



NOTICE OF MEETING

TENDERS SUBCOMMITTEE

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

DATE: **Friday** **30 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.

23 August 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: Finance

Director: City Enterprises

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, 30 AUGUST 2002,
COMMENCING AT 9.00 AM.**

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**AGENDA FOR AN ORDINARY MEETING OF THE TENDERS SUBCOMMITTEE
TO BE HELD IN THE CIVIC CENTRE, 6 WAIPAREIRA AVENUE, LINCOLN,
WAITAKERE CITY, ON FRIDAY, 30 AUGUST 2002,
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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 Committee 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 - 16 August 2002

RECOMMENDATION

That the minutes of the Ordinary Meeting of the Tenders Subcommittee held on Friday, 16 August 2002, as circulated, be taken as read and now be confirmed.



4 CONTRACT EW02409P - DRINKING WATER QUALITY IMPROVEMENTS

PURPOSE OF THE REPORT

The purpose of this report is to seek approval to award Contract EW02409P - Drinking Water Quality Improvements to other than the lowest tenderer.

BACKGROUND

EcoWater has developed a long-term work programme to minimise the likelihood of potential contaminants entering the water supply network. This work also includes contingency planning so that if such an incident arises the source of contamination will be isolated and effects on customers mitigated.

The primary requirements for water quality management are to:

- maintain compliance with the Drinking Water Standards for New Zealand 2000;
- maintain an "A" grading for Council's water supply distribution system;
- plan for rapid, effective response to potential water contamination events;
- ascertain factors which may affect future compliance with Drinking Water Standards for New Zealand 2000;
- improve aesthetic water quality parameters not measured by Drinking Water Standards for New Zealand 2000;
- continually optimise operational and asset management practices to ensure Council delivers the best water quality at an affordable cost.

An important component of this strategy is the preparation of "Iso-concentration Maps" (ICM), which show contaminant concentration contours across each water supply pressure zone. These Maps allow prediction and management of areas of high iron, manganese, aluminium and alkalinity or low chlorine concentration and have been prepared for some of the City. Further Maps will be prepared for the rest of the City under this contract.

The scope of the work includes emergency response planning for potential contamination events such as the blue-green algae problem of February 2000, or more serious contaminants.

Under this contract Emergency Response Plans are to be prepared for 4 of the 'higher risk' pressure zones City-wide. Preparation of Emergency Response Plans for all 17-pressure zones will be staged over the next two to three years.

SCOPE OF WORK

The scope of this contract is to:

- correlate historical water quality data collected from a number of different sources, e.g. EcoWater's water quality monitoring programme, customer complaints, pipeline maintenance and construction, to improve operational and asset management practices;
- complete the Iso-concentration Mapping Programme;
- prepare Emergency Response Plans for 4 'higher risk' pressure zones; and
- design and install suitable chlorinators at Massey and Bush Rd Reservoirs.

TENDERS RECEIVED

Tenders were invited from the consultants who had earlier pre-qualified for this category of work. Three tenders were received by the closing date of 23 July 2002. These are summarised in Table 1 below.

TENDERER	REGISTERED OFFICE	TENDER PRICE (excluding GST)
Montgomery Watson Harza Ltd	585 Great South Rd, Penrose	\$118,920.00
Meritec Ltd	47 George St, Newmarket	\$123,704.00
Harrison Grierson Consultants Ltd	71 Great South Rd, Newmarket	\$157,980.00
PRE-TENDER CONTRACT ESTIMATE		\$110,000.00

Table 1 - Summary of Tender Prices

TENDER EVALUATION

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

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

Tenderer	Attributes	Key	Methodology	Price	Contract EW 02 409 P
		Personnel			Total Weights
	Weights	20	35	45	100
	Tender Sum				INDEX
Montgomery Watson Harza Ltd	\$118,920.00	50	50	54	52
Meritec Ltd	\$123,704.00	80	80	50	67
Harrison Grierson Consultants Ltd	\$157,980.00	80	85	22	56

Table 2 - Summary of Tender Evaluation

A number of "non-price attributes" were evaluated in the pre-qualification process, hence only the attributes not specifically addressed at pre-qualification were considered in the evaluation. These were methodology, confirmation of availability or alterations to key personnel and price. The conditions of tender required specific coverage of these two attributes in tender submissions.

Montgomery Watson Harza Limited's tender, which offered the lowest price, failed to demonstrate a good understanding of the work required, specifically:

- lack of knowledge of Iso-concentration Mapping methods;
- the objectives of collating and analysing water quality;
- staff with experience relevant to water distribution network management; and
- a clear analytical procedure to define relevant recommendations.

This was reflected in their methodology and key personnel evaluation, 50 as opposed to Meritec Limited's 80.

Meritec Limited offered a satisfactory submission with innovative approaches to project management, methodology, and the benefits of an holistic approach. They also enhanced the key personnel offered in the pre-qualification stage by offering additional staff who will contribute to the project.

TAGS, ERRORS OR OMISSIONS

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

CREDIT CHECK

A credit check on Meritec Limited has been requested.

SUMMARY

The results of this evaluation, as summarised in Table 2, show that the tender submitted by Meritec Limited achieved the highest overall index of 67. This tender is also the second lowest priced tender.

This contract is for specialised services. It is considered that Meritec Limited has the best mix of specific technical skills in drinking water quality and water supply network management, methodology and price to perform the work required.

JOB COSTS

	EXCL. GST
Tender sum - (Meritec Limited) -	\$123,704.00
Contingency -	\$ 12,000.00
Total Job Cost -	<u>\$135,704.00</u>

SOURCE OF FUNDING

Budget Description (from Annual Plan Line Item)	Codes	Budget	Committed to other Projects	Allocation to this Project	Unallocated Balance
2002/03 Opex Budget - Water Quality Improvement	SFL 85-7555 - 41720	\$138,000		\$118,704	\$19,296
2002/03 Capex Budget - Water Quality Improvement	SFL 85-9821- 41720	\$180,000		\$7,000	\$173,000
2002/03 Capex Budget -New Water Quality Equipment	SFL 85-9821- 61880	\$63,000		\$10,000	\$53,000
TOTAL				\$135,704	\$245,296

Table 3 - Funding

RECOMMENDATIONS

1. That the information be received.
2. That subject to a satisfactory credit check the tender from Meritec Limited for Contract EW02409P - Drinking Water Quality Improvements in the sum of \$123,704.00 plus \$15,463.00 GST, totalling \$139,167.00 be accepted.

3. That the tender for Contract EW02409P - Drinking Water Quality Improvements 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 Manager: EcoWater be delegated the authority to enter into this contract on behalf of Council.

Report prepared by: Tony Miguel, Manager: EcoWater.



5 CONTRACT PK02507A - BRIDGE & TRACK RENEWALS PROFESSIONAL SERVICES

PURPOSE OF THE REPORT

The purpose of this report is to advise the Tenders Subcommittee, as per clause 6.6.4 of Waitakere City Council's draft Procurement Manual, that Contract PK02507A - Bridge & Track Renewals Professional Services has been awarded to URS New Zealand Limited.

BACKGROUND

This work forms part of Council's annual asset renewal programme as provided for in the 2002/2003 Annual Plan.

Clause 6.6.4 of Waitakere City Council's draft Procurement Manual states that any contract awarded to other than the lowest priced tender having a value less than \$100,000, can be approved by the Manager with appropriate delegated authority but is to be reported to Tenders Subcommittee.

SCOPE OF WORK

The scope of work includes the production of concept plans for the renewal and replacement of pedestrian footbridges and tracks, obtaining all necessary consents, detailed design, production of a physical works contract and the management and supervision of the physical works contract.

TENDERS RECEIVED

Tenders were invited from three selected tenderers. Three tenders were received by the closing date of 16 July 2002. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl.GST)
Consultancy Services	Waitakere City Council	\$58,350.75
URS New Zealand Ltd.	Auckland	\$59,100.00
Mitchell Vranjes Consulting Engineers Ltd.	Mairangi Bay	\$62,250.00
Pre-tender contract estimate		\$50,000.00

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".

URS New Zealand Limited submitted an alternative tender, and so it was evaluated in accordance with Section 2.8 of the Transfund Manual. This requires all non-alternative tenders to be evaluated first, with the alternative tender being compared against the best of the non-alternative tenders.

The price of the alternative tender is not included in the calculation of the median tender price, although it is evaluated against it.

As the alternative tender submitted by URS New Zealand Limited did not meet the scope of the RFT it was not considered further.

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

Tender Evaluation	Attributes	Exper.	Track Record	Tech Skills	Management	Method	Price	Total Weight
Tenderer	Weight	15	20	20	15	10	20	100
	Tender Sum	Grades						Index
URS New Zealand Ltd	\$59,100.00	75	70	80	80	80	32	68
Consultancy Services	\$58,350.75	75	70	75	75	75	33	66
Mitchell Vranjes Consulting Engineers Ltd	\$62,250.00	85	75	75	55	55	26	62
Pre-tender estimate	\$50,000.00							

Table 2 - Summary of Tender Evaluation

Consultancy Services is an internal business unit of Waitakere City Council. Whilst Consultancy Services has carried out numerous projects for City Services to an above average standard, they have not carried out the bridge renewals professional services contract. Clarification was sought on the technical skills of the proposed staff members, particularly with regard to structural and planning expertise. The queries were answered satisfactorily.

URS New Zealand Limited have carried out projects for City Services previously to an above average standard and, whilst they have not carried out the bridge renewals professional services contract, the proposed resources have completed numerous similar projects for other clients.

Mitchell Vranjes Consulting Engineers Limited have previously carried out the bridge renewals professional services contract for City Services and numerous other projects for Waitakere City Council. These projects have been completed to a high standard. Mitchell Vranjes Consulting Engineers Limited provided little information on management skills or methodology.

TAGS, ERRORS OR OMISSIONS

There were no tags, errors or omissions.

SUMMARY

The results of the tender evaluation as summarised in Table 2 shows that the tender submitted by URS New Zealand Limited achieved the highest index of 68. This tender is also the second lowest priced tender.

The tender from URS New Zealand Limited for Contract PK02507A - Bridge & Track Renewals Professional Services in the sum of \$59,100.00 plus \$7,387.50 GST, totalling \$66,487.50 was accepted by the Director: City Services in accordance with his Financial Contract Delegations on 27 July 2002.

Clause 6.6.4 of Waitakere City Council's draft Procurement Manual states that any contract awarded to other than the lowest priced tender having a value less than \$100,000, can be approved by the Manager with appropriate delegated authority but is to be reported to Tenders Subcommittee.

JOB COSTS

	<u>EXCL. GST</u>
Tender sum - (URS New Zealand Limited)	\$59,100.00
Contingency	\$ 5,900.00

Total Job Cost	\$65,000.00

SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to this Project	Unallocated Balance
Bridge Replacements	TBA	\$146,000	\$80,000	\$65,000	0

RECOMMENDATION

That the information be received.

Report prepared by: Peter Sewell, Parks Asset and Contracts Engineer.



6 PK02516.A PARKS WALKWAYS AND PLANTINGS - PROFESSIONAL SERVICES

PURPOSE OF THE REPORT

The purpose of this report is to inform the Tenders Subcommittee of the evaluation and award of Contract PK02516.A Parks Walkways and Plantings - Professional Services, as the contract, which has a value of \$60,200 excluding GST, was awarded to other than the lowest priced tenderer.

BACKGROUND

This contract forms part of Council's parks asset capital and renewal programme as provided for in the 2002/2003 Annual Plan.

Clause 6.6.4 of Waitakere City Council's draft Procurement Manual states that any contract awarded to other than the lowest priced tender and having a value less than \$100,000, can be approved by the Manager with appropriate delegated authority but is to be reported to Tenders Subcommittee.

SCOPE OF WORK

The scope of work includes public consultation and preparing concept and detailed walkway or planting plans for Corban Reserve, Henderson Creek, Laingholm Park, Paremuka Esplanade, Shadbolt Park, Taipari Strand, Ranui, Waitakere Quarry and the Kay Road Balefill. The scope of works also includes preparing contract documents for the walkway construction and planting contracts and the management and supervision of those contracts.

TENDERS RECEIVED

Tenders were invited from three selected tenderers. Three tenders were received by the closing date of 23 July 2002. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl.GST)
Palimpsest Consultancy Limited	Waitakere	\$59,000
Boffa Miskell Limited	Auckland	\$60,200
Isthmus Group Limited	Auckland	\$78,000
Pre-tender contract estimate		\$49,500

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	10	20	15	20	15	20	100
	Tender Sum	Grades						Index
Boffa Miskell Ltd	\$60,200	85	75	75	70	75	28	66
Palimpsest Consultancy Ltd	\$59,000	70	75	70	60	60	31	60
Isthmus Group Ltd	\$78,000	85	75	75	65	75	-8	57
Pre-tender contract estimate	\$49,500							

Table 2 - Summary of Tender Evaluation

All of the tendered prices were greater than the pre-tender estimate. This difference is mainly attributable to higher than anticipated costs associated with the consenting and contract management of the Henderson Creek Walkway, one of the walkway projects included in this contract. The consultants' fees relating to this item are considered reasonable due to recent increased information and material requests by the Auckland Regional Council prior to granting coastal consents.

Boffa Miskell Limited is an experienced landscape design company with extensive skills and experience in design, public consultation and implementation. URS Limited is nominated as sub-consultants who will undertake necessary geotechnical and survey work. Boffa Miskell Limited has recognised quality assurance procedures and provided a site specific methodology. They successfully undertook the professional services for a similar project for Waitakere City Council in 2001/2002.

Palimpsest Consultancy Limited is a Waitakere based landscape design company with skills in reserve planning, design and public consultation. They have proposed a team of sub-consultants to undertake various aspects of the project and were asked to clarify their roles. Palimpsest Consultancy Limited has less experience in contract management and did not submit a detailed methodology as to how the sub-consultants and project would be managed.

Isthmus Group Limited is an experienced landscape design company with extensive skills and experience in design, public consultation, contract management and supervision. They submitted a detailed project methodology.

TAGS, ERRORS OR OMISSIONS

There were no errors or omissions in the tenders submitted. Boffa Miskell Limited included a tag on the geotechnical investigation component of their tender submission that is deemed acceptable.

SUMMARY AND CONCLUSIONS

The results of the tender evaluation as summarised in Table 2 shows that the tender submitted by Boffa Miskell Limited achieved the highest index of 66. This tender is also the second lowest priced tender.

Therefore, because the weighted attribute tender evaluation method requires the tendering authority to enter into a contract only with the tenderer that scores the highest overall index, the contract was awarded to Boffa Miskell Limited in the sum of \$60,200.00 plus \$7,525.00 GST, totalling \$67,725.00.

RECOMMENDATION

That the information be received.

Report prepared by: Kathryn Howard, Parks Asset Environment Co-ordinator.



7 CONTRACT NO.TA02508B - ROAD REMARKING AND RAISED PAVEMENT MARKERS 2002/2003

PURPOSE OF THE REPORT

The purpose of this report is to seek approval to award Contract No. TA02508B Road Remarking and Raised Pavement markers 2002/2003.

BACKGROUND

This contract is being commissioned because the existing contract expires on 31 August 2002 and it is part of Council's allocated work in the Annual Plan.

SCOPE OF WORK

This contract is for the maintenance of road markings and raised pavement markers (RPMs) throughout Waitakere City. The works include the following:

- inspection, programming and reporting;
- remarking of existing road markings and replacement of faulty RPMs;
- removal of existing road markings on request;
- installation of new road markings and RPMs on request.

Two options are scheduled for this Contract:

- **Option 1** - The contract period is ten (10) months for the period ending 30 June 2003;
- **Option 2** - The contract period is twenty two (22) months for the period ending 30 June 2004.

OPTION 2: Twenty Two (22) Months Contract for the Period Ending 30 June 2004.

Tender Evaluation	Attributes	Exp.	Track Record	Tech Skills	Re-source	Management	Method	Price	Total Weight
Tenderer	Weight	5	5	5	5	5	5	70	100
	Tender Sum	Grades							Index
Spraymarks Roadmarking (TGA) Ltd	\$575,844.50	75	70	70	80	75	70	70	71
Australian Road Markers (NZ) Ltd	\$694,722.01	80	75	75	80	75	75	53	60
Fulton Hogan Ltd	\$736,920.25	65	60	60	45	65	65	47	51
Highways Systems Ltd	\$1,040,130.90	80	80	80	40	75	80	5	25
Median Tender Price	\$715,821.13								

Table 2 - Summary of Tender Evaluation

Fulton Hogan Limited has a low score in Resource, because it will be operating from Waikato and proposes to use subcontractors to assist its workload.

Highways Systems Limited has a low score in Resource, because it has limited resources and currently has the road remarking maintenance contracts with North Shore City Council, Auckland City Council and Manukau City Council.

TAGS, ERRORS OR OMISSIONS

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

There were minor arithmetic errors in the tendered rates for Option 1 from Australian Roadmarkers Limited. This has no effect on the ranking of tenders.

CREDIT CHECK

A credit check of Spraymarks Roadmarking (Tga) Limited dated 31 July 2002 revealed no adverse information.

CONSIDERATIONS OF OPTIONS

Of the two options received from Spraymarks Roadmarking (Tga) Limited, option 2 is favoured.

The following benefits are noted as favouring this option:-

- very competitive rates are fixed with no price increase for two years. (A comparison of rates between this tender and the previous contract showed minor increases and decreases on some items, with a net increase of 1% on the rates in the previous two year contract.);
- continuity of contract / contractor knowledge, securing a good contractor;
- savings in contract preparation.

SUMMARY

The results of the tender evaluation as summarised in Table 2 shows that the tender submitted by Spraymarks Roadmarking (Tga) :Limited achieved the highest index of 71 for Option 1 and Option 2. This tender is also the lowest priced tender for Option 1 and Option 2.

Spraymarks Roadmarking Limited has held the road remarking contract for Waitakere City for the past three years, and is currently in its fourth and final year. Spraymarks response time to work instructions has been excellent. Its quality of workmanship is of a good standard. Spraymarks has the necessary skills and resources to carry out the requirements of the above 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.

JOB COSTS

	<u>EXCL. GST</u>
Tender sum - Spraymarks Roadmarking (Tga) Limited	\$575,844.50
Contingency	\$ 57,584.50
Engineering & Supervision (10 months)	\$ 27,250.00

Total Job Cost	\$660,679.00

SOURCE OF FUNDING (Year 1)

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to this Project	Unallocated Balance
Road Marking	46-7150-24530-280	\$450,000	\$130,000	\$318,000.00	\$2,000.00
Road Marking	46-7150-24530-132	\$ 90,000	\$ 62,750	\$ 27,250.00	\$ 0.00

RECOMMENDATIONS

1. That the information be received.
2. That the tender from Spraymarks Roadmarking (Tga) Limited for Contract No. TA02508B Road Remarking and Raised Pavement Markers 2002/2003 (Option 2) in the sum of \$575,844.50 plus \$71,980.56 GST, totalling \$647,825.06 be accepted.
3. That the commitment to the 2003/2004 financial year for Contract No. TA02508B Road Remarking and Raised Pavement markers 2002/2003 totalling \$315,429.00 plus \$39,428.63 GST, totalling \$354,857.63 be approved.
4. That authority to enter into Contract TA02508B Road Remarking and Raised Pavement markers 2002/2003 (Option 2) on behalf of Council be delegated to the Director: City Services.

Report prepared by: Adam Moller, Transport Engineer: Transport Assets.

