



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**                    **27 January 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.

18 January 2006

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

Telephone (09) 836 8000 extn 8820

### **MEMBERSHIP:**

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

Chief Executive Officer

Director: City Services

Director: Corporate & Civic Services

Director: 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, 27 JANUARY 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 - 9 December 2005

**RECOMMENDATION**

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



#### 4 **CONTRACT NO. EW05006E - EDMONTON ROAD WASTEWATER UPGRADE**

##### **PURPOSE OF THE REPORT**

The purpose of this report is to inform the Tenders Subcommittee that Contract No. EW05006E - Edmonton Road Wastewater Upgrade is being awarded to a tenderer with an alternative installation methodology.

##### **BACKGROUND**

There have been a number of instances of wastewater overflows linked to the wastewater reticulation between 42 Matuhi Rise and 129 Edmonton Road.

Hydraulic modelling of this line indicates that the reticulation has inadequate capacity to meet the level of service requirements for its catchment, resulting in surcharging of existing manholes during high rainfall events.

In addition, wastewater overflows within 91 Edmonton Road have been reported by neighbouring property owners. The property at 91 Edmonton Road is presently a vineyard and is otherwise undeveloped. Overflows from wastewater manholes in 91 Edmonton Road have entered the open watercourse within this property requiring Council to undertake stream cleaning and water quality testing.

##### **SCOPE OF WORK**

This contract involves the construction of new wastewater pipelines at Edmonton Road, Henderson. Construction involves the installation of approximately 253m of 250mm diameter PE pipe using trenchless methods. Also included are four new manholes and a 12m section of 259mm OD concrete lined spiral welded steel were the alignment passes beneath a watercourse.

##### **TENDERS RECEIVED**

Tenders were publicly advertised with nine (9) sets of documents being uplifted. Four (4) tenders were received by the closing date of 6 December 2005. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (EXCL. GST)	
		CONFORMING	ALTERNATIVE
H & H Contractors Limited	PO Box 15 084, New Lynn	\$599,515.00	
M Keoghnan Contractors Limited	51 Trafalgar Street, Royal Oak	\$270,949.85	
Hughes Civil Limited	PO Box 20687, Glen Eden	\$269,875.00	
Coast Digger Services Limited	33 Anvil Road, Silverdale		\$185,200.00
<b>Pre-tender contract estimate</b>		<b>\$404,500.00</b>	

**Table 1 - Summary of Tender Prices**

##### **TENDER EVALUATION**

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

These procedures require that where the tender includes Provisional Sums (work valued by the Principal and placed within the Schedule of Prices) they are deducted from the Tender Sum prior to evaluating each tender.

In this contract the value of Provisional Sums is \$6,000.

Coast Digger Services Limited submitted an alternative tender which was evaluated in accordance with Section 2.8 of the Transfund Competitive Pricing Procedures 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. This alternative tender also contained the \$6,000 Provisional Sum.

The price of the alternative tender is not included in the calculation of the median tender price, although it is evaluated against it.

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

Tender Evaluation	Attributes	Exper.	Track Record	Tech. Skills	Resour	Manag. Skills	Method.	Price	Total Weights
	Weights	7.5	7.5	5	5	7.5	7.5	60	100
Tenderer	Tender Sum	Grades							INDEX
Hughes Civil Limited	\$263,875.00	80	55	50	50	65	60	50	55
M Keoghan Contractors Limited	\$264,949.85	70	70	75	75	65	75	50	59
H & H Contractors Limited	\$593,515.00	80	55	70	80	50	65	-74	-18
<b>Median Tender Price</b>	\$264,949.85								

**Table 2 - Summary of Tender Evaluation**

All tenders were below the engineer's estimate except the tender from H & H Contractors Limited.

The preferred non-alternative tender, which scored the highest overall index of 59, is M Keoghan Contractors Limited with a price of \$264,949.85.

Alternative Tender

An alternative tender was received from Coast Digger Services Limited. The tender is alternative primarily in the type of materials proposed. Technically the alternative is acceptable, however, it does not comply with the current Waitakere City Council Engineering Code of Practice.

The alternative proposal is to use plastic manholes manufactured by a company called ORCCA and to use "TYCO SDR11" pipe material laid with a large radius bend and increased distance between two manholes to 110m.

EcoWater have reviewed the alternate materials and have deemed them to be acceptable.

The tender was graded as shown in table 3 and compared to the M Keoghan Contractors Limited tender.

There is no difference in the end result therefore no assessment has been undertaken to determine the difference in value of the alternative and non-alternative tenders. The price difference between M Keoghan Contractors Limited and Coast Digger Services Limited is \$85,749.85.

Table 3 below represents a comparison between the Alternative Tender and the preferred non-alternative tender:

Tender Evaluation	Attributes	Exper.	Track Record	Tech. Skills	Resour	Manag. Skills	Method.	Price	Total Weights
	Weights	7.5	7.5	5	5	7.5	7.5	60	100
Tenderer	Tender Sum	Grades							INDEX
Coast Digger Services Limited	\$179,200.00	60	70	65	85	40	60	82	74
M Keoghan Contractors Limited	\$264,949.85	70	70	75	75	65	75	50	59
<b>Median Tender Price</b>	\$264,949.85								

**Table 3 - Summary of Alternative Tender Evaluation**

The tender from Coast Digger Services Limited did not include a management section. Some information, however, could be found in the safety manual enclosed but did not mention procedures for quality assurance and other general management procedures.

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

The tender from H & H Contractors Limited did not contain any errors or omissions but contained 12 tags. These tags were not evaluated to its acceptability as the resolution would not have affected the result of the evaluation.

The tender from Coast Digger Services Limited, that is also the alternative tender, did not contain any tags or omissions but contained an arithmetical error of \$3,500. When advised of the error, the tenderer confirmed in writing that their tender price remained the same.

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

#### **CREDIT CHECK**

A credit check dated 11 January 2006 on Coast Digger Services Limited revealed no adverse information.

#### **SUMMARY**

The results of the tender evaluation as summarised in Table 3 shows that the tender submitted by Coast Digger Services Limited achieved the highest overall index of 74. This tender is also the lowest priced tender.

Reference checks given from referees of Coast Digger Services Limited performance were excellent and stated that they would use their services again. It is considered that they have the ability to complete this contract with the alternative methodology satisfactorily.

As part of Council's contracting process "Quality and Health and Safety is not negotiable" all contractors have had this focus clearly reinforced through the contract documents and this will be strongly reiterated at the subsequent pre-start meeting and imposed during the contract period.

### JOB COSTS

	<u>EXCL. GST</u>
Tender sum - Coast Digger Services Limited	\$185,200.00
Contingency	\$ 18,520.00
Engineering & Supervision	\$ 40,800.00
Other (Arborist)	\$ 3,000.00
	-----
Total Job Cost	\$247,520.00

### SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Wastewater Upgrades	85-9812-60000	\$1,450,000.00	\$118,428.00	\$247,520.00	\$1,084,052.00

### RECOMMENDATION

That the Contract No. EW05006E - Edmonton Road Wastewater Upgrade report be received.

Report prepared by: Fee Chin, Contracts Engineer, Project Services.



## 5 CONTRACT NO. EW05004B - STORMWATER QUALITY UPGRADE MANAWA WETLANDS

### PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. EW05004B - Stormwater Quality Upgrade Manawa Wetlands at Titirangi Road and Margan Avenue, New Lynn.

### BACKGROUND

The Manawa Wetland project was recently completed by Council. The second phase of this project is to divert stormwater runoff from Skilgate and Margan Avenues to the existing wetland. The works will take place on Titirangi Road and Margan Avenue in order to improve water quality, reduce erosion and protect the environment.

### SCOPE OF WORK

This project comprises the installation of approximately 402 metres of 450mm diameter PE80C pipe, 30 metres of 225mm RCRRJ catchpit leads, 60 metres of 525mm RCRRJ pipe and Seven (7) manholes.

## TENDERS RECEIVED

Tenders were publicly advertised with six (6) sets of documents being uplifted. Five (5) tenders were received by the closing date of 20 December 2005. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (EXCL. GST)
M Keoghan Contractors Limited	PO Box 131007, Onehunga	\$299,867.84
Excell Corporation Limited	PO Box 58740, Greenmount	\$354,867.84
JB Pipeline Services Limited	PO Box 13447, Onehunga	\$436,450.00
Hughes Civil Limited	PO Box 20687, Glen Eden	\$518,880.00
Fulton Hogan Limited	PO Box 305, Silverdale	\$662,584.00
<b>Pre-tender contract estimate</b>		\$652,030.00

**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.

Tender Evaluation	Attributes	Exper	Track Record	Tech. Skills	Resour	Manag. Skills	Method	Price	Total Weight
	Weights	5	5	5	5	5	5	70	100
Tenderer	Tender Sum	Grades							INDEX
M Keoghan Contractors Limited	\$299,867.84	65	65	60	65	60	70	81	76
Excell Corporation Limited	\$354,867.84	60	65	65	70	65	65	69	68
JB Pipeline Services Limited	\$436,450.00	65	65	65	70	65	60	50	55
Hughes Civil Limited	\$518,880.00	65	65	65	65	60	65	31	41
Fulton Hogan Limited	\$662,584.00	60	55	65	70	60	70	-2	18
<b>Median Tender Price</b>	\$436,450.00								

**Table 2 - Summary of Tender Evaluation**

Evaluation of the non-price attributes was based on the information provided in the tenders, discussion with referees and on previous experience with the contractors.

M Keoghan Contractors Limited has undertaken work of this type for Council and has recently demonstrated the ability to complete work of this nature in a timely fashion and so have scored highly in track record, experience, resources and methodology.

Hughes Civil Limited submitted a conforming and alternative tender. The alternative tender was submitted utilising pre-cast concrete pipes and open cut trenching method through the roads. This alternative tender was discussed with Council's Transport Assets team who do not allow the use of open cut trenching along arterial roads. This alternative tender therefore scored below 35 for methodology and was disqualified from further consideration.

## TAGS, ERRORS OR OMISSIONS

The tenders submitted from Excell Corporation Limited and Fulton Hogan Limited did not contain any errors or omissions but contained three and four tags respectively. These tags were evaluated in accordance with the procedure as outlined in the Waitakere City Council Procurement Manual. The tags from Excell Corporation Limited were accepted. One of the tags from Fulton Hogan Limited was not acceptable. When Fulton Hogan Limited was informed of this tag, they confirmed in writing that this tag was withdrawn.

All other tenders did not contain any errors, omissions or tags.

## CREDIT CHECK

A credit check dated 28 October 2005 on M Keoghan Contractors Limited revealed no adverse information.

## SUMMARY

The tender submitted by M Keoghan Contractors Limited achieved the highest overall index of 76 and was also the lowest priced tender. Previous contracts with M Keoghan Contractors Limited have revealed the same low rates for pipe drilling and laying. M Keoghan Contractors Limited has advised that they own the drilling machinery required and this allows them to provide a more competitive rate for the drilling. In addition M Keoghan Contractors Limited have few committed projects in the short term. This has allowed them to submit competitive prices.

It is considered that M Keoghan Contractors Limited has the capability and resources to complete this contract satisfactorily.

As part of Council's contracting process "Quality and Health and Safety is not negotiable" all contractors have had this focus clearly reinforced through the contract documents and this will be strongly reiterated at the subsequent pre-start meeting and imposed during the contract period.

## JOB COSTS

### EXCL. GST

Tender sum - M Keoghan Contractors Limited	\$299,867.84
Contingency	\$ 29,986.78
Engineering & Supervision	\$ 19,736.00
	-----
Total Job Cost	\$349,590.62

## SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Code	Budget	Committed to Other Projects	Allocation to this Project	Unallocated Balance
Stormwater Quality	85-9815-60000-999	\$1,166,500.00	\$0.00	\$349,590.62	\$816,909.38

## RECOMMENDATIONS

1. That the Contract No. EW05004B - Stormwater Quality Upgrade Manawa Wetlands report be received.
2. That the tender from M Keoghan Contractors Limited for Contract No. EW05004B - Stormwater Quality Upgrade Manawa Wetlands in the sum of \$299,867.84 plus \$37,483.48 GST, totalling \$337,351.32 be accepted.

3. That authority to enter into Contract No. EW05004B - Stormwater Quality Upgrade Manawa Wetlands on behalf of Council be delegated to Group Manager: Project Services.

Report prepared by: Fee Chin, Contracts Engineer, Project Services.



## **6 CONTRACT NO. EW05093A MC15 SEABROOK / WILLERTON / GARDNER NEW LYNN WASTEWATER RENEWALS**

### **PURPOSE OF THE REPORT**

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. EW05093A MC15 - Seabrook / Willerton / Gardner New Lynn Wastewater Renewals.

### **BACKGROUND**

The Council has an objective to reduce flows in the wastewater network by 25% through the Infiltration and Inflow Control Programme. The New Lynn wastewater catchment is the first catchment to be assessed under this programme and rehabilitation work has already been carried out on public drains in mini-catchments MC4, MC9, MC21, MC2, and in part of MC 7.

Mini-catchment 15 (MC15) is next in order of priority. The existing pipelines in Gardner Avenue, Seabrook Avenue and Willerton Road are in poor condition and require replacement.

### **SCOPE OF WORK**

This contract is for the replacement of the existing 225 mm and 150 mm diameter earthenware wastewater pipelines.

The work includes:

- Construction of approximately 350 metres of 225 mm diameter PE80C wastewater pipeline by pipe bursting;
- Construction of approximately 120 metres of 160 mm diameter PE80C wastewater pipeline by pipe bursting;
- Construction of approximately 500 metres of 140 mm diameter PE80 wastewater pipeline by slip lining or structural lining;
- Construction of 13 new manholes;
- Reinstatement of existing service connections.

## TENDERS RECEIVED

Tenders were publicly advertised with six (6) sets of documents being uplifted. Three (3) tenders were received by the closing date of Tuesday, 13 December 2005. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (EXCL. GST)
H&H Contractors Limited	PO Box 15 084, New Lynn, Auckland	\$831,770.00
JB Pipeline Services Limited - Option 1	PO Box 13447, Onehunga, Auckland	\$573, 900.00
JB Pipeline Services Limited - Option 2	PO Box 13447, Onehunga, Auckland	\$661, 000.00
<b>Pre-tender contract estimate</b>		<b>\$510,685.00</b>

**Table 1 - Summary of Tender Prices**

## TENDER EVALUATION

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

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

Tender Evaluation	Attributes	Exper	Track Record	Tech Skills	Resou r.	Mang. Skill	Method.	Price	Total Weights
	Weights	10	10	5	10	10	5	50	100
Tenderer	Tender Sum	Grades					Index		
JB Pipeline Services Limited Option 1	\$573,900.00	70	75	75	75	70	70	63	68
JB Pipeline Services Ltd Option 2	\$ 661,000.00	70	75	75	75	70	70	50	61
H&H Contractors Limited	\$ 831,770.00	70	50	75	70	50	70	24	43
<b>Median Tender Price</b>	\$ 661,000.00								

**Table 2 - Summary of Tender Evaluation**

Scores for the non-price attributes were determined on the basis of information provided in each tender and any recent experience with the tenderers.

The lowest priced tender was Option 1 from JB Pipeline Services Limited and the price is 12% above the pre-tender contract estimate. The limited number of tenders received, and the higher tender price, reflects the current phase of the market. It is not thought that a better price could be achieved at this stage by re-tendering.

JB Pipeline Services Limited has undertaken works of a similar nature for Waitakere City Council and other local authorities in the region and this company has a good recent track record with stormwater and wastewater projects and has proposed a team with the necessary resources and expertise to manage and undertake the work.

## TAGS, ERRORS OR OMISSIONS

The tender from JB Pipeline Services Limited for Option 1 (lowest tender) contained no omissions, arithmetical errors or tags.

There were no omissions or tags in the tender submitted by JB Pipelines Limited for Option 2 (second lowest tender), but a summation error was detected, resulting in the tender sum being \$4,000 less than the true total. This was not taken up with the tenderer as the tender price for Option 2 is the second lowest and the resolution of the errors would not affect the outcome of the tender evaluation.

There were no omissions in the tender submitted by H&H Contractors Limited, but a summation error was detected, resulting in the tender sum being \$8,608 more than the true total. There were also 13 tags. These were not taken up with the tenderer as their tender price is the third lowest and the resolution of the errors and tags would not affect the outcome of the tender evaluation.

## CREDIT CHECK

A credit check on JB Pipeline Services Limited dated 23 December 2005 revealed no adverse information.

## SUMMARY

The results of the tender evaluation as summarised in Table 2 show that the tender submitted by JB Pipeline Services Limited for Option 1 achieved the highest overall index of 68. This tender is also the lowest priced tender received.

It is considered that JB Pipeline Services Limited has the necessary expertise and resources to carry out the works satisfactorily.

As part of the Council's contracting process "Quality and Health and Safety is not negotiable" - all contractors have had this focus clearly reinforced through the contract documents and this will be strongly reiterated at the subsequent pre-start meeting and imposed during the contract period.

## JOB COSTS

	<u>EXCL. GST</u>
Contract Price - Option 1 from JB Pipeline Services Limited	\$573,900.00
Contingency	\$ 57,390.00
Engineering & Supervision	<u>\$ 40,173.00</u>
Total Job Cost	\$671,463.00

## SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Wastewater Renewal	85-9835-60000	\$3,043,000.00	\$369,576.30	\$671,463.00	\$2,001,960.70

## **RECOMMENDATIONS**

1. That the Contract No. EW05093AMC 15 - Seabrook / Willerton / Gardner New Lynn Wastewater Renewals report be received.
2. That the tender from JB Pipeline Services Limited for Option 1 for Contract No. EW05093A MC15 - Seabrook/Willerton/Gardner New Lynn wastewater renewals in the sum of \$573,900.00 plus \$71,737.50 GST, totalling \$645,637.50 be accepted.
3. That authority to enter into Contract No. EW05093A MC15 - Seabrook/Willerton/Gardner New Lynn Wastewater Renewal on behalf of Council be delegated to the Group Manager: Project Services.

Report prepared by: Disna Pathirage, Senior Engineer, Project Services.



## **7 CONTRACT NO. TA05041A - HENDERSON VALLEY ROAD IMPROVEMENTS - STAGE 1**

### **PURPOSE OF THE REPORT**

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. TA05041A - Henderson Valley Road Improvements - Stage 1.

### **BACKGROUND**

Council has an ongoing programme of improvements to road drainage systems. Henderson Valley Road has existing deep open drains and the project is the first stage of improvements between Forest Hill and Pine Avenue. This first stage is from Misty Valley Drive to the Pine Avenue intersection.

The work is funded through the 2005/2006 Annual Plan.

### **SCOPE OF WORK**

The contract is for the improvement of 220 linear metres of road, and works include the following:

- Construction of grassed swales, discharging into existing stormwater network, through new and existing catchpits and manholes;
- Seal widening to maintain required design traffic lanes, flush medians, parking area and service areas, etc;
- Road markings and delineation;
- Replacement of damaged footpaths, reinstating driveways with cut off drains, etc.

## TENDERS RECEIVED

Tenders were publicly advertised with six (6) sets of documents being uplifted. Two (2) tenders were received by the closing date of Tuesday, 20 December 2005. These are summarised in Table 1 below:

TENDER	REG OFFICE	TENDER PRICE (EXCL. GST)
HEB Smithbridge Ltd	Drury	\$ 286,382.03
McLaren King Ltd	Torbay	\$ 336,703.15
<b>Pre-tender contract estimate</b>		\$ 262,815.50

**Table 1 - Summary of Tender Prices**

The lowest tender is 9% above the Engineer's Estimate. This is probably due to the current uncertainty in market rates with most contractors are now fully committed for several months. It is not expected that any savings would be achieved by re-tendering and sufficient funding is available to complete the works within existing budget allocations.

## TENDER EVALUATION

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

These procedures require that where the tender includes Provisional Sums (work valued by the Principal and placed with in the Schedule of Prices) they are deducted from the Tender Sum prior to evaluating each tender.

In this contract there were Provisional Sums to the value of \$ 2,000.

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

### ATTRIBUTE EVALUATION AND GRADING:

Tender Evaluation	Attributes	Exper.	Track Record	Tech. skills	Resource	Manage. skills	Method	Price	Contract Number TA 05041 A
									Total Weights
	<b>Weights</b>	<b>8</b>	<b>8</b>	<b>4</b>	<b>3</b>	<b>4</b>	<b>3</b>	<b>70</b>	<b>100</b>
Tenderer	Tender Sum less P. S.	Grades							INDEX
HEB SmithBridge Limited	\$284,382.03	75	77	74	77	75	68	58	63
McLaren King Ltd	\$334,703.15	64	75	72	55	66	63	42	50
<b>Median Tender Price</b>	\$309,542.59								

**Table 2 - Summary of Tender Evaluation**

HEB Contractors Limited bought out a company called Smithbridge Limited in 2003 and formed HEB Smithbridge Limited in 2005, which now owns 100% of HEB Contractors Limited and 100% of Smithbridge Limited.

HEB Smithbridge Limited's earlier company HEB Contractors Limited has recently completed Clark Street widening and reconstruction, Lincoln Road widening and Glengarry Road widening and footpath contracts, and several other smaller contracts for Waitakere City Council, all to a good standard.

McLaren King Limited is a newly established company and plans to commence their operations in January 2006. The company has been formed by two experienced project managers in New Zealand.

Evaluations have been based on their previous track records with other companies.

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

McLaren King Limited had a small arithmetic error in their tender. This had no impact on tender evaluation so the matter was not progressed.

There were no other tags, errors or omissions.

### **CREDIT CHECK**

A credit check on HEB Smithbridge Limited, dated 9 December 2005, indicates that the company was founded in 2005, and incorporated on 22 August 2005 in Auckland District, having an address of 11 Hall Street, Pukekohe. The credit check revealed no adverse information.

### **SUMMARY**

The results of the tender evaluation as summarised in Table 2 shows that the tender submitted by HEB Smithbridge Limited, achieved the highest index of 63. Also, this tender is the lowest priced tender.

The recent history of HEB Contractors Limited, with Council is that the company provides satisfactory workmanship and management skills. They are a large well-resourced company well experienced in this type of contract.

As part of City Services vision "Quality and Health and Safety is not negotiable" all contractors have had this focus clearly reinforced through the contract documents and this will be strongly reiterated at the subsequent pre-start meeting and imposed during the contract period.

### **JOB COSTS**

	<u>EXCL. GST</u>
Tender Sum - HEB Smithbridge Limited	\$286,382.03
Contingency	\$ 28,000.00
Engineering & Supervision	\$ 45,000.00
	-----
Total Job Cost	\$359,382.03

## SOURCE OF FUNDING

Codes	Budget	Committed to other projects	Allocation to this project	Unallocated Balance
75-9888-39270	\$350,000	\$16,000	\$334,000	\$0
75-9887-45900	\$350,000	0	\$ 25,400	\$324,600
			<b>\$359,400</b>	

## RECOMMENDATIONS

1. That the Contract No. TA05041A - Henderson Valley Road Improvements - Stage 1 report be received
2. That the tender from HEB Smithbridge Limited for Contract No. TA05041A - Henderson Valley Road Improvements - Stage 1, in the sum of \$ 286,382.03 plus \$ 35,797.75 GST, totalling \$ 322,179.78 be accepted.
3. That the authority to enter into Contract No. TA05041A - Henderson Valley Road Improvements - Stage 1, on behalf of Council be delegated to the Group Manager- Projects Services.

Report prepared by: Jagath Rupasinghe, Civil Engineer, Roading Projects Team.



## 8 CONTRACT NO. TA05030C - CHURCH STREET AND POOKS ROAD KERBING AND FOOTPATH

### PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. TA05030C - Church Street and Pooks Road kerbing and footpaths.

### BACKGROUND

To improve pedestrian safety Council has an ongoing programme for the construction of new footpaths. This contract is for the construction of new footpaths and kerb and channel on Church Street and Pooks Road.

The work is allowed for in the 2005/2006 Annual Plan and at sites prioritised by the relevant Community Boards.

### SCOPE OF WORK

This contract is for the construction of new kerb and channel and concrete footpaths. The works include, but are not limited to the following:

- Earthworks;
- Installation of stormwater drainage;
- Construction of a new footpaths;
- Construction of kerb and channel;
- Construction of pavement;
- All other works indicated, described or implied in the drawings or specifications and any temporary work required for the completion of the works.

## TENDERS RECEIVED

Tenders were publicly advertised with eight (8) sets of documents being uplifted. Five (5) tenders were received by the closing date of 13 December 2005. This is summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (EXCL. GST)
Wharara Civil Engineering Limited	Grey Lynn	\$182,892.41
Sumich Plumbing & Drainage Limited	Henderson	\$261,620.30
M Keoghans Contractors Limited	Royal Oak	\$274,829.00
Traffic Systems Limited	Avondale	\$331,540.00
John Fillmore Contracting Limited	Onehunga	\$353,958.00
<b>Pre-tender contract estimate</b>		<b>\$332,036.00</b>

**Table 1 - Summary of Tender Prices**

The tender received from Wharara Civil Engineering Limited contained significant errors and the tender has been withdrawn. The tender did not contain rates for several items that were considered necessary to successfully complete the contract works.

## TENDER EVALUATION

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

These procedures require that where the tender includes Provisional Sums (work valued by the Principal and placed within the Schedule of Prices) they are deducted from the Tender Sum prior to evaluating each tender. For this contract there are no Provisional Sums.

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

Tender	Attributes	Exper.	Track	Tech.	Resour.	Manag.	Method.	Price	Contract Number TA05030B
Evaluation			Record	Skill		Skill			Total Weights
	Weights	8	8	4	3	4	3	70	100
Tenderer	Tender Sum				Grade				INDEX
M Keoghans Contractors Limited	\$274,829.00	80	74	79	75	74	66	59	64
Sumich Plumbing & Drainage Limited	\$261,620.30	56	70	55	60	61	65	64	63
Traffic Systems Limited	\$331,540.00	78	74	72	63	73	63	41	50
John Fillmore Contracting Limited	\$353,958.00	76	76	74	73	74	63	33	45
<b>Med.n Tender Price</b>	<b>\$303,184.50</b>								

**Table 2 - Summary of Tender Evaluation**

Wharara Civil Engineering Limited has withdrawn their tender. Sumich Plumbing & Drainage Limited is a plumbing and drainage company and hence does not have experience in roading construction works, and has been evaluated accordingly.

M Keoghans Contractors Limited has the overall highest index score of 64.

M Keoghan Contractors Limited has successfully completed several contracts for Council over the past four (4) years. These have included kerb, channel and footpath construction projects and retaining wall contracts. All contracts were carried out to a very good standard and the company is well regarded by Council staff for work quality and management skills.

The staff nominated are well known to Council having been involved in several construction contracts for several years. In general these staff have proved to be very co-operative and competent contractors with no issues related to their work.

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

There were no tags.

The tender received from Sumich Plumbing & Drainage Limited contained minor mathematical errors. However, these errors did not affect the overall outcome of the tender evaluation for Sumich Plumbing & Drainage Limited.

The tender received from Wharara Civil Engineering Limited contained errors and the tender has been withdrawn. The tender did not contain rates for several items that were considered necessary to successfully complete the contract works.

The tender received from M Keoghan Contractors Limited did not contain any errors.

### **CREDIT CHECK**

A credit check on M Keoghan Contractors Limited, dated 15 December 2005 revealed no adverse information.

### **SUMMARY**

M Keoghan Contractors Limited is the tenderer that has received the highest index. This is a conforming tender and therefore is recommended for award.

M Keoghan Contractors Limited are experienced in this type of contract and have proven to be capable contractors who work to a high quality and with good communication and management skills.

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><u>EXCL. GST</u></b>
Tender sum - M Keoghan Contractors Limited	\$274,829.00
Contingency	\$ 27,000.00
Engineering, Supervision & Disbursements	\$ 35,000.00
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Total Job Cost	\$336,829.00

### SOURCE OF FUNDING

Code	Budget (including carry forwards)	Committed to Other Projects	Allocation to This Project	Unallocated Balance
75-9888-30530	\$1,620,000.00	\$420,000.00	\$336,829.00	\$863,171.00
<b>TOTAL</b>			<b>\$336,829.00</b>	

### RECOMMENDATIONS

1. That the Contract No. TA05030C - Church Street and Pooks Road Kerbing and Footpath report be received.
2. That the tender for Contract No. TA05030C - Church Street and Pooks Road Kerbing and Footpaths be awarded to other than the lowest tender because under the Weighted Attribute System the tender must be awarded to the tenderer with the highest index.
3. That the tender from M Keoghan Contractors Limited for Contract No. TA05030C - Church Street and Pooks Road Kerbing and Footpaths in the sum of \$274,829.00 plus \$34,353.63 GST, totalling \$309,182.63 be accepted.
4. That authority to enter into Contract No. TA05030C - Church Street and Pooks Road Kerbing and Footpaths be delegated to the Group Manager: Project Services.

Report prepared by: Azam Khan, Engineer, Project Services.

