



NOTICE OF MEETING

TENDERS SUBCOMMITTEE

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

DATE: **Friday** **2 August 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.

29 July 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: Strategic Projects

Director: Strategic Group

Director: Finance

Director: City Enterprises

Maori Issues Manager

Mayor, Bob Harvey, QSO, JP (ex officio)

Deputy Mayor, CA Stone (ex officio)

(Quorum 4 members)

★ ★ ★ ★ ★ ★ ★ ★ ★ ★

(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, 2 AUGUST 2002,
COMMENCING AT 9.00 AM.**

TABLE OF CONTENTS

<u>ITEM</u>		<u>PAGE NO.</u>
1	APOLOGIES	1
2	URGENT BUSINESS	1
3	CONFIRMATION OF MINUTES	1
4	PK02516.D SUPPLY OF ECOSOURCED PLANTS CONTRACT	2
5	CONTRACT NO. TA 02502B UNSEALED ROADS MAINTENANCE 2002/2003	3

**AGENDA FOR AN ORDINARY MEETING OF THE TENDERS SUBCOMMITTEE TO
BE HELD IN THE CIVIC CENTRE, 6 WAIPAREIRA AVENUE, LINCOLN,
WAITAKERE CITY, ON FRIDAY, 2 AUGUST 2002,
COMMENCING AT 9.00 AM.**

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 CONFIRMATION OF MINUTES

Ordinary - 19 July 2002

RECOMMENDATION

That the minutes of the Ordinary Meeting of the Tenders Subcommittee held on Friday, 19 July 2002, as circulated, be taken as read and now be confirmed.



4 PK02516.D SUPPLY OF ECOSOURCED PLANTS CONTRACT

PURPOSE OF THE REPORT

Permission is sought to negotiate a two year contract with Techscape Limited for the supply of ecosourced plants for programmed revegetation projects in 2003 and 2004.

BACKGROUND

To fulfil Council's capital revegetation programme as provided for in the 2002/2003 Annual Plan and 2003/2004, a large supply of ecosourced plants are required. Generally nurseries do not grow the number and types of trees and shrubs required for large scale revegetation projects, therefore plants are needed to be ordered in advance. Techscape Limited has supplied ecosourced plants for many Council revegetation projects over the past three years.

STRATEGIC CONTEXT

Ecosourcing supports the Green Network goal of seeking to: ensure the health of native ecosystems is protected and enhanced to ensure their long-term survival. Waitakere City Council has developed a nationally recognised Code of Practice for the sourcing, managing and labelling of plants for ecosourcing purposes.

ISSUES

Ecosourced plants are needed to meet revegetation requirements at the Waitakere Quarry, Kay Road Balefill, Piha sand dunes together with Paremuka and other stream restoration projects in 2003 and 2004.

Plants need to be ordered up to two years in advance in order for seed to be collected, germinated and grown to a plantable size.

Techscape Limited is one of only three approved suppliers of ecosourced plants as per Waitakere City Council's ecosourcing Code of Practice and in 1999/2000 won a competitively tendered contract for the supply of ecosourced plants.

Letting a two year contract would involve committing funding from the 2003/2004 budget. The Engineers Estimate for this contract is:

2002/2003	\$25,000
2003/2004	\$45,000

RESOURCES

Funding for the ecosourced plants to be supplied in 2003, estimated at \$25,000 is allowed for in the 2002/2003 Annual Plan.

A commitment to fund the ecosourced plants to be supplied in 2004, estimated at \$45,000 is required from the 2003/2004 Annual Plan.

Techscape Limited has the resources to supply the numbers of ecosourced plants required in 2002/2003 and 2003/2004.

CONCLUSION

A two year contract is needed to ensure that a supply of ecosourced plants is available to meet revegetation program requirements in 2003 and 2004.

Techscape Limited has a proven track record for the supply of ecosourced plants.

RECOMMENDATIONS

1. That the information be received.
2. That approval be given to negotiate a two year contract with Techscape Limited for the supply of ecosourced plants in 2003 and 2004.

Report prepared by: Kathryn Howard, Parks Environmental Assets Co-ordinator.



5 CONTRACT NO. TA 02502B UNSEALED ROADS MAINTENANCE 2002/2003

PURPOSE OF THE REPORT

The purpose of this report is to seek approval to award Contract TA 02502.B Unsealed Roads Maintenance 2002/2003.

BACKGROUND

Waitakere City Council currently has approximately 35.8km of unsealed roads that require routine maintenance. The existing contract is due to expire on 31 July 2002.

SCOPE OF WORK

This maintenance contract provides for the monitoring and unsealed surface maintenance of Council's unsealed roads, unsealed car-parks on a city-wide basis. It also includes the cleaning of the adjacent surface water channels and culverts.

Three options were tendered - Option 1 allows for a Contract Completion Date of 30 June 2003, Option 2 for a Contract Completion Date of 30 June 2004 and Option 3 for a Contract Completion Date of 30 June 2005.

TENDERS RECEIVED

Public Tenders were called. Five (5) documents were uplifted and three (3) tenders submitted for the contract as shown in table 1.

Tenderer	Reg. Office	Tender Price Option 1 (excl GST)	Tender Price Option 2 (excl GST)	Tender Price Option 3 (excl GST)
HEB Contractors Ltd	Drury	\$288,765.30	\$582,380.60	\$875,995.90
Ross Reid Contractors Ltd	Pakuranga	\$307,675.00	\$625,900.00	\$946,075.00
Works Infrastructure Ltd	Wellington	\$326,577.00	\$663,477.00	\$995,577.00
Engineer's Estimate (Contract Value):		\$289,600.00	\$586,950.00	\$884,300.00

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 2A for option 1, table 2B for option 2 and table 2C for option 3.

Tender Evaluation	Attributes	Exper.	Track Record	Tech. Skill	Resour.	Manag. Skill	Method.	Price	Contract Number TA 02502B Option 1 Total Weights
Tenderer	Weights	5	8	5	5	5	2	70	100
	Tender Sum	Grades							Index
HEB Contractors Ltd	\$288,765.30	60	45	65	80	50	75	56	57
Ross Reid Contractors Ltd	\$307,675.00	55	70	65	80	70	75	50	56
Works Infrastructure Ltd	\$326,577.00	80	70	70	80	70	75	44	53
Med.n Tender Price	\$307,675.00								

Table 2A - Summary of Tender Evaluation (Option 1)

Tender Evaluation	Attributes	Exper.	Track Record	Tech. Skill	Resour.	Manag. Skill	Method.	Price	Contract Number TA 02502B Option 2 Total Weights
Tenderer	Weights	5	8	5	5	5	2	70	100
	Tender Sum	Grades							Index
HEB Contractors Ltd	\$582,380.60	60	45	65	80	50	75	57	58
Ross Reid Contractors Ltd	\$625,900.00	55	70	65	80	70	75	50	56
Works Infrastructure Ltd	\$663,477.00	80	70	70	80	70	75	44	53
Med.n Tender Price	\$625,900.00								

Table 2B - Summary of Tender Evaluation (Option 2)

Evaluation	Attributes	Exper.	Track Record	Tech. Skill	Resour.	Manag. Skill	Method.	Price	Contract Number TA 02502B Option 3 Total Weights
Tenderer	Weights	5	8	5	5	5	2	70	100
	Tender Sum	Grades							Index
HEB Contractors Ltd	\$875,995.90	60	45	65	80	50	75	57	58
Ross Reid Contractors Ltd	\$946,075.00	55	70	65	80	70	75	50	56
Works Infrastructure Ltd	\$995,577.00	80	70	70	80	70	75	45	53
Med.n Tender Price	\$946,075.00								

Table 2C - Summary of Tender Evaluation (Option 3)

HEB Contractors Limited has carried out work for Waitakere City Council where there have been some quality issues. This has been reflected in their attribute score for Track Record above.

TAGS, ERRORS OR OMISSIONS

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

CONSIDERATION OF OPTIONS

A comparison of the weighted attribute indices in Table 2A, Table 2B and Table 2C demonstrates that HEB Contractors Limited ranked highest in all three options. They also have the lowest tender for all three options.

A comparison of their submitted rates indicated there are no cost savings to be attained in awarding either Option 2 (Contract Completion 30 June 2004) or Option 3 (Contract Completion 30 June 2004) over Option 1 (Contract Completion 30 June 2003).

CREDIT CHECK

A credit check dated 16 July 2002 revealed HEB Contractors Limited has a "severe" risk of paying in a severely delinquent manner (60+ days past terms). This slowness of payment can be the result of disputes over invoices, merchandise etc and does not imply a cash-flow problem. The credit check reveals no other adverse information and in view of the low risk of exposure to Council in awarding this Contract (the cost to Council in re-tendering this Contract in the event of HEB Contractors Limited being dissolved is offset by the Contractor's bond that is lodged at the start of the Contract), is considered to be of no concern. A statement confirming this Tenderer's financial status and their ability to service this Contract has been supplied.

SUMMARY

The results of the tender evaluation as summarised in Table 2A, Table 2B and Table 2C shows that the tender submitted by HEB Contractors Limited achieved the highest index of 57 for option 1 and 58 for both options 2 and 3. This tender is also the lowest priced tender for all three options.

HEB Contractors Limited is a privately owned civil engineering contracting firm that was founded in 1975 and forms part of the HEB Group of Companies.

HEB Contractors Limited has successfully carried out many roading construction contract works, including road and bridge widening projects for Franklin District Council, the Hikauae to Puhoi Bridge Safety Improvements Contract and a section of the ALPURT project (Albany to Puhoi State Highway 1 motorway extension) for Transit New Zealand.

HEB Contractors Limited has also gained experience in road maintenance works. They have successfully completed the Papakura District Roading Maintenance Contract, a six year contract involving the maintenance of predominantly sealed road carriageway maintenance works. They have also just recently started unsealed roads maintenance work in conjunction with another Contractor for the Matamata-Piako District Council.

Reference checks made on a selection of clients indicated a well-resourced and capable Contractor.

HEB Contractors Limited has also carried out work for Waitakere City Council, including Vineyard Road seal extension, Wiseley Road widening and West Coast Road/Seymour Road intersection improvement. There have been some quality issues on some past contracts and this has been reflected in their attribute scores. They have just recently been awarded contracts for the intersection improvements at Archibald Road/St Leonards Road and the Improvements to Maui Street contracts.

As a result of their track record on Waitakere City Council projects and the fact that there are no cost savings to be attained in awarding either Option 2 (Contract Completion 30 June 2004) or Option 3 (Contract Completion 30 June 2004) over Option 1 (Contract Completion 30 June 2003), it is recommended that HEB Contractors Limited be awarded this Contract for Option 1 only.

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

	Excl. GST
Tender - HEB Contractors Limited (Option 1)	\$288,765.30
Contingency	\$ 28,000.00
Engineering and Supervision	\$ 16,300.00

Total Job Cost	\$333,065.30

SOURCE OF FINANCE

Budget Description (from Annual Budget line item)	Codes	2002/2003 Annual Plan Budget	Allocation to This Project	Commitmen To Other Projects	Unallocated Balance
Subsidised General Maintenance (Grading)	46-7118-24370	79,000	79,000.00	-	-
Subsidised General Maintenance (Metalling)	46-7118-24380	106,000	106,000.00	-	-
Surface Water Channels-Rural	46-7118-24320	110,000	62,000.00	48,000.00	-
Culverts and cesspits-Rural	75-9860-39220	72,000	39,765.30	32,234.70	-
Parks (Carparks reseals)	75-9861-31570	135,000	30,000.00	100,000.00	5,000.00
Professional Services	46-7118-24360	80,000	16,300.00	48,000.00	15,700.00
		Total	333065.30		

RECOMMENDATIONS

1. That the information be received.
2. That Council approve the award of an 11- month contract (option 1, contract completion date 30 June 2003).
3. That the tender from HEB Contractors Limited for Contract no. TA 02502B Unsealed Road Maintenance 2002/2003 - Option 1 in the sum of \$288,765.30 plus \$36,095.66 GST, totalling \$324,860.96 be accepted and that the Director: City Services be appointed to enter into contract on Council's behalf.

Report prepared by: Upali Ileperuma, Transport Engineer: Transport Assets.

