



Waitakere City Council  
*Te Taiao o Waitakere*

## NOTICE OF EXTRAORDINARY MEETING

# TENDERS SUBCOMMITTEE

I hereby give notice that pursuant to Standing Order 14.3 an extraordinary meeting of the Tenders Subcommittee will be held on:-

**DATE:** Thursday, 15 October 2009 **TIME:** 10.00 am

**MEETING ROOM:** Waitemata Room

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

to consider: 1. Apologies, 2. Urgent Business, 3. Conflicts of Interest, 4. Confirmation of Minutes, 5. Contract No. EW09001G - Wastewater Rehabilitation In Mini Catchment 17, New Lynn, Area One - Approval To Award, 6. Contract No. PK09011A - Native Revegetation Programme - Approval to Award.

7 October 2009

Maea Petherick  
**COMMITTEE SECRETARY**

Telephone (09) 836 8000 extn 8104

### MEMBERSHIP:

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

Chief Executive Officer  
Director: City Services  
Director: Corporate and Business Services  
Director: Community Wellbeing  
Director: Strategic Planning  
Director: Public Affairs  
Director: Finance

Mayor RA Harvey, QSO, JP (ex officio)  
Deputy Mayor PA Hulse (ex officio)

(Quorum 3 members - one of whom must be a Councillor)

★ ★ ★ ★ ★ ★ ★ ★ ★ ★

(Meeting Room could be subject to change)

(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 AN EXTRAORDINARY MEETING OF THE TENDERS SUBCOMMITTEE TO  
BE HELD IN THE WAITEMATA ROOM AT WAITAKERE CENTRAL, 6 HENDERSON  
VALLEY ROAD, HENDERSON, WAITAKERE, ON THURSDAY,  
15 OCTOBER 2009, COMMENCING AT 10.00 AM**

---

**TABLE OF CONTENTS**

<b><u>ITEM</u></b>		<b><u>PAGE NO.</u></b>
1	APOLOGIES	1
2	URGENT BUSINESS	1
3	CONFLICTS OF INTEREST	1
4	CONFIRMATION OF MINUTES	1
5	CONTRACT NO. EW09001G - WASTEWATER REHABILITATION IN MINI CATCHMENT 17, NEW LYNN, AREA ONE - APPROVAL TO AWARD	2
6	CONTRACT NO. PK09011A - NATIVE REVEGETATION PROGRAMME - APPROVAL TO AWARD	5

**AGENDA FOR AN EXTRAORDINARY MEETING OF THE TENDERS SUBCOMMITTEE TO  
BE HELD IN THE WAITEMATA ROOM AT WAITAKERE CENTRAL, 6 HENDERSON  
VALLEY ROAD, HENDERSON, WAITAKERE, ON THURSDAY,  
15 OCTOBER 2009, COMMENCING AT 10.00 AM**

---

**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 CONFLICTS OF INTEREST**

The Council has acknowledged in its Code of Conduct that Members need to be vigilant to stand aside from decision making when a conflict arises between their role as a member of the Council and any private or other external interest they might have. This note is provided as a reminder to members to check that no such conflicts arise in relation to any items on this agenda.



**4 CONFIRMATION OF MINUTES**

Meeting Minutes - Friday, 2 October 2009

**RECOMMENDATION**

It is recommended that the Tenders Subcommittee resolve to:

**Receive** the minutes of the meeting of the Tenders Subcommittee held on Friday, 2 October 2009, as circulated, and that they be taken as read and now be confirmed.



5 **CONTRACT NO. EW09001G - WASTEWATER REHABILITATION IN MINI CATCHMENT 17, NEW LYNN, AREA ONE - APPROVAL TO AWARD**

**GLOSSARY**

Mini Catchment (MC)

**EXECUTIVE SUMMARY**

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. EW09001G - Wastewater Rehabilitation in Mini Catchment (MC) 17, New Lynn, Area One.

**RECOMMENDATIONS**

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. EW09001G - Wastewater Rehabilitation in Mini Catchment 17, New Lynn, Area One - Approval to Award report.
2. **Approve** that the tender from JB Contractors Limited for Contract No. EW09001G - Wastewater Rehabilitation in Mini Catchment 17, New Lynn, Area One in the sum of \$697,437.00 plus \$87,179.63 GST, totalling \$784,616.63 be accepted.
3. **Approve** that authority to enter into Contract No. EW09001G - Wastewater Rehabilitation in Mini Catchment 17, New Lynn, Area One on behalf of the Council be delegated to the Group Manager: Project Services.

**BACKGROUND**

1. The Council has an objective to reduce flows in the wastewater network by 25% through the Infiltration and Inflow Control Programme. The New Lynn wastewater catchment is the first catchment to be assessed under this programme and rehabilitation work has already been carried out on public drains in MC2, MC4, MC5, MC6, MC7, MC8, MC9, M15, MC18, MC19 and MC21.
2. The rehabilitation of MC17 is the next project on the priority list. The existing manholes and public sewer pipes in the area are in poor condition and require rehabilitation.
3. Funding for this work was approved by the Council in the Annual Plan 2009/2010.

**SCOPE OF WORK**

4. The scope of work includes the installation of approximately 113 metres of new wastewater pipeline using directional drilling, the rehabilitation of 2085 metres of wastewater pipeline using various structural lining and pipe bursting techniques, construction and rehabilitation of 47 manholes, replacement of 75 service connections, video inspection of 102 private drains, flushing and video inspection of completed lines.

**TENDERS RECEIVED**

5. Tenders were publicly advertised on Tenderlink with 28 sets of documents being uplifted. Four tenders were received by the closing date of 15 September 2009. These are summarised in Table 1 below:

TENDERER	REGISTERED OFFICE	TENDER PRICE (excl. GST)
JB Contractors Limited	26 Glasgow Avenue, Papatoetoe, Manukau City	\$697,437.00
H&H Contractors Limited	12A Culperry Road, Glen Eden, Waitakere	\$761,193.50
PipeWorks Rehabilitation Solutions Limited	18 Gabador Place, Mt Wellington, Auckland	\$772,222.11
Horizontal Earth Drilling Limited	55 Watea Road, Torbay, North Shore	\$849,893.00
Pre-tender contract estimate (based on most up-to-date tender rate)		\$847,097.00
Budget estimate		\$850,000.00

Table 1 - Summary of Tender Prices

### TAGS, ERRORS OR OMISSIONS

6. The tenders submitted by Horizontal Earth Drilling Limited, JB Contractors Limited and PipeWorks Rehabilitation Solutions Limited contained minor omissions within their non-price attributes submission. Clarifications were requested and satisfactory replies were received from Horizontal Earth Drilling Limited, JB Contractors Limited and PipeWorks Rehabilitation Solutions Limited.
7. The tender from H&H Contractors Limited was based on spiral wound structural lining and contained a tag with respect to the minimum specified warranty for operational requirements. All four tenderers were requested to confirm that they could comply with Council specifications with respect to the maximum reduction of internal diameter of the structurally lined pipe and the minimum specified warranty for operational requirements. Horizontal Earth Drilling Limited, JB Contractors Limited and PipeWorks Rehabilitation Solutions Limited were able to provide satisfactory confirmations. H&H Contractors Limited was not able to confirm that they are able to meet the requirements for reduction in diameter and operational warranty requirements.

### TENDER EVALUATION

8. In accordance with the conditions of tendering, tenders were evaluated in line with the Weighted Attribute Method contained in New Zealand Transport Agency's "Competitive Pricing Procedures Manual".
9. For the reasons explained above, the tender received from H&H Contractors Limited, based on the spiral wound structural lining method, was excluded from further evaluation.
10. A summary of the evaluation results is shown in Table 2 below:

Tender Evaluation	Attributes	Exp	Track Record	Tech Skill	Res.	Manage .Skill	Method.	Price	Contract Number Ew09001G
									Total Weights
	<b>Weights</b>	4	10	2	2	5	7	70	100
Tenderer	Tender Sum	Grades							INDEX
JB Contractors Limited	\$697,437.00	85	70	80	80	75	75	60	64
PipeWorks Rehabilitation Solutions Limited	\$772,222.11	80	70	70	65	60	65	50	55
Horizontal Earth Drilling Limited	\$849,893.00	75	60	70	70	65	70	40	48
<b>Median Tender Price</b>	\$772,222.11								

**Table 2 - Summary of Tender Evaluation**

11. Scores for the non-price attributes were determined on the basis of information provided in each tender, on the information gathered from the referees nominated by the tenderers and on any recent Council experience with the tenderers.
12. The results of the tender evaluation as summarised in Table 2 show that the tender submitted by JB Contractors Limited achieved the highest index of 64. This tender is also the lowest priced tender.
13. JB Contractors Limited successfully completed work of a similar nature to this contract for the Council in previous financial years (2004/2005, 2006/2007, 2007/2008, 2008/2009) and have the necessary expertise and resources to satisfactorily carry out the works.
14. The lowest priced tender is 18% below the pre-tender contract estimate.
15. As part of Council's contracting process "Quality, Health and Safety and Environmental compliance are 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.

### CREDIT CHECK

16. A credit check on JB Contractors Limited dated 25 September 2009 revealed no adverse information.

### JOB COSTS

17.		<b>excl. GST</b>
	Tender sum - (JB Contractors Limited)	\$697,437.00
	Contingency	\$ 69,743.70
	Engineering and Supervision	\$ 69,743.70
	Other (Consents)	\$ 10,000.00
		-----
	Total Job Cost	\$846,924.40

## SOURCE OF FUNDING

18. Source of funding is shown in Table 3 below:

Budget Description (from annual budget line item) Annual Plan 2009/2010	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance	Potential surplus
Sewer Renewals inflow infiltration control programme	8AMEW-10-027/02	\$1,006,000	0	\$846,924.40	\$159,075.60	\$152,563.00
	<b>Total</b>			\$846,924.40		

Table 3 - Source of Funding

## IMPLEMENTATION ISSUES

19. There are no implementation issues expected with this contract.

## AUCKLAND COUNCIL TRANSITION ISSUES

20. The decision making proposed in this report is not constrained by section 31 of the Local Government (Tamaki Makaurau Reorganisation) Act 2009, as it does not directly or because of its consequences: significantly prejudice the reorganisation, significantly constrain the powers or capacity of the Auckland Council or any subsidiary of the Auckland Council following the reorganisation, or have a significant negative impact on the assets or liabilities that are transferred to the Auckland Council as a result of the reorganisation.

Report prepared by Neville Colling, Contracts Engineer.



## 6 CONTRACT NO. PK09011A - NATIVE REVEGETATION PROGRAMME - APPROVAL TO AWARD

### GLOSSARY

City Parks Services Limited

(CPS)

### EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. PK09011A - Native Revegetation Programme.

## RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. PK09011A - Native Revegetation Programme - Approval to Award report.
2. **Approve** that the tender from City Parks Services Limited for Contract No. PK09011A - Native Revegetation Programme in the sum of \$179,511.90 plus \$22,438.99 GST, totalling \$201,950.89 from 19 October 2009 to 30 June 2011 be accepted.
3. **Approve** the commitment of \$154,590.48 excluding GST as provided in the Annual Plan 2009/2010 for Contract No. PK09011A - Native Revegetation Programme Name.
4. **Approve** the commitment of \$62,621.47 excluding GST for the 2010/2011 financial year for Contract No. PK09011A - Native Revegetation Programme.
5. **Approve** that authority to enter into Contract No. PK09011A - Native Revegetation Programme on behalf of the Council be delegated to the Deputy Director: City Services.

## **BACKGROUND**

1. Funding, approved through the Annual Plan 2009/2010 has been provided for in the Long Term Council Community Plan 2009-2019 to purchase, plant and maintain eco-sourced native plants. All plants supplied for this contract will be required to be grown in accordance with best horticultural practices and Council's Ecosourcing Code of Practice and Ethics.
2. Each site where work is to be undertaken has been selected based on its ecological value, connection with sites previously or currently being re-vegetated with native plant species, and the potential impact of not planting.
3. At the meeting of the Tenders Subcommittee held on 7 August 2009, it was resolved to:

*"The Tenders Subcommittee resolved to:*

1. **Receive** the Contract No. PK09011A - Native Revegetation Programme - Approval To Proceed To Tender report.
2. **Approve** that authority to publicly call for tenders for Contract No. PK09011A - Native Revegetation Programme for a period of 20.5 months from 19 October 2009 to 30 June 2011 on behalf of the Council be delegated to the Deputy Director: City Services.
3. **Agree** that the results of the tender evaluation process for Contract No. PK09011A - Native Revegetation Programme be reported back to the Tenders Subcommittee."

1347/2009

## **SCOPE OF WORK**

4. The scope of work outlined in this contract involves the supply of eco-sourced plants, site preparation, extensive environmental weed control, planting of eco-sourced plants, mulching and follow up maintenance at selected sites in the following reserves throughout the City:

- Manawa Wetland Reserve;
  - Chettle Reserve;
  - Cartmel Ave Reserve;
  - Kingdale Reserve;
  - Armada Reserve;
  - Prospect Park;
  - Olive Grove; and
  - Maywood Reserve.
5. The native re-vegetation programme requires site preparation, the removal of environmentally damaging weeds, planting stock and, at some sites, the use of an appropriate mulch to suppress weeds and help retain soil moisture. The most favourable time for undertaking this work is during the summer, autumn and winter months and therefore the project spans two financial years.

### TENDERS RECEIVED

6. Tenders were publicly advertised on Tenderlink with 29 sets of documents being uplifted. Six tenders were received by the closing date of Tuesday, 8 September 2009. These are summarised in Table 1 below:

TENDERER	REGISTERED OFFICE	TENDER PRICE (excl. GST)
City Parks Services	1 Greys Avenue, Auckland	\$179,511.90
Westscope Limited	215 South Head Road, RD1, Helensville	\$208,965.10
Bilfinger Berger Services Limited	61 Keeling Road, Henderson	\$232,983.74
HEB Construction Limited	Firth Street, Drury, Auckland	\$250,040.66
Rahopara Parks & Gardens Limited	Lynfield, Auckland	\$281,768.00
Treescape Limited	Otahuhu, Auckland	\$339,799.11
Pre-tender contract estimate (based on most up-to-date tender rate)		\$249,775.25

Table 1 - Summary of Tender Prices

### TAGS, ERRORS OR OMISSIONS

7. No tags, errors or omissions in the other tenders were addressed.

### TENDER EVALUATION

8. In accordance with the conditions of tendering, tenders were evaluated in line with the Lowest Price Conforming Tender Method contained in Land Transport New Zealand's "Competitive Pricing Procedures Manual".
9. Under this method, the tenders are ranked in ascending order based on prices. The tenders are then accessed against each of the non-price attributes to determine the tender acceptability. Each attribute is scored on a pass / fail basis. Determination of acceptability commences with the lowest priced tender and ceases when the first conforming tender is determined.

10. 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.
11. In this contract the value of Provisional Sums is \$25,000.00.
12. A summary of the evaluation results is shown in Table 2:

Tender Evaluation	Attributes	Exp	Track Record	Tech Skills.	Resour	Manage Skills.	Method.	Lowest Price Conforming Tender
<b>Tenderer</b>	<b>Tender Sum</b>	<b>Grades</b>						
City Parks Services	\$179,511.90	Pass	Pass	Pass	Pass	Pass	Pass	Yes

**Table 2 - Summary of Tender Evaluation**

13. During the tender evaluation a concern was raised about the difference between the Engineer's Estimate and the tender price submitted by City Parks Services Limited (CPS). A reference check of three referees was carried out and results showed that the contractor is currently carrying out work for Council and other organisations to a high standard. A tender clarification meeting was held between Council officers and CPS representatives on 21 September 2009 to discuss the tender rates and methodology proposed in the tender. CPS has confirmed their price and Council officers are confident that the contractor will carry out the work to an acceptable level at a very reasonable price. However, in addition to contingency of \$17,700, a sum of \$20,000 has been set aside for additional supervision of the contract. This is noted as 'Engineering and Supervision' in the job cost analysis shown at 17.
14. Comparisons between tendered rates during 2007/2008 and 2009/2010 financial years for a similar scope of works revealed that Contractors have reduced their rates significantly.
15. As part of Council's contracting process, "Quality, Health and Safety and Environmental compliance are 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.

### CREDIT CHECK

16. A credit check on CPS Limited dated 22 September 2009 revealed no adverse information.

### JOB COSTS

17.		<b>excl. GST</b>
	Tender sum - City Parks Services (2009/2010)	\$131,590.48
	Engineering and Supervision	\$ 10,000.00
	Contingency	\$ 13,000.00
		-----
	Total Job Cost	\$154,590.48

Tender sum - City Parks Services (2010/2011)	\$ 47,921.47
Engineering and Supervision	\$ 10,000.00
Contingency	\$ 4,700.00
	-----
Total Job Cost	\$ 62,621.47

### SOURCE OF FUNDING

18. Source of funding is shown in Table 3 below:

Budget Description (from annual budget line item) Annual Plan 2009/2010	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance	Potential surplus
Rewarewa Stream Restoration	8AMEW-07-216	\$120,000.00	\$103,167.95	\$16,832.05	\$0.00	\$0.00
Native Revegetation Programme	8AMPK-10-019	\$101,000.00	\$55,766.00	\$45,234.00	\$0.00	\$0.00
Weed & Pest Maintenance	5190-74000	\$888,000.00	\$795,475.57	\$92,524.43	\$0.00	\$0.00
<b>Total</b>		\$1,109,000.00	\$954,409.52	\$154,590.48	\$0.00	\$0.00
Budget Description (from annual budget line item) 2010/2011 Financial Year	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance	Potential surplus
Rewarewa Stream Restoration	8AMEW-07-216	\$60,000.00	\$ 52,615.97	\$ 4,384.03	\$0.00	\$ 0.00
Native Revegetation Programme	8AMEW-11-019	\$101,000.00	\$ 42,762.56	\$58,237.44	\$0.00	\$ 0.00
Weed & Pest Maintenance	5190-74000	\$896,000.00	\$863,463.70	\$ 0.00	\$0.00	\$32,263.30
<b>Total</b>		\$1,057,000.00	\$958,842.23	\$62,621.47	\$0.00	\$32,263.30

Table 3 - Source of Funding

### IMPLEMENTATION ISSUES

19. There are no implementation issues expected with this contract.

## AUCKLAND COUNCIL TRANSITION ISSUES

20. The decision making proposed in this report is not constrained by section 31 of the Local Government (Tamaki Makaurau Reorganisation) Act 2009, as it does not directly or because of its consequences: significantly prejudice the reorganisation, significantly constrain the powers or capacity of the Auckland Council or any subsidiary of the Auckland Council following the reorganisation, or have a significant negative impact on the assets or liabilities that are transferred to the Auckland Council as a result of the reorganisation.

**Report prepared by:** Helen Biffin, Team Leader - Parks Environmental Contracts.

