05001B - Roadside Vegetation Maintenance. Aspin Weed Control Management has indicated that their tender price market fluctuation for labour and material costs would be 3.9%.

The current contract with Aspin Weed Control Limited is working extremely well with good results in quality, performance and service delivery. In the 2005/2006 contract period Aspin Weed Control Limited have consistently met contract performance rating KPI targets.

Aspin Weed Control Limited has demonstrated:

- Performance in service delivery;
- Improvements in the quality of work;
- A familiarity with Waitakere City Parks and Community;
- A close working relationship with Council;
- The ability to provide innovative ideas and solutions.

## JOB COSTS

### Excl. GST

Negotiated Tender Sum with Aspin Weed Control Limited	
2006/2007 12 month period contract sum	\$ 224,257.35
Contingency	\$ 10,000.00
	-----
Total Job Costs	\$ 234,257.35

Funds have also been provided for the extension to the contract within the draft Long Term Council Community Plan 2006-2016.

## SOURCE OF FUNDING

Budget Description (from draft Annual budget)	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Roadside Vegetation Control	\$265,189.39	\$30,932.05	\$234,257.34	\$0.00

The following funding commitments are required:

- A commitment to fund the roadside vegetation maintenance estimated at \$234,257.35 is requested from the draft Annual Plan 2006/2007.

## SUMMARY

It is considered that there is benefit for Council in increasing the contract sum for 2006/2007 with Aspin Weed Control Limited as they have carried out the contract works to a high standard in a timely manner and the works remain competitively priced.

Accordingly it is recommended that the contract sum be increased by \$8,417.75 for the 2006/2007 financial year to a new contract sum of \$224,257.35.

## RECOMMENDATIONS

1. That the Contract No. PK05001B - Roadside Vegetation Maintenance - Extension to Contract Sum report be received.
2. That the contract sum of Contract No. PK05001B - Roadside Vegetation Maintenance be increased to the sum of \$224,257.35 plus \$28,032.17 GST totalling \$252,289.52 be accepted.
3. That the commitment to the 2006/2007 financial year for Contract No. PK05001B - Roadside Vegetation Maintenance for the sum of \$224,257.35 plus \$28,032.17GST totalling \$252,289.51 be approved.
4. That the authority to extend Contract No. PK05001B - Roadside Vegetation Maintenance be delegated to the Group Manager: Asset Management.

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



## 9 CONTRACT NO. PK03600D - PARKS RESPONSE MAINTENANCE - EXTENSION TO CONTRACT SUM

### PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to increase the contract sum of Contract No. PK03600D - Parks Response Maintenance for 2006/2007 and 2007/2008.

### BACKGROUND

Parks and Maintenance Services were awarded Contract No. PK03600D - Parks Response Maintenance for a term of two years commencing in 1 July 2003. This contract was awarded with a right of renewal of one (1), plus one (1), plus one (1) year. They were awarded the contract based on their competitive contract rates established through a public tendering process.

The contract scope was changed in 2005 and a report was presented to Tenders Subcommittee on 22 July 2005 to extend the contract sum and the contract period.

At the Tenders Subcommittee meeting on 22 July 2005 it was resolved:

1. *That the Contract No. PK03600D - Parks Response Maintenance Extension report be received.*
2. *That the Contract No. PK03600D - Parks Response Maintenance contract sum be increased to \$533,148.26 plus \$66,643.53 GST totalling \$599,791.79 for 2005/2006.*
3. *That the Contract No. PK03600D - Parks Response Maintenance contract sum be increased to \$581,616.28 plus \$72,702.03 GST totalling \$654,318.31 for 2006/2007.*
4. *That the Contract No. PK03600D - Parks Response Maintenance contract sum be increased to \$581,616.28 plus \$72,702.03 GST totalling \$654,318.31 for 2007/2008.*
5. *That the commitment to the 2006/2007 financial year for Contract No. PK03600D - Parks Response Maintenance for the sum of \$821,616.28 plus \$102,702.03 GST totalling \$924,318.31 be approved subject to contractor performance and funding availability.*
6. *That the commitment to the 2007/2008 financial year for Contract No. PK03600D - Parks Response Maintenance for the sum of \$821,616.28 plus \$102,702.03 GST totalling \$924,318.31 be approved subject to contractor performance and funding availability.*
7. *That authority to extend the term of Contract No. PK03600D - Parks Response Maintenance for 2005/2006, 2006/2007, 2007/2008 on behalf of the Council be delegated to the Group Manager: Asset Management."*

1383/2005

## ISSUES

The original scope of works for this contract was for the contractor to:

- establishment teams to respond to customer requests in parks, civic areas and town centres;
- undertake the repairs themselves or arrange for specialist or sub contractors to carry out the works;
- carry out inspections of hazard areas and facilities;
- manage the supply of materials for the Periodic Detention programme and oversee works;
- and undertake asset condition auditing.

## Response Work

Due to the high volume of requests for service from residents, ratepayers and customers in the early period of this contract the data collection process was not fully introduced as the resource for this role was required to respond to customer requests.

The increase in the volume of customer requests for service through the Request for Services system has continued to increase since the change in the contract sum in July 2005. In May 2005 the volume of Request for Services for this contract was 216. The highest volume that has been recorded in this contract was for March this year at 344.

Currently the volume of Request for Services that are actioned through this contract is averaging over 280 per month. Over the period 1 January 2004 to 30 April 2005 there had been 3892 response Request for Services actioned through this contract of which 48% were for responding to vandalism issues. The major component of the Request for Services work is to respond to the high volume of vandalised items throughout the parks and Town Centres.

This increase in the volume of Request for Services heavily impacts on the available resources to undertake the response work and on the funds required for specialists and sub contractors to undertake the necessary repair works. The number of staff resources that the contractor can provide is determined by the available budget. Currently there are seven (7) full time staff allocated to this contract to respond to customer requests.

### **Specialists and Sub contractors**

The use of specialist staff and sub contractors within this contract is currently funded through the contingency sum of the contract. This requires the obtaining of a price and the issuing of a variation to the contract to action repair works. It has been recognised that this volume of work will continue for several more years.

To expedite the actioning of these works and ensure that rates are held for the sub contractors and specialist it is proposed to increase the contract sum to accommodate this additional work rather than have the funding set aside as a contingency. This will be undertaken as an increase to the day works items on the contract's schedule of quantities.

### **Asset Condition Auditing**

As mentioned the original contract allowed for a resource to undertake a programme of asset condition auditing. This function had only partially been implemented in previous years due to the need to use the resource on responding to Request for Services. Over this time the Hansen Asset Management System has been implemented into the Parks assets.

The old data is now considerably out of date and unusable for condition assessment to determine asset replacement. It is planned in 2006/2007 to embark on an intensive data updating and collection programme. It is therefore proposed to resurrect and expand the collection of asset condition data programmes within this contract. Additional systems have been put in place at Council and new methods of data collection introduced to streamline the collection process and the input of data into the Hansen and GIS databases. These improvements will enhance and make the collection process more efficient.

### **Contractors Performance**

Parks and Maintenance Services have performed well and meet the high quality standards of the contract in the delivery of the Response Maintenance Contract. They consistently meet the required Key Performance Measures for the completion of the various projects within this contract and other park contracts and carried out the contract works to a high standard and the works are competitively priced.

Parks and Maintenance Services have demonstrated:

- Performance in service delivery;
- Improvements in the quality of work;
- The ability to develop processes and systems to improve the project management of works;
- A familiarity with Waitakere City Parks and Community;
- A close working relationship with Council;
- The ability to produce innovative ideas and solutions.

The original contract was competitively priced and through discussions with the existing contractor, Parks and Maintenance Services, regarding the extension to the contract they have agreed that the only increase on the contract rates will be labour and petrol. All other material costs and sub contractor rates will remain the same as per the renegotiated rates in 2005. The provision of an additional data collection officer will be at the same rate as originally tendered with the only increase being for the agreed increase in labour costs over the contract period.

This contract has two (2) one (1) year extensions and is due for completion on 30 June 2008. This contract will not continue beyond this extension period. The contract period for many of the other park and town centres major maintenance and operational contracts also end in two years. It is proposed to review the full contract mix across all the asset groups to look at opportunities to reduce the number of contracts city wide and combine any contracts of similar nature to achieve any possible cost savings and economies of scale.

Analysis work is ongoing on the type and number of Request for Services to identify possible issues, trends and any opportunities that can be initiated to reduce the volume of Request for Services. There have been several changes over the past years which have been undertaken by Park officers and the contractor which has achieved a reduction in Request for Services and savings within the contract. This has occurred in the area of dumping and rubbish removal practises, revised design of several minor items to limit vandalism, and focus of the preventative teams and security in key target areas.

**Benefits to Council:**

- Long term savings in quality works, reducing maintenance costs;
- Detailed safety record reduces risk to Council.

**JOB COSTS**

**Excl. GST**

Negotiated Tender Sum with Parks and Maintenance Services 2006/2007 and 2007/2008	
12 month period contract sum	\$1,068,045.80
Contingency	\$ 50,000.00
	-----
Total Job Costs	\$1,118,045.80

The negotiated tender sum includes the deductions that have been included in the draft Long Term Council Community Plan 2006-2016. Funds have also been provided for the extension to the contract within the draft Long Term Council Community Plan 2006-2016.

**SOURCE OF FUNDING  
2006/2007 and 2007/2008**

Budget Description (from Annual Budget line item)	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Building Renewals (Toilet & Changing Rooms Renewals)	\$449,000.00	\$439,000.00	\$10,000.00	\$ 0
Buildings Maintenance (Toilet Services & Car park)	\$644,101.92	\$334,631.92	\$309,470.00	\$ 0
Car parks Renewals	\$649,000.00	\$614,000.00	\$35,000.00	\$ 0
Fixtures and Furniture Maintenance (ex Fixtures, Facilities & Paths Maintenance)	\$262,494.51	\$171,560.00	\$90,934.51	\$ 0

Budget Description (from Annual Budget line item)	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Fixtures and Furniture Renewals (Fixtures Renewals incl. Artwork)	\$661,212.00	\$573,212.00	\$88,000.00	\$ 0
Litter Control Parks	\$570,222.45	\$484,287.00	\$85,935.45	\$ 0
Passive Grass Maintenance (Grasslands)	\$987,315.84	\$957,315.84	\$30,000.00	\$ 0
Paths Tracks and Walkway Maintenance	\$147,271.20	\$68,828.00	\$78,443.20	\$ 0
Planting Renewals	\$240,000.00	\$225,000.00	\$15,000.00	\$ 0
Plantings Maintenance	\$771,914.66	\$745,234.26	\$26,680.40	\$ 0
Roadside Vegetation Control	\$306,000.00	\$200,000.00	\$106,000.00	\$ 0
Safety & Emergency Works	\$157,500.00	\$10,000.00	\$147,500.00	\$ 0
Services Maintenance	\$205,127.80	\$179,465.00	\$25,662.80	\$ 0
Services Renewals	\$200,000.00	\$150,000.00	\$50,000.00	\$ 0
Structures Maintenance (Coastal, Natural Areas & Structures)	\$73,305.64	\$53,886.20	\$19,419.44	\$ 0
<b>Totals</b>	<b>\$6,324,466.01</b>	<b>\$5,206,420.21</b>	<b>\$1,118,045.80</b>	<b>\$ 0</b>

The following funding commitments are required:

- A commitment to fund the programmed landscape maintenance for \$1,118,045.80 is requested from the 2006/2007 and 2007/2008 Annual Plan.

## SUMMARY

Parks and Maintenance Services Limited have performed extremely well and quality standards have been met in the delivery of the Parks Response Maintenance Contract. Accordingly it is recommended that the contract sum be increased from \$581,148.26 for the 2006/2007 and 2007/2008 financial year to a new annual contract sum of \$1,068,045.80 plus \$133,505.73 GST totalling \$1,201,551.53 which will include the costs for the specialist and sub contractors and the data collection programme.

## RECOMMENDATIONS

1. That the Contract No. PK03600D - Parks Response Maintenance Contract - Extension to Contract Sum report be received.
2. That the Contract No. PK03600D - Parks Response Maintenance contract sum be increased to \$1,068,045.80 plus \$133,505.73 GST totalling \$1,201,551.53 for 2006/2007.
3. That the Contract No. PK03600D - Parks Response Maintenance contract sum be increased to \$1,068,045.80 plus \$133,505.73 GST totalling \$1,201,551.53 for 2007/2008.
4. That the commitment to the 2006/2007 financial year for Contract No. PK03600D - Parks Response Maintenance for the sum of \$1,118,045.80 plus \$139,755.72 GST totalling \$1,257,801.52 be approved.
6. That the commitment to the 2007/2008 financial year for Contract No. PK03600D - Parks Response Maintenance for the sum of \$1,118,045.80 plus \$139,755.72 GST totalling \$1,257,801.52 be approved subject to contractor performance and funding availability.
7. That authority to extend Contract No. PK03600D - Parks Response Maintenance on behalf of Council be delegated to the Group Manager: Asset Management.

Report prepared by: David Barker, Project Development Officer, Parks & Open Spaces.



10 **CONTRACT NO. PK05004A - LANDSCAPE PROGRAMMED MAINTENANCE -  
EXTENSION TO CONTRACT SUM**

**PURPOSE OF THE REPORT**

The purpose of this report is to seek approval from the Tenders Subcommittee to renew the contract and increase the contract sum of Contract No. PK05004A - Landscape Programmed Maintenance for 2006/2007.

**BACKGROUND**

Approval was granted by the Tenders Subcommittee at the 29 April 2005 meeting to award to Techscape Limited Contract No. PK05004A - Landscape Programmed Maintenance for a contract period of three years which has renewal periods of one (1) plus + one (1) plus + one (1) years, subject to satisfactory performance by the contractor and availability or approval of adequate funds.

2. *That the tender from Techscape Limited for Contract No PK 05004A - Park Landscape Programmed Maintenance for the period 2005/2006 - 2007/2008 in the sum of \$7,435,712.04 plus \$929,464.01 GST, totalling \$8,365,176.05 be accepted.*
3. *That the commitment to the financial year 2005/2006 for Contract No PK05004A - Park Landscape Programmed Maintenance totalling \$2,668,249 plus GST be approved.*
4. *That the commitment to the financial year 2006/2007 for Contract No PK05004A - Park Landscape Programmed Maintenance totalling \$2,668,249 plus GST be approved.*
5. *That the commitment to the financial year 2007/2008 for Contract No PK05004A - Park Landscape Programmed Maintenance totalling \$2,668,249 plus GST be approved.*
6. *That authority to enter into Contract No PK05004A - Park Landscape Programmed Maintenance on behalf of Council be delegated to Group Manager: Asset Management.*

676/2005

Techscape Limited was awarded the contract based upon their competitive contract rates established through the public tendering process.

**SCOPE OF WORK**

The contract works involve the programmed maintenance of the City's passive and neighbourhood parks, streetscape and Town Centres which includes mowing, toilet cleaning, litter collection, flail mowing, paths and track maintenance, fixtures and fittings maintenance and garden maintenance.

All other response and non programmed maintenance is undertaken by a separate Response contractor.

For 2006/2007 the increased scope of works involves ongoing variations for landscape installations around Waitakere Central and for installation and maintenance of new assets primarily grassed areas and gardens.

Significant new maintenance items which come on line in 2006/2007 include assets associated with the Waitakere Central Development, the Henderson revitalisation project, Henderson library and the New Lynn library and New Lynn revitalisation project.

Due to increased incidences of vandalism and deviant behaviour there are also additional costs associated with programmed security checks over sites which include Tui Glen, Rush Creek, and Harbour View Reserve.

## ISSUES

The current contract with Techscape Limited is working extremely well with good results in quality, performance and service delivery. In the 2005/2006 contract period Techscape Limited have consistently met contract performance rating KPI targets.

Techscape Limited have demonstrated:

- Performance in service delivery;
- Improvements in the quality of work;
- A familiarity with Waitakere City Parks and Community;
- A close working relationship with Council;
- The ability to provide innovative ideas and solutions.

## JOB COSTS

### Excl. GST

Negotiated Tender sum with Techscape Limited	
For 2006/2007 12 month Contract Period	\$2,797,107.13
Contingency	\$ 126,616.00
	-----
Total Job Cost	\$2,923,723.13

The negotiated tender sum includes the deductions that have been included in the draft Long Term Council Community Plan 2006-2016. Funds have also been provided for the extension to the contract within the draft Long Term Council Community Plan 2006-2016.

## SOURCE OF FUNDING

### 2006/2007

Budget Description (from draft Annual budget)	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
(Natural Areas) Weed & Pest Control Management	\$784,024.80	\$764,024.80	\$20,000.00	\$0.00
Buildings Maintenance (Toilet Services & Car park)	\$644,101.92	\$439,470.00	\$204,631.92	\$0.00
Car park and Driveways Maintenance	\$132,220.21	\$51,267.21	\$80,953.00	\$0.00
Events on Other Parks	\$40,000.00	\$20,000.00	\$20,000.00	\$0.00
Fixtures and Furniture Maintenance (ex Fixtures, Facilities & Paths Maintenance)	\$262,494.51	\$135,934.51	\$126,560.00	\$0.00
Flail Mowing (Subsidised)	\$134,721.60	\$0.00	\$134,721.60	\$0.00
Litter Control Parks	\$570,222.45	\$250,935.45	\$319,287.00	\$0.00
Passive Grass Maintenance (Grasslands)	\$987,315.84	\$132,335.68	\$854,980.16	\$0.00
Paths Tracks and Walkway Maintenance	\$147,271.20	\$125,936.20	\$21,335.00	\$0.00

Budget Description (from draft Annual budget)	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Planting Renewals	\$240,000.00	\$90,000.00	\$150,000.00	\$0.00
Plantings Maintenance	\$771,914.66	\$149,680.40	\$622,234.26	\$0.00
Roadside Vegetation Control	\$306,000.00	\$106,000.00	\$200,000.00	\$0.00
Services Maintenance	\$205,127.80	\$117,662.80	\$87,465.00	\$0.00
Sports Facilities Maintenance	\$319,629.20	\$300,000.00	\$19,629.20	\$0.00
Structures Maintenance (Coastal, Natural Areas & Structures)	\$73,305.64	\$61,379.64	\$11,926.00	\$0.00
Town Centre Enhancement Maintenance	\$100,000.00	\$50,000.00	\$50,000.00	\$0.00
<b>Totals</b>	<b>\$5,718,349.82</b>	<b>\$2,794,626.69</b>	<b>\$2,923,723.13</b>	<b>\$0.00</b>

The following funding commitments are required:

- A commitment to fund the programmed landscape maintenance for \$2,923,723.13 is requested from the draft Annual Plan 2006/2007.

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 and new assets are added for maintenance.

### SUMMARY

Techscape Limited has performed extremely well and quality standards have been met in the delivery of service to Contract No. PK05004A - Landscape Programmed Maintenance. Accordingly it is recommended that the contract sum be increased from \$2,478,570.60 to a new annual contract sum of \$2,797,107.13 plus \$349,639.39 totalling \$3,146,745.52 for the 2006/2007 financial year which includes cost fluctuations and the proposed deductions from within the draft Long Term Council Community Plan 2006-2016.

It is considered that there is benefit for Council in extending the contract sum for 2006/2007 with Techscape Limited as they have carried out the contract works to a high standard in a timely manner and the works are competitively priced.

### RECOMMENDATIONS

1. That the Contract No. PK05004A - Landscape Programmed Maintenance - Extension to Contract Sum report be received.
2. That the contract sum for Contract No. PK05004A - Landscape Programmed Maintenance be increased to \$2,797,107.13 plus \$349,638.39 GST totalling \$3,146,745.52 for 2006/2007.
3. That the commitment to the 2006/2007 financial year for Contract No. PK05004A - Landscape Programmed Maintenance for the sum of \$2,923,723.13 plus \$365,465.39 GST totalling \$3,289,188.52 be approved.
4. That the authority to extend Contract No. PK05004A - Landscape Programmed Maintenance be delegated to the Group Manager: Asset Management.

Report prepared by: Darren Hannay, Contracts Manager: Sports and Landscape.



11 **CONTRACT NO. PK05002A - CITYWIDE ARBORICULTURAL MAINTENANCE -  
EXTENSION OF CONTRACT SUM**

**PURPOSE OF THE REPORT**

The purpose of this report is to seek approval from the Tenders Subcommittee to increase the contract sum of Contract No. PK05002A - Citywide Arboricultural Maintenance for 2006/2007.

**BACKGROUND**

Approval was granted by the Tenders Subcommittee at the 4 March 2005 meeting to award Contract No. PK05002A - Citywide Arboricultural Maintenance roadside vegetation for two (2) years with extensions of two (2) plus two (2) years, to Treescape Limited:

2. *That the tender from Treescape Limited for Contract No. PK 05002 – Citywide Arboricultural Maintenance for the period 2005/2006 - 2006/2007 in the sum of \$1,283,552.00 plus \$160,444.00 GST, totalling \$1,443,996.00 be approved.*
3. *That the commitment to the 2005/2006 financial year for Contract No. PK 05002 - Citywide Arboricultural Maintenance in the sum of \$792,250.00 plus \$99,031.00 GST, totalling \$891,281.00 be approved.*
4. *That the commitment to the 2006/2007 financial year for Contract No. PK 05002 - Citywide Arboricultural Maintenance in the sum of \$792,250.00 plus \$99,031.00 GST, totalling \$891,281.00 be approved.*
5. *That authority to extend Contract No. PK 05002 - Citywide Arboricultural Maintenance for a further two (2) plus two (2) years be delegated to the Group Manager: Asset Management.*
6. *That authority to enter into Contract No. PK 05002 - Citywide Arboricultural Maintenance on behalf of Council be delegated to the Group Manager: Asset Management.*

249/2005

This contract is a continuation of Council's routine Citywide tree maintenance programme. The works are required in order to ensure the continued health, safety and general integrity of the City's tree asset. Works required within the contract also meet Council's other statutory obligations including those under the Electricity (Hazards from Trees) Regulations 2003.

**SCOPE OF WORK**

The scope of work includes:

- a) Formative pruning.
- b) Tree removal.
- c) Stump grinding and removal.
- d) Line clearing around overhead services.
- e) Control of vegetation along carriageways.
- f) Updating of the City's Street Tree Asset Inventory.
- g) Provision of a 24 hour emergency response service.
- h) Tree planting.
- i) Aftercare of newly planted trees.
- j) Management of roadside, track and walkway vegetation.
- k) Tree maintenance throughout Waikumete Cemetery.

The Contractor is required to maintain the tree asset within Town Centres and High Profile Areas in a defect free condition. This requires weekly inspections of the High Profile Areas and to treat any works required within these areas as a high priority and action immediately.

The Contractor is also required to provide adequate resources to manage tree maintenance works at Waikumete Cemetery and overhanging track, walkway and roadside vegetation.

In accordance with the Electricity (Hazards from Trees) Regulations 2003, the Contractor has, on behalf of Council, become responsible for the clearance of trees from overhead power and telecommunications cables. The scope of this work has grown on an incremental basis, in line with the utilities progress on the First Cut or Trim programmes. Following the First Cut or Trim, undertaken at no cost by the utility, tree owners become legally responsible for their tree asset in relation to power cables. Funding for the tree trimming works was identified as a provisional sum which is subject to Council's approval through 2005/2006 Annual Plan deliberations.

The Contractor also provides services such as staff relief, specialist tree assessments and reports, resource consent applications and project co-ordination (e.g. tree planting projects).

## ISSUES

Due to increases in the current levels of Consumer Price Index, Treescape Limited were invited to submit percentage cost fluctuation adjustments by indexation for Contract No. PK05002A Citywide Arboricultural Maintenance. Treescape Limited has agreed that their tender price market fluctuation for labour and material costs would be 4.0%.

The current contract with Treescape Limited is working extremely well with good results in quality, performance and service delivery. In the 2005/2006 contract period Treescape Limited have consistently met contract performance rating KPI targets.

Treescape Limited has demonstrated:

- Performance in service delivery;
- Improvements in the quality of work;
- A familiarity with Waitakere City Parks and Community;
- A close working relationship with Council;
- The ability to provide innovative ideas and solutions.

## JOB COSTS

	<b>Excl. GST</b>
Negotiated Tender Sum with Treescape	
2006/2007 12 month period contract sum	\$ 826,447.04
Contingency	\$ 81,033.68
	-----
Total Job Costs	\$ 907,480.72

The negotiated tender sum includes the deductions that have been included in the draft Long Term Council Community Plan 2006-2016. Funds have also been provided for the extension to the contract within the draft Long Term Council Community Plan 2006-2016.

## SOURCE OF FUNDING

### 2006/2007

Budget Description (from draft Annual budget)	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Arboricultural Maintenance	\$863,830.72	\$77,140.00	\$786,690.72	\$0.00
Arboriculture Renewals	\$70,000.00	\$0.00	\$70,000.00	\$0.00
Tree Maintenance under Power Lines	\$30,000.00	\$0.00	\$30,000.00	\$0.00
Trees Establishment Programme	\$22,790.00	\$2,000.00	\$20,790.00	\$0.00
<b>Totals</b>	<b>\$986,620.72</b>	<b>\$79,140.00</b>	<b>\$907,480.72</b>	<b>\$0.00</b>

The following funding commitments are required:

- A commitment to fund the Citywide arboricultural maintenance for \$ 907,480.72 is requested from the draft Annual Plan 2006/2007.

## SUMMARY

It is considered that there is benefit for Council in increasing the contract sum for 2006/2007 with Treescape Limited as they have carried out the contract works to a high standard in a timely manner and the works remain competitively priced.

Accordingly it is recommended that the contract sum be increased by \$31,690.00 for the 2006/2007 financial year to a new contract sum of \$937,940.00

## RECOMMENDATIONS

1. That the Contract No. PK05002A - Citywide Arboricultural Maintenance - Extension to Contract Sum report be received.
2. That an increase in the contract sum of Contract No. PK05002A - Citywide Arboricultural Maintenance to the sum of \$937,940.00 plus \$117,242.50 GST totalling \$1,055,182.50 be accepted.
3. That the commitment to the 2006/2007 financial year for Contract No. PK05002A - Citywide Arboricultural Maintenance to the sum of \$937,940.00 plus \$117,242.50 GST totalling \$1,055,182.50 be approved.
4. That the authority to extend Contract No. PK05002A - Citywide Arboricultural Maintenance be delegated to the Group Manager: Asset Management.

Report prepared by: David Barker, Project Development Officer.



12 **CONTRACT NO. PK03600M - PARKS MINOR WORKS AND RENEWALS -  
EXTENSION TO CONTRACT SUM AND PERIOD**

**PURPOSE OF THE REPORT**

The purpose of this report is to seek approval from the Tenders Subcommittee to extend Contract No. PK03600M - Parks Minor Works and Renewals for a further period of one year from 1 July 2006 to 30 June 2007 as stipulated in the contract documents and increase the contract sum for 2006/2007.

**BACKGROUND**

Parks and Maintenance Services were awarded Contract No. PK03600M - Parks Minor Works and Renewals for a term of two years for an annual sum of \$495,842.50, totalling \$991,685.00 for the first two years from July 2003 to June 2005. The contract term and value was extended by Tenders Subcommittee from 1 July 2005 to 30 June 2006 for an annual sum of \$1,128,895.50.

This contract was awarded with a right of renewal of one (1), plus one (1), plus one (1) year. They were awarded the contract based on their competitive contract rates established through a public tendering process.

Tenders Subcommittee delegated the authority to extend Contract No. PK03600M - Parks Minor Works and Renewals to the Group Manager: Asset Management as stated below:

*"That authority to extend the term and value of Contract No. PK 03600M - Parks Minor Works and Renewals for 2004/2005 and 2005/2006 on behalf of Council be delegated to the Group Manager: Asset Management."*

2369/2004

**SCOPE OF WORK**

The contract forms part of Council's Asset Renewal Programme and covers the replacement and installation of new parks minor assets. Works under the contract include installation of new furniture, fencing, barriers, footpaths, signs as well as the upgrading of existing assets such as toilets

**ISSUES**

Due to increases in the current levels of Consumer Price Index, Parks and Maintenance Services were invited to submit percentage cost fluctuation adjustments by indexation for Contract No. PK03600M - Parks Minor Works and Renewals Contract. Parks and Maintenance Services has agreed that their tender price market fluctuation for labour and material costs would be 4.0%.

The current Minor Works contract with Parks and Maintenance Services is working well with good results in quality and performance. It is considered that there is benefit for Council in extending the contract term for Minor Works Contract with Parks and Maintenance Services as they have consistently met the contract performance measures to date and carried out the contract works to a high standard and the works are competitively priced

The recommendation to extend the contract is for the following reasons:

- Known performance in service delivery;
- Improvements in the quality of work;
- Familiarity with the Waitakere City Parks and Community;
- Close working relationship;
- Shared technology platforms.

### JOB COSTS

Excl. GST

Negotiated Tender Sum with Parks and Maintenance Services 2006/2007 and 2007/2008	
12 month period contract sum	\$ 1,174,051.59
Contingency	\$ 37,277.00
	-----
Total Job Cost	\$ 1,211,328.59

### SOURCE OF FUNDING

Budget Description (from draft Annual budget)	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Asset Improvements - Fixtures, Furniture and Pathways	\$204,244.00	\$163,500.00	\$40,744.00	\$0.00
Community Board Projects	\$120,088.00	\$0.00	\$120,088.00	\$0.00
Fixtures and Furniture Renewals (Fixtures Renewals incl. Artwork)	\$661,212.00	\$270,192.00	\$391,020.00	\$0.00
Paths Tracks and Walkways Renewals	\$467,476.59	\$85,000.00	\$382,476.59	\$0.00
Play Facilities Renewals	\$437,000.00	\$210,000.00	\$227,000.00	\$0.00
Structures Renewals	\$511,000.00	\$461,000.00	\$50,000.00	\$0.00
<b>Totals</b>	<b>\$2,401,020.59</b>	<b>\$1,189,692.00</b>	<b>\$1,211,328.59</b>	<b>\$0.00</b>

The following funding commitments are required:

- A commitment to fund the Parks Minor Asset Renewals estimated at \$1,211,328.59 is requested from the draft Annual Plan 2006/2007.

### SUMMARY

Parks & Maintenance Services has performed well and quality standards have been met in the delivery of service to Contract No. PK03600M - Parks Minor Works and Renewals Contract. Accordingly it is recommended that the contract sum be increased by \$ 82,433 to a new contract sum of \$1,211,328.59 for the 2006/2007 financial year.

### RECOMMENDATIONS

1. That the Contract No. PK03600M - Parks Minor Works and Renewals - Extension to Contract Sum and Period report be received.
2. That the renewal of Contract No. PK03600M - Parks Minor Works and Renewals for 2006/2007 to Parks & Maintenance Services for the sum of \$1,211,329.00 plus \$151,416.12 GST, totalling \$1,362,745.12 be accepted subject to finalisation of the draft Annual Plan 2006/2007.

3. That the commitment to the 2006/2007 financial year for Contract No. PK03600M - Parks Minor Works and Renewals for the sum of \$1,211,329.00 plus \$151,416.12 GST, totalling \$1,362,745.12 be approved.
4. That authority to extend Contract No. PK03600M - Parks Minor Works and Renewals on behalf of Council be delegated to the Group Manager: Asset Management.

Report prepared by: David Barker, Parks Project Officer.

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13 **CONTRACT NO. PK05003A - SPORTS PARK PROGRAMMED MAINTENANCE - EXTENSION TO CONTRACT SUM**

**PURPOSE OF THE REPORT**

The purpose of this report is to seek approval from the Tenders Subcommittee to renew the contract and increase the contract sum of Contract No. PK05003A - Sports Park Programmed Maintenance for 2006/2007.

**BACKGROUND**

Approval was granted by the Tenders Subcommittee at the 13 May 2005 meeting to award to Techscape Limited Contract No. PK05003A - Sports Park Programmed Maintenance for a contract period of three years which has renewal periods of one (1) plus one (1) plus one (1) year, subject to satisfactory performance by the contractor and availability or approval of adequate funds.

- "2. That the tender from Techscape Limited for Contract No. PK05003A – Sports Parks Programmed Maintenance in the sum of \$4,707,150.30 plus \$588,393.78 GST, totalling \$5,295,544.08 be accepted.
3. That the commitment to the 2005/2006 financial year for Contract No. PK05003A - Sports Parks Programmed Maintenance totalling \$1,784,187 plus GST be approved.
4. That the commitment to the 2006/2007 financial year for Contract No. PK05003A - Sports Parks Programmed Maintenance totalling \$1,784,187 plus GST be approved.
5. That the commitment to the 2007/2008 financial year for Contract No. PK05003A - Sports Parks Programmed Maintenance totalling \$1,784,187 plus GST be approved.
6. That authority to extend Contract No. PK05003A - Sports Parks Programmed Maintenance for a further one (1) plus one (1) plus one (1) year be delegated to the Group Manager: Asset Management.
7. That authority to enter into Contract No. PK05003A - Sports Parks Programmed Maintenance on behalf of Council be delegated to the Group Manager: Asset Management."

840/2005

Techscape Limited was awarded the contract based upon their competitive contract rates established through the public tendering process.

## SCOPE OF WORK

The contract works involve the programmed maintenance of the City's sports parks which includes sports facilities maintenance, mowing, toilet cleaning, litter collection, fixtures and fittings maintenance and garden maintenance.

All other response and non programmed maintenance is undertaken by a separate Response contractor.

For the 2006/2007 period the increased scope of works involves ongoing variations and maintenance associated with new assets primarily grassed areas and gardens.

Significant new maintenance items which come on line in 2006/2007 include asset maintenance associated with the Waitakere Trusts Stadium changing rooms and toilets and assets associated within the Olympic Park development project.

## ISSUES

The current contract with Techscape Limited is working extremely well with good results in quality, performance and service delivery. In the 2005/2006 contract period Techscape Limited has consistently met contract performance rating KPI targets.

Techscape Limited has demonstrated:

- Performance in service delivery;
- Improvements in the quality of work;
- A familiarity with Waitakere City Parks and Community;
- A close working relationship with Council;
- The ability to provide innovative ideas and solutions.

## JOB COSTS

	<b>Excl. GST</b>
Negotiated Tender with Techscape Limited	
2006/2007 12 month contract period	\$ 1,774,063.96
Contingency	\$ \$87,568.55
	-----
Total Job Cost	\$ 1,861,632.51

The negotiated tender sum includes the deductions that have been included in the draft Long Term Council Community Plan 2006-2016. Funds have also been provided for the extension to the contract within the draft Long Term Council Community Plan 2006-2016.

## SOURCE OF FUNDING

### 2006/2007

Budget Description (from draft Annual budget)	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
(Natural Areas) Weed & Pest Control Management	\$784,024.80	\$774,759.80	\$9,265.00	\$0.00
Buildings Maintenance (Toilet Services & Car park)	\$644,101.92	\$564,101.92	\$80,000.00	\$0.00
Car park and Driveways Maintenance	\$132,220.21	\$95,920.93	\$36,299.29	\$0.00
Events on Other Parks	\$40,000.00	\$20,000.00	\$20,000.00	\$0.00
Events Setup (The Trusts Stadium Events Setup)	\$20,000.00	\$0.00	\$20,000.00	\$0.00
Fixtures and Furniture	\$262,494.51	\$217,494.51	\$45,000.00	\$0.00

Budget Description (from draft Annual budget)	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Maintenance (ex Fixtures, Facilities & Paths Maintenance)				
Litter Control Parks	\$570,222.45	\$465,222.45	\$165,000.00	\$0.00
Passive Grass Maintenance (Grasslands)	\$987,315.84	\$884,980.16	\$102,335.68	\$0.00
Paths Tracks and Walkway Maintenance	\$147,271.20	\$129,778.20	\$17,493.00	\$0.00
Planting Renewals	\$240,000.00	\$215,000.00	\$25,000.00	\$0.00
Plantings Maintenance	\$771,914.66	\$648,914.66	\$123,000.00	\$0.00
Services Maintenance	\$205,127.80	\$180,127.80	\$25,000.00	\$0.00
Sportfield Maintenance	\$937,840.00	\$70,037.65	\$867,802.35	\$0.00
Sports Facilities Maintenance	\$319,629.20	\$19,629.20	\$300,000.00	\$0.00
Sports Facilities Renewals	\$122,500.00	\$102,500.00	\$20,000.00	\$0.00
Structures Maintenance (Coastal, Natural Areas & Structures)	\$73,305.64	\$67,868.44	\$5,437.20	\$0.00
<b>Totals</b>	<b>\$6,257,968.22</b>	<b>\$4,456,335.71</b>	<b>\$1,861,632.51</b>	<b>\$ 0</b>

The following funding commitments are required:

- A commitment to fund the sports park programmed maintenance estimated at \$1,861,632.51 is requested from the draft Annual Plan 2006/2007.

## SUMMARY

Techscape Limited has performed extremely well and quality standards have been met in the delivery of service to Contract No. PK05003A - Sports Park Programmed Maintenance. Accordingly it is recommended that the contract sum be increased from \$1,569,050.10 to a new annual contract sum of \$1,774,063.96 plus \$221,757.99 totalling \$1,995,821.95 for the 2006/2007 financial year which includes cost fluctuations and the proposed deductions from within the draft Long Term Council Community Plan 2006-2016.

It is considered that there is benefit for Council in extending the contract sum for 2006/2007 with Techscape Limited as they have carried out the contract works to a high standard in a timely manner and the works are competitively priced.

## RECOMMENDATIONS

1. That the Contract No. PK05003A - Sports Park Programmed Maintenance - Extension to Contract Sum report be received.
2. That the contract sum for Contract No. PK05003A - Sports Park Programmed Maintenance be increased to \$1,774,063.96 plus \$221,757.99 GST totalling \$1,995,821.95 for 2006/2007.
3. That the commitment to the 2006/2007 financial year for Contract No. PK05003A - Sports Park Programmed Maintenance for the sum of \$1,861,632.51 plus \$232,704.06 GST totalling \$2,094,336.57 be approved.
4. That the authority to extend Contract No. PK05003A - Sports Park Programmed Maintenance be delegated to the Group Manager: Asset Management.

Report prepared by: Darren Hannay, Contracts Manager: Sports and Landscape.



**14 CONTRACT NO. TA06007B - UNSEALED ROADS MAINTENANCE 2006**

**PURPOSE OF THE REPORT**

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. TA06007B - Unsealed Roads Maintenance 2006.

**BACKGROUND**

Waitakere City Council currently has approximately 33.8km of unsealed roads that require routine maintenance. The existing contract is due to expire on 30 June 2006.

**SCOPE OF WORK**

This maintenance contract provides for the monitoring and maintenance of Council's unsealed roads and unsealed laybys on a City-wide basis. It also includes the cleaning of the adjacent surface water channels and culverts.

Two options were tendered - Option 1 allows for a Contract Completion Date of 30 June 2007 and Option 2 for a Contract Completion Date of 30 June 2008. Both options provide for a further 12 month extension solely at Council's discretion based on the satisfactory performance of the Contractor.

**TENDERS RECEIVED**

Public Tenders were called. Three (3) tender documents were uplifted and two (2) tenders submitted for the contract as shown in table 1.

TENDERER	REG OFFICE	TENDER PRICE OPTION 1 (excl. GST)	TENDER PRICE OPTION 2 (excl. GST)
Fulton Hogan Limited	Christchurch	\$433,230.48	\$836,720.22
HEB Smithbridge Limited	Drury	\$426,018.40	\$853,194.80
<b>Pre-tender contract estimate</b>		\$322,605.00	\$644,510.00

**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'.

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 TA06007B (Option 1)
									Total Weights
	<b>Weights</b>	<b>5</b>	<b>8</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>2</b>	<b>70</b>	<b>100</b>
Tenderer	Tender Sum	Grades							INDEX
Fulton Hogan Ltd	\$433,230.48	78	68	78	78	68	83	49	57
HEB Smithbridge Ltd	\$426,018.40	73	75	78	78	75	78	51	58
Med.n Tender Price	\$429,624.44								

**Table 2A - Summary of Tender Evaluation (Option 1)**

Tender Evaluation	Attributes	Exper.	Track Record	Tech. Skill	Resour.	Manag. Skill	Method.	Price	Contract Number TA06007B (Option 2)
									Total Weights
	<b>Weights</b>	<b>5</b>	<b>8</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>2</b>	<b>70</b>	<b>100</b>
Tenderer	Tender Sum	Grades							INDEX
Fulton Hogan Ltd	\$836,720.22	78	68	78	78	68	83	51	58
HEB Smithbridge Ltd	\$853,194.80	73	75	78	78	75	78	49	57
Med.n Tender Price	\$844,957.51								

**Table 2B - Summary of Tender Evaluation (Option 2)**

There is a significant difference between the Engineer's estimate and the submitted tenders. The Engineer's estimate is based on the submitted rates from the previous contract tenders as at May 2003, together with a 21% overall allowance for cost increases. However, the tenders received were approximately 30% over and above this estimate. The tendered rates were also notably variable between the tenderers themselves. The overall difference has been attributed to the uncertainties with future fuel prices and the low level of competition with this contract.

A comparison of the weighted attribute indices in Table 2A demonstrates that HEB Smithbridge Limited ranked higher.

A comparison of the weighted attribute indices in Table 2B demonstrates that Fulton Hogan Limited ranked higher.

To make direct comparisons between Option 1 and Option 2 tenders, the tender sum for Option 2 is halved. An evaluation of HEB Smithbridge Limited submitted rates indicates a minor cost increase of \$579 (0.14%) per annum in Option 2 compared to Option 1. Conversely, an evaluation of Fulton Hogan Limited submitted rates indicates cost savings of \$14,870 (3.6%) per annum in Option 2 compared to Option 1. This is a total of \$29,740 over the two year period for Option 2. Furthermore, the Option 2 tender submitted by Fulton Hogan Limited provides a cost savings of \$7,658 (1.8%) per annum when compared to HEB Smithbridge Limited Option 1 tender. It is therefore, evident that there are cost savings to be made in selecting Fulton Hogan Limited Option 2 tender.

There would be further savings in professional services fees in the order of \$5,000 in not re-tendering this contract in 1-years time.

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

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

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

### **CREDIT CHECK**

A credit check dated 18 May 2006 on Fulton Hogan Limited revealed no adverse information.

### **SUMMARY**

The results of the tender evaluation as summarised in Table 2A shows that the tender submitted by HEB Smithbridge Limited achieved the higher index of 58 for Option 1. This tender is also the lower priced tender for Option 1. The results of the tender evaluation as summarised in Table 2B shows that the tender submitted by Fulton Hogan Limited achieved the higher index of 58 for Option 2. This tender is also the lower priced tender for Option 2 and provides the maximum cost savings to Council when considering both Options 1 and 2.

Fulton Hogan Limited is a civil engineering contracting company that was founded in 1933 and has been operating in Auckland since 1989.

Fulton Hogan Limited is responsible for the general road maintenance works for many Local Authorities, including Auckland and North Shore City Councils, Rodney District Council and Transit New Zealand's roading network nation wide. They are the incumbent Contractor for Waitakere City Council's Sealed Road Maintenance, a three year contract which includes the resealing of the City's roads. They are also the incumbent Contractor for Waitakere City Council's Unsealed Road Maintenance contract. Their performance on this contract has been very good.

Reference checks made on a selection of clients indicated a well-resourced, well-managed and capable Contractor.

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**

	<b>Excl. GST</b>
Tender - Fulton Hogan Limited (Option 2)	\$836,720.22
Contingency	\$ 35,700.00
Cost Fluctuation allowance (July 2007-June 2008)	\$ 37,500.00
Engineering and Supervision	\$ 37,000.00
	-----
<b>Total Job Cost</b>	<b>\$946,920.22</b>

## SOURCE OF FINANCE

Budget description (from Annual Plan line item) draft Annual Plan 2006/2007	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance
Rural Maintenance	46-7118-24250-280	740,000	470,000	270,000	0
Car park Maintenance	46-7174-24710-280	24,000	9,000	15,000	0
Drainage System Renewal	75-9860-24470-280	825,000	690,000	135,000	0
Drainage	46-7174-24670-280	50,000	40,000	10,000	0
General Road Maintenance	46-7174-24700-280	76,000	66,000	10,000	0
Vehicle Crossings	75-9861-24690-280	62,000	57,000	5,000	0
Professional Services	46-7118-24360-132	120,000	102,000	18,000	0
	<b>Subtotal</b>			463,000	
2007/2008 draft Annual Plan	<b>Subtotal</b>			484,000*	
	<b>Total</b>			947,000	

\* Includes provisions for cost fluctuation adjustment as provided for in the Contract.

## RECOMMENDATIONS

1. That the Contract No. TA06007B - Unsealed Roads Maintenance 2006 report be received.
2. That the tender for Option 2 (24 month contract) from Fulton Hogan Limited for Contract No. TA06007B - Unsealed Roads Maintenance 2006 in the sum of \$836,720.22 plus \$104,590.03 GST, totalling \$ 941,310.25 be accepted.
3. That the commitment of \$463,000 and \$484,000 to the 2006/2007 and 2007/2008 financial years respectively for Contract No. TA06007B - Unsealed Roads Maintenance 2006, totalling \$947,000 plus GST, be approved.
4. That authority to enter into Contract No. TA06007B - Unsealed Roads Maintenance 2006 on behalf of Council be delegated to the Director: City Services.
5. That authority to extend Contract No. TA06007B - Unsealed Roads Maintenance 2006 for an additional one year to end on 30 June 2009 based on the satisfactory performance by the Contractor be reported back to Tenders Subcommittee for approval.

Report prepared by: David Jiggins, Senior Engineer, Maintenance.



15 **CONTRACT NO. TA04502B - ROAD RE-MARKING AND RAISED PAVEMENT MARKERS 2004/2005 - EXTENSION TO CONTRACT PERIOD**

**PURPOSE OF THE REPORT**

The purpose of this report is to seek approval from the Tenders Subcommittee to extend Contract No. TA04502B - Road Re-Marking and Raised Pavement Markers 2004/2005 for a further 12 months to 30 June, 2007.

**BACKGROUND**

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

The contract was originally awarded in June 2004 with the following recommendations:

- “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.
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.”

1033/2004

The issue here is that with rising costs and additional markings Council's proposed budget for 2006/2007 has increased from the amount approved by the Tender's Subcommittee in 2004. This report seeks to gain approval for the extension of the contract and to the full budget available. This extension is solely at Council's discretion and based on the performance of the Contractor.

**SCOPE OF WORK**

The scope of work includes the annual re-marking of existing road markings and installation of new road markings work where required within Waitakere City. The intention is to extend the contract for a period of 12 months to 30 June 2007 as allowed for in the contract documents.

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 in the form of work instruction. These include the following:
  - New road markings and raised pavement markers on request;
  - Removal of existing road markings and raised pavement markers on request.

**CONTRACTOR PERFORMANCE**

The incumbent Contractor is Coastline Roadmarkers Limited. They have performed to a good standard over the past two years and have developed good working relationships with Council staff.

They are quick to react to urgent requests, have a good level of resource for the works and good technical ability.

Coastline Roadmarkers Limited has confirmed in writing that they are happy to continue the contract for a further 12 months if offered the opportunity.

### SUMMARY

Coastline Roadmarkers Limited has performed to a good standard over the past two years and are prepared to continue for a further 12 months. There are benefits to Council in extending the contract due to the very competitive rates submitted in the original contract plus savings in not having to re-tender at this time.

It is therefore recommended that the 12 month extension as provided for in the contract documents be approved and for the available budget of \$545,000.00.

### SOURCE OF FUNDING

Budget description draft Annual Plan 2006/2007	Budget Code	Budget	Allocation to this project	Unallocated Balance
Road Remarking	46-7150-24530	\$520,000	\$520,000	\$0
Hydrant Markings	85-7540-26810	\$309,000	\$25,000	\$284,000
		<b>TOTAL</b>	\$545,000	

### RECOMMENDATIONS

1. That the Contract No. TA04502B - Road Re-Marking and Raised Pavement Markers 2004/2005 - Extension to Contract Period report be received.
2. That authority to extend Contract No. TA04502B - Road Re-Marking and Raised Pavement Markers 2004/2005 until 30 June 2007 be delegated to the Group Manager: Asset Management.
3. That the commitment of \$545,000.00 plus GST to the draft Annual Plan 2006/2007 be approved.

Report prepared by: Neil Prendiville, Roading Projects Manager.



16 **CONTRACT NO. TA06001B - FOOTPATH, KERB AND CHANNEL, CESSPIT AND DRAINAGE REPAIRS 2006**

**PURPOSE OF THE REPORT**

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. TA06001B - Footpath, Kerb and Channel, Cesspit and Drainage Repairs 2006.

**BACKGROUND**

Waitakere City Council currently has approximately 800km of footpaths along with kerb and channel and cesspits that require routine maintenance. Footpath replacement, along with kerb and channel and cesspit repair is required to maintain a minimum service level. The existing contract is due to expire on 30 June 2006.

**SCOPE OF WORK**

This maintenance contract provides for the inspection, marking out, programming and construction maintenance of Waitakere City Council's footpaths, kerbs and channels, cesspits and drainage facilities. It also includes for emergency/urgent work on footpaths, kerbs and channels, cesspits and drainage facilities.

Two options were tendered - Option 1 allows for a Contract Completion Date of 30 June 2007 and Option 2 for a Contract Completion Date of 30 June 2008. Both options provide for a further 12 month extension solely at Council's discretion based on the satisfactory performance of the Contractor.

**TENDERS RECEIVED**

Public Tenders were called. Ten (10) tender documents were uplifted and five (5) tenders were received for the contract. Three tenders were considered to be non-conforming as they did not meet the minimum Quality Assurance Systems required by the Contract Specification. They were therefore excluded from further evaluation. The remaining tenders are shown in table 1:

TENDERER	REG OFFICE	TENDER PRICE OPTION 1 (excl. GST)	TENDER PRICE OPTION 2 (excl. GST)
Fulton Hogan Limited	Christchurch	\$1,204,954.75	\$2,569,770.30
Traffic Systems Limited	Auckland	\$1,491,959.44	\$3,019,905.00
<b>Pre-tender contract estimate</b>		\$1,240,506.75	\$2,668,963.50

**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".

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.

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. For this contract there are Provisional Sums of \$84,000 for Option 1 and \$328,000 for Option 2.

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 TA06007B (Option 1)
									Total Weights
	<b>Weights</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>7</b>	<b>3</b>	<b>70</b>	<b>100</b>
Tenderer	Tender Sum	Grades							INDEX
Fulton Hogan Ltd	\$1,120,954.7	<b>83</b>	<b>75</b>	<b>78</b>	<b>78</b>	<b>79</b>	<b>80</b>	61	67
Traffic Systems Limited	\$1,407,959.4	<b>71</b>	<b>74</b>	<b>74</b>	<b>72</b>	<b>73</b>	<b>63</b>	39	49
<b>Med.n Tender Price</b>	<b>\$1,264,457.1</b>								

**Table 2A - Summary of Tender Evaluation (Option 1)**

Tender Evaluation	Attributes	Exper.	Track Record	Tech. Skill	Resour.	Manag. Skill	Method.	Price	Contract Number TA06007B (Option 2)
									Total Weights
	<b>Weights</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>7</b>	<b>3</b>	<b>70</b>	<b>100</b>
Tenderer	Tender Sum	Grades							INDEX
Fulton Hogan Ltd	\$2,241,770.30	<b>83</b>	<b>75</b>	<b>78</b>	<b>78</b>	<b>79</b>	<b>80</b>	59	65
Traffic Systems Limited	\$2,691,905.00	<b>71</b>	<b>74</b>	<b>74</b>	<b>72</b>	<b>73</b>	<b>63</b>	41	50
<b>Med.n Tender Price</b>	<b>\$2,466,837.65</b>								

**Table 2B - Summary of Tender Evaluation (Option 2)**

Fulton Hogan Limited are the incumbent Contractor for Waitakere City Council's Footpath, Kerb and Channel, Cesspit and Drainage Repairs 2003/2004, a three year contract which includes the maintenance of footpaths, kerb and channel and drainage facilities. They are also the incumbent Contractor for Waitakere City Council's Seal Road Maintenance and Unsealed Road Maintenance Contract. Their performance on these contracts has been very good.

A comparison of the weighted attribute indices in Table 2A and Table 2B demonstrates that Fulton Hogan Limited ranked highest in both options. They also have the lowest tender price for both options.

An evaluation of Fulton Hogan Limited submitted rates indicates cost savings of \$3,710.43 (2.2%) per annum in Option 2 compared to Option 1. The total saving is \$7,420.86 over the two year period for Option 2.

A 24-month contract would provide additional savings in professional services fees in the order of \$5,000 as a result of the contract not requiring re-tendering in 12 months time.

There are also operational benefits to Council in having longer term contracts. It allows the Contractor more surety of work and he is therefore more likely to invest in new plant and resources to complete the work. It also allows work relationships that take time to develop to be maintained for longer periods, which can have benefits in efficiency in the field. It is therefore recommended that the Option 2 (24 month) contract be awarded and, on the satisfactory performance of this tenderer, and at the discretion of Waitakere City Council, a further 12 month extension to the contract be offered. This has been allowed for in the Tender.

## TAGS, ERRORS OR OMISSIONS

There were no errors in the tender submission from Fulton Hogan Limited for both Options 1 and 2.

The tender received from Traffic Systems Limited contained minor mathematical errors. However, these errors did not affect the overall outcome of the tender evaluation for Traffic Systems Limited.

There were no tags identified in the tenders.

## CREDIT CHECK

A credit check dated 18 May 2006 on Fulton Hogan Limited revealed no adverse information.

## SUMMARY

The results of the tender evaluation as summarised in Table 2A and Table 2B shows that the tender submitted by Fulton Hogan Limited achieved the highest index of 67 for Option 1 and 65 for Option 2. These tenders are also the lowest priced tenders for both options.

Fulton Hogan Limited is a civil engineering contracting company that was founded in 1933 and has been operating in Auckland since 1989.

Fulton Hogan Limited is responsible for the general road maintenance works for many Local Authorities, including Auckland and North Shore City Councils, Rodney District Council and Transit New Zealand's roading network nation wide. Their work is generally to a very good standard and they have good systems in place in quality assurance and health and safety.

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

	<b>Excl. GST</b>
Tender - Fulton Hogan Limited (Option 2)	\$2,569,770.30
Contingency	\$ 50,000.00
Engineering and Supervision	\$ 267,000.00
	-----
<b>Total Job Cost</b>	<b>\$2,886,770.30</b>

## SOURCE OF FINANCE

Budget description (from Ann Plan line item) 2006/2007 Draft Annual Plan	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance
Urban Maintenance	46-7114-24250-280	1,210,000	1,180,000	30,000	0
RAMM Database	46-7154-245700-280	160,000	140,000	20,000	0

Budget description (from Ann Plan line item) 2006/2007 Draft Annual Plan	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance
Drainage System Renewal	75-9860-24470-280	825,000	385,000	440,000	0
Footpath Renewals	75-9861-24680-280	750,000	0	750,000	0
Vehicle Crossing	75-9861-24690-280	62,000	12,000	50,000	0
Cycleways	46-7150-36250-280	20,000	5,000	15,000	0
Urban maintenance	46-7114-24360-132	106,000	81,000	25,000	0
RAMMS database	46-7154-24570-132	160,000	150,000	10,000	0
PS Amenity	46-7174-24360-132	79,000	9,000	70,000	0
PS Systems Ren	75-9860-24450-132	55,000	30,000	25,000	0
	<b>Subtotal</b>			1,435,000.00	
2007/2008 Annual Plan	<b>Subtotal</b>			1,451,770.30 *	
	<b>Total</b>			2,886,770.30	

\* Includes provisions for cost fluctuation adjustment as provided for in the Contract.

### **RECOMMENDATIONS**

1. That the Contract No. TA06001B - Footpath, Kerb And Channel, Cesspit And Drainage Repairs 2006 report be received.
2. That the tender for Option 2 (24 month contract) from Fulton Hogan Limited for Contract No. TA06001B - Footpath, Kerb and Channel, Cesspit and Drainage Repairs 2006 in the sum of \$2,569,770.30 plus \$321,221.29 GST, totalling \$2,890,991.59 be accepted.
3. That the commitment of \$1,435,000.00 and \$1,451,770.30 to the 2006/2007 and 2007/2008 financial years respectively for Contract No. TA06001B - Footpath, Kerb and Channel, Cesspit and Drainage Repairs 2006, totalling \$2,886,770.30 plus GST, be approved.
4. That authority to enter into Contract No. TA06001B - Footpath, Kerb and Channel, Cesspit and Drainage Repairs 2006 on behalf of Council be delegated to the Director: City Services.
5. That authority to extend Contract No. TA06001B - Footpath, Kerb and Channel, Cesspit and Drainage Repairs 2006 for an additional one year to end on 30 June 2009 based on the satisfactory performance by the Contractor be reported back to the Tenders Subcommittee for approval.

Report prepared by: Azam Khan, Roading Engineer.



17 **HENDERSON YOUTH FACILITY - REGISTRATION OF INTEREST FOR ARCHITECTURAL SERVICES**

**PURPOSE OF THE REPORT**

The purpose of this report is to present to the Tenders Subcommittee the results of a Registration of Interest process and to seek approval to invite tenders for architectural services from a shortlist of registrants for the proposed Henderson Youth Facility at the former Henderson Library in Alderman Drive.

**BACKGROUND**

The Henderson Youth Facility has been on the work programme from 2004/2005 onwards. There is budget of \$245,000 in the 2005/2006 Annual Plan to fund the next stage of design with a further \$1.4 million spread between 2006-2010. It is intended to increase the amount available in 2006/2007 to \$2,100,000 by a carry over of the \$245,000 from 2005/2006 as well as advancing budget from future financial years, and also to make \$200,000 available in 2007/2008 by a similar advance. (Refer Resolutions of Project Special Committee of 31 May 2006 below).

The former Henderson Library building has been identified as the preferred location in which to provide the requirements of the Youth Facility by retro-fitting the existing building. It is proposed that the development be carried out in two stages. The first stage development will be the former Henderson Library space of 864m<sup>2</sup> and the second stage will be the development of 436m<sup>2</sup> of ground floor space in the Library building which is currently leased to Corban Revell. The lease to Corban Revell expires only on 14 July 2007. The preliminary programme for the project indicates a completion of the Stage 1 at the end of September 2007 with Stage 2 commencing immediately thereafter.

At its meeting on 31 May 2006 the Projects Special Committee resolved:

- “2. That the Projects Special Committee endorses the concept of retro-fitting the former Henderson Library space for a Youth Facility.
4. That the Projects Special Committee recommend to the Long Term Council Community Plan and Annual Plan Special Committee that \$200,000 be allocated in 2006/2007 for modernising West Wave Recreation Centre.
6. That the Projects Special Committee endorse the consequential relocation of Council’s Information Management Project Team by January 2007 to allow a Youth Facility to be developed on the lower level of the former Henderson library site, and recommend to the Long Term Council Community Plan Special Committee that appropriate provision be made within the 2006-2016 Long Term Council Community Plan for relocation and operational costs.
7. That the Projects Special Committee recommend to the Long Term Council Community Plan and Annual Plan Special Committee to advance \$250,000 allocated in 2008/2009, \$600,000 allocated in 2009/2010, \$500,000 allocated in 2013/2014 and \$500,000 from 2014/2015 to 2006/2007.
8. That the Projects Special Committee recommend to the Long Term Council Community Plan and Annual Plan Special Committee to advance \$50,000 from 2008/2009 to the 2007/2008 year for stage two of a Youth Facility.”

## REGISTRATIONS RECEIVED

Fifteen registrations of interest were received by the closing date of 30 May 2006:

REGISTRANT (alphabetical order)	REG. OFFICE
Architectus	Auckland
ASC Architects	Auckland
Ashton Mitchell Architects	Auckland
Babbage Consultants	Auckland
Bull O'Sullivan Architects	Auckland
Chow & Hill	Auckland
Creative Spaces Limited	Auckland
GHD Limited	Auckland
HBO + EMTB	Auckland
Jasmax Limited	Auckland
Opus Limited	Auckland
RTA Studio	Auckland
Stephenson & Turner NZ Limited	Auckland
The Architecture Office	Auckland
Warren & Mahoney	Auckland

**Table 1 - Summary of Registrants**

## REGISTRATION OF INTEREST PROCESS

The project is now ready to proceed to the design stage. Assessment of the proposal to retro-fit the existing building must be carried out and costed to determine the viability of this option, prior to committing to the full design and implementation process. To this end and to minimise Council's exposure to risk, project staging in two parts is proposed as follows:

### Stage 1:

- Existing building condition survey and report;
- Preliminary design process and cost estimate of implementation;
- Council approval of preliminary design at Project Special Committee;
- Tenders Subcommittee approval to award Stage 2 professional services;
- Approval to proceed with developed design and detailed design.

### Stage 2:

- Developed design and cost estimate to confirm that estimated costs are within approved budget;
- Detailed design and tender documentation;
- Publicly advertised construction tender process;
- Council approval at Tenders Subcommittee for construction award;
- Construction process;
- Commissioning and handover.

The project is of sufficient complexity that Council officers considered that only Architects who have had experience and a track record in designing and managing retro-fitting projects of similar size, as well as having the resources to undertake the work should be considered as potential tenderers for the architectural services. To this end a Registration of Interest process was advertised in the New Zealand Herald. Documents were uplifted by nineteen Architectural firms. On the closing date of 30 May fifteen Architectural firms submitted Registrations of Interest.

### EVALUATIONS OF REGISTRATIONS OF INTEREST

The submissions were evaluated in accordance with the Weighted Attribute Method as described in sections 2.4, 2.5 and 2.7 of the Transfund New Zealand Manual. Evaluation was carried out by representatives of the Project Control group.. Consensus was reached between the officers on the scores allocated. A summary of the results for the four highest ranking registrants is shown in Table 2 below.

Tender	Relevant	Track	Technical	Resources	Manag. Skill	Contract Number SP05004A
<b>Evaluation</b>	Experience	Record	Skill			Total Weights
<b>Weighting</b>	20%	20%	20%	20%	20%	100%
<b>Tenderer</b>			Grades			INDEX
Architectus	65	80	80	80	80	77
Opus Limited	80	75	75	65	80	75
ASC Architects	65	75	60	75	70	69
RTA Studio	65	70	60	65	75	67

**Table 2. Grading of Attributes**

Since the objective of this registration process is to select the four highest scoring respondents, no purpose is served by publishing the individual scores of the other respondents.

The Registration of Interest document for this process specified the information required and the format of the registrant's submissions. This document also identified that only the highest ranked registrants would be short-listed for invitation to tender for this project.

A shortlist of four invited tenderers is deemed appropriate for a project of this magnitude and encourages serious and competitive tenders.

The four top scorers showed that they had experience in design of youth or community related facilities as well as experience in the design and project management of retro-fitted spaces. In addition to the provision of attribute statements all submitters were required to complete Health and Safety questionnaires. In the case of all the four top scorers the health and safety information provided complied with the Council's requirements.

### SUMMARY

The Registration of Interest document for this process specified the information required and the format of the registrant's submissions. This document also identified that only the highest ranked registrants would be short-listed for invitation to tender for this project.

A shortlist of four invited tenderers is deemed appropriate for a project of this magnitude and encourages serious and competitive tenders.

The objective of this Registration of Interest is to select up to four registrants with the highest overall indices. Based on the normal scoring ranges, a grade of 65 represents an 'above-average' score. The four highest ranked registrants all have scores of more than 65 and therefore are considered to be experienced and capable of carrying out the projects in a competent manner. Therefore the four top scoring registrants will be invited to tender for this project

The actual tenders will be evaluated using the weighted attributes method, which will take into account nominated personnel, proposed sub-consultants and other specific contract attributes such as methodology and price.

### **RECOMMENDATIONS**

1. That the Henderson Youth Facility - Registration of Interest for Architectural Services report be received.
2. That the four top scoring registrants be invited to tender for Architectural Services for the Henderson Youth Facility project. The proposed tender invitation list is as follows:
  - Architectus
  - Opus Limited
  - ASC Architects
  - RTA Studio.

Report prepared by: Duncan Miller, Project Engineer, Special Projects.

