



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** **26 January 2007** **TIME:** **9.00 am**

VENUE: **Waitakere Central, 6 Henderson Valley Road, Henderson, Waitakere**

to consider the business as set out herein and to take any necessary action connected therewith.

pp. *Sharan Simiona* .

16 January 2007

Ngareta Delamere
COMMITTEE SECRETARY

Telephone (09) 836 8000 extn 8552

MEMBERSHIP:

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

Chief Executive Officer

Director: City Services

Director: Corporate & Civic Services

Director: Strategy & Development

Director: Quality Assurance

Director: Finance

Maori Issues Manager

Mayor RA Harvey, QSO, JP (ex officio)

Deputy Mayor CA Stone (ex officio)

(Quorum 4 members)

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(The reports and recommendations contained in all agendas are reports and recommendations only and are not to be construed, in any way, as Council policy until adopted.)

**AGENDA FOR A MEETING OF THE TENDERS SUBCOMMITTEE TO BE HELD AT
WAITAKERE CENTRAL, 6 HENDERSON VALLEY ROAD, HENDERSON,
WAITAKERE, ON FRIDAY, 26 JANUARY 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 - 15 December 2006

RECOMMENDATION

That the minutes of the Meeting of the Tenders Subcommittee held on Friday, 15 December 2006, as circulated, be taken as read and now be confirmed.



4 CONTRACT NO.EW06060A - BIOREMEDIATION PROGRAMME 2006/2007

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No EW06060A - Bioremediation Programme 2006/2007.

BACKGROUND

The Council has over 50 ponds that are used to treat stormwater. These ponds are subjected to contaminants from roads and car parks and can develop bacterial infections such as avian botulism that can have a devastating effect on wildlife.

The Council has used a company which has a resource consent from the Auckland Regional Council for the use of "Munox", a range of bacterial bio remediation products. Auckland University has tested these products in the Waikumete stormwater pond.

The Munox bacteria are super-cultures of a naturally occurring soil bacteria and have been used in the United States since 1982 after the United States Environmental Protection Agency approval was obtained for their use. The product is used to reduce the levels of hydrocarbons, aromatics, citrus oil, and pesticides as well as causing a reduction in solvents, Biological Oxygen Demand, fats, oils, nitrates and ammonia. Munox bacteria do not pose a threat to humans, plants, or animals and dies when food sources are removed.

The wastewater network in the City is also subject to sewer overflows caused by the build-up of grease and fat in the wastewater lines. Where this has occurred in isolated bush areas the overflow may have been going for some time resulting in contamination of bush streams. These occurrences have been of concern for Waitakere, local residents and the Auckland Regional Council. Bioremediation of sewer lines can reduce the build-up of grease and fat in the network.

SCOPE OF WORK

The contract services to be provided under this contract include the following:

- Aeration only at the Kashmir Pond, Glendale Road, Glen Eden to be undertaken from the second week in January for a period of six weeks;
- Bioremediation and aeration of the newly constructed Manawa Wetlands, Margan Avenue, New Lynn. To be undertaken from the second week in February for a period of six weeks;
- Bioremediation and aeration at the Paremuka pond fore bay to be undertaken starting the second week in January for a period of four weeks;
- Take samples from six bores around the forebays of stormwater ponds that will require de-silting in the near future and composite sample. These samples are to be delivered to Aqualab in McWhirter Place, New Lynn for analysis;
- Sewer bioremediation is to be undertaken from 366C Huia Road, Woodlands Park or manholes that discharge into the line at 366C Huia Road. It is preferable that a CCTV of the line be undertaken prior to work to establish the level of fat in the line and after bioremediation. This may not be possible because of the lines isolation.

The Consultant may be required to carry out bio remediation at other stormwater ponds under variations to this contract should incidents of sewage, oil, and pesticide contamination be found in them, or where wildlife is dying.

Also, a variation for additional treatment of wastewater line's may occur where fat or grease build-up is occurring and no other maintenance measures can be undertaken.

TENDERS RECEIVED

Tenders were invited from the five companies who expressed interest for this type of work under the Asset Management Group Registration of Interest process. Two tenders were received by the closing date of 5 December 2006. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
TSE Group Limited	Penrose, Auckland	\$47,000.00
Environmental Bio-Solutions of Eco City Limited	Glen Eden, Waitakere City	\$48,872.85
Pre-tender contract estimate		\$53,000.00

Table 1 - Summary of Tender Prices

TENDER EVALUATION

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

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

Tender Evaluation	Attributes	Exper.	Track Record	Tech Skills & Resources	Management	Method	Price	Total Weight
Tenderer	Weight	20%	10%	15%	10%	5%	40%	100%
	Tender Sum	Grades						Index
TSE Group Limited	\$47,000.00	75	75	75	80	80	52	67
Environmental Bio-Solutions of Eco City Limited	\$48,872.85	85	80	80	75	85	48	68
Median Tender Price	\$48,000.00							

Table 2 - Summary of Tender Evaluation

Experience

Environmental Bio-solutions have been doing this work for Council since 2004. They have complied with the Council's requirements and have communicated with adjoining property owners and the Laboratory. They have not had any health, safety or environmental issues in undertaking this work. The Council has not had any avian botulism problems in the ponds that have been bio-remediated by this firm.

TAGS, ERRORS OR OMISSIONS

The tags by the TSE Group included that their price is based on Council officers providing instruction to the consultant when necessary in a timely and clear manner. Any costs arising from unreasonable delays will be additional to the contract sum. Hence their price is based on the timelines stated in the tender documents and does not allow for any extensions due to contract delays, specialist investigations, if proven necessary, or hold-ups from unforeseen situations developing during the contract.

Council is also to be responsible for the clients legal representation and costs and attendance of witnesses where they are required to appear before the Environment Court.

The Tender from TSE Group Limited doesn't provide evidence that they have resource consent for their operations and they have a tag that should an Environmental Court hearing be required then the Council is required to pay their expenses.

The results of the tender evaluation as summarised in Table 2 shows that the tender submitted by Environmental Bio-Solutions of Eco City Limited achieved the highest index of 68 even though they were not the lowest priced tender. 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.

There were no errors or omissions from the TSE Group tender.

There were no tags, errors, or omissions from the Environmental Bio-Solutions of Eco City Limited tender.

CREDIT CHECK

A credit check on Environmental Bio-Solutions of Eco City Limited dated 14 December 2006 revealed no adverse information.

JOB COSTS

	excl. GST
Tender sum - Environmental Bio-Solutions	\$ 48,872.85
Contingency	NIL
Engineering & Supervision	NIL
Other	NIL
Total Job Cost	\$ 48,872.85

SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
SW Treatment Facilities Maintenance	85-7434 40920	\$225,00.000	\$185,000.00	\$30,000.00	\$0
W/W Emergency Renewals	85-9835- 62710	\$520,000.00	\$514,000.00	\$6,000.00	\$0
Stream Up -grade Programme	85-9815- 47950	\$288,000.00	\$271,000.00	\$12,872.85	\$4,127.15

SUMMARY

The results of the tender evaluation as summarised in Table 2 shows that the tender submitted by Environmental Bio-Solutions of Eco City Limited achieved the highest index of 68.

Their tender is, however, the higher priced tender, but the price difference is relatively small. Environmental Bio-Solutions Limited have worked with Waitakere City very successfully in the past and have a good track record. They know the people involved in the project and are based in Waitakere, close to where the work is being undertaken. This allows them to respond quicker to any issues which may arise.

The parent company in America is supportive, carries out a lot of research, provides advice when required and has Environmental Protection Agency approval for the use of "Munox", a specialist bacterial bio remediation product. The product has been extensively analysed by Auckland University and Hills Laboratory. Environmental Bio-Solutions Limited have Auckland Regional Council resource consent for use of Munox bacteria in the Auckland Region.

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. EW06060A - Bioremediation Programme 2006/2007 report be received.
2. That the tender from Environmental Bio-Solutions of Eco City Limited for Contract No. EW06060A - Bioremediation Programme 2006/2007, in the sum of \$48,872.85 plus \$6,109.10 GST, totalling \$54,981.95 be accepted.
3. That the tender for Contract No. EW06060A Bioremediation Programme 2006/2007 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 authority to enter into Contract No. EW06060A - Bioremediation Programme 2006/2007 on behalf of the Council be delegated to the Group Manager: Asset Management.

Report prepared by: Graham Leonard, Water Quality Technician.



5 CONTRACT NO. EW6007K - STORMWATER UPGRADE AT MEILLAND PLACE TO GLUCINA RESERVE

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. EW06007K - Stormwater Upgrade at Meilland Place to Glucina Reserve.

BACKGROUND

The existing 600 mm diameter stormwater line runs from an inlet at No. 22 Meilland Place to an outfall in the Glucina Reserve, being under capacity has contributed to flooding around the eastern end of Meilland Place. An additional 750 mm diameter line running parallel with the existing 600 mm diameter line is proposed to be installed to reduce the overland flow and localised erosion on adjacent properties. In addition, an improved entry and discharge structure is recommended.

SCOPE OF WORK

This Contract involves the installation of a new 750 mm diameter Reinforced Concrete Rubber Ring Jointed (RCRRJ) pipe from the new inlet at No. 22 Meilland Place to a new outlet structure at Glucina Reserve. The total length of new pipe is 184 metres, and this is to be installed parallel to the existing 600 mm diameter pipe.

The works include three new manholes, a box chamber, and the replacement of three existing catchpits. An inlet structure to accommodate both the existing 600 mm and the new 750 mm pipe is proposed. At the downstream end, both existing and proposed pipes enter into a concrete box chamber, with one short 1050 mm diameter outlet pipe leading to an outlet structure.

TENDERS RECEIVED

Tenders were publicly advertised with ten (10) sets of documents being uplifted. Six (6) tenders were received by the closing date of 5 December 2006. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
Hughes Civil Limited	PO Box 20 687, Glen Eden	\$254,300.00
H&H Contractors Limited	PO Box 15 084, New Lynn	\$259,376.00
Wharara Civil Engineering Limited	PO Box 46 018, Herne Bay, Auckland	\$269,126.66
Fulton Hogan Limited	PO Box 305, Silverdale	\$293,613.69
Sumich Plumbing & Drainage Limited	PO Box 21 269, Henderson	\$311,364.35
Asset Construction Limited	PO Box 39 243, Howick	\$313,800.00
Pre-tender contract estimate		\$283,470.00

Table 1 - Summary of Tender Prices

TENDER EVALUATION

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

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

In this tender, there are various Provisional Items which require "Rates Only" from the tenderers. However, some tenderers have included these amounts in their tendered sums, and these have been removed for evaluation purposes. All the rates for the Provisional Items were compared and considered to be fair prior to the removal for evaluation.

The adjusted tender summary for evaluation is as follows:-

TENDERER	TENDER PRICE (excl. GST)	PROVISIONAL ITEMS (Rates Only)	ADJUSTED TENDER PRICE (excl. GST)
Wharara Civil Engineering Limited	\$269,126.66	\$24,000.00	\$245,126.66
Hughes Civil Limited	\$254,300.00	Correctly tendered	\$254,300.00
H&H Contractors Limited	\$259,376.00	\$1,500.00	\$257,876.00
Fulton Hogan Limited	\$293,613.69	\$26,927.50	\$266,686.19
Sumich Plumbing & Drainage Limited	\$311,364.35	\$20,090.00	\$291,274.35
Asset Construction Limited	\$313,800.00	Correctly tendered	\$313,800.00
Pre-tender contract estimate	\$283,470.00		\$283,470.00

Table 2 - Adjusted Summary of Tender Prices

A summary of the evaluation results is shown in Table 3:

Tender Evaluation	Attributes	Exper	Track Record	Tech Skills	Resour	Manag Skills	Method	Price	Total Weights
	Weights	5	10	5	5	5	20	50	100
Tenderer	Tender Sum	Grades							INDEX
Fulton Hogan Limited	\$266,686.19	85	70	80	85	80	85	48	65
H&H Contractors Limited	\$257,876.00	85	60	80	85	80	80	52	64
Wharara Civil Engineering Limited	\$245,126.66	40	40	50	40	50	85	57	58
Hughes Civil Limited	\$254,300.00	70	40	50	60	50	80	53	58
Sumich Plumbing & Drainage Limited	\$291,274.35	70	40	60	60	50	80	39	51
Asset Construction Limited	\$313,800.00	75	80	50	40	50	80	30	50
Median Tender Price	\$262,281.10								

Table 3 - Summary of Tender Evaluation

Scores for the non priced attributes were determined on the basis of information provided in the tender and on recent experience with the Contractors.

The tender submitted by Wharara Civil Engineering Limited is the lowest priced tender received, but their non-price attributes are of a lower standard compared with other tenders. However, they had a very thorough methodology and this is reflected in the score for this attribute.

The tender submitted by Hughes Civil Limited is the second lowest priced tender received, but scored average for most of the non-price attributes due to their poor submission. They scored low in their track record as they did not submit separate relevant experience and track record sections.

The tender submitted by H&H Contractors Limited is the third lowest priced tender received. They demonstrated extensive experience in open cut and trenchless technology methods in their submission. Although they are able to demonstrate that they have satisfactorily completed several projects of the same nature with other organisations, they do not have a good track record with Council in terms of maintaining a good working relationship in the recent past. This is reflected in their track record grading.

The amended tender submitted by Fulton Hogan Limited is the fourth lowest priced tender which is approximately 6% lower than pre-tender estimate. They provided a complete submission and illustrated good experience and capability to undertake works of this nature.

TAGS, ERRORS OR OMISSIONS

The tender from Fulton Hogan Limited did not contain any errors or omission but contained six (6) tags. These tags were evaluated as to their acceptability and two were considered unacceptable. The tenderer was requested to withdraw these two tags. They replied in writing that they would remove all tags from their submission.

The tender from H&H Contractors Limited did not contain any errors or omission but contained nine (9) tags. These tags have not been evaluated to their acceptability as resolution would not have affected the results of the evaluation.

The tender from Wharara Civil Engineering Limited did not contain any tags or omissions but contained an arithmetical error. The adjusted tendered price is \$250,676.66, an error of \$5,550.00. Although this tender is the lowest price received the tenderer was not informed of the error as confirmation of tendered price would not have affected the results of the evaluation.

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

CREDIT CHECK

A credit check on Fulton Hogan Limited on 28 November 2006 revealed no adverse information.

JOB COSTS

	excl. GST
Tender sum - Fulton Hogan Limited	\$293,613.69
Contingency	\$ 26,669.00
Engineering & Supervision	\$ 29,001.60
Other- Arborist	\$ 2,000.00

Total Job Cost	\$351,284.29

SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Stormwater Upgrades	85-9815-33630	\$1,471,875.00	\$476,733.95	\$351,284.29	\$643,856.76

SUMMARY

The results of the tender evaluation as summarised in Table 3 show that the tender submitted by Fulton Hogan Limited achieved the highest overall index of 65. It is considered that Fulton Hogan Limited have the necessary expertise and resources to undertake a project of this nature, and they have achieved the highest overall index.

The tender sum received from Fulton Hogan Limited of \$293,613.69 includes provisional items of \$26,927.50. For the purposes of evaluation the sum of the provisional items were deducted. Provisional items will only be expended on the instruction of the Engineer and does not infer any rights to the Contractor to have this work performed.

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.

RECOMMENDATIONS

1. That the Contract No. EW06007K - Stormwater Upgrade at Meiland Place to Glucina Reserve report be received.
2. That the tender from Fulton Hogan Limited for Contract No. EW06007K - Stormwater Upgrade at Meiland Place to Glucina Reserve for \$293,613.69 plus \$36,701.71 GST, totalling \$330,315.40 be accepted.

3. That the tender for Contract No. EW06007K - Stormwater Upgrade at Meiland Place to Glucina Reserve 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 authority to enter into Contract No. EW06007K - Stormwater Upgrade at Meiland Place to Glucina Reserve on behalf of the Council be delegated to the Group Manager: Project Services.

Report prepared by: Stephen Boyle, Manager, Contracts & Quality, Project Services.



6 CONTRACT NO. EW06050A - STREAM SURVEY AND ASSET ASSESSMENT

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. EW06050A - Stream Survey and Asset Assessment.

BACKGROUND

The Auckland Regional Council's Air, Land and Water Plan requires that each stream reach in a catchment is examined and categorized and that this information is included in the Integrated Catchment Management Plan for the catchment. It is proposed to survey all of the streams in the urban area of the City by 2009.

The Tenders Subcommittee approved the tendering of a three-year contract at its meeting on the 11 August 2006, through the following resolution:

1. *That the Stream Assessment and Survey report be received.*
2. *That approval be given to tender a three year contract, with options for extension for a further two years, for stream assessment and survey work in the City."*

1511/2006

SCOPE OF WORK

The assessment of streams project is to identify for management purposes the condition of streams within the City by collecting information on the nature of the riparian margins, extent of erosion, presence of fish, fish barriers, macrophyte cover, turbidity, weeds, and opportunities for restoration. The information is collected in the field using electronic data capture devices, digital cameras and global positioning system (GPS) equipment. The information will be stored in Council's Hansen and GIS database systems. Also included in these surveys is a condition rating on water supply and sewer structures crossing streams and stormwater structures including pipe outlet structures, retaining structures and culverts.

A pilot assessment was carried out in 2005/2006 to confirm the methodology to be utilised.

A team of two will undertake the physical survey of the stream. This will be an ecologist and an environmental engineer. This process will require them to physically walk the watercourse capturing the required data as they go on a hand held PDA with a GPS link with sub metre accuracy. A letter drop in the area being surveyed is required at least two days before, but not more than seven days prior to the stream survey work in a format provided by Council.

A Health and Safety Plan must be in place before the survey work starts. The Plan must include working in pairs, cell phone and first aid kit to be on site at all times, and no work to be undertaken if strong stream flows are present.

TENDERS RECEIVED

Tenders were invited from parties who had registered an expression of interest for this type of work under the Asset Management Group registration of interest process which was publicly advertised in October 2006. Nineteen sets of documents were sent out to interested parties. Due to the specialist nature of the work only two tenders were received by the closing date of Tuesday, 5 December 2006. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
National Institute of Water and Atmospheric Research Limited	269 Khyber Pass Rd Mt Eden Auckland	\$270,455.00
Morphum Environmental Limited	465 Mt Eden Rd Mt Eden	\$379,505.00
Pre-tender contract estimate		\$240,000.00

Table 1 - Summary of Tender Prices

TENDER EVALUATION

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

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

Tender Evaluation	Attributes	Expe.	Track Record	Tech Skill	Resource	Management	Method	Price	Total Weight
Tenderer	Weight	20%	10%	5%	5%	10%	10%	40%	100
	Tender Sum	Grades							Index
NIWA	\$270,455.00	75	75	75	70	70	75	65	70
Morphum Environmental	\$379,505.00	85	85	75	70	70	75	31	61
Median Tender Price	\$324,980.00								

Table 2 - Summary of Tender Evaluation

Morphum Environmental Limited scored higher marks for Experience and Track Record because they piloted the process with the Council based on earlier work at North Shore City Council.

TAGS, ERRORS OR OMISSIONS

There are no tags, errors, or omissions in the National Institute of Water and Atmospheric Research Limited tender.

There are no tags, errors, or omissions in the Morphem Environmental Limited tender.

CREDIT CHECK

A credit check on the National Institute of Water and Atmospheric Research Limited dated 14 December 2006 revealed no adverse information.

JOB COSTS

	excl. GST
Tender sum - NIWA	\$270,455.00
Contingency	NIL
Engineering & Supervision	NIL
Total Job Cost	\$270,455.00

SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Catchment Capacity Management Studies 2006 / 2007	85-9815-25550	\$540,000.00	\$428,000.00	\$110,200.00	\$1,800.00
2007 / 2008	85-9815-25550	\$563,000.00	\$0	\$ 75,225.00	\$487,775.00
2008 / 2009	85-9815-25550	\$585,000.00	\$0	\$ 85,030.00	\$499,970.00

SUMMARY

The results of the tender evaluation as summarised in Table 2 shows that the tender submitted by the National Institute of Water and Atmospheric Research Limited achieved the highest index. This tender is also the lowest priced tender.

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. EW06050A - Stream Survey and Asset Assessment report be received.
2. That the tender from the National Institute of Water and Atmospheric Research Limited for Contract No. EW06050A - Stream Survey and Asset Assessment in the sum of \$270,455.00 plus \$33,806.88 GST, totalling \$304,261.88 be accepted.
3. That the commitment to the 2007/2008 and 2008/2009 years of the 2006-2016 Long Term Council Community Plan for the amounts \$75,225.00 plus GST and \$85,030.00 plus GST respectively be approved.

4. That authority to enter into Contract No. EW06050A - Stream Survey and Asset Assessment on behalf of the Council be delegated to the Group Manager: Asset Management.

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



7 **CONTRACT NO. EW07005A - DRINKING WATER QUALITY TESTING**

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to publicly call for tenders for Contract No. EW07005A - Drinking Water Quality Testing for a period of three (3) years.

BACKGROUND

The drinking water quality testing contract involves taking water samples every second day throughout the year for bacteriological testing, and less frequent sampling and testing for chemical parameters, on an ongoing basis. This testing is required for the following reasons:

- To demonstrate the Council's compliance with the Drinking Water Standards New Zealand 2005 (DWSNZ);
- To maintain an "a" water quality grading for the distribution system; and
- For quality assurance and management of the water network, and for following up on water quality complaints.

Information from test results are recorded on a national water quality result database called Water Information New Zealand (WINZ), and the contract includes entering all test information on to this database.

The work is a high risk item for Council in that failure to carry out the required testing will result in a downgrading of the water supply distribution system from 'A' to 'C'.

The current contract is due to expire on 30 June 2007, and so it is vital that a new contract is in place to commence on 1 July 2007.

PROPOSED TENDER PROCESS

It is proposed to publicly tender this contract in order to thoroughly test the market. However, due to the importance of this work, firms that tender will have to meet strict criteria in order that their tenders may qualify for evaluation.

Eligible tenderers will be required to be registered laboratories that meet all of the following requirements.

Ministry of Health Approved Laboratory

The laboratory will have to be approved by the Ministry of Health for bacteriological water quality testing, otherwise the results are deemed to be invalid by the Ministry of Health. The laboratory must confirm that it will undertake all of the bacteriological testing in-house, as this is the core part of the contract. However, the subcontracting of Trihalomethanes and metals testing to an approved third party laboratory will be acceptable.

Location

The laboratory must be located in the Auckland area, as the risks associated with transporting samples outside of the Auckland area for testing are unacceptable. Water testing standards recommend that bacteriological testing be carried out within six hours. Furthermore, in some circumstances, testing is required to be carried out over three consecutive days. In such cases, it is important that water samples are delivered to the laboratory as quickly as possible, otherwise the quality of the sample will be affected, and this could result in the downgrading of the Council's water supply. Hence it is considered that the use of laboratories outside of Auckland will be a significant risk.

Sample Collection

The collection of samples is an important part of the contract, and due to the importance and complexity of the sample collection programme the laboratory must be directly involved, and responsible for, the collection of the samples. The use of a separate company for sample collection is considered to create an unacceptable risk to the testing programme.

Conflict of Interest

The laboratory must be independent in order to avoid any conflict of interest that could be perceived to affect the creditability of the laboratory. Therefore, in particular, Watercare Laboratory Services Limited will be advised not to tender, as it is a part of Watercare Services Limited, the bulk supplier of the water that is to be tested.

PROPOSED CONTRACT DURATION

If the Council wishes to maintain an "Aa" grading, drinking water quality testing will be required on an on-going basis.

It is proposed to publicly call for tenders for Contract No. EW07005A - Drinking Water Quality Testing for a period of three (3) years, to cover the period from 1 July 2007 to 30 June 2010.

The reasons for seeking a three-year contract are as follows:

1. The work is required under the New Zealand Drinking Water Standards 2005 and the testing work will therefore be required on an ongoing basis.
2. The work involves setting up a complex sample collection and testing programme of over 1,000 samples per year.
3. Tests results are to be entered into the Ministry of Health database WINZ directly by the laboratory, and this requires staff training and reliable systems to be put in place.
4. The Ministry of Health requires reporting on results on a calendar year basis, and a twelve month contract covering one financial year will actually comprise two discrete six month periods of testing, adding to the risk of non-compliance due to changing over contractors etc. Therefore, the three-year contract, incorporating two complete calendar years of testing, provides much better continuity.

It is considered that a three-year contract will be more economic than contracts of a shorter duration due to reduced set up and software familiarisation costs. This will enable contractors to better plan future workload and employ staff on a longer-term basis, resulting in lower costs. This was confirmed at the last time of tendering when the best rates were achieved for the longest term contract.

In addition, review clauses and opportunities for revision of the testing requirements will be incorporated into the specification to ensure sufficient flexibility to meet changing water quality testing needs. The contract documentation will also include key performance indicators and the provision to terminate the contract due to unacceptable performance.

FUNDING REQUIREMENTS

The letting of a three-year contract would involve committing future years' budgets. The 2006-2016 Long Term Council Community Plan includes sufficient budget for this work as outlined below:

FINANCIAL YEAR	LTCCP BUDGET PROVISION
2007/2008	\$182,000
2008/2009	\$190,000
2009/2010	\$197,000

SUMMARY

The routine testing of the City's drinking water quality is required by the Ministry of Health to ensure that water quality standards are maintained. Open public tendering is considered to be the appropriate method for tendering this contract, with strict evaluation criteria on the qualification of the tenderers. A three-year contract is considered to be the optimum length for a contract of this nature.

It is proposed to publicly call for tenders for Contract No. EW07005A - Drinking Water Quality Testing for a period of three (3) years, to cover the period from 1 July 2007 to 30 June 2010.

RECOMMENDATIONS

1. That the Contract No. EW07005A - Drinking Water Quality Testing report be received.
2. That approval be given to publicly call for tenders for Contract No. EW07005A - Drinking Water Quality Testing for a period of three (3) years, to cover the period from 1 July 2007 to 30 June 2010.

Report prepared by: Richard Taylor, Assets & Network Manager, EcoWater.



8 CONTRACT NO. EW07006A - SERVICE CONNECTIONS FOR WATER SUPPLY, WASTEWATER AND STORMWATER

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to publicly call for tenders for Contract No. EW07006A - Service Connections for Water Supply, Wastewater and Stormwater for a period of two (2) years, with an option for extension for a further two (2) years.

BACKGROUND

New construction activities in the City result in applications from developers and individuals to Council to provide new service connections for water supply and drainage. Annually, these applications number approximately 1,300 for water supply, 80 for wastewater, and 65 for stormwater. Council provides this service through a term contract with a reputable contractor.

The current contract for service connections commenced in November 2002 and is due to expire on 30 June 2007.

ISSUES

In order to maintain the integrity and control of the City's piping networks, it is necessary for Council to manage new connections to the networks. When the work is performed by a contractor under contract with the Council, Council is more able to ensure that strict quality requirements are followed.

When tendering for a contract that will be longer than one year, contractors should be able to factor in savings that could be gained from the following:

- certainty of having long-term work and income stream;
- better utilisation and commitment of resources; and
- better planning of the firm's activities.

It is expected that contractors will then pass on the savings to Council and to the community in the form of lower prices. Additionally, Council should be able to benefit from:

- lower administration costs;
- continuity of contract; and
- consistency of service.

In order to ensure that the successful contractor continues to perform throughout the duration of the contract, key performance indicators will be incorporated into the proposed contract. Should the contractor not meet expected performance targets, early termination provisions will be available to Council in the proposed contract.

PROPOSAL

It is proposed to publicly call for tenders for Contract No. EW07006A - Service Connections for Water Supply, Wastewater and Stormwater for a period of two (2) years, with an option for extension for a further two (2) years subject to satisfactory performance.

RESOURCES

Letting a two-year contract would involve committing future year's budgets. The budget provisions for this contract as included in the 2006-2016 Long Term Council Community Plan are:

Financial Year	Estimated Budget Required
2007/2008	\$673,000.00
2008/2009	\$714,000.00
2009/2010	\$757,000.00
2010/2011	\$799,000.00

These costs are recovered by user charges and hence have no net impact on Council's budget.

SUMMARY

It is proposed to publicly call for tenders for Contract No. EW07006A - Service Connections for Water Supply, Wastewater and Stormwater for a period of two (2) years, with an option for extension for a further two (2) years subject to satisfactory performance. This should result in Council being able to achieve cost savings and to offer a better level of service to customers.

RECOMMENDATIONS

1. That the Contract No. EW07006A - Service Connections for Water Supply, Wastewater and Stormwater report be received.
2. That approval be given to publicly call for tenders for Contract No. EW07006A - Service Connections for Water Supply, Wastewater and Stormwater for a period of two (2) years, with an option for extension for a further two (2) years subject to satisfactory performance.

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



9 CONTRACT NO. PK06014A - PLAYGROUND UPGRADES - PROFESSIONAL SERVICES

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. PK06014A - Playground Upgrades - Professional Services for a period of three (3) years.

BACKGROUND

At the 8 September 2006 meeting of the Tender Subcommittee meeting the following was resolved:

“That approval be given to invite public tenders for Contract No. PK06014A - Playground Upgrades - Professional Services for three (3) years.”

1674/2006

This contract forms part of Council’s Parks Asset development and renewal programme as provided for in the 2006-2016 Long Term Council Community Plan.

SCOPE OF WORK

This contract is for the professional services associated with the upgrade of eleven (11) playgrounds in Waitakere City, valued at \$725,420 over a period of three (3) years.

The scope of work for this contract involves the following:

- 2006/2007 - Undertake playground designs, consultation, obtaining of consents and preparation of contract specifications in readiness for physical works in 2007/2008;
- 2007/2008 - Supervision of physical works contract (designed in 2006/2007). Undertake playground designs, consultation, obtaining of consents and preparation of contract specifications in readiness for physical works in 2008/2009;
- 2008/2009 - Supervision of physical works contract (designed in 2007/2008).

TENDERS RECEIVED

Contract No. PK06014A - Playground Upgrades - Professional Services was publicly tendered and two (2) tenders were received by the closing date of 21 December 2006. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
Breathe Design Limited	Waitakere City	\$90,330
Future Landscapes Limited	Manukau City	\$107,700
Pre-tender contract estimate		\$115,000

Table 1 - Summary of Tender Prices

TENDER EVALUATION

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

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

Tender Evaluation	Attributes	Exper.	Track Record	Tech Skills	Man-agement	Method	Price	Total Weight
Tenderer	Weight	20	20	15	15	10	20	100
	Tender Sum	Grades						Index
Breathe Design Limited	\$90,330	65	65	70	65	65	71	67
Future Landscapes Limited	\$107,700	80	75	80	70	75	56	72
Engineers Estimate	\$115,000							

Table 2 - Summary of Tender Evaluation

Future Landscapes Limited is a small playground design/project management company with extensive skills and experience in playground design, public consultation, implementation, supervision of physical works and playground auditing.

Future Landscapes Limited currently has a similar contract for Waitakere City Council and is completing the contract requirements to a high standard.

Breathe Design Limited is a small recently established Waitakere based landscape design company. The tender submitted by Breathe Design Limited showed that the company has limited experience in preparation of tender documents and supervision of physical works.

TAGS, ERRORS OR OMISSIONS

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

CREDIT CHECK

A credit check on Future Landscapes Limited has been requested.

JOB COSTS

	excl. GST
Tender sum - (Future Landscapes Limited)	\$107,700.00
Contingency	\$ 10,770.00

Total Job Cost	\$118,470.00

SOURCE OF FUNDING

2006/2007

Budget Description	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Play Facilities Renewals	75-9823-27370	\$437,000	\$389,040	\$47,960	Nil
TOTAL				\$47,960	

2007/2008

Budget Description	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Play Facilities Renewals	75-9823-27370	\$715,000	\$661,540	\$53,460	Nil
TOTAL				\$53,460	

2008/2009

Budget Description	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Play Facilities Renewals	75-9823-27370	\$608,000	\$590,950	\$17,050	Nil
TOTAL				\$17,050	

SUMMARY

The results of the tender evaluation as summarised in Table 2 shows that the tender submitted by Future Landscapes Limited achieved the highest index of 72. This is the second lowest priced tender and also lower than the pre-tender contract estimate.

Future Landscapes Limited has a proven track record and has the necessary skills and experience to successfully complete this project and there are efficiencies and reduced risk for Council to use a firm with a proven track record.

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.

RECOMMENDATIONS

1. That the Contract No. PK06014A - Playground Upgrades - Professional Services - Tender Evaluation report be received.

2. That subject to a satisfactory credit check the tender from Future Landscapes Limited for Contract No. PK06014A - Playground Upgrades - Professional Services in the sum of \$107,700 plus \$13,462.50 GST, totalling \$121,162.50 be accepted.
3. That the tender for Contract No. PK06014A - Playground Upgrades - Professional Services 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. PK06014A - Playground Upgrades - Professional Services totalling \$53,460 plus GST be approved.
5. That the commitment to the 2008/2009 financial year for Contract No. PK06014A - Playground Upgrades - Professional Services totalling \$17,050 plus GST be approved.
6. That authority to enter into Contract No. PK06014A - Playground Upgrades - Professional Services on behalf of the Council be delegated to the Group Manager: Asset Management.

Report prepared by: Tracey Hamilton, Parks Project Development Officer.



10 CONTRACT NO. PK05054B - MAKORA CAR PARK UPGRADE AND CONSTRUCTION

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. PK05054B -Makora Car Park Upgrade and Construction.

BACKGROUND

This contract forms part of Council's Parks Asset Development programme as provided for in the 2006/2007 Annual Plan. Waitakere Badminton Association has a lease agreement with the Council to occupy part of Makora Reserve in Massey for their clubrooms and are proposing to extend their facilities. The Council has committed to undertake the associated car park development works required as part of the facility extension, which requires the construction of a new car park at the rear of the badminton courts. The existing car park in front of the badminton hall is in a poor condition and extensive repair is also required.

SCOPE OF WORK

The scope of works for this contract includes the construction of a new car park at the rear of the site and the upgrading of the existing front car park as above.

Specific works include earthworks, timber retaining walls, concrete footpaths, sub base and base construction, asphalt surfacing, kerb and channel, stormwater drainage and planting.

TENDERS RECEIVED

Tenders were publicly advertised with ten (10) sets of documents being uplifted. Five (5) tenders were received by the closing date of 21 November 2006. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
H & H Contractors Limited	New Lynn	\$419,062.50
HEB Smithbridge Limited	Drury	\$431,935.51
Auckland Civil Limited	North Shore	\$450,216.40
Giles Civil Limited	North Shore	\$483,075.60
Infrastructure NZ Limited	North Shore	\$556,238.11
Pre-tender contract estimate		\$548,810.50

Table 1 - Summary of Tender Prices

TENDER EVALUATION

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

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

Tender	Attributes	Exper.	Track	Tech.	Resour.	Manag.	Method.	Price	Contract Number: PK05054 B
Evaluation			Record	Skill		Skill			Total Weights
	Weights	10	10	5	5	5	5	60	100
Tenderer	Tender Sum				Grades				INDEX
H & H Contractors Limited	\$419,062.50	50	50	55	55	70	60	57	56
HEB Smithbridge Limited	\$431,935.51	70	70	75	75	70	75	54	61
Auckland Civil Limited	\$450,216.40	60	70	70	70	70	70	50	57
Giles Civil Limited	\$483,075.60	60	60	55	55	65	40	43	48
Infrastructure NZ Limited	\$556,238.11	50	60	60	60	70	65	26	40
Median Tender Price	\$450,216.49								

Table 2 - Summary of Tender Evaluation

H & H Contractors Limited submitted the lowest price, however their company attribute information submitted in their tender reflected that they are primarily a specialist drainage contractor who will undertake roading work as part of the work associated for the drainage contracts. H & H Contractors Limited has previously carried out drainage contracts for the Council which have been completed to a high standard. Their limited experience, however, in car park construction is reflected in their gradings.

HEB Smithbridge Limited were the second lowest priced tenderer and submitted a tender that more than adequately covered all aspects of the project requirements. HEB Smithbridge Limited has had numerous car park and roading contracts with the Council previously which have been completed to a high standard. They have significant relevant experience and a proven track record to undertake the contract works required.

Auckland Civil Limited also has carried out contracts of a similar nature for the Council which have been completed to a high standard.

TAGS, ERRORS OR OMISSIONS

The tender from H & H Contractors Limited contained an omission in the schedule of prices. This was raised with H & H Contractors Limited and they subsequently confirmed their tender price.

H & H Contractors Limited had one tag in their tender submission regarding the location of existing services in the work zone. This has been allowed for in the schedule of quantities.

The tender from HEB Smithbridge Limited contained an error in the schedule of prices. This was queried with HEB Smithbridge Limited and they subsequently confirmed their tender price. HEB Smithbridge Limited did not include any tags or clarifications in their tender submission.

Auckland Civil Limited did not have any arithmetical errors or omissions in their tender submission, however, their tender submission contained the highest number of tags and clarifications. These were not investigated further, however, as it was considered that the clarification of these tags would not affect the final outcome of the tender process.

The tender from Giles Civil Limited contained an omission in the schedule of prices and their tender submission contained minor clarifications regarding drainage works. This was raised with Giles Civil Limited and they subsequently confirmed their tender price. The tags were not investigated further as it was considered that the clarification of these items would not affect the final outcome of the tender process.

The tender from Infrastructure NZ Limited contained an error in the schedule of prices. This was raised with Infrastructure NZ Limited and they subsequently confirmed their rate and tender price.

CREDIT CHECK

A credit check on HEB Smithbridge Limited dated 14 November 2006 revealed no adverse information.

JOB COSTS

excl. GST

Tender sum - HEB Smithbridge Limited	\$431,935.51
Contingency	\$ 41,873.49
Engineering & Supervision	\$ 44,391.00
Total Job Cost	<u>\$518,200.00</u>

SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Makora Car Park Construction	75-9825-52270	\$204,000.00	nil	\$204,000.00	nil
Makora Reserve Car Park carry over	75-9825-52270	\$314,200.00	nil	\$314,200.00	nil
Total		\$518,200.00	nil	\$518,200.00	nil

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 61. This tender is also the second lowest priced tender and is lower than the pre-tender estimate.

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. PK05054B - Makora Car Park Upgrade and Construction report be received.
2. That the tender from HEB Smithbridge Limited for Contract No. PK05054B - Makora Car Park Upgrade and Construction in the sum of \$431,935.51 plus \$53,991.94 GST, totalling \$485,927.45 be accepted.
3. That the tender for Contract No. PK05054B - Makora Car Park Upgrade and Construction 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 authority to enter into Contract No. PK05054B - Makora Car Park Upgrade and Construction on behalf of the Council be delegated to the Group Manager: Asset Management.

Report prepared by: Andreas Lilley, Parks Project Development Officer.



11 CONTRACT NO. TA06038B - CLARKS LANE SEALING PHYSICAL WORKS

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. TA 06038B - Clarks Lane Sealing Physical Works.

BACKGROUND

Council has approved within its 2006/2007 Annual Plan funding to carry out seal extension work on Clarks Lane from Ockleston Landing to Sinton Road. The project involves pavement preparation and sealing with upgrading the drainage system along the road as well as construction of a metalled footpath.

SCOPE OF WORK

The section of Clarks Lane to be sealed is approximately 350m from the intersection of Clarks Lane and Ockleston Road to the intersection of Clarks Lane and Sinton Road. The new seal is to incorporate the intersections and join to the existing sealed road. The physical work will include the following:

- Earthworks and Slit Control;
- Pavement stabilization and construction;
- Chip sealing road surface;

- Swale and stormwater drainage construction;
- Footpath and pedestrian handrail construction;
- Providing and installing road marking and traffic signs.

TENDERS RECEIVED

Tenders were publicly advertised with three (3) sets of documents being uplifted. Three (3) tenders were received by the closing date of 19 December 2006. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
HEB Smithbridge Limited	P.O. Box 226 Drury Auckland	\$274,464.05
Blacktop Construction Limited	P.O. Box 97044 Manukau	\$285,610.00
Fulton Hogan North Harbour	P.O. Box 305 Silverdale Auckland	\$290,916.02
Pre-tender contract estimate		\$258,520.00

Table 1 - Summary of Tender Prices

TENDER EVALUATION

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

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

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

Tender Evaluation	Attributes	Exper	Track Record	Tech Skills	Re-source	Man-agement	Method	Price	Total Weight
Tenderer	Weight	5%	5%	5%	5%	5%	5%	70%	100%
	Tender Sum	Grades							Index
HEB Smithbridge Limited	\$274,464.65	75	69	79	77	74	81	54	60
Blacktop Construction Limited	\$285,610.00	67	56	63	56	60	58	50	53
Fulton Hogan North Harbour	\$290,916.02	72	69	67	68	62	65	48	54
Median Tender Price	\$285,610.00								

Table 2 - Summary of Tender Evaluation

HEB Smithbridge Limited has scored highest in Methodology showing their understanding of the work involved in the project. HEB Smithbridge Limited scores the highest index.

HEB Smithbridge Limited has confirmed providing all necessary resources and expertise to manage and undertake the work. HEB Smithbridge Limited is currently carrying out various works for the Council and their performance is generally very good.

TAGS, ERRORS OR OMISSIONS

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

CREDIT CHECK

A credit check on Heb Smithbridge Limited dated 14 November 2006 revealed no adverse information.

JOB COSTS

excl. GST

Tender sum - HEB Smithbridge Limited	\$259,464.65
Contingency	\$ 15,000.00
Engineering & Supervision	\$ 60,000.00
Other	<u>\$ 2,000.00</u>
Total Job Cost	<u>\$336,464.65</u>

SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Seal Extension	75-9888-30690-280	\$300,000	\$62,000	\$238,000	Nil
Seal Extension	75-9888-30690-022	\$300,000	\$238,000	\$62,000	Nil
Drainage System Renewal	75-9840-24470-280	\$825,000	\$777,000	\$37,000	\$11,000
Total					\$ 337,000

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 60. This tender is also the lowest priced tender.

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. TA06038B - Clarks Lane Sealing Physical Works report be received.
2. That the tender from HEB Smithbridge Limited for Contract No.TA06038B - Clarks Lane Sealing Physical Works in the sum of \$274,464.65 plus \$34,308.08 GST, totalling \$308,772.73 be accepted.
3. That authority to enter into Contract No. TA 06038B - Clarks Lane Sealing Physical Works on behalf of the Council be delegated to the Group Manager: Asset Management.

Report prepared by: Jinjiang Zhong, Transport Engineer, Transport Assets.



12 **CONTRACT NO. TA06013C - LINCOLN ROAD WIDENING: ABEL TASMAN AVENUE TO SEL PEACOCK DRIVE**

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. TA06013C - Lincoln Road Widening: Abel Tasman Avenue to Sel Peacock Drive.

BACKGROUND

This contract is to widen the remaining section of Lincoln Road to complete the four laning of this arterial road from the motorway to the Great North Road and Swanson Road intersection.

This work assists in meeting the community outcome for Sustainable and Integrated Transport of providing a transport system that provides fast and effective movement of people, goods and services within the city.

SCOPE OF WORK

The contract is to widen Lincoln Road by one lane on the eastern side between Abel Tasman Avenue and Sel Peacock Drive. The work includes standard pavement construction and sealing, concrete footpath and driveways, traffic signal amendments and some works on private property eventuating from purchase agreements reached during land acquisition from five property frontages.

TENDERS RECEIVED

Tenders were publicly advertised with five (5) sets of documents being uplifted. Three (3) tenders were received by the closing date of 19 December 2006. One tender from H and H Contractors Limited was withdrawn at their request prior to opening of the Price Envelope. This request was due to the company being awarded several other contracts just prior to Christmas.

These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
Traffic Systems Limited	Mission Bay	\$428,069.90
HEB Smithbridge Limited	Drury	\$482,320.80
H and H Contractors Limited	Glendene	Withdrawn
Pre-tender contract estimate		\$520,897.50

Table 1 - Summary of Tender Prices

TENDER EVALUATION

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

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 \$2,000.

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

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

Tender Evaluation	Attributes	Exper.	Track Record	Tech. Skill	Resour.	Manag. Skill	Method.	Price	Contract Number TA06013C
									Total Weights
	Weights	8	8	4	4	3	3	70	100
Tenderer	Tender Sum	Grades							INDEX
Traffic Systems Limited	\$426,069.90	70	74	73	70	74	67	56	61
HEB Smithbridge Limited	\$480,320.80	83	73	74	75	71	80	44	54
Med.n Tender Price	\$453,195.35								

Table 2 - Summary of Tender Evaluation

Traffic Systems Limited has the highest overall final index score of 61. They are also the lowest priced tenderer.

Traffic Systems Limited is an experienced contractor with a very good track record. They have recently completed several contracts for council, all to a good standard. Some of these are:

- TA04560B Henderson Valley Road / Smythe Road Intersection Improvement;
- TA05029B Te Atatu Road / Covil Avenue Traffic Signal Installation;
- TA05008B Miscellaneous Minor Safety Projects;
- TA05008C Miscellaneous Minor Safety Projects Stage 2.

Traffic Systems Limited has a recent history with council as being a contractor with a high standard of workmanship and management. The staff nominated are well known to council having been involved in council’s roading contracts for several years. In general their staff have proved to be very co-operative and competent with minimal issues related to their work.

TAGS, ERRORS OR OMISSIONS

There were no tags, errors or omissions.

CREDIT CHECK

A credit check dated 20 December 2006 revealed no adverse information.

JOB COSTS

	excl. GST
Tender sum - Traffic Systems Limited	\$428,069.90
Contingency	\$ 42,800.00
Services relocation	\$125,000.00
Engineering & Supervision	\$ 55,655.00
Disbursements	\$ 29,500.00

Total Job Cost	\$681,024.90

SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Lincoln Road Widening	75-9871-50980	\$780,000.00	\$70,000.00	\$682,000.00	\$28,000.00

SUMMARY

The results of the tender evaluation as summarised in Table 2 shows that the tender submitted by Traffic Systems Limited achieved the highest index of 61. This tender is also the lowest priced tender.

Traffic Systems Limited has proven to be a capable contractor, who work to a good quality, have good communication and management skills and are well regarded by council staff. They are also well experienced in this type of contract.

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

RECOMMENDATIONS

1. That the Contract No. TA06013C - Lincoln Road Widening: Abel Tasman Avenue to Sel Peacock Drive report be received.
2. That the tender from Traffic Systems Limited for Contract No. TA06013C - Lincoln Road Widening: Abel Tasman Avenue to Sel Peacock Drive in the sum of \$428,069.90 plus \$53,508.74 GST, totalling \$481,578.64 be accepted.
3. That authority to enter into Contract No. TA06013C - Lincoln Road Widening: Abel Tasman Avenue to Sel Peacock Drive, on behalf of the Council be delegated to the Group Manager: Projects Services.

Report prepared by: Harish Singh, Roding Principal Engineer.



13 **CONTRACT NO. TA06009C - GREAT NORTH ROAD: EDSSEL STREET TO MCLEOD ROAD SEAL SMOOTHING**

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. TA06009C - Great North Road: Edsel Street to McLeod Road Seal Smoothing.

BACKGROUND

A 450 metre carriageway section of Great North Road between Edsel Street and McLeod Road exhibits significant pavement distress within the outer kerb-side lanes in both directions and requires rehabilitation. Pavement investigation completed in January 2005 concluded that the failure is within the underlying pavement basecourse layers and not solely within the surface wearing layer.

Several rehabilitation options were considered in the design stage. The stabilisation options were eliminated due to the limitations created by the presence of the existing concrete road within the centre lanes and a high pressure gas pipeline at a shallow depth. Of the remaining options, structural asphaltic concrete was considered the most cost effective option.

Funding was approved by the Council in the 2006/2007 Annual Plan for this work.

SCOPE OF WORK

This contract provides for the rehabilitation of the carriageway section of Great North Road between Edsel Street and McLeod Road using structural asphaltic concrete. It also includes repairing the intersection of Newington Road and Great North Road.

The works include, but are not limited to:-

- Installation of subsoil drainage;
- Repair of damaged stormwater pipes;
- Minor kerb, channel, vehicle crossing and footpath repair;
- Digout repair of Newington Road intersection with Great North Road;
- Construction of structural asphaltic concrete layers;
- Asphaltic concrete resurfacing;
- Reinstatement of roadmarkings;
- Reconstruction of a pedestrian refuge traffic island;
- Reinstatement of bauxite 'anti-skid' seal at the approaches to the pedestrian crossing.

TENDERS RECEIVED

Tenders were publicly advertised with two (2) sets of documents being uplifted. Two (2) tenders were received by the closing date of 10 January 2007. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
Blacktop Construction Limited	Manukau City	\$618,579.29
Fulton Hogan Limited	Christchurch	\$744,822.93
Pre-tender contract estimate		\$701,699.00

Table 1 - Summary of Tender Prices

TENDER EVALUATION

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

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

In this contract the value of Provisional Sums is \$2,000.

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

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

Tender Evaluation	Attributes	Exper.	Track Record	Tech. Skill	Resour.	Manag Skill	Method	Price	Contract Number TA06009C
									Total Weights
	Weights	8	8	3	3	3	5	70	100
Tenderer	Tender Sum	Grades							INDEX
Blacktop Construction Limited	\$616,579.29	73	72	70	70	70	72	59	63
Fulton Hogan Limited	\$742,822.93	80	70	72	82	73	77	41	51
Med.n Tender Price	\$679,701.11								

Table 2 - Summary of Tender Evaluation

TAGS, ERRORS OR OMISSIONS

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

CREDIT CHECK

A credit check on Blacktop Construction Limited dated 28 November 2006 revealed no adverse information.

JOB COSTS

	excl. GST
Tender sum - Blacktop Construction Limited	\$618,579.29
Contingency	\$ 61,857.93
Engineering & Supervision	\$ 58,000.00
Other - Reinstatement of Traffic Loops	\$ 5,000.00

Total Job Cost	\$743,437.22

SOURCE OF FUNDING

Budget description	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance
Great North Road, Edsel St to McLeod Road	75-9860-53100	950,000	0	743,500	206,500
	Total			743,500	

SUMMARY

The results of the tender evaluation as summarised in Table 2 shows that the tender submitted by Blacktop Construction Limited achieved the highest index of 63. This tender is also the lower priced tender.

Blacktop Construction Limited was founded in 1977. They are a privately owned civil construction company and specialise in road surfacing, road maintenance and road rehabilitation. Current and past clients include Transit New Zealand, Auckland City Council and Manukau City Council. Recently they have successfully completed the resurfacing of the Auckland harbour bridge and the Newmarket viaduct, both high profile projects requiring exceptional skills and high quality. Ongoing projects include the Auckland motorways and state highways for Transit New Zealand.

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

Blacktop Construction Limited also satisfactorily carried out resealing works for Waitakere City Council in the 2001/2002 financial year.

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. TA06009C - Great North Road: Edsel Street to McLeod Road Seal Smoothing report be received.
2. That the tender from Blacktop Construction Limited for Contract No. TA06009C - Great North Road: Edsel Street to McLeod Road Seal Smoothing in the sum of \$618,579.29 plus \$77,322.41 GST, totalling \$695,901.70 be accepted.
3. That authority to enter into Contract No. TA06009C - Great North Road: Edsel Street to McLeod Road Seal Smoothing on behalf of the Council be delegated to the Group Manager: Project Services.

Report prepared by: Dave Jiggins, Principal Engineer, Roading Maintenance.



14 **CONTRACT NO. TA06054A - AUCKLAND REGIONAL TRANSPORT AUTHORITY FUNDING APPLICATION**

PURPOSE OF THE REPORT

The purpose of this report is to seek endorsement for the action taken in awarding Contract No. TA06054A - Auckland Regional Transport Authority Funding Application and to recommend a funding commitment for this contract.

BACKGROUND

Each financial year Territorial Local Authorities are required to submit to the Auckland Regional Transport Authority (ARTA) their funding applications for roading projects that qualify for funding assistance from Land Transport New Zealand. The requirements of the applications have become increasingly complex and demanding extensive supporting information to process the application successfully.

A report was submitted to the 20 October 2006 meeting of the Tenders Subcommittee requesting approval to invite tenders for professional services for this purpose, and the Tenders Subcommittee resolved as follows:

“That approval be given to invite tenders among registered consultants to provide professional services with ARTA funding applications over a three year contract period with option to extend the contract for additional term of one year plus an additional term period of a further one year (plus 1+1) based on the satisfactory performance of the consultant and at Council’s discretion.”

1997/2006

Tenders closed on 21 December 2006 and the timeline to submit funding applications to ARTA requires the technical details to be completed by 28 February 2007, to enable final submissions for Stage Two to be submitted by 31 March 2007. In order to meet these time constraints tenders were evaluated and awarded under delegated authority, but the commitment for funding beyond the 2006/2007 Annual Plan requires approval of the Tenders Subcommittee.

SCOPE OF WORK

The brief is for the professional services for assisting the Council with ARTA funding applications to Land Transport New Zealand in the 2006/2007, 2007/2008 and 2008/2009 financial years.

The work comprises three stages:

Stage One

In October each financial year the Council submits feasibility details of potential projects intended to be carried out in the next financial year for Land Transport New Zealand to include in the National Land Transport Programme (Feasibility application).

Stage Two

The Council submits supporting information for the proposed projects to qualify for inclusion within the National Land Transport Programme for the subject year (Category Two applications).

Stage Three

The Council submits all necessary detailed supporting information (detailed design, safety audit, peer review, detail of land purchase and public consultation) to Land Transport New Zealand Board to qualify for approval of funding for the projects (Category One applications).

TENDERS RECEIVED

Three Tenders were invited from selected tenderers included within the Register of Interest. Two tenders were received by the closing date of 21 December 2006. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
Maunsell / AECOM	Newmarket	285,300
OPUS International Consultants Limited	Pukekohe	205,175
Pre-tender contract estimate		\$207,250

Table 1 - Summary of Tender Prices

TENDER EVALUATION

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

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

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

Tender Evaluation	Attributes	Exper.	Track Record	Tech Skills & Resources	Man-agement	Method	Price	Total Weight
Tenderer	Weight	20	20	20	10	10	20	100
	Tenders Sum	Index						
OPUS International Consultants Limited	\$205,175	84	70	81	75	78	51	73
Maunsell / AECOM	\$285,300	77	73	77	80	90	12	64
Engineer's estimate	\$207,250							

Table 2 - Summary of Tender Evaluation

The quoted price of OPUS international consultants Limited is slightly less than the Engineer's estimate and OPUS scores the highest index. Maunsell submitted a very thorough understanding of the project within their methodology.

TAGS, ERRORS OR OMISSIONS

An error of \$500 in the tender sum submitted by OPUS International Consultants Limited was noticed. The tenderer was contacted and was requested to confirm the tender amount submitted. A confirmation from the tenderer was received on 29 December 2006 confirming the submitted tender amount. The error had no impact on the tender evaluation.

There were no other tags, errors or omissions.

CREDIT CHECK

A credit check for OPUS International Consultants Limited dated 29 December 2006 revealed no adverse information.

JOB COSTS

	excl. GST
Tender sum - (OPUS International Consultants Limited)	\$205,175
Contingency	\$ 20,000

Total Job Cost	\$225,175

SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
2006/2007 Annual Plan	Forward Design for benefit cost ratios	\$150,000	Nil	\$47,175	\$102,825
2007/2008 Draft Annual Plan	Forward Design for benefit cost ratios	\$154,000	Nil	\$89,000	\$65,000
2008/2009 Draft Annual Plan	Forward Design for benefit cost ratios	\$158,000	Nil	\$89,000	\$65,000
TOTAL				\$225,175	

SUMMARY

The results of the tender evaluation as summarised in Table 2 shows that the tender submitted by OPUS International Consultants Limited achieved the highest index of 73. This tender is also the lowest priced tender.

OPUS International Consultants Limited assisted council with the 2006/2007 funding applications to Auckland Regional Transport Authority and carried out their tasks diligently. All submissions were approved with minimum clarification required.

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.

Due to time constraints, the contract was awarded under Delegated Authority. However, approval from the Tenders Subcommittee is required for funding commitments.

RECOMMENDATIONS

1. That the Contract No. TA06054A - Auckland Regional Transport Authority Funding Applications report be received.
2. That the action taken in accepting the tender from OPUS International Consultants Limited for Contract No. TA06054A - Auckland Regional Transport Authority Funding Applications in the sum of \$205,175 plus \$25,647 GST, totalling \$230,822 be endorsed.

3. That the commitment to the 2007/2008 financial year for Contract No. TA06054A - Auckland Regional Transport Authority Funding Applications totalling \$89,000 plus GST be approved.
4. That the commitment to the 2008/2009 financial year for Contract No. TA06054A - Auckland Regional Transport Authority Funding Applications totalling \$89,000 plus GST be approved.
5. That the action taken by the Group Manager, Asset Management to enter into Contract No. TA06054A - Auckland Regional Transport Authority Funding Applications be endorsed.
6. That the authority to extend Contract No. TA06054A - Auckland Regional Transport Authority Funding Applications for an additional year from 1 July 2009 to 30 June 2010 based on satisfactory performance by the contractor be reported back to the Tenders Subcommittee.
7. That the authority to extend Contract No. TA06054A - Auckland Regional Transport Authority Funding Applications for a further additional year from 1 July 2010 to 30 June 2011 based on satisfactory performance by the contractor be reported back to the Tenders Subcommittee.

Report prepared by: Brent Piggott, Senior Transport Engineer, Transport Assets.



15 **CONTRACT NO SP06002C – PROJECT TWIN STREAMS - LOWER OPANUKU STREAM WALK AND CYCLEWAY**

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. SP06002C - Project Twin Streams - Lower Opanuku Stream Walk and Cycleway.

BACKGROUND

The Council has a programme of construction of walk and cycleways as part of Project Twin Streams. The Lower Opanuku Stream project is the second stage of these walk and cycleways.

The work is partly funded by a grant from Infrastructure Auckland, which is being administered by Auckland Regional Holdings.

SCOPE OF WORK

The contract is for the construction of 2,190 linear metres of three metre wide walk and cycleway, and works include the following:

- Clearing and earthworks;
- Concrete path construction;
- Art installations;
- Timber boardwalks with steel handrails;
- Stormwater drainage;
- Signage and markings;
- Various miscellaneous works.

TENDERS RECEIVED

In September 2006, contractors were requested via public advertising to register an expression of interest for the Project Twin Streams walk and cycleway projects. Fourteen contractors were approved following this process. All of these contractors were contacted by phone to determine if they were willing to tender for the Lower Opanuku Stream Walk and Cycleway contract given the tight tender period over the Christmas season. Nine contractors said they were interested in pricing the work and that they would submit their tender by the given deadline. Five (5) tenders were received by the closing date of Tuesday, 9 January 2007. These are summarised in Table 1 below:

TENDERER	REG. OFFICE	TENDER PRICE (excl. GST)
Auckland Paving Services Limited	Remuera	\$ 1,360,438.00
Traffic Systems Limited	New Lynn	\$ 1,439,553.25
P & M Paving and Construction Limited	Parnell	\$ 1,473,374.00
Infrastructure NZ Limited	North Harbour	\$ 1,546,208.25
Fort Project Management Limited	Auckland	\$ 1,657,646.00
Pre-tender contract estimate		\$ 1,314,234.00

Table 1 - Summary of Tender Prices

TENDER EVALUATION

On the day the tenders closed, two tenderers queried whether certain items were included in this contract as there were no supporting drawings. Items under "Item 5.4 Porous/Permeable Pavement", "Item 6.3 Bridges" and "Item 8.3 Solar Lighting" were originally included in this contract but due to design delays these items should have been deleted from the tender schedule. They were inadvertently included. Two tenderers were informed that they were not required to price these items. It was not possible to pass on this information to the remaining tenderers due to the short time period until the tender closed and some of the tenderers priced some of these items while others did not. Due to this situation, the fairest method of tender sum comparison was to eliminate these items from the tender sums. A summary of the revised tender sums is shown in Table 2 below.

TENDERER	REG. OFFICE	TENDERED SUM (excl. GST)	REVISED TENDERED SUM (excl. GST)
Traffic Systems Limited	New Lynn	\$ 1,439,553.25	\$ 1,341,153.25
Auckland Paving Services Limited	Remuera	\$ 1,360,438.00	\$ 1,360,438.00
Infrastructure NZ Limited	North Harbour	\$ 1,546,208.25	\$ 1,445,944.25
P & M Paving and Construction Limited	Parnell	\$ 1,473,374.00	\$ 1,465,374.00
Fort Project Management Limited	Auckland	\$ 1,657,646.00	\$ 1,645,046.00
Pre-tender contract estimate		\$ 1,314,234.00	\$ 1,314,234.00

Table 2 - Revised Tender Sums

An evaluation of the revised tender sums shows Traffic Systems Limited is the lowest tenderer.

The Waitakere City Council Standard Conditions of Tendering and Tender Process states the policy that *“The Principal reserves the right to:*

- *Seek clarification of any Tender;*
- *Enter into discussions and/or negotiations with any one or more Tenderers at any time and upon any terms and conditions.”*

Under these clauses, Traffic Systems Limited was contacted about Items 5.4, 6.3 and 8.3 and asked if they were prepared to remove these items from their tender and keep the other item rates the same. They agreed to this.

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

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 using the revised tender sums is shown in Table 3:

ATTRIBUTE EVALUATION AND GRADING:

Tender Evaluation	Attributes	Experience	Track Record	Technical Skills.	Resources	Management Skills.	Method.	Lowest Price Conforming Tender
Tenderer	Tender Sum	Grades						
Traffic Systems Limited	\$1,341,153.25	Pass	Pass	Pass	Pass	Pass	Pass	Yes
Auckland Paving Services Limited	\$1,360,438.00	Pass	Pass	Pass	Pass	Pass	Pass	Yes
Infrastructure NZ Limited	\$1,445,944.25	Pass	Pass	Pass	Pass	Pass	Pass	Yes
P & M Paving and Construction Limited	\$1,465,374.00	Pass	Pass	Pass	Pass	Pass	Pass	Yes
Fort Project Management Limited	\$1,645,046.00	Pass	Pass	Pass	Pass	Pass	Pass	Yes

Table 3 - Summary of Tender Evaluation

Traffic Systems Limited is a small but high quality construction company. They have carried out several roading contracts for the Council in recent years to a very high standard, including traffic islands, footpaths, stormwater drainage and traffic signal installation. They are technically competent and co-operative to work with.

Evaluations have been based on their previous track record with the Council, and tender submission.

TAGS, ERRORS OR OMISSIONS

The tender from P & M Paving and Construction Limited had numerous tags attached. These were clarified, amended and accepted prior to the opening of the tender prices. The tenders from Auckland Paving Services Limited, Fort Project Management Limited and P & M Paving and Construction Limited all had minor arithmetic errors in their tender. These were not addressed as they had no impact on the ranking of the tenderer.

The omission of pricing items 5.4, 6.3 and 8.3 by some tenderers due to the lack of design information has been discussed previously in this report.

There were no other tags, errors or omissions.

CREDIT CHECK

A credit check on Traffic Systems Limited dated 20 December 2006 revealed no adverse information.

JOB COSTS

	excl. GST
Tender Sum - Traffic Systems Limited	\$1,341,153.25
Contingency	\$ 134,000.00

Total Job Cost	\$1,475,153.25

Engineering and supervision are outside the scope of this contract and are funded elsewhere.

SOURCE OF FUNDING

Codes	Budget	Committed to other projects	Allocation to this project	Unallocated Balance
85-9815-62900-280	\$4,300,000.00	\$0.00	\$1,475,153.25	\$2,824,846.75

The total cost of this construction contract will be claimed back from Auckland Regional Holdings.

SUMMARY

The results of the tender evaluation as summarised in Table 3 shows that the tender submitted by Traffic Systems Limited was a conforming tender and achieved the lowest revised tender sum.

Traffic Systems Limited has demonstrated with their previous Council contracts that they provide excellent workmanship and management skills. They are 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.

RECOMMENDATIONS

1. That the Tender Evaluation Report for Contract No. SP06002C - Project Twin Streams - Lower Opanuku Stream Walk and Cycleway be received.
2. That the tender from Traffic Systems Limited for Contract No. SP06002C - Project Twin Streams - Lower Opanuku Stream Walk and Cycleway, in the sum of \$1,341,153.25 plus \$167,644.16 GST, totalling \$1,508,797.41 be accepted.

3. That the authority to enter into Contract No. SP06002C - Project Twin Streams - Lower Opanuku Stream Walk and Cycleway, on behalf of the Council be delegated to the Group Manager: Project Services.

Report prepared by: Matt Lilly, Project Engineer, Special Projects Team: Project Services.

