

**AGENDA FOR A MEETING OF THE TENDERS SUBCOMMITTEE TO BE HELD AT
WAITAKERE CENTRAL, 6 HENDERSON VALLEY ROAD, HENDERSON,
WAITAKERE, ON FRIDAY, 22 JUNE 2007,
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 Chairman 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 - 8 June 2007

RECOMMENDATION

That the minutes of the Meeting of the Tenders Subcommittee held on Friday, 8 June 2007, as circulated, be taken as read and now be confirmed.



4 **BIRDWOOD STRUCTURE PLAN AREA TRUNK SEWER - SECTION A**

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to approve works on Section A of a trunk wastewater line to service the Birdwood Structure Plan Area.

BACKGROUND

The Birdwood Structure Plan Area is largely a green field area in Massey that has been identified by Council for future development. The catchment comprises approximately of 100 hectares of steeply sloping land. An estimated 423 lots are to be created in the Structure Plan Area. The existing properties (Approximately 12 properties) are served by septic tanks at present, but Watercare Services Limited has approved in principle the servicing of these properties via their bulk wastewater network. Council has given an undertaking to the developers in the catchment to serve the sites for wastewater by 30 November 2007.

A1 Council has carried out a feasibility study for servicing the Birdwood Structure Plan Area, and a gravity wastewater line discharging into the Watercare Services Swanson Branch sewer at manhole 32 located at 87 Glen Road was recommended. A detailed design of the trunk wastewater line has now been completed and construction is required by 30 November 2007, as shown at page A1.

SCOPE OF WORK

CDL Land New Zealand Limited is developing a site at 140A Don Buck Road on the opposite side of the Swanson Stream from 87 Glen Road, and they have included part of the proposed trunk wastewater line in their subdivision civil works contract in anticipation of the need for this work. For this contract, the developer called tenders for the works, and five tender prices were received. The successful contractor is HEB Smithbridge Limited is currently completing other works on the site.

Upon completion of the detailed design of the trunk wastewater line, a detailed cost has been obtained from HEB Smithbridge Limited, and their pricing of the works of \$359,877.69 (excl GST) is below the Engineer's Estimate of \$383,232 (excl GST) for Section A of the trunk wastewater line. HEB Smithbridge Limited are a reputable construction company who have a successful track record in this type of work, and it is considered that carrying out these works in conjunction with the subdivision work CDL Limited are undertaking with HEB Smithbridge Limited is cost effective for this first stage of the project. HEB Smithbridge Limited are mobilised on site, are familiar with the ground conditions, and are constructing other infrastructure which connect to the trunk sewer, therefore the proposal to utilise the same contractor will minimise delays and costs caused by the interaction of different contractors on site. Furthermore, the contract rates used are those submitted by a tenderer who won the contract over four other bidders.

Therefore, it is not proposed to publicly tender this work, for the reasons given above, and it is not expected that tendering the work will achieve any benefit to Council. It is proposed to publicly tender Section B of the trunk sewer. Section A of the Birdwood Trunk Sewer project comprises constructing three pipe bridges, one across the Swanson Stream, approximately 460 m of 180 polyethylene wastewater line, mostly by directional drilling methods, and 11 manholes.

TENDER RECEIVED

One tender was received, as follows:

TENDERER	REG OFFICE	QUOTATION PRICE excl. (GST)
HEB Smithbridge Limited	PO Box 226, Drury	\$359,877.69
Pre-tender contract estimate		\$383,232.00

Table 1 - Summary of Prices

TENDER EVALUATION

Only one tender has been received for the reasons given above.

- The rates submitted by HEB Smithbridge Limited are very competitive with current market rates;
- HEB Smithbridge Limited has a proven record of satisfactorily performing similar work as subcontractor to Eco City Services.;
- For the purposes of continuity and minimising the risk to the affected services, it is preferred that the same company performs the ongoing maintenance of these sites.

TAGS, ERRORS OR OMISSIONS

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

CREDIT CHECK

A credit check dated 5 June 2007 for HEB Smithbridge Limited revealed no adverse information.

JOB COSTS

	excl. GST
Tender sum - HEB Smithbridge Limited	\$359,877.69
Contingency	\$ 35,987.77
Engineering & Supervision	\$100,613.00
Other- Arborist/Consents	\$ 10,000.00

Total Job Cost	\$506,478.46

SOURCE OF FUNDING

Total funding for this project of \$608,000 is included in the 2006/2007 and 2007/2008 Annual Plan.

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
2006/2007 Annual Plan Babich/Birdwood Growth Areas Structure Plan Project	85-9812-21860	\$400,000.00	\$0.00	\$400,000.00	\$0.00
2007/2008 Annual Plan Babich/Birdwood Growth Areas Structure Plan Project	85-9812-21860	\$208,000.00	\$0.00	\$106,478.00	\$101,522.00

SUMMARY

The result of the tender in Table 1 shows that the tender submitted by HEB Smithbridge Limited, as compared to the engineers estimate, is considered fair and competitive and there is not guarantee that a more competitive price will be obtained via open tender for this contract.

It is also considered that HEB Smithbridge Limited has the capability and expertise 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.

RECOMMENDATIONS

1. That the Birdwood Structure Plan Area Trunk Sewer - Section A report be received.
2. That the tender from HEB Smithbridge Limited for the Birdwood Structure Plan Area Truck Sewer - Section A in the sum of \$359,877.69 plus \$44,984.71 GST, totalling \$404,862.40 be approved.
3. That the commitment to the 2007/2008 financial year for Birdwood Structure Plan Area Trunk Sewer - Section A totalling \$106,478.46 plus GST be approved.
4. That authority to enter into a contract for the Birdwood Structure Plan Area Trunk Sewer - Section A on behalf of Council be delegated to the Group Manager: Asset Management.

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



5 CONTRACT NO. RM06013A - GAS SUPPLY FOR COUNCIL SITES

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. RM060013A - Gas Supply for Council Sites.

BACKGROUND

Contract No. RM060013A - Gas Supply for Council Sites ends on 30 June 2007, and it is time to check with the market for gas prices for the next contract period.

SCOPE OF WORK

Waitakere City Council's 12-month gas usage is estimated below in Table 1 as at December 2006:

Site	KWh	CO2
<u>Non-Tie of Use Sites</u>		
Waikumete Cemetery	548,541	103.12
Massey Leisure Centre & Library	286,628	53.89
Waitakere Central Civic & Administration Buildings	33,316	6.26

Site	KWh	CO2
Lopdell House	17,779	3.34
Glen Eden Recreation Centre	522	0.10
Starling Park	461	0.09
Time of Use Site		
West Wave	6,324,687	1189.00
	7,211,934	1,355.8

Table 1 -Current gas usage and costs

To enable competitive tendering it was noted in the tender document that tenderers could submit pricing for one or more of the loads noted in Table 1. This methodology could have resulted in more than one retail gas supplier for Council to gain overall coverage of the load groupings but the total load would still require coverage.

TENDERS RECEIVED

Seven gas retailers were invited to tender for the councils gas load. Three tenders were received by the closing date of 1 May 2007. These are summarised in Table 1 below based on a three year contract period:

TENDERER	REG OFFICE	TENDER PRICE (EXCL GST) Non-TOU Sites	TENDER PRICE (EXCL GST) TOU Sites
Auckland Gas Company	Grafton, Auckland	\$171,783	\$816,650
Contact Energy	Albany, Auckland	\$167,925	\$825,902
Genesis Power Ltd [trading as Genesis Energy]	Penrose, Auckland	\$162,535	\$811,828

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 for the Time of Use site (West Wave) and in Table 3 for the Non-Time of Use sites:

Tender Evaluation	Attributes	Exper.	Track Record	Tech. Skill	Manag. Skill	Method.	Price	Contract Number RM06013A TOU
								Total Weights
	Weights	6	6	6	6	6	70	100
Tenderer	Tender Sum							INDEX
Genesis Power	\$811,828.00	75	75	80	80	80	51	59
Auckland Gas Company	\$816,650.00	75	75	70	70	70	51	57
Contact Energy	\$825,902.00	75	75	70	40	75	49	55
Med.n Tender Price	\$821,276.00							

Table 2 - Summary of Tender Evaluation for Time of Use Site (West Wave)

Tender Evaluation	Attributes	Exper.	Track Record	Tech. Skill	Manag. Skill	Method.	Price	Contract Number RM06013A Non-TOU
								Total Weights
	Weights	6	6	6	6	6	70	100
Tenderer	Tender Sum							INDEX
Genesis Power	\$162,535.00	75	75	80	80	75	54	61
Auckland Gas Company	\$171,783.00	75	75	70	70	70	49	56
Contact Energy	\$167,925.00	75	75	70	50	60	51	56
Med.n Tender Price	\$169,854.00							

Table 3 - Summary of Tender Evaluation for Non-Time of Use Sites

Genesis Power Ltd has confirmed access to gas usage data for West Wave, the Time of Use site. This will assist Council with its energy efficiency initiatives with West Wave. Genesis Power Ltd own 31% shares in Kupe oil and gas field, and 40% equity interest in the deep petroleum rights in Petroleum Exploration Permit 38738 (Cardiff). Genesis Power Ltd has outlined their environmental management systems and policies, and hold ISO 9001.2000. The pricing offered by Genesis Power Ltd is for Non-Time of Use sites is a two year contract term, except Waikumete Cemetery. Pricing for Waikumete Cemetery has been offered for a two and three year contract term. Pricing for West Wave, the Time of Use site, has been offered for a two and three year contract term. Genesis Power Ltd has supplied all Councils electricity since 1999 and its Time of Use sites for gas requirements since July 2005 and has provided good service.

The Auckland Gas Company stated that their proposal can be viewed as part of the Waitakere City Council group tender or alternatively as individual sites, enabling Council to choose one or more site to be supplied by the Auckland Gas Company. The Auckland Gas Company has submitted pricing for two or three year contract period. Their sister company Nova Gas has submitted pricing for the Time of Use site (West Wave). The Auckland Gas Company and Nova Gas are owned by Todd Energy. The Auckland Gas Company has been supplying gas to Council for Non-Time of Use sites since July 2005. The nominated account manager will be leaving The Auckland Gas Company in three months after training his replacement. The current account manager has provided very good service and all contacts with The Auckland Gas Company have been good. It would be expected that any new account manager would reflect the excellent customer service levels experienced to date.

Contact Energy submitted a non-conforming tender through submitting their 'Standard Business Energy Supply Agreement' for consideration for the weighted attributes and completed Section D, providing the name of their contractor, the health and safety pre-qualification questionnaire, and Special Terms Business Energy Supply Agreement. After two requests the information for the non-financial attributes was submitted. Contact Energy submitted pricing for a three year contract period and offered a 10% prompt payment discount if it is paid by the due date. This 10% prompt payment discount has been factored into the pricing for comparison purposes. Contact Energy also shown initiative by recommending that Starling Park and Glen Eden Recreation Centre be changed to LPG gas cylinders due the small requirements for gas supply. The significant savings is achieved by the elimination of the daily network connection costs; however there is a cost to convert the sites to LPG estimated at \$1,000 per site. Contact Energy is a known and reputable gas supplier but it was very difficult chasing non-price attributes. Contact Energy has supplied gas to all Council sites until June 2005 and provided good service.

The initial pricing received for the TOU site (West Wave) was higher than anticipated and each of the tenderers we asked to reconsider their pricing. This opportunity closed on Tuesday, 15 May 2007.

TAGS, ERRORS OR OMISSIONS

The Auckland Gas Company has reserved the right to pass on any third party price movements, including wholesale gas. Contact Energy have noted in their Special Terms Business Energy Supply Agreement that prices will be adjusted annually with effect from 1 October in each year, calculated in accordance with any annual increase in the Producers Price Index.

While Council would anticipate that changes in line charges and meter charges be passed on, it would not have expected that wholesale gas prices be passed on to Council as that is why Council has tendered its gas supply in anticipation of hedged (fixed) prices. No adjustments to future prices have been made for the purposes of the tender evaluation.

CREDIT CHECK

A credit check on Genesis Power Ltd, dated 23 May 2007, revealed no adverse information.

JOB COSTS

The comparison of the forecasted annual cost of gas based on 12 months ending December 2006 is shown below in Table 4. The table shows year 1 will be an increase of \$19,161 (6.8%), Year 2, will be an increase over year 1 of \$25,600 (8.3%) and year 3 will be a further increase of \$4,880 (1.5%), for a total increase of \$49,641.

Site	Forecast on Current Price Structure	2007/2008	2008/2009	2009/2010
Time of Use				
West Wave	\$234,945	\$252,015	\$277,516	\$282,297
Non-Time of Use				
Waikumete Cemetery	\$27,700	\$29,998	\$30,097	\$30,195
Massey Leisure Centre & Library	\$17,707	\$17,489	\$17,489	\$17,489
Waitakere Central Civic & Administration Buildings	\$2,981	\$2,888	\$2,888	\$2,888
Lopdell House	\$1,415	\$1,289	\$1,289	\$1,289
Glen Eden Recreation Centre	\$1,094	\$1,209	\$1,209	\$1,209
Starling Park	\$1,091	\$1,206	\$1,206	\$1,206
	\$286,933	\$306,094	\$331,694	\$336,574

Table 4 - Tender Price Comparison

SOURCE OF FUNDING

Provision is made for gas supply within the current Long Term Council Community Plan for each site.

The amount in the 2007/2008 budget is \$331,000. The amounts in the 2008/2009 and 2009/2010 are currently at Long Term Council Community Plan levels which were set two years ago, will need to be increased to the 2007/2008 levels. Therefore a commitment will be required from the Tenders Subcommittee to award the contract.

SUMMARY

The results of the tender evaluation as summarised in Table 2 and Table 3 shows that the tender submitted by Genesis Power Ltd achieved the highest index of 59 for the Time of Use site and 61 for the Non-Time of Use site. This tender is also the lowest priced tender for both Time of Use and Non-Time of Use loads.

Genesis Power Ltd has consistently provided good service and support to Council as a service provider.

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.

RECOMMENDATIONS

1. That the Contract No. RM06013A - Gas Supply for Council Sites report be received.
2. That the tender from Genesis Power Ltd for Contract No. RM06013A - Gas Supply for Council Sites be approved.
3. That the contract for Contract No. RM06013A - Gas Supply for Council Sites be negotiated with Genesis Power Ltd, based upon the tender submitted for all Council sites using gas, using the contract form supplied by Genesis Power Ltd.
4. That a contract period of thirty-six months, July 2007 - June 2010, be negotiated for the term of the Contract No. RM06013A - Gas Supply for Council Sites contract with Genesis Power Ltd.
5. That the commitment of funds for the 2007/2008 for \$306,094, 2008/2009 for \$331,694, and 2009/2010 for \$336,574 for Contract No. RM06013A - Gas Supply for Council Sites be approved.
6. That the authority to enter into Contract No. RM06013A - Gas Supply for Council Sites on behalf of Council be delegated to the Director: City Services.

Report prepared by: Philip Brown, Group Manager: Planning and Community Services.



6 NEW LYNN TRANSIT ORIENTED DEVELOPMENT - PHYSICAL WORKS **EXPRESSION OF INTEREST**

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to carry out an Expression of Interest process in conjunction with ONTRACK for the New Lynn Transit Oriented Development physical works.

BACKGROUND

The New Lynn Transit Oriented Development project includes construction of the rail line through New Lynn in a trench, construction of new road crossings over the trench and construction of a transport interchange.

There has been ongoing discussion with ONTRACK to scope out the project and define where responsibilities lie for components of the project.

At a meeting held on Friday, 15 June 2007, ONTRACK advised that it is carrying out an Expression of Interest process to identify suitable contractors for the rail components and suggested that Council may wish to include roading components in this process.

It is therefore recommended that this suggestion be taken up, as it should provide the most cost effective way of implementing some of the roading components. The outcomes of the Expression of Interest will be reported back to the Tenders Subcommittee to determine if the outcomes are acceptable to Council and to seek authority to enter into contracts, if appropriate.

SCOPE OF WORK

The scope of works is still being worked through and is subject to Council confirmation.

At this stage, it is likely that the scope will include a road crossing at Portage Road, at grade, and 3 new crossings over the rail line at Clark Street, Memorial Drive and Hetana Street. The scope will also include a transport interchange.

The process will be interactive as it will require coordination between Council's requirements and ONTRACK's requirements.

Given that the timeline for completion of the rail project is 30 June 2009, the Expression of Interest process provides the opportunity to minimise the risk of delays

JOB COSTS

The detailed job costs are not available at this stage, but will be confirmed by Council after it has agreed the concept plans.

SOURCE OF FUNDING

Funding has been provided in the 2007/2008 Annual Plan to cover planning and the first stage of construction. The balance of the project has been funded in the 2006-2016 Long Term Council Community Plan.

SUMMARY

It is proposed to request ONTRACK to include in its Expression of Interest process proposals by Council to construct new road connections over the rail line in New Lynn, as well as provisions for a transport interchange.

The Expression of Interest will not be binding on Council, with the outcomes reported back to the Tenders Subcommittee and Council for consideration as to whether or not Council wishes to take up any contract arising from this process.

RECOMMENDATIONS

1. That the New Lynn Transit Oriented Development - Physical Works Expression of Interest report be received.
2. That authority be given to participate in ONTRACK's Expression of Interest process for the construction of infrastructure associated with the New Lynn Transit Oriented Development project.

3. That the outcomes of the Expression of Interest process be reported back to the Tenders Subcommittee for its consideration and determination as to whether Council wishes to enter into any contracts arising from this process.

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



7 CONTRACT NO. TA06003B - ROAD EMERGENCY, DRAINAGE AND SPECIAL WORKS 2006/2007 - APPROVAL TO EXTEND

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to extend Contract No. TA06003B - Road Emergency, Drainage and Special Works 2006/2007 for the first of two one-year extensions for the 2007/2008 financial year.

BACKGROUND

This contract forms part of Council's asset maintenance programme as provided for in the 2007/2008 Annual Plan and specifically reacting to emergency response situations within the road reserve.

The contract was awarded by Tenders Subcommittee in November 2006 with an initial approval period to 30 June 2007 with the following recommendations:

3. *That authority to enter into Contract No. TA06003B - Road Emergency, Drainage and Special Works 2006/2007 on behalf of Council be delegated to the Group Manager, Project Services.*
4. *That authority to extend Contract No. TA06003B - Road Emergency, Drainage and Special Works 2006/2007 for an additional one year to end on 30 June 2008 based on the satisfactory performance by the Contractor be reported back to Tenders Sub-Committee for approval.*

2250/2006

SCOPE OF WORK

This contract will provide a 24-hour, 7 days per week service to respond to all road emergency call outs throughout Waitakere City. It includes the supply of all management, supervision, labour, materials, plant and incidentals necessary for "first call" repairs or to make safe works at sites of slips, flooding, blocked cesspits and drains, fallen trees, spillages, traffic accidents etc. within the road reserve anywhere in Waitakere City. In addition minor "special works" may be requested where they do not fit other contracts. Quantities are provisional and payment will be made on a measure and value basis.

CONTRACTOR PERFORMANCE

Techscape Limited has confirmed that they will carry out the contract for a further 12 months if offered the opportunity.

An evaluation of Techscope Limited's performance to date contains the following features:

- They have developed excellent working relationships with Council and other key stakeholders;
- They are quick to react to urgent requests and have adequate level of resource for the works;
- Good technical ability and their quality of workmanship of completed jobs is to a good standard;
- No complaints regarding workmanship received from public;
- No complaints relevant to health and safety or environmental issues;
- They are being proactive on service improvements.

JOB COSTS

Contract sum for 12 months	\$ 525,000.00
Engineering and supervision	<u>\$ 40,000.00</u>
Total Job Cost	\$ 565,000.00

SOURCE OF FUNDING

2007/2008 Draft Annual Plan	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Urban Maintenance	46-7114-24250	\$1,346,000	\$1,260,000	\$50,000	\$36,000
Rural Maintenance	46-7118-24250	\$821,000	\$735,000	\$40,000	\$46,000
Flood Damage	46-7142-24490	\$255,000	\$3,000	\$250,000	\$2,000
Street Cleaning	46-7178-24770	\$425,000	\$360,000	\$60,000	\$5,000
General Road Maintenance	46-717424700	\$95,000	\$56,000	\$25,000	\$14,000
Ground Stability	75-9860-30390	\$103,000	Nil	\$100,000	\$3,000
Professional Services - Urban Maintenance	46-7114-24360	\$111,000	\$101,000	\$10,000	Nil
Professional Services - Rural Maintenance	46-7118-24360	\$125,000	\$115,000	\$10,000	Nil
Professional Services - Flood Damage	46-7142-24360	\$26,000	\$5,000	\$20,000	\$1,000
	Subtotal			\$565,000	

SUMMARY

Techscope Limited have carried out their contractual obligations during the last seven months to the satisfaction of Council.

It is therefore recommended that Techscope Limited be granted the first contract extension for the Contract No. TA06003B - Road Emergency, Drainage and Special Works 2006/2007 for the period 1 July 2007 to 30 June 2008.

RECOMMENDATIONS

1. That the Contract No. TA06003B - Road Emergency, Drainage and Special Works 2006/2007 - Approval to Extend report be received.
2. That approval be granted to extend Contract No. TA06003B - Road Emergency, Drainage and Special Works 2006/2007 to Techscape Limited in the sum of \$525,000.00 plus \$65,625.00 GST totalling \$590,625.00 for the annual period 1 July 2007 to 30 June 2008.
3. That the total commitment of \$565,000 excluding GST to the 2007/2008 draft Annual Plan for Contract No. TA06003B - Road Emergency, Drainage and Special Works 2006/2007 be approved.
4. That authority to extend Contract No. TA06003B - Road Emergency, Drainage and Special Works 2006/2007 for the annual period 1 July 2007 to 30 June 2008, on behalf of Council, be delegated to the Group Manager: Project Services.

Report prepared by: Harish Singh, Principal Engineer: Project Services.



8 CONTRACT NO. TA07003B - ROAD REMARKING AND RAISED PAVEMENT MARKERS 2007/2008

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. TA07003B - Road Remarking and Raised Pavement Markers 2007/2008.

BACKGROUND

This contract forms part of Council's asset maintenance and renewal programmes as provided for in the 2007/2008 Annual Plan and specifically the annual remarking programme of existing road markings and raised pavement markers. In addition, the contract allows to create new markings where instructed.

SCOPE OF WORK

The scope of work includes the annual remarking of existing road markings and installation of new road markings where required within Waitakere City. The contract is for an initial period of twelve months ending 30 June 2008. The contract allows for the term to be extended by a further twelve month period (to 30 June 2009) plus another twelve months (to 30 June 2010), each twelve month period solely at Council's discretion and based on the satisfactory performance of the Contractor.

The extent of marking to be maintained includes, but is not limited to, the following:

- Routine annual programme of works including the remarking of existing road markings (945,000 linear metres) 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 (25,000 linear metres) and raised pavement markers on request.
 - Removal of existing road markings (3,000 linear metres) and raised pavement markers on request.

TENDERS RECEIVED

Tenders were publicly advertised with five sets of documents being uplifted. Three tenders were received by the closing date of 29 May 2007. These are summarised in Table 1 below.

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
Coastline Markers Limited	Albany	\$663,624.49
Highway Systems Limited	Penrose	\$836,599.88
Caplin Group Limited	Henderson	\$926,092.56
Pre-tender contract estimate		\$631,890.70

Table 1 - Summary of Tender Prices

The lowest tender is 5% above the pre-tender contract estimate. The pre-tender contract estimate had allowed for a 40% increase in costs since the previous contract was advertised in 2004. Increased costs in fuel, products and labour over this period are reflected in the actual 45% increase in tender prices received. The tendered sum is still within the available allocated budget.

TENDER EVALUATION

In accordance with the conditions of tendering, tenders were evaluated in line with the Weighted Attribute Method contained in Land Transport 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 \$15,000.

The "Two envelope process" as described in Section 2.7 of the above manual was followed. Under this method, only the first tender envelope is opened and the non-price attributes evaluated for all tenders before the second envelope containing the tender price is opened, and the tender prices duly included in the evaluation.

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

Tender Evaluation	Attributes	Exp.	Track Record	Tech Skill	Res.	Manage. Skill	Method.	Price	Total Weights
	Weights	6	5	6	2	6	5	70	100
Tenderer	Tender Sum	Grades							INDEX
Coastline Markers Limited	\$648,624.49	77	75	62	75	70	82	71	71
Highways Systems Limited	\$821,599.88	82	83	77	78	78	83	50	59
Caplin Group Limited	\$911,092.56	80	75	63	58	67	60	39	48
Med.n Tender Price	\$821,599.88								

Table 2 - Summary of Tender Evaluation

Coastline Markers Limited is a company with good resources and a good track record. They have significant experience in the type and magnitude of work involved in this contract. They are the current Council roadmarking contractor and have worked in Waitakere City for the past three years, performing to a good standard.

Coastline Markers Limited referees have confirmed that they are a cooperative contractor to work with and are proactive in finding solutions to problems encountered. The referees all recommended this contractor.

Both Highways Systems Limited and Caplin Group Limited are very experienced road marking contractors with varying levels of expertise and resources.

TAGS, ERRORS OR OMISSIONS

The tenders from Caplin Group Limited, Coastline Markers Limited and Highways Systems Limited contained no tags, errors or omissions.

CREDIT CHECK

A credit check on Coastline Markers Limited dated 6 June 2007, revealed no adverse information.

JOB COSTS

	excl. GST
Tender sum - Coastline Markers Limited	\$663,624.49
Contingency	\$ 18,605.51
Engineering & Supervision	\$ 68,770.00

Total Job Cost	\$751,000.00

SOURCE OF FUNDING

Budget Description (from Annual Budget line item) 2007/2008 Annual Plan	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance
Road Remarking	46-7150-24530	\$616,000	-	\$616,000	-
EcoWater - Valve and Hydrant Maintenance	85-7540-26810	\$247,083	\$222,083	\$25,000	-
Professional Services	46-7150-24360	\$285,000	\$245,000	\$40,000	-
RAMM	46-7154-24570	\$207,000	\$187,000	\$20,000	-
Minor Safety	75-9870-24480	\$872,000	-	\$50,000	\$822,000
	Total			\$751,000	

SUMMARY

The results of the tender evaluation as summarised in Table 2 shows that the tender submitted by Coastline Markers Limited achieved the highest index of 71. This tender is also the lowest priced tender.

Coastline Markers Limited is a specialist road marking contractor with over 20 years experience. Coastline Markers Limited has experience working on local authority road marking contracts. They are the current Council roadmarking contractor and have worked in Waitakere City for the past three years, and have performed to a good standard. They also hold road marking contracts similar to the Waitakere City contract in North Shore City and Rodney District. Referees from these areas have been sought and good recommendations have been received. Coastline Markers Limited is familiar with local authority procedures and contract specifications and has developed good working relationships on their current contracts.

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.

RECOMMENDATIONS

1. That Contract No. TA07003B - Road Remarking and Raised Pavement Markers 2007/2008 report be received.
2. That the tender from Coastline Markers Limited for Contract No. TA07003B - Road Remarking and Raised Pavement Markers 2007/2008 in the sum of \$663,624.49 plus \$82,953.06 GST, totalling \$746,577.55 be accepted.
3. That authority to enter into Contract No. TA 07003B - Road Remarking and Raised Pavement Markers 2007/2008 on behalf of Council is delegated to the Group Manager: Project Services.
4. That authority to extend Contract No. TA07003B - Road Remarking and Raised Pavement Markers 2007/2008 beyond 30 June 2008 on an annual basis until 30 June 2010 is reported back to Tenders Subcommittee for approval.

Report prepared by: Vicki Daley, Roading Engineer.



9 CONTRACT NO. TA06081B - PROGRAMME MANAGEMENT CORRIDOR AND MAJOR PROJECTS

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. TA06081B - Programme Management Corridor and Major Projects.

BACKGROUND

The 2006-2016 Long Term Council Community Plan provides for a number of transport projects that are complex in nature and require specialist skills including project management, resource consents, property purchases, securing funding from Land Transport New Zealand and ARTA, and managing work programmes and relationships with Transit New Zealand, ARTA and ONTRACK.

Due to the lack of resources in Transport Assets, a report was submitted to the Tenders Subcommittee meeting of 9 March 2007 and the Tenders Subcommittee resolved as follows:

- “1. That the Transport Assets Professional Services 2006-2009 report be received.
2. That approval be given to invite tenders among registered consultants to provide Transport Assets Professional Services 2006-2009 up to a 3-year (1+1+1) contract period, with the results reported back to the Tenders Subcommittee for approval.”

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SCOPE OF WORK

The scope of the work is for programme management services required for the co-ordination and delivery of the projects currently identified in Council's Transport Assets Annual Plan works programme.

The projects identified in the Transport Assets work programme have been divided into four separate project packages and a separate tender undertaken to appoint a Programme Manager for each of the four packages.

For each of the four packages the Programme Managers will be responsible for the following tasks:

- Preparing Project Development Plans for the individual projects within the package;
- Preparing an overall Programme Management Plan incorporating all projects within the package;
- Monitoring and reporting on timelines;
- Monitoring and updating risk management schedules;
- Programme status reporting;
- Monitoring budgets and expenditure;
- Preparing a Quality Assurance Plan as part of each Project Development Plan and monitoring quality of work undertaken by means of a suitable Project Quality System;
- Assisting with the preparation of funding applications for Land Transport New Zealand funding, for applicable projects.

The work programme includes the following projects:

- Corridor Projects (Subsidised);
- Great North Road Corridor;
- Lincoln Road Corridor;
- Te Atatu Road Corridor;
- Miscellaneous Corridor Projects;
- Henderson Town Centre;
- Norsga Westgate Town Centre;
- Henderson Network;
- Corridor Projects (Not subsidised);
- Henderson Network (Not subsidised).

TENDERS RECEIVED

Tenders were publicly advertised with twelve sets of documents being uplifted. Six tenders were received by the closing date of 10 April 2007. These are summarised in Table 3 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
Janet Hannan Consultancy	Te Atatu Peninsula	\$236,000
BluePrint 7 Limited	Auckland	\$245,000
OPUS International Consultants Ltd	Takapuna	\$317,000
Clifton Coney Group (NZ) Ltd	Auckland	\$323,500
Synergine Group Ltd	Mount Eden	\$345,000
Beca Carter Hollings and Ferner Ltd	Auckland	\$375,250
Pre-tender contract estimate		\$308,500

Table 3 - 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 price attributes had been set at 15% to reflect Council's requirements that achieving the programmes on time, within budget and quality standards. Failure to meet these requirements will be a financial risk to Council and that funding subsidies from Land Transport New Zealand may not be uplifted fully in the financial year.

This is also reflected in the recommendation to accept a tender which is higher than the engineer's estimate. As the tender is based on an hourly rate, Council will manage the contracts so that the total contract sum does not exceed the engineer's estimate.

A summary of the evaluation results is shown in Table 4:

Tender Evaluation	Attributes	Exper.	Track Record	Tech Skills and Resources	Management	Method	Price	Total Weight
Tenderer	Weight	20	20	10	20	15	15	100
	Tender Sum	Grades						Index
BluePrint 7 Limited	\$245,000.00	51	48	54	51	51	71	54
Synergine Group Ltd	\$345,000.00	78	81	73	77	79	38	72
Beca Carter Hollings and Ferner Ltd	\$375,250.00	77	66	75	76	82	28	68
Clifton Coney Group (NZ) Ltd	\$323,500.00	65	70	65	60	63	0	Disqualified
OPUS International Consultants Ltd	\$317,000.00	69	57	71	70	78	47	65
Janet Hannan Consultancy	\$236,000.00	76	70	53	60	54	74	66
Engineer's Estimate	\$308,500.00							

Table 4 - Summary of Tender Evaluation

The tender from Clifton Coney Group (NZ) Ltd was disqualified as a non-conforming tender due to the failure of this tender to provide rates for many of the items listed on the schedule of prices.

The tender from BluePrint 7 Limited was the lowest scoring tender for the non-price attributes. However the documents submitted with the tender bid did not demonstrate satisfactory management skills and sufficient resources to carry out the work. BluePrint 7 Limited is a start-up company and it has performed satisfactorily for Council with regard to individual staff members provided for Council as secondments, but is not considered that it has enough organisational capability for this contract.

The score for Opus Consultants was based on the documents submitted with the tender bid and demonstrated relevant experience on technical skills. However, the bid did not demonstrate an adequate track record with regard to management skills for programme management.

The scoring of Janet Hannan Consultancy's tender bid reflects the view of the evaluation panel that there is a high risk that this consultant lacks adequate resources and technical skills for these projects.

Synergine Group Ltd is the highest scoring tender. It has demonstrated a good track record and has relevant experience in similar projects for Council.

Beca Carter was the highest priced tenderer.

TAGS, ERRORS OR OMISSIONS

There were no tags, errors or omissions.

CREDIT CHECK

A credit check on Synergine Group Ltd has been requested.

JOB COSTS

	excl. GST
Tender sum - (Synergine Group Ltd)	\$345,000
Contingency	\$ 34,500

Total Job Cost	\$379,500

SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Corridor and Major Projects		8,199,000	7,819,500	379,500	0

Funding for the programme management contracts will be contributed as a small percentage taken from each line item in the budget areas being managed under each programme management package. For simplicity the above table shows total budgets under the major budget headings and is not broken down to individual line item level.

SUMMARY

The results of the tender evaluation as summarised in Table 4 shows that the tender submitted by Synergine Group Ltd achieved the highest index of 72.

Synergine Group Ltd has carried out several similar projects for Waitakere City Council and all to high performance and quality. Synergine Group Ltd has offered a discount of 5% on the rates contained in each tender should they win all four tenders. This is expected to result in an overall saving of \$62,294 on the total cost of the programme management contracts being awarded.

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.

RECOMMENDATIONS

1. That the Contract No. TA06081B - Programme Management Corridor and Major Projects report be received.
2. That subject to a satisfactory credit check the tender from Synergine Group Ltd for Contract No. TA06081B - Programme Management Corridor and Major Projects in the sum of \$345,000 plus \$43,125 GST, totalling \$388,125 be approved.
3. That the tender for Contract No. TA06081B - Programme Management Corridor and Major Projects be awarded to other than the lowest priced tender, because the weighted attributes tender evaluation method requires the tendering authority to enter into a contract only with the tender that scores the highest overall index.
4. That the commitment to the 2007/2008 financial year for Contract No. TA06081B - Programme Management Corridor and Major Projects totalling \$345,000 plus GST be approved.
5. That authority to enter into Contract No. TA06081B - Programme Management Corridor and Major Projects on behalf of Council be delegated to the Group Manager: Asset Management.

Report prepared by: Adam Moller, Senior Transport Engineer, Planning and Design.



10 CONTRACT NO. TA06081C - PROGRAMME MANAGEMENT NEW LYNN PROJECTS

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. TA06081C - Programme Management New Lynn Projects.

BACKGROUND

The 2006-2016 Long Term Council Community Plan provides for a number of transport projects that are complex in nature and require specialist skills including project management, resource consents, property purchases, securing funding from Land Transport New Zealand and ARTA, and managing work programmes and relationships with Transit New Zealand, ARTA and ONTRACK.

Due to the lack of resources in Transport Assets, a report was submitted to the Tenders Subcommittee meeting of 9 March 2007 and the Tenders Subcommittee resolved as follows:

- “1. That the Transport Assets Professional Services 2006-2009 report be received.*
- 3. That approval be given to invite tenders among registered consultants to provide Transport Assets Professional Services 2006-2009 up to a 3-year (1+1+1) contract period, with the results reported back to the Tenders Subcommittee for approval.”*

SCOPE OF WORK

The scope of the work is for programme management services required for the co-ordination and delivery of the projects currently identified in Council's Transport Assets Annual Plan works programme.

The projects identified in the Transport Assets work programme have been divided into four separate project packages and a separate tender undertaken to appoint a Programme Manager for each of the four packages.

For each of the four packages the Programme Managers will be responsible for the following tasks:

- Preparing Project Development Plans for the individual projects within the package;
- Preparing an overall Programme Management Plan incorporating all projects within the package;
- Monitoring and reporting on timelines;
- Monitoring and updating risk management schedules;
- Programme status reporting;
- Monitoring budgets and expenditure;
- Preparing a Quality Assurance Plan as part of each Project Development Plan and monitoring quality of work undertaken by means of a suitable Project Quality System;
- Assisting with the preparation of funding applications for Land Transport New Zealand funding, for applicable projects.

The work programme includes the following projects:

- Titirangi Road Corridor;
- New Lynn Town Centre;
- New Lynn Network.

TENDERS RECEIVED

Tenders were publicly advertised with eleven sets of documents being uplifted. Four tenders were received by the closing date of 10 April 2007. These are summarised in Table 5 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
BluePrint 7 Limited	Auckland	\$245,000
OPUS International Consultants Ltd	Takapuna	\$317,000
Clifton Coney Group (NZ) Ltd	Auckland	\$323,500
Synergine Group Ltd	Mount Eden	\$345,000
Pre-tender contract estimate		\$308,500

Table 5 - 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 price attributes had been set at 15% to reflect Council's requirements that achieving the programmes on time, within budget and quality standards. Failure to meet these requirements will be a financial risk to Council and that funding subsidies from Land Transport New Zealand may not be uplifted fully in the financial year.

This is also reflected in the recommendation to accept a tender which is higher than the engineer's estimate. As the tender is based on an hourly rate, Council will manage the contracts so that the total contract sum does not exceed the engineer's estimate.

A summary of the evaluation results is shown in Table 6:

Tender Evaluation	Attributes	Exper.	Track Record	Tech Skills and Resource	Man-agement	Method	Price	Total Weight
Tenderer	Weight	20	20	10	20	15	15	100
	Tender Sum	Grades						Index
Synergine Group Ltd	\$345,000.00	78	81	77	76	80	38	72
BluePrint 7 Limited	\$245,000.00	51	48	56	51	50	71	54
OPUS International Consultants Ltd	\$317,000.00	65	60	66	65	70	47	62
Clifton Coney Group (NZ) Ltd	\$323,500.00	53	62	61	61	62	0	Disqualified
Engineer's Estimate	\$308,500.00							

Table 6 - Summary of Tender Evaluation

The tender from Clifton Coney Group (NZ) Ltd was disqualified as a non-conforming tender due to the failure of this tender to provide rates for many of the items listed on the schedule of prices.

The tender from BluePrint 7 Limited was the lowest scoring tender for the non-price attributes. However the documents submitted with the tender bid did not demonstrate satisfactory management skills and sufficient resources to carry out the work. BluePrint 7 Limited is a start-up company and it has performed satisfactorily for Council with regard to individual staff members provided for Council as secondments, but is not considered that it has enough organisational capability for this contract.

The score for Opus Consultants was based on the documents submitted with the tender bid and demonstrated relevant experience on technical skills. However, the bid did not demonstrate an adequate track record with regard to management skills for programme management.

Synergine Group Ltd is the highest scoring tender. It has demonstrated a good track record and has relevant experience in similar projects for Council.

TAGS, ERRORS OR OMISSIONS

There were no tags, errors or omissions.

CREDIT CHECK

A credit check on Synergine Group Ltd has been requested.

JOB COSTS

	excl. GST
Tender sum - (Synergine Group Ltd)	\$345,000
Contingency	\$ 34,500

Total Job Cost	\$379,500

SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
New Lynn Projects		\$18,276,000	\$17,896,500	\$379,500	\$0

Funding for the programme management contracts will be contributed as a small percentage taken from each line item in the budget areas being managed under each programme management package. For simplicity the above table shows total budgets under the major budget headings and is not broken down to individual line item level.

SUMMARY

The results of the tender evaluation as summarised in Table 2 shows that the tender submitted by Synergine Group Ltd achieved the highest index of 72.

Synergine Group Ltd has carried out several similar projects for Waitakere City Council and all to high performance and quality. Synergine Group Ltd has offered a discount of 5% on the rates contained in each tender should they win all four tenders. This is expected to result in an overall saving of \$62,294 on the total cost of the programme management contracts being awarded.

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.

RECOMMENDATIONS

1. That the Contract No. TA06081C - Programme Management New Lynn Projects report be received.
2. That subject to a satisfactory credit check the tender from Synergine Group Ltd for Contract No. TA06081C - Programme Management New Lynn Projects in the sum of \$345,000 plus \$43,125 GST, totalling \$388,125 be approved.
3. That the tender for Contract No. TA06081C - Programme Management New Lynn Projects be awarded to other than the lowest priced tender, because the weighted attributes tender evaluation method requires the tendering authority to enter into a contract only with the tender that scores the highest overall index.
4. That the commitment to the 2007/2008 financial year for Contract No. TA06081C - Programme Management New Lynn Projects totalling \$345,000 plus GST be approved.
5. That authority to enter into Contract No. TA06081C - Programme Management New Lynn Projects on behalf of Council be delegated to the Group Manager: Asset Management.

Report prepared by: Adam Moller, Senior Transport Engineer, Planning and Design.



11 **CONTRACT NO. TA06081D - PROGRAMME MANAGEMENT MISCELLANEOUS AND STRATEGIC PROJECTS**

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. TA06081D - Programme Management Miscellaneous and Strategic Projects.

BACKGROUND

The 2006-2016 Long Term Council Community Plan provides for a number of transport projects that are complex in nature and require specialist skills including project management, resource consents, property purchases, securing funding from Land Transport New Zealand and ARTA, and managing work programmes and relationships with Transit New Zealand, ARTA and ONTRACK.

Due to the lack of resources in Transport Assets, a report was submitted to the Tenders Subcommittee meeting of 9 March 2007 and the Tenders Subcommittee resolved as follows:

- "1. That the Transport Assets Professional Services 2006-2009 report be received.*
- 4. That approval be given to invite tenders among registered consultants to provide Transport Assets Professional Services 2006-2009 up to a 3-year (1+1+1) contract period, with the results reported back to the Tenders Subcommittee for approval."*

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SCOPE OF WORK

The scope of the work is for programme management services required for the co-ordination and delivery of the projects currently identified in Council's Transport Assets Annual Plan works programme.

The projects identified in the Transport Assets work programme have been divided into four separate project packages and a separate tender undertaken to appoint a Programme Manager for each of the four packages.

For each of the four packages the Programme Managers will be responsible for the following tasks:

- Preparing Project Development Plans for the individual projects within the package;
- Preparing an overall Programme Management Plan incorporating all projects within the package;
- Monitoring and reporting on timelines;
- Monitoring and updating risk management schedules;
- Programme status reporting;
- Monitoring budgets and expenditure;
- Preparing a Quality Assurance Plan as part of each Project Development Plan and monitoring quality of work undertaken by means of a suitable Project Quality System;
- Assisting with the preparation of funding applications for Land Transport New Zealand funding, for applicable projects.

The work programme includes the following projects:

- Bus Priority Works;
- Railway Station Improvements;
- Miscellaneous Passenger Transport;
- Walk Strategy Works (Subsidised);
- Cycle Strategy Works (Subsidised);
- Passenger Transport Works (Subsidised);
- Facilities Upgrade;
- Street Lighting;
- Facility Upgrading (Not subsidised);
- Travel Demand Management;
- Integrated Network Investigations (Subsidised);
- Forward Design;
- Transport Strategy Projects.

TENDERS RECEIVED

Tenders were publicly advertised with thirteen sets of documents being uplifted. Six tenders were received by the closing date of 10 April 2007. These are summarised in Table 7 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
BluePrint 7 Limited	Auckland	\$295,250
OPUS International Consultants Ltd	Takapuna	\$382,000
Clifton Coney Group (NZ) Ltd	Auckland	\$388,500
Synergine Group Ltd	Mount Eden	\$415,375
Beca Carter Hollings and Ferner Ltd	Auckland	\$454,000
Pre-tender contract estimate		\$371,750

Table 7 - 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 price attributes had been set at 15% to reflect Council's requirements that achieving the programmes on time, within budget and quality standards. Failure to meet these requirements will be a financial risk to Council and that funding subsidies from Land Transport New Zealand may not be uplifted fully in the financial year.

This is also reflected in the recommendation to accept a tender which is higher than the engineer's estimate. As the tender is based on an hourly rate, Council will manage the contracts so that the total contract sum does not exceed the engineer's estimate.

A summary of the evaluation results is shown in Table 8:

Tender Evaluation	Attributes	Exper.	Track Record	Tech Skills and Resources	Management	Method	Price	Total Weight
Tenderer	Weight	20	20	10	20	15	15	100
	Tender Sum	Grades						Index
BluePrint 7 Limited	\$295,250.00	51	48	54	51	51	71	54
Synergine Group Ltd	\$415,375.00	78	81	75	77	78	38	72
Beca Carter Hollings and Ferner Ltd	\$454,000.00	77	65	75	76	83	28	68
Clifton Coney Group (NZ) Ltd	\$388,500.00	65	70	65	60	63	0	Disqualified
OPUS International Consultants Ltd	\$382,000.00	69	57	71	70	77	47	65
Engineer's Estimate	\$371,750.00							

Table 8 - Summary of Tender Evaluation

The tender from Clifton Coney Group (NZ) Ltd was disqualified as a non-conforming tender due to the failure of this tender to provide rates for many of the items listed on the schedule of prices. A tender from Xperience Management Ltd was returned to the tenderer as it was non-conforming having not submitted the required attribute information.

The tender from BluePrint 7 Limited was the lowest scoring tender for the non-price attributes. However the documents submitted with the tender bid did not demonstrate satisfactory management skills and sufficient resources to carry out the work. BluePrint 7 Limited is a start-up company and it has performed satisfactorily for Council with regard to individual staff members provided for Council as secondments, but is not considered that it has enough organisational capability for this contract.

The score for Opus Consultants was based on the documents submitted with the tender bid and demonstrated relevant experience on technical skills. However, the bid did not demonstrate an adequate track record with regard to management skills for programme management.

Synergine Group Ltd is the highest scoring tender. It has demonstrated a good track record and has relevant experience in similar projects for Council.

Beca Carter was the highest priced tenderer.

TAGS, ERRORS OR OMISSIONS

There were no tags, errors or omissions.

CREDIT CHECK

A credit check on Synergine Group Ltd has been requested.

JOB COSTS

	excl. GST
Tender sum - (Synergine Group Ltd)	\$415,375
Contingency	\$ 41,625

Total Job Cost	\$457,000

SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Miscellaneous Projects		5,254,000	4,954,000	300,000	0
Strategic Projects		2,537,000	2,380,000	157,000	0

Funding for the programme management contracts will be contributed as a small percentage taken from each line item in the budget areas being managed under each programme management package. For simplicity the above table shows total budgets under the major budget headings and is not broken down to individual line item level.

SUMMARY

The results of the tender evaluation as summarised in Table 8 shows that the tender submitted by Synergine Group Ltd achieved the highest index of 72.

Synergine Group Ltd has carried out several similar projects for Waitakere City Council and all to high performance and quality. Synergine Group Ltd has offered a discount of 5% on the rates contained in each tender should they win all four tenders. This is expected to result in an overall saving of \$62,294 on the total cost of the programme management contracts being awarded.

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.

RECOMMENDATIONS

1. That the Contract No. TA06081D - Programme Management Miscellaneous and Strategic Projects report be received.
2. That subject to a satisfactory credit check the tender from Synergine Group Ltd for Contract No. TA06081D - Programme Management Miscellaneous and Strategic Projects in the sum of \$415,375 plus \$51,921.88 GST, totalling \$467,296.88 be approved.
3. That the tender for Contract No. TA06081D - Programme Management Miscellaneous and Strategic Projects be awarded to other than the lowest priced tender, because the weighted attributes tender evaluation method requires the tendering authority to enter into a contract only with the tender that scores the highest overall index.
4. That the commitment to the 2007/2008 financial year for Contract No. TA06081D - Programme Management Miscellaneous and Strategic Projects totalling \$415,375 plus GST be approved.
5. That authority to enter into Contract No. TA06081D - Programme Management Miscellaneous and Strategic Projects on behalf of Council be delegated to the Group Manager: Asset Management.

Report prepared by: Adam Moller, Senior Transport Engineer, Planning and Design.



12 **CONTRACT NO. EW06048A - PROJECT TWIN STREAMS ENGINEERING AND PROFESSIONAL SERVICES CONTRACT RENEWAL**

PURPOSE OF THE REPORT

The purpose of this report is to seek the Tenders Subcommittee's approval to renew Contract No. EW06048A - Project Twin Streams Engineering and Professional Services for the 2007/2008 year.

BACKGROUND

At the 20 October 2006 meeting of the Tenders Subcommittee it was resolved:

- "2. *That approval be given to the Group Manager: Asset Management to invite tenders for Contract No. EW06048A - Project Twin Streams – Professional Services 2006-2009 for a three year period on a 1+1+1 year basis.*"

2001/2006

At the 1 December 2006 meeting of the Tenders Subcommittee it was resolved (2546/2006) to award Contract No. EW06048A - Project Twin Streams Engineering and Professional Services to Thomas Civil Consultants Limited in the sum of \$477,372.00 plus \$59,671.00 GST, totalling \$537,043.00 being the contract sum for the initial seven month contract period from December 2006 to June 2007.

The option to renew the contract for the further 1 + 1 years is contained within the contract provisions. Renewal is subject to the Council's continued requirement for the services and the Consultant continuing to perform the services satisfactorily and, due to the annual contract value, any decision to renew the contract is reserved to the Tenders Subcommittee. Provision is also made at renewal to amend the contract scope of services.

SCOPE OF WORK

Project Twin Streams involves the improvement of water and riparian quality of the Oratia, Opanuku, Waikumete, Pixie and Swanson streams (and several of their associated tributaries), and Henderson Creek. These outcomes are to be achieved mainly through:

- purchasing property enabling restoration of the riparian margin;
- weed clearance and rubbish removal;
- re-vegetation planting;
- stream bank stabilisation.

Project Twin Streams is also constructing a Walk and Cycleway network alongside the Oratia, Opanuku and Waikumete Streams and this project involves the purchase of a number of properties in full or in part to provide for the Walk and Cycleway route and also involves other property owner consultation on specific aspects of the project including resource consent.

Due to the large scale of the project (the extensive project area and the complexity of managing a Quadruple Bottom Line project), the project needs professional services and engineering support for the project management, planning and implementation phases of the project.

The scope of services provided by Thomas Civil Consultants Limited under the contract includes the following core tasks:

- Managing the property programme of transactions including purchases, easements and covenanting. This programme includes the property transactions planned and forming part of the grant conditions for the riparian restoration project funding agreed by Infrastructure Auckland and now administered by Auckland Regional Holdings and includes those property acquisitions required under the Project Twin Streams Walk and Cycleway project;
- Working with private property owners in respect of riparian restoration works, consenting and covenants where rehabilitation is to be undertaken on private property or where access across private property is required to enable restoration works to proceed;
- Preparing resource and building consents for Project Twin Streams in relation to riparian restoration activities, property acquisitions and house removals ensuring compliance with the District Plan and other statutory and regulatory requirements;
- Developing, and obtaining approval for, planting and restoration plans;
- Providing engineering advice and managing engineering works, including house removals, geotechnical investigations, flood mitigation measures, regulatory compliance and earthworks;
- Assisting with planning and implementation of the environmental works programme in accordance with environmental best practice;
- Providing four community-focussed riparian co-ordinators to undertake on the ground co-ordination and implementation of the riparian restoration works on four streams. This role involves assisting with work planning by Council staff and contracted community organisations and ensuring delivery of the agreed work programme including instructing and monitoring the Contractor team on each stream as the Engineer's Representative.

ISSUES

Decision to Renew Contracts

Thomas Civil Consultants Limited have performed well in all aspects of the contract providing a responsive service and a valuable contribution through their knowledge of the project built up through involvement since the inception of Project Twin Streams.

There have been no Health and Safety issues in the contract to date.

There are considerable benefits to be obtained through renewing the contract for a further year including:

- Maintaining the established working relationships with Council staff, Contractors and the community;
- Retaining the established knowledge of the requirements of the Project Twin Streams work programme;
- Fixed rates as tendered in November 2006 for a further twelve months;
- Saving the cost of re-tendering.

A further factor is that the level of services to be provided under this contract will start to reduce as project activities are advanced to completion (e.g. planting plans and property acquisitions) and there would be additional costs associated with a new Consultant taking up these services at this stage.

It is therefore recommended that the contract is renewed for the 2007/2008 year.

Contract Renewal Value and Contract Amendments

The original tender schedule provided estimated quantities for the first contract period to 30 June 2007 and for each of the subsequent years 2007/2008 and 2008/2009 on the basis of a 1 + 1 + 1 renewal.

The scope of services and schedule has been reviewed and while no amendments to the scope of services and contract conditions are considered necessary the quantity of hours for various items will be amended to reflect current expectations. The overall quantity of hours for the 2007/2008 renewal will be slightly less than the estimates originally included in the tender schedule.

The schedule also did not provide for certain disbursements such as mileage and an allowance of \$12,000 is to be included for these costs.

The proposed contract value is an estimate only. The contract provides flexibility for the Council to utilise the Services in accordance with changing project requirements and does not provide a guarantee to the Consultant of any minimum number of hours under the contract.

JOB COSTS

	excl. GST
2007/2008 Contract Sum Estimate - Thomas Civil Consultants Limited	\$719,260.00
Contingency (5%)	\$35,963.00

Total Job Cost	\$755,223.00

SOURCE OF FUNDING

The contract works are primarily recoverable from the Infrastructure Auckland Project Twin Streams project grants for riparian restoration administered by Auckland Regional Holdings and external funding provided to the walk and cycleway project. In some instances property transactions are only part funded by the Infrastructure Auckland grants with part of the costs shared by the Council and financial contributions are the approved funding source for those costs.

There are some services that are expected to be requested, such as the development of Best Practice Guidelines where funding will be contributed, on a brief and quote/estimate basis, from other Council budgets due to there being an alignment in requirements under their approved work programmes with that of Project Twin Streams.

The contract payments will be made against the budgeted Project Twin Streams gross expenditure provision provided for in the proposed 2007/2008 Annual Plan and carry forward funding from the 2006/2007 year as shown below. This funding is subject to confirmation.

Budget Description (from draft Annual budget)	Proposed 2007/2008 Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Ecowater, Capital Works Stormwater, Project Twin Streams	\$2,000,000.00	\$2,000,000.00	\$0.00	\$0.00
Ecowater, Capital Works Stormwater, Project Twin Streams 2006/2007 Carry Forward (proposed)	\$3,220,000.00	\$249,754.78	\$755,223.00	\$2,215,022.22
Totals	\$5,220,000.00	\$2,249,754.78	\$755,223.00	\$2,215,022.22

SUMMARY

Thomas Civil Consultants Limited have performed well in all aspects of their current contract and, in accordance with the contract renewal provisions, approval is sought to renew Contract No. EW06048A - Project Twin Streams Engineering and Professional Services for the 2007/2008 year.

Amendments are proposed to be made to the scheduled quantities and an allowance added for disburseable expenses.

RECOMMENDATIONS

1. That the Contract No. EW06048A - Project Twin Streams Engineering and Professional Services Contract Renewal report be received.
2. That subject to confirmation of the 2007/2008 Annual Plan and 2006/2007 Project Twin Streams Carry Forward, the renewal of Contract No. EW06048A - Project Twin Streams Engineering and Professional Services to Thomas Civil Consultants Limited in the sum of \$719,260.00 plus \$89,907.50 GST, totalling \$809,167.50 be approved.
3. That the authority to issue the notice of renewal for Contract No. EW06048A - Project Twin Streams Engineering and Professional Services be delegated to the Group Manager: Asset Management.

Report prepared by: Andrew Crann, Acting Project Manager, Project Twin Streams.



13 **PROJECT TWIN STREAMS REHABILITATION PROGRAMME CONTRACT RENEWALS**

PURPOSE OF THE REPORT

The purpose of this report is to seek the Tenders Subcommittee's approval to renew, in accordance with prior resolutions of the Subcommittee, five Project Twin Streams' contracts providing for stream rehabilitation physical works for the 2007/2008 year.

BACKGROUND

Approval was granted by the Tenders Subcommittee at the 15 December 2006 meeting to award the following contracts for a two year period on a 1 + 1 basis:

- Contract No. EW06025B - Project Twin Streams Henderson Creek Rehabilitation Programme 2006-2008 (2547/2006);
- Contract No. EW06025C - Project Twin Streams Swanson Stream Rehabilitation Programme 2006-2008 (2548/2006);
- Contract No. EW06025D - Project Twin Streams Waikumete Stream Rehabilitation Programme 2006-2008 (2549/2006);
- Contract No. EW06025E - Project Twin Streams Opanuku Stream Rehabilitation Programme 2006-2008 (2550/2006);
- Contract No. EW06025F - Project Twin Streams Oratia Stream Rehabilitation Programme 2006-2008 (2551/2006);

The five contracts were awarded to Parks & Maintenance Services Limited.

The resolutions of the Subcommittee provided in each case for the contract to be awarded for the initial contract period to 30 June 2007 and that "subject to acceptable contractor performance [the contract] be reported back to the Tenders Subcommittee in June 2007 for approval to re-award for the second year of the contract term."

SCOPE OF WORK

As part of Project Twin Streams, the riparian margins of streams within the City are being rehabilitated. To achieve this involves:

- removing existing weeds;
- removing rubbish;
- planting the riparian areas with native, eco-sourced plants.

In some areas due to factors such as the steepness of banks, other hazards, access or project implementation requirements the physical works required are planned to be undertaken by Contractors.

Community groups are encouraged to participate in the stream rehabilitation process. In order to facilitate the participation process, technical assistance needs to be provided to the community groups to provide them with experienced mentors/supervisors who can provide:

- weed identification knowledge,
- weed removal skills,
- an understanding of plant communities and their growth zones, and
- guidance on correct planting techniques.

The scope of works under these contracts is generic in nature and includes the following tasks on the respective stream:

1. Controlling environmentally damaging weeds along the riparian margins of the respective stream.
2. Planting the riparian margins with eco-sourced plants.
3. Providing technical support to the community when community groups or events are organised to carry out the rehabilitation programme.
4. Clearing rubbish from the stream banks and bed as required.

ISSUES

Decision to Extend Contracts

The development of a detailed project plan for the stream rehabilitation works to be undertaken in accordance with Project Twin Streams through to 2012 has provided a sound basis for contracting out a longer-term managed programme of works. There are also considerable benefits to be obtained through the ongoing involvement of a Contractor on a particular stream including:

- The relationship and rapport developed with local community groups and Project Twin Streams' co-ordinators;
- Familiarity with each stream and its own unique form and identity
- Development of stream rehabilitation knowledge and skills leading to efficiencies in future works;
- Process and systems development enhancing planning, monitoring and implementation capability;
- Rates fixed as tendered in December 2006 for a further twelve months.

In the tender process undertaken last year provision was made for the contracts to be extended through to 2008. As noted in the background, the approval to exercise that option of extension was reserved to the Tenders Subcommittee with the primary consideration to be the Contractor's performance.

Since the award of the five stream rehabilitation contracts to Parks & Maintenance Services Limited in December 2006, there have been performance issues that have had to be addressed with the company's management. The most significant of these issues related to the ability of Parks & Maintenance Services Limited to provide fully resourced teams across the five streams. The resource issues related mostly to the level of technical skills and knowledge rather than the number of staff engaged and have not generally affected the amount of work completed as scheduled but have lead to quality issues on a number of occasions.

Parks & Maintenance Services Limited have applied considerable effort in order to address the resource issues and over the past month there has been a considerable improvement in the overall contract performance.

There have been no Health and Safety issues in the contract to date.

Parks & Maintenance Services Limited has demonstrated their commitment to developing a close working relationship with Project Twin Streams ensuring that any issues with performance in service delivery are addressed and that improvements are continuously made in the quality of work.

The Project Twin Streams team considers that in this initial contract period Parks & Maintenance Services Limited has invested in building the infrastructure, processes and systems to fully meet the contracted requirements and that renewal of the contracts for the additional one year period is warranted and will be of benefit to the Council.

Contract Renewal Value and Contract Amendments

The original tender schedule provided estimated quantities only for the first contract period to 30 June 2007. For the purposes of the contract renewals the scheduled quantities for items in the original schedule (labour, herbicide, waste disposal) have again been estimated for a full-year period to derive a contract sum for approval. As there are a number of variables in the work programme (such as weather, degree of community participation, access arrangements being agreed for private land) these quantities are of necessity only broad estimates but the intention is to manage the contracts such that the total expenditure falls within the estimated sum.

It is further proposed to amend the contract schedule for the 2007/2008 year by adding provision for two items that were overlooked in the original scope of services:

1. Provisional sum of \$10,000 (each contract) for the provision of specialist arborist services. These have been required in the past period on some streams in conjunction with programmed works relating to tree poisoning and removal of larger trees from the stream side. Actual works required will be briefed and accepted on the basis of a reasonable quote and confirmed variation order.
2. A scheduled item for the provision of portaloos to community group work sites. Parks & Maintenance Services Limited is able to supply portaloos on a hire basis at a competitive rate. There is a need to provide portaloos at some community group events and it is cost effective and operationally efficient for Parks & Maintenance Services Limited to provide these when required.

JOB COSTS

Contract No. EW06025B - Project Twin Streams Henderson Creek Rehabilitation Programme 2006-2008

	excl. GST
2007/2008 Contract Sum Estimate - Parks & Maintenance Services Limited	\$153,506.94
Contingency	\$15,350.69

Total Job Cost	\$168,857.63

Contract No. EW06025C - Project Twin Streams Swanson Stream Rehabilitation Programme 2006-2008

	excl. GST
2007/2008 Contract Sum Estimate - Parks & Maintenance Services Limited	\$282,823.10
Contingency	\$28,282.31

Total Job Cost	\$311,105.41

Contract No. EW06025D - Project Twin Streams Waikumete Stream Rehabilitation Programme 2006-2008

	excl. GST
2007/2008 Contract Sum Estimate - Parks & Maintenance Services Limited	\$282,893.10
Contingency	\$28,289.31

Total Job Cost	\$311,182.41

Contract No. EW06025E - Project Twin Streams Opanuku Stream Rehabilitation Programme 2006-2008

excl. GST

2007/2008 Contract Sum Estimate - Parks & Maintenance Services Limited	\$286,863.10
Contingency	\$28,686.31

Total Job Cost	\$315,549.41

Contract No. EW06025F - Project Twin Streams Oratia Stream Rehabilitation Programme 2006-2008

excl. GST

2007/2008 Contract Sum Estimate - Parks & Maintenance Services Limited	\$281,583.10
Contingency	\$28,158.31

Total Job Cost	\$309,741.41

SOURCE OF FUNDING

The contract works are fully recoverable from the Infrastructure Auckland Project Twin Streams project grants for riparian restoration administered by Auckland Regional Holdings. The contract payments will be made against the budgeted Project Twin Streams gross expenditure provision provided for in the proposed 2007/2008 Annual Plan and carry forward funding from the 2006/2007 year as shown below. This funding is subject to confirmation.

Budget Description (from draft Annual budget)	Proposed 2007/2008 Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Ecowater, Capital Works Stormwater, Project Twin Streams	\$2,000,000.00	\$809,504.70	\$1,190,495.30	\$0.00
Ecowater, Capital Works Stormwater, Project Twin Streams 2006/2007 Carry Forward (proposed)	\$3,220,000.00	\$23,813.81	\$225,940.97	\$2,970,245.22
Totals	\$5,220,000.00	\$833,318.51	\$1,416,436.27	\$2,970,245.22

SUMMARY

It is considered that there is benefit for Council in renewing the five stream rehabilitation programme contracts with Parks & Maintenance Services Limited for the 2007/2008 year as provided for in the contracts.

While there have been some contract performance issues experienced in the initial period of the contracts, Parks & Maintenance Services Limited have addressed those issues and is currently meeting contract performance specifications.

The Project Twin Streams team considers that in this initial contract period Parks & Maintenance Services Limited has invested in building the infrastructure, processes and systems to fully meet the contracted requirements and that renewal of the contracts for the additional one year period is warranted.

RECOMMENDATIONS

1. That the Project Twin Streams Rehabilitation Programme Contract Renewals report be received.
2. That subject to confirmation of the 2007/2008 Annual Plan and 2006/2007 Project Twin Streams Carry Forward, the renewal of Contract No. EW06025B - Project Twin Streams Henderson Creek Rehabilitation Programme 2006-2008 to Parks & Maintenance Services Limited in the sum of \$153,506.94 plus \$19,188.37 GST totalling \$172,695.31 be approved.
3. That subject to confirmation of the 2007/2008 Annual Plan and 2006/2007 Project Twin Streams Carry Forward, the renewal of Contract No. EW06025C - Project Twin Streams Swanson Stream Rehabilitation Programme 2006-2008 to Parks & Maintenance Services Limited in the sum of \$282,823.10 plus \$35352.89 GST totalling \$318,175.99 be approved.
4. That subject to confirmation of the 2007/2008 Annual Plan and 2006/2007 Project Twin Streams Carry Forward, the renewal of Contract No. EW06025D - Project Twin Streams Waikumete Stream Rehabilitation Programme 2006-2008 to Parks & Maintenance Services Limited in the sum of \$282,893.10 plus \$35,361.64 GST totalling \$318,254.74 be approved.
5. That subject to confirmation of the 2007/2008 Annual Plan and 2006/2007 Project Twin Streams Carry Forward, the renewal of Contract No. EW06025E - Project Twin Streams Opanuku Stream Rehabilitation Programme 2006-2008 to Parks & Maintenance Services Limited in the sum of \$286,863.10 plus \$38,857.89 GST totalling \$322,720.99 be approved.
6. That subject to confirmation of the 2007/2008 Annual Plan and 2006/2007 Project Twin Streams Carry Forward, the renewal of Contract No. EW06025F - Project Twin Streams Oratia Stream Rehabilitation Programme 2006-2008 to Parks & Maintenance Services Limited in the sum of \$281,583.10 plus \$35,197.89 GST totalling \$316,780.99 be approved.
7. That the authority to issue the notice of renewal for the Project Twin Streams Rehabilitation Programme Contracts approved for renewal, in accordance with the above resolutions 2 through 6, be delegated to the Group Manager: Asset Management.

Report prepared by: Andrew Crann, Acting Project Manager, Project Twin Streams.

