



## NOTICE OF MEETING

# TENDERS SUBCOMMITTEE

I hereby give notice that an Ordinary Meeting of the Tenders Subcommittee will be held on:-

**DATE:**        **Friday**                    **1 November 2002**                    **TIME:**        **9.00 am**

**VENUE:**        **Civic Centre, 6 Waipareira Avenue, Lincoln, Waitakere City**

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

*Sharon Simiona*

30 October 2002

Sharon Simiona  
**COMMITTEE SECRETARY**

Telephone (09) 836 8000 extn 8820

### **MEMBERSHIP:**

Councillors    JM    Clews, QSO, JP (Chairperson)  
                  GB    Presland (Deputy Chairperson)

Chief Executive  
Director: City Services  
Director: Corporate & Civic Services  
Director: Strategy & Development  
Director: Finance  
Maori Issues Manager

Mayor, Bob 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 AN ORDINARY MEETING OF THE TENDERS SUBCOMMITTEE  
TO BE HELD IN THE CIVIC CENTRE, 6 WAIPAREIRA AVENUE, LINCOLN,  
WAITAKERE CITY, ON FRIDAY, 1 NOVEMBER 2002,  
COMMENCING AT 9.00 AM.**

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**AGENDA FOR AN ORDINARY MEETING OF THE TENDERS SUBCOMMITTEE  
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**1 APOLOGIES**



**2 URGENT BUSINESS**

Section 46A(7) and (7A) of the Local Government Official Information Act 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 item is a minor matter; and
- (ii) the Chairperson has explained at the beginning of the meeting (when open to the public) that the item will be raised for discussion, why the item is not on the agenda, and why it cannot be delayed until a subsequent meeting; and
- (iii) the Subcommittee resolves to deal with the item.

No resolution, decision, or recommendation may be made in respect of the item except to refer the item to a subsequent meeting for further discussion.

**NOTE:** Urgent Business need not be dealt with now and may be delayed until later in the meeting.



**3 GLEN EDEN LIBRARY - ARCHITECTURAL DESIGN SERVICES**

**PURPOSE OF THE REPORT**

The purpose of this report is to seek approval to award Contract SP-02501A Glen Eden Library - Architectural Design Services.

**BACKGROUND**

At the Tenders Subcommittee meeting on 16 August 2002 a shortlist of registered tenderers was approved from a publicly advertised registration of interest for invitation to tender for architectural design services for a new Glen Eden Library. Tenders were subsequently received from the seven approved tenderers and the evaluation of these tenders is reported herein.

## SCOPE OF WORK

To provide architectural design services for the design and construction of a new Public Library, Citizens Advice Bureau and Service Centre including the integrated development of the surrounding site. The proposed work includes:

- architectural design of the new building incorporating functional art and sustainable design elements;
- landscape design of the surrounding site including the open space forecourt area at the northern end of the site;
- design of access roads and on-site parking facilities incorporating water sensitive urban design.

## TENDERS RECEIVED

Tenders were invited from the seven tenderers selected from the recent registration of interest. Seven tenders were received by the closing date of 3 October 2002. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
Craig Craig Moller	Auckland	\$ 235,000.00
JASMAX	Auckland	\$ 266,000.00
Warren and Mahoney	Christchurch / Auckland	\$ 269,000.00
Architectus / Athfield	Auckland	\$ 284,625.00
Chow : Hill	Papatoetoe	\$ 290,700.00
Creative Spaces	Auckland	\$ 351,000.00
ASC Architects	Auckland	\$ 357,000.00
<b>Pre-tender contract estimate</b>		<b>\$ 295,000.00</b>

**Table 1 - Summary of Tender Prices**

## TENDER EVALUATION

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

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

Tender Evaluation	Attributes	Relev.	Manag.	Tech.	Design	Sub-	Track	Team	Price	Contract Number SP02501A
		Exper.	Systems	Skills	Skills	consult.	Record	Collab.		
	<b>Weights</b>	<b>5</b>	<b>5</b>	<b>10</b>	<b>20</b>	<b>15</b>	<b>15</b>	<b>20</b>	<b>10</b>	<b>100</b>
Tenderer	Tender Sum	Grades								INDEX
Warren and Mahoney	\$272,000.00	85	85	85	90	80	80	90	74	84
Craig Craig Moller	\$235,000.00	70	80	80	85	80	80	90	84	83
Architectus / Athfield	\$284,625.00	85	85	85	90	80	75	80	70	81
Chow:Hill	\$290,700.00	70	80	80	80	80	80	90	68	80
JASMAX	\$266,000.00	80	85	85	85	80	80	75	75	80
Creative Spaces	\$351,000.00	70	80	85	80	80	70	80	51	76
ASC Architects	\$357,000.00	75	85	85	80	80	75	60	50	73
<b>Median Price</b>	<b>\$ 284,625.00</b>									

**Table 2 - Summary of Tender Evaluation**

The above seven tenderers are the top seven of twenty-three who registered. The scores given above are all above average as would be expected. The tenders were evaluated by a panel comprising five members of the Project Control Group who were specifically selected for their expertise in Architecture, Landscape Design, Artwork, Engineering and Cultural representation. The non-priced attributes, other than 'Team Collaboration' were evaluated and scored according to the tenders submitted. The 'Team Collaboration' attribute was evaluated at an interview/presentation held independently with each tenderer by the evaluation panel.

The highest scoring index is that of Warren and Mahoney, who's tender price is marginally lower than both the pre-tender estimate and the median price. Warren and Mahoney have demonstrated excellent understanding of the brief and the processes required by Council for the implementation of this project. They have demonstrated extensive relevant experience and technical design skills and provided one of the best demonstrations of their proposed team collaboration for the design process.

The evaluation team were unanimous concerning the non-priced attribute scores allocated and were not influenced by the price difference.

**TAGS, ERRORS OR OMISSIONS**

The tender from Warren and Mahoney contained a tag to the effect that the cost of any geotechnical investigations was limited to \$2,000. Warren and Mahoney have agreed to totally remove this tag at a cost of \$3,000. The evaluation of their tender has been carried out with this additional cost added to their tender value. A quality assurance review was carried out on the two highest ranked tenderers due to the closeness of their overall index values and the scores were confirmed.

A second tag from Warren and Mahoney in regard to the number of public meetings included in their tender was determined by them to be an error and has been removed by them with no cost implication to their tender.

Although the tendered sum cannot be changed, it is standard practice to take account of any cost implications arising from the resolution of tags, in the evaluation of tenders. Therefore the sum used in the evaluation of Warren and Mahoney's tender has been adjusted upwards by \$3,000.00 to \$272,000.00 (refer Table 2).

## CREDIT CHECK

A credit check on Warren and Mahoney has been requested.

## SUMMARY

The results of the tender evaluation as summarised in Table 2 shows that the tender submitted by Warren and Mahoney achieved the highest index of 84. This tender is the third lowest priced tender.

In the event that the contract is awarded to Warren and Mahoney and in accordance with prescribed procedures, the contract would be awarded in the tendered sum of \$269,000.00. A variation order would be issued in the agreed sum of \$3,000.00 for the removal of the tag.

The non-priced attributes for this professional services contract have been given a high priority in terms of achieving the triple bottom line objectives of the design brief. For this reason the price attribute does not dominate and this is reflected in the indices.

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

## JOB COSTS

	<b>EXCL. GST</b>
Tender sum - Warren and Mahoney	\$269,000.00
Value of Tag removal (variation order)	\$ 3,000.00
Contingency	\$ 30,000.00
	-----
Total Job Cost	\$302,000.00

## SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Glen Eden Library	75-9120-44910	\$ 2,720,000	Nil	\$ 302,000	\$ 2,418,000

## RECOMMENDATIONS

1. That the information be received.
2. That subject to a satisfactory credit check, the tender from Warren and Mahoney for Contract SP-02501A Glen Eden Library - Architectural Design Services in the sum of \$269,000.00 plus \$33,625.00 GST, totalling \$302,625.00 be accepted.
3. That the tender for Contract SP-02501A Glen Eden Library - Architectural Design 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 a variation order in the value of \$3,000.00 (excluding GST) be issued to address the tag removal.
5. That authority to enter into Contract SP-02501A Glen Eden Library - Architectural Design Services on behalf of Council be delegated to the Director: City Services.

Report prepared by: John Schermbucker, Special Projects Engineer.



#### 4 **PROJECT TA 02514 - RAMM PROFESSIONAL SERVICES CONTRACT**

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

This report seeks approval to:

- request tenders for the “Roading Assessment & Maintenance Management (RAMM) Professional Services Contract” with a 2.5 year period;
- commit funds for the contract budget for the financial years 2003/2004 and 2004/2005;
- extend the proposed contract period by 12 months plus an additional 12 months subject to acceptable performance by the Consultant and acceptable rates.

##### **BACKGROUND**

The existing “Road Assessment & Maintenance Management (RAMM) Contract”, Contract - No 62420, contract period 3.5 years, terminated in September 2002.

The RAMM Database is an integral part of the Council’s asset management function. RAMM stores the construction and maintenance history of the road network, including data for reseals, seal extensions, carriageway characteristics, hierarchy, ownership, signs, pedestrian crossings, footpaths, kerb-and-channels, safety improvements, traffic counts, and condition ratings.

RAMM has analytical capability for interrogation of the data, and for prioritisation of maintenance work, in particular for the large budget reseal program.

Several of Council’s maintenance and capital works contracts are planned and managed using RAMM. RAMM is the Database required by Transfund New Zealand and is linked to the advanced dTIM modelling software also required by Transfund New Zealand. Transfund subsidises work proposed on the basis of RAMM data and analyses, and subsidises the development and maintenance of the RAMM database itself.

A recent audit by Transfund has confirmed that the Council’s RAMM database is in relatively good condition, but recommends further surveys, condition ratings and reviews of data tables to improve the database. Failure to maintain and upgrade the database would compromise its integrity and hence the reliability of decisions based the data.

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

The work, to be undertaken by a well-qualified, skilled and experienced consultant, is the ongoing management of the RAMM Database. This includes:

- the entry of data associated with asset changes stemming from the Council’s maintenance works, and development works by Council and other developers;
- the execution of surveys, such as condition rating surveys, and surveys to verify data;
- collection and entry of data for transport assets not currently included in the database;

- the interrogation and analysis of data;
- the production of reports on data surveys, processing and analysis.

The nature of the work suits a long-term contract. Familiarity with data management protocols and reporting tends to ensure accuracy, and efficiency in dealing with the Council's extensive system. Failure to provide for continuity could compromise decisions based on the data with adverse financial consequences, and any need to correct data and rerun analyses could incur additional high costs.

## RESOURCES

The scope of work has been planned, prioritised and priced to effectively maintain, upgrade and verify the database over the proposed contract period of 2.5 years. Included in the costs are annual fees payable to the nominated internet service and database hosting provider (CJN Technologies Limited). The result are as follow:

### 2002/2003 (6 month budget)

RAMM & SLIM Annual Fees and hosting costs	\$ 32,000
Tender documentation and evaluation	\$ 8,000
Data Management and Routine Update	\$ 20,000
Surveys to complete database	<u>\$ 60,000</u>
Total 2002/2003	\$120,000

### 2003/2004 (12 month budget)

RAMM& SLIM Annual Fees and hosting costs	\$ 35,000
Data Management and Routine Update	\$ 20,000
Condition rating, roughness surveys	\$ 45,000
Field auditing	\$ 20,000
Review and update footpath and footpath surface tables	\$ 40,000
Surveys to complete database	<u>\$ 20,000</u>
Total 2003/2004	\$180,000

### 2004/2005 (12 month budget)

RAMM& SLIM Annual Fees and hosting costs	\$ 35,000
Data Management and Routine Update	\$ 35,000
Footpath condition rating survey	\$ 20,000
Falling Weight Deflectrometer test - 20 % of road network	\$ 30,000
Surveys and inventory to complete database	\$ 50,000
Inputting retaining wall inventory information into database	\$ 10,000
Tender documentation and evaluation for future contract	<u>\$ 10,000</u>
Total 2004/2005	\$190,000
Total Project Cost (GST is excluded)	\$490,000

## SOURCE OF BUDGET

The proposed budget sourcing is as follows:

	Budget	Committed to other Projects	Allocation to this Project
Roading Maintenance - RAMM			
2002/2003 Annual Plan	\$120,000	Nil	\$120,000
2003/2004 Proposed Annual Plan	\$180,000	Nil	\$180,000
2004/2005 Proposed Annual plan	\$190,000	Nil	\$190,000
Total	\$490,000		\$490,000

This project would be subsidised 43% by Transfund, reducing Council's financial commitment by approximately \$210,000.

## CONCLUSION

It is vital to maintain, develop, and apply Council's RAMM database to properly manage Council's transport assets, and to secure Transfund subsidy for Council's extensive subsidised works programs. This requires the engagement of a well-qualified, skilled and experienced consultant, as has been the case to date.

It is preferable owing to the size and complexity of the database to have a long-term contract with the potential for the reliability and efficiency that stems from the Consultant's familiarity with the Waitakere RAMM system and the extensive local road network.

The Council has budgeted for 2002/2003 but a commitment for the following two years needs to be made, the total commitment being \$490,000 of which Council's share is \$270,000 (averaging \$112,000 per annum), with the balance from Transfund New Zealand Limited.

## RECOMMENDATIONS

1. That the information be received.
2. That approval be given to request tenders for contract No TA 02514 - RAMM Professional Services with an initial period of 2.5 years.
3. That approval be given to commitment expenditure in the financial years 2003/2004 and 2004/2005 the amounts of \$180,000 and \$190,000 excluding GST respectively.
4. That approval be given to include a provision in the contract document to further extend the contract for a 12 month period (ending June 2006) and an additional 12 month period (ending June 2007) subject to the Consultant's performance being acceptable and subject to acceptable rates.

Report prepared by: Ara Ovanessoff, Transportation Engineer.



## 5 PROPERTY GROUNDS MAINTENANCE CONTRACT: CY02012C

### **PURPOSE OF THE REPORT**

This report seeks approval to tender the Waitakere City Council Property Grounds Maintenance Contract: CY02012C by public tender for a three year term based on a one plus one plus one (1+1+1) contractual arrangement.

### **BACKGROUND**

The Property Grounds Maintenance Contract covers 26 properties including the Housing For Older Adults portfolio, Lopdell House, Corban Estate, old works depots such as Birdwood Road, etc. The contract is to provide lawn mowing, garden maintenance, and one off renovation work to the properties. The contract does not include the Civic Centre, as Corporate Services have elected to manage their own contract for this property.

The contract is flexible and has provision for variations if the number of properties increases or decreases for any reason over the term of the contract.

Grounds maintenance for these properties is currently carried out on the basis of standing orders through several different contractors.

### **ISSUES**

The establishment of this contract will enable management and administration of this service contract to be aligned with standard contract procedures put in place for other property service contracts over the last year.

It is proposed to let the contract with a 1+1+1 year term, i.e. for one year with a right of renewal for two further one year periods. The contract will be renewed at the end of each year at Council's discretion.

The 1+1+1 is a standard contractual term for Council and has been used successfully in many contracts, e.g. 01EWC00: Onsite Wastewater Management Systems - Inspection and Cleaning, 73750: IM Network Service and Support Agreement, 74780: Supply of Desktop and Laptop Computers.

As this contract has the potential to commit funding from future annual budgets the approval of the Tenders Subcommittee is sought prior to tendering. The source of funding will be the aggregate grounds maintenance budgets that currently reside in the properties currently managed by the Consultancy Services Property section.

### **CONCLUSION**

A three year term for the contract reduces the internal cost to Council associated with annual tendering, while the 1+1+1 year contractual arrangement allows Council the flexibility of terminating the contract on an annual basis or continuing for the full three years.

### **RECOMMENDATIONS**

1. That the information be received.
2. That Waitakere City Council Property Grounds Maintenance Contract: Number CY02012C be tendered with a three year term based on a 1+1+1 year contractual arrangement.

Report prepared by: Barry Carter, Business Manager: Consultancy Services.



## 6 PROPERTY SECURITY SERVICES CONTRACT: CY02012B

### **PURPOSE OF THE REPORT**

This report seeks approval to tender the Waitakere City Council Property Security Services Contract: CY02012B with a three-year term based on a one plus one plus one (1+1+1) contractual arrangement.

### **BACKGROUND**

The City-wide Security Contract covers 33 Council-owned and leased properties, including the Civic Centre. Services provided will include mobile patrols, static guards for meetings and functions, alarm response, after-hours staff escort, and cash collections. The anticipated cost for this contract in the 2002/03 financial year will be met from security budgets across Council properties.

### **ISSUES**

The establishment of this contract will enable management and administration of this service contract to be aligned with standard contract procedures put in place for other property service contracts over the last year. The contract will provide for the ability to include security to additional properties during the life of the contract if required.

It is proposed to let the contract with a 1+1+1 year term, i.e. for one year with a right of renewal for two further one year periods. The contract will be renewed at the end of each year at Council's discretion.

The 1+1+1 is a standard contractual term for Council and has been used successfully in many contracts, e.g. 01EWC001 Onsite Wastewater Management Systems - Inspection and Cleaning, 73750 IM Network Service and Support Agreement, 74780 Supply of Desktop and Laptop Computers.

The scope of this contract has been aligned to several other initiatives related to security that are about to be implemented as part of a review of security. The establishment of the Call Centre as an alarm monitoring centre will provide efficiencies and is a key change in terms of how this contract has been previously arranged.

As this contract has the potential to commit funding from future annual budgets, the approval of the Tenders Subcommittee is sought prior to tendering. The source of funding will be the aggregate security budgets that currently reside in the properties currently managed by the Consultancy Services Property section plus the security budgets of other Council properties.

### **CONCLUSION**

A three year term for the contract reduces the internal cost to Council associated with annual tendering, while the 1+1+1 year contractual arrangement allows Council the flexibility of terminating the contract on an annual basis or continuing for the full three years.

### **RECOMMENDATIONS**

1. That the information be received.
2. That Waitakere City Council Property Security Services Contract: Number CY02012B be tendered with a three year term based on a 1+1+1 year contractual arrangement.

Report prepared by: Barry Carter, Business Manager: Consultancy Services.



**7 AQ01003C AQUATIC CENTRE MAINTENANCE SHUTDOWN - TILING**

**PURPOSE OF THE REPORT**

The purpose of this report is to seek approval to invite tenders for the replacement of pool and concourse tiles from a shortlist of three registrants for the proposed maintenance shutdown at the Aquatic Centre.

**BACKGROUND**

The "shutdown" is an integral part of the long-term maintenance plan for the original main and dive pool areas of the Aquatic Centre. The shutdown period will be April to June 2003 and has been timed to coincide with the swimming club's annual layoff. In addition the new upgrade area will be operational so as to ensure continuity of access for patrons as well.

The maintenance work comprises diverse specialist trades and is to be let as a number of separate contracts. These will be co-ordinated by Octa Associates Limited, a consultant with considerable expertise in the project management of similar maintenance projects.

The tiling work package involves the following:

- the supply of matching tiles. These have to be imported from overseas by the successful contractor, the delivery period being approximately 60 days. The sourcing of tiles is a critical path activity in terms of enabling the maintenance work to proceed as planned during the shutdown period;
- removal of the existing dive pool tiles, making good the substrate and the installation of new tiles to the dive pool;
- cleaning of the main pool and concourse tiles by way of acid wash and replacement of any damaged tiles;
- cleaning of the grout to the main pool and concourse tiling and replacement of missing grout;
- cleaning of the stainless steel fittings in both pools;
- resealing of all movement control joints in the tiling where required;
- installation of new drainage grates around the perimeter of both pools;
- lifting and making good circular floor waste grates to the concourse where required;
- removal off site of all debris.

A 2-stage procurement process, namely Registration of Interest and Tenders by Invitation, has been adopted, the reasons being:-

- this is a large scale project with high costs (over \$200,000);
- the completion of the works within the shutdown period is of utmost importance, requiring the use of a specialist company capable of providing the high level of performance required;
- the project outcome and quality has high importance to Council;
- tender documentation can be prepared in parallel with the Registration of Interest process;
- the development of a shortlist can reduce the complexity and duration of the tender evaluation process whilst still ensuring that competitive bids are procured.

A Registration of Interest from prospective tenderers, for the replacement of pool and concourse tiles at the Aquatic Centre was called for by way of two insertions in the New Zealand Herald (18 & 19 October 2002).

The Registration of Interest process is being carried out in accordance with the Council's Procurement Manual, with tenderers for the work being drawn from the highest ranked respondents.

### REGISTRATIONS RECEIVED

Three (3) registrations of interest were received by the closing date of 23 October 2002:

REGISTRANT	REG. OFFICE
The Tile People Limited	New Lynn
NZC Tileworks Limited	Howick
Charles Norager & Son Limited	Otahuhu

**Table 1 - Summary of Registrants**

### REGISTRANT EVALUATION

In accordance with the conditions of registration, registrants 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:

Registration of Interest Evaluation	Relevant Experience	Track Record	Technical Skill	Resources	Manag. Skill	AQ01003C
						Total Weights
	25	25	15	20	15	100
Registrant			Grades			INDEX
The Tile People Limited	85	75	75	80	65	77
NZC Tileworks Limited	85	75	75	65	65	74
Charles Norager & Son Limited	80	70	75	70	65	73

**Table 2 - Summary of Registration of Interest Evaluation**

Individual scores for registrants are shown.

The evaluation was carried out by a select panel comprising in-house and external project managers. Each registration was evaluated and scored independently and reviewed by members of the panel.

### SUMMARY

All Registrations of Interest evaluated were deemed to be conforming.

The Registration of Interest document for this process specified the information required and the format of the registrant's submissions. This document also identified that only the highest ranked registrants would be invited to tender for each of these projects.

Based on the normal scoring ranges, a grade of 65 represents an "above-average" score. The registrants all have scores of 65 or more and therefore are well experienced and capable of carrying out the projects in a competent manner. Two of the registrants have worked on the Aquatic Centre Upgrade Project and the third has undertaken a lot of pool tiling work in Auckland. Therefore all registrants will be invited to tender for these projects.

It is considered that the invitation of tenders from three companies is appropriate for a contract of this magnitude and will encourage serious and competitive tenders.

All of the registrants listed in Table 2 above will be invited to tender for the work and the actual tenders will be evaluated using the weighted attributes method, which will take into account nominated personnel, proposed sub-consultants and other specific contract attributes such as methodology and price.

### **RECOMMENDATIONS**

1. That the information be received.
2. That all three registrants be invited to tender for AQ01003C Aquatic Centre Maintenance Shutdown - Tiling. These registrants are:
  - The Tile People Limited;
  - NZC Tileworks Limited;
  - Charles Norager & Son Limited.

Report prepared by: Chris Thomas, Business Manager, Consultancy Services.



## **8 AQ01003H AQUATIC CENTRE MAINTENANCE SHUTDOWN - ACOUSTIC CEILING TREATMENT**

### **PURPOSE OF THE REPORT**

The purpose of this report is to seek approval to invite tenders for the acoustic ceiling treatment work package from a shortlist of two registrants for the proposed maintenance shutdown at the Aquatic Centre.

### **BACKGROUND**

The "shutdown" is an integral part of the long-term maintenance plan for the original main and dive pool areas of the Aquatic Centre. The shutdown period will be April to June 2003 and has been timed to coincide with the swimming club's annual layoff. In addition, the new upgrade area will be operational so as to ensure continuity of access for patrons as well.

The maintenance work comprises diverse specialist trades and is to be let as a number of separate work packages. These will be co-ordinated by Octa Associates Limited, a consultant with considerable expertise in the project management of similar maintenance projects.

The acoustic ceiling treatment work package involves the following:

- removal of the existing acoustic ceiling and removal of the temporary netting;
- supply and installation of a new acoustic ceiling to the underside of the space frame roof framing. The ceiling materials may have to be imported from overseas by the successful contractor and hence the sourcing of these is a critical path activity in terms of enabling the maintenance work to proceed as planned during the shutdown period;
- removal off site of all debris related to this work package.

A 2-stage procurement process, namely Registration of Interest and Tenders by Invitation, has been adopted, the reasons being:-

- this is a large scale project with high costs (over \$290,000);
- the completion of the works within the shutdown period is of utmost importance, requiring the use of a specialist company capable of providing the high level of performance required;
- the project outcome and quality has high importance to Council;
- tender documentation can be prepared in parallel with the Registration of Interest process;
- the development of a shortlist can reduce the complexity and duration of the tender evaluation process whilst still ensuring that competitive bids are procured.

A Registration of Interest from prospective tenderers, for the acoustic ceiling treatment work package at the Aquatic Centre was called for by way of two insertions in the New Zealand Herald (18 & 19 October 2002).

The Registration of Interest process is being carried out in accordance with the Council's Procurement Manual, with tenderers for the work being drawn from the highest ranked respondents.

### REGISTRATIONS RECEIVED

Three (3) registrations of interest were received by the closing date of 23 October 2002:

REGISTRANT	REG. OFFICE
Arabac	New Plymouth
Forman Commercial Interiors Ltd	Penrose
Suspended Ceiling Limited	Lower Hutt

Table 1 - Summary of Registrants

### REGISTRANT EVALUATION

In accordance with the conditions of registration, registrants 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:

Registration of Interest Evaluation	Relevant Experience	Track Record	Technical Skill	Resources	Management Skill	AQ01003H
						Total Weights
	25	25	15	20	15	100
Registrant			Grades			INDEX
Forman Commercial Interiors Limited	85	80	75	80	75	80
Suspended Ceiling Limited	85	80	75	80	75	80
Arabac	0	0	0	35	35	Disqualified

Table 2 - Summary of Registration of Interest Evaluation

Individual scores for registrants are shown. The registration by Arabac did not include any information on relevant experience, track record or technical skills in work of a similar nature. Their staff and management have the capability to work in dangerous elevated environments but there is no demonstrated capability to undertake the specialised works required under this works package. Consequently, the registration by Arabac has been disqualified.

The evaluation was carried out by a select panel comprising in-house and external project managers. Each registration was evaluated and scored independently and reviewed by members of the panel.

## **SUMMARY**

The registration by Arabac was disqualified.

The registrations by Forman Commercial Interiors Limited and Suspended Ceiling Limited were deemed to be conforming registrations. Both companies were involved in the Aquatic Centre Upgrade project.

The Registration of Interest document for this process specified the information required and the format of the registrant's submissions. This document also identified that only the highest ranked registrants would be invited to tender for each of these projects.

Based on the normal scoring ranges, a grade of 65 represents an "above-average" score. The two highest ranked registrants all have scores of more than 65 and therefore are well experienced and capable of carrying out the projects in a competent manner.

The work is of a specialised nature with a limited number of companies in the market able to undertake such work. This accounts for the limited number of registrations received. Nevertheless, both conforming registrants are of a high calibre and it is expected that an invited tender procurement process will result in serious and competitive tenders.

The two conforming registrants as listed in Table 2 above, will be invited to tender for the work and the actual tenders will be evaluated using the weighted attributes method, which will take into account nominated personnel, proposed sub-consultants and other specific contract attributes such as methodology and price.

## **RECOMMENDATIONS**

1. That the information be received.
2. That the two conforming registrants be invited to tender for AQ01003H Aquatic Centre Maintenance Shutdown - Acoustic ceiling treatment. These registrants are:
  - Forman Commercial Interiors Limited;
  - Suspended Ceiling Limited.

Report prepared by: Chris Thomas, Business Manager: Consultancy Services.



**9 CONTRACT RM02007.3 - ENERGY MONITORING SYSTEM**

**PURPOSE OF THE REPORT**

The purpose of this report is to seek approval to award Contract RM02007.3 Energy Monitoring System for a term of two years.

**BACKGROUND**

Waitakere City Council has begun to examine its energy use and associated CO<sub>2</sub> impacts as a result of Council's strategic planning (including its corporate sustainability programme and Triple Bottom Line Reporting), the release of the Energy Efficiency & Conservation Strategy, central government's Climate Change Programme. Energy and water costs over the past three years are as follows:

Details	1999/2000 Actual	2000/2001 Actual	2001/2002 Actual	2002/2003 Budget	# Accounts
Water	108,776	109,801	106,708	116,070	TBA (>75)
Electricity	1,201,234	1,244,177	1,159,750	1,372,815	269
Gas	196,239	162,743	190,682	250,200	7
<b>Total</b>	<b>1,506,249</b>	<b>1,516,722</b>	<b>1,457,140</b>	<b>1,739,085</b>	

**Table 1 - Waitakere City Council's Energy and Water Costs**

During the second half of 2001/2002 Council began to take a proactive approach to energy management, with initial focus on controlling and monitoring its own electricity usage and costs. This approach highlighted that current processes and support tools do not allow the effective control and monitoring of energy usage and costs given to the large number of accounts involved.

While information is poor, initial cost monitoring and targeting, and the upgrade of the Civic Centre have created the following on-going electricity cost savings.

Initiative	Savings - 2001/02	Annual Financial Savings	Annual Environmental Savings
New Lynn Community Centre - Down graded main fuse size	\$9,440 refund on incorrect charges \$5,500	\$24,481	Reduction in maximum load by 200 Amps
Corban Estate - Down graded main fuse size	\$1,800	\$7,200	Reduction in maximum load by 200 Amps
Tyne Building - Cost centre clarification		\$1,500	Externalised energy cost to users
5 Ratanui Street - Cost centre clarification - Down graded main fuse size	\$1,666	\$5,000	Externalised energy cost to users

Initiative	Savings - 2001/02	Annual Financial Savings	Annual Environmental Savings
Civic Centre - Installed air conditioning (for first time), new ceiling and lighting system. - Decommissioned old heating and mechanical air exchange system	\$24,889	\$24,889	Currently reviewing opportunity to reduce electricity demand.  Reduction of 103.69 tonnes CO <sub>2</sub>
<b>Total</b>	<b>\$43,295</b>	<b>\$63,070</b>	<b>Reduction in maximum load by 400 Amps</b>  <b>Reduction in 103.69 tonnes CO<sub>2</sub></b>

**Table 2 - Savings Identified in 2001/02 for Council's Electricity Usage**

Council was 'Highly Commended' at the EnergyWise Awards in September 2002 for its efforts in reducing the level of energy use in new public buildings. Avoiding energy use during the design stage is critical for energy efficiency gains, followed closely by monitoring energy use and costs in order to spot problems before they become major issues.

Council is now seeking to implement an energy monitoring and targeting system for electricity and gas (which can also monitor water usage and costs), to create more effective and efficient processes to manage, control and reduce Council's energy and water usage. It is believed that this will enable Council to even more effectively target and monitor conservation and energy efficiency initiatives.

### SCOPE OF WORK

The contract was for the supply of an energy monitoring system to provide:

1. Transparency to electricity, gas and water costs.
2. Highlight abnormal energy costs or usage for follow-up.
3. Support smooth management and operation of Council's own electricity, gas and water accounts.
4. Empower Council to manage its own energy processes.
5. Information to identify beneficial energy and water efficiency opportunities for Waitakere City Council.

### PROPOSAL RECEIVED

Through investigations carried out by Council staff it has been determined that the EnergyPro System was the most appropriate energy monitoring system for Council's requirements. These investigations included:

- consulting with the Energy Efficiency and Conservation Authority (EECA) on what type of energy monitoring systems were available in New Zealand and the nature of them;
- reviewing information on the nature and function of energy monitoring and targeting systems;
- consulting with Hamilton City Council's energy manager on why they chose to install an energy monitoring system and why they selected the system they did (Energy Pro).

A proposal was invited from EnergyPro Systems Limited, as the EnergyPro System is only available through them.

This is summarised in Table 3 below:

TENDERER	REG OFFICE	TENDER PRICE (excl.GST)
EnergyPro Systems Limited	99 St. Andrews Road, Epsom Auckland	\$51,699

**Table 3 - Summary of Tender Prices**

Appropriate attributes were determined, with a baseline evaluation established as an index against which the proposal has been tested.

### TENDER EVALUATION

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

Prior to evaluating the proposal, a baseline index for each attribute was established at 70 (above average performance) giving an overall baseline index of 56.

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

Tender Evaluation	Attributes	Exper.	Track Record	Tech. Skill	Resour.	Manag. Skill	Method.	Price	Contract Number RM02007.3
		Total Weights							
	<b>Weights</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>70</b>	<b>100</b>
Tenderer	Tender Sum	Grades							INDEX
EnergyPro Systems Limited	\$51,724.00	75	80	80	65	65	85	50	58
Officer Estimate	\$51,724.00	70	70	70	70	70	70	50	56
<b>Med.n Tender Price</b>	\$51,724.00								

**Table 4 - Summary of Tender Evaluation**

The experience, track record, and technical skill of EnergyPro Systems Limited is evident through a number of sources. The company was Highly Commended at the 2000 EnergyWise Awards for their monitoring system and the associated energy savings generated by their customers and have been profiled a number of times by the Energy Efficiency and Conservation Authority for their product and the resulting successes achieved by their customers. They have completed previous installations of the EnergyPro for other organisations, including four councils, and are familiar with multi-site energy monitoring requirements of councils.

EnergyPro not only verifies invoice details; it is also a monitoring and targeting system to help organisations manage energy use across many sites. Although the system is specifically designed by EnergyPro Systems Limited, it is also an 'off the shelf' package used by other customers that minimises risks associated with 'one-off' custom software.

The resources and management scoring of EnergyPro Systems are graded to reflect that the company is small and dependent on the efforts of one key person at this time. The company is currently planning to manage its growth and is examining its future resource needs to ensure that its level of good customer service continues.

### TAGS, ERRORS OR OMISSIONS

No tags, errors or omissions were identified.

### CREDIT CHECK

A credit check dated 23 October 2002 revealed no adverse information.

### SUMMARY

The proposal by EnergyPro Systems Limited scores better than the benchmark index. They have successfully demonstrated by working with and implementing EnergyPro into the other organisations, including four councils, that they have the necessary skills and attributes to successfully undertake the work required in this contract.

### JOB COSTS

Item	Quantity	Rate	Price (EXCL. GST)
<b>1. Energypro Software System (One Time Fee)</b> <ul style="list-style-type: none"> <li>• Single (concurrent) user version;</li> <li>• Configured for 400 EAC (Energy Account Centres);</li> <li>• User Documentation;</li> <li>• Software Licence Agreement.</li> </ul>	400 Energy Account Centres		\$26,659
<b>2. User Training</b> <ul style="list-style-type: none"> <li>• Overview and use of EnergyPro;</li> <li>• Data processing, invoices and reports;</li> <li>• Setting up purchase agreements, new sites;</li> <li>• Analysis, reporting and budgeting</li> <li>• User feedback, Q&amp;A.</li> </ul>	Approximately 2 days		\$1,920

Item	Quantity	Rate	Price (EXCL. GST)
<p><b>3. Systems Implementation</b></p> <ul style="list-style-type: none"> <li>• Further define and scope project parameters;</li> <li>• Consult and liaise with Electricity (and Water supplier) to receive EDT files;</li> <li>• Set-up output for Waitakere City Council's accounts payable processing, if required;</li> <li>• Project Management;</li> <li>• Initial systems set-up;</li> <li>• Define, receive and review WCC incoming data prior to setting up in EnergyPro;</li> <li>• Configure EnergyPro for Waitakere City Council Sites, revenue and check meters with supply agreements to enable loading of historical data.</li> <li>• Load the historical data provided by WCC (it is assumed that at least 12 months data will be provided with greater periods where available);</li> <li>• Prepare systems to handle next months processing using currently available data formats;</li> <li>• Set-up Electricity supplier EDT files if available*;</li> <li>• Quality assurance and acceptance testing;</li> <li>• Install system at Waitakere City Council and carry out performance tests prior to user training.</li> </ul>			\$14,784
<p><b>4. Maintenance and Support (Per Annum)</b></p> <ul style="list-style-type: none"> <li>• Released software enhancements and upgrades</li> <li>• Feedback forum and wish list access</li> <li>• Priority help-desk and technical support</li> <li>• Six monthly peer review.</li> </ul>			\$5,136
<p><b>Contingency</b></p> <p>EDT set-up with Electricity, and/or Water supplier, if available after the initial implementation period.</p>			\$3,200
<b>TOTAL</b>			\$51,699 (excl GST)

This budget is funded from the Information Management Capital Works Programme for 2002/2003 and from the associated operating support budgets (maintenance portion) for both 2002/2003 and 2003/2004. Sufficient budget exists in these budgets for 2002/2003.

### **RECOMMENDATIONS**

1. That the information be received.
2. That in accordance with Section 247E of the Local Government Act 1974 and Section 3.4 of Council's Procurement Manual, approval be given to the selection of a sole supplier for Contract RM02007.3 Energy Monitoring System on the basis that the product required and specified is available only from that supplier.
3. That the proposal from EnergyPro Systems Limited (for Contract RMO 2007.3 Energy Monitoring System) in the sum of \$51,699.00 plus \$646.38 GST, totalling \$58,161.38, be accepted.
4. That the commitment of funds for Support & Maintenance, \$5,136.00 in the 2003/04 financial year for Contract RM02007.3 Energy Monitoring System be approved.
5. That authority to enter into Contract RM02007.3 Energy Monitoring System on behalf of Council be delegated to the Director: Corporate & Civic Services.

Report prepared by: Michelle Dawson, Project Manager: Cleaner Production.

