



NOTICE OF MEETING

TENDERS SUBCOMMITTEE

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

DATE: **Friday** **12 December 2003** **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.

8 December 2003

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: Quality Assurance

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, 12 DECEMBER 2003,
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 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 - 21 November 2003

RECOMMENDATION

That the minutes of the Ordinary Meeting of the Tenders Subcommittee held on Friday, 21 November 2003, as circulated, be taken as read and now be confirmed.



4 **CONTRACT NO. EW02 632C - ROBERTS ROAD PACIFIC VINEYARD WASTEWATER RENEWAL STAGE 1**

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. EW02 632C Roberts Road Pacific Vineyard Wastewater Renewal Stage 1.

BACKGROUND

Problems have been identified with the existing wastewater system serving the Roberts Road catchment. It is believed that the invert of the sewer pipeline has been severely damaged by the corrosive effects of trade waste discharges. A new wastewater line is to be constructed in stages to replace the existing pipeline from Te Atatu Road through to Cornwall Street. Stage 1 covers the work from Glynnbrooke Street to Cornwall Street.

SCOPE OF WORK

The contract works include the construction of 318 metres of a combination of 225 mm and 250 mm diameter uPVC and PE 80 pipe in private properties from Cornwall Street to Glynnbrooke Street, using a mix of open trenching, micro-tunnelling and pipe-bursting techniques. There are seven precast concrete manholes to be constructed along the pipeline. Reinstatement work for the carriageways and private property is also included in the contract.

TENDERS RECEIVED

Tenders were publicly advertised with three sets of documents being uplifted. Two tenders were received by the closing date of 4 November 2003. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
H & H Contractors Limited	PO Box 15 084, New Lynn	\$266,185.00
Civil Construction Group Limited	PO Box 46 009, Herne Bay	\$272,035.00
Pre-tender contract estimate		\$270,250.00

Table 1 - Summary of Tender Prices

TENDER EVALUATION

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

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

In this contract the value of Provisional Sums is \$12,000.00 for the relocation of existing services.

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

Tender Evaluation	Attributes	Exper.	Track Record	Tech. Skill	Resour.	Manag. Skill	Method	Price	Contract No. EW02 632C
									Total Weights
Weights		15	15	10	5	10	10	35	100
Tenderer	Tender Sum	Grades							INDEX
H & H Contractors Limited	\$254,185.00	75	65	75	75	60	70	51	63
Civil Construction Group Limited	\$260,035.00	60	40	40	55	50	55	49	49
Median Tender Price	\$257,110.00								

Table 2 - Summary of Tender Evaluation

Scores for the non-price attributes were determined principally on the basis of information provided in the tenders, and on previous experience with the contractors where applicable.

The Relevant Experience and Track Record information provided by H & H Contractors Limited showed it to have very good experience in wastewater drainage and trenchless technology work. The tenderer provided details of 14 wastewater projects that involved trenchless work of similar nature to that required in this contract. Its Technical Skills information showed that most of its staff had been with the firm for over five years with all having good experience in general drainage and trenchless work.

Civil Construction Group Limited does not have trenchless capabilities in house, and did not provide any details of whom it would sub-contract the work to. The tenderer was able to provide only one small wastewater project using trenchless technologies that it had completed. However, the details provided by Civil Construction Group Limited on four of their staff did show that they have significant general drainage experience.

Only H & H Contractors Limited provided a contract specific methodology as well as a general methodology.

TAGS, ERRORS OR OMISSIONS

The tender of H & H Contractors Limited did not contain any errors or omissions but contained eight tags. The tags were evaluated as to their acceptability in accordance with Clause 105.8.5 of the Conditions of Tendering. Two tags were considered to be not acceptable. When requested by fax to withdraw these tags, the tenderer complied, as well as supplying a written commentary clarifying the intent of the tags.

The tender of Civil Construction Group Limited did not contain any tags or omissions but contained an arithmetic error in the summing of the sub-totals, which resulted in the tender price being understated by \$3,400.00. Since the resolution of this error would not affect the outcome of the tender evaluation (this tender is already the higher of the two received) Civil Construction Group Limited was not contacted over it.

CREDIT CHECK

A credit check on H & H Contractors Limited dated 12 November 2003 revealed no adverse information.

SUMMARY

The results of the tender evaluation as summarised in Table 2 show that the tender submitted by H & H Contractors Limited achieved the highest overall index of 63. This is also the lowest tender received. H & H Contractors Limited is an experienced contractor in microtunnelling techniques, and it is considered that this firm has the necessary experience and capability to complete this contract satisfactorily.

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 - H & H Contractors Limited	\$266,185.00
Contingency	\$ 26,620.00
Engineering & Supervision	\$ 31,760.00

Total Job Cost	\$324,565.00

SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Wastewater Renewal	85-9835-60000-999	\$1,941,500	\$1,337,750	\$324,565	\$279,185

RECOMMENDATIONS

1. That the information be received.
2. That the tender from H & H Contractors Limited for Contract No. EW02 632C - Roberts Road Pacific Vineyard Wastewater Renewal Stage 1 in the sum of \$266,185.00 plus \$33,273.13 GST, totalling \$299,458.13 be accepted.
3. That authority to enter into Contract No. EW02 632C - Roberts Road Pacific Vineyard Wastewater Renewal Stage 1 on behalf of Council be delegated to the Group Manager: Asset Management.

Report prepared by: Tony Miguel, Group Manager, Asset Management.



5 **CONTRACT NO. EW 03 655C - STORMWATER IMPROVEMENTS AT 7 PISCES ROAD AND 12 FOWEY AVENUE**

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. EW 03 655C - Stormwater Improvements at 7 Pisces Road and 12 Fowey Avenue.

BACKGROUND

There is a history of surface flooding in both public and private property in Pisces Road and Fowey Avenue. Most of these problems are attributable to the poor condition of the existing stormwater assets and under sized reticulation. These works are to address these issues, in order to minimise future flooding.

The poor condition of stormwater pipes in this location is due to failed pipe joints. In Pisces Road, the pipe joint displacements have caused tomos to form in the rear of the properties, and in Fowey Avenue, the pipe joints are also poorly formed and most probably do not have rubber rings.

SCOPE OF WORK

The contract works for Pisces Road include the construction of 135 metres of 300 mm diameter PE pipe by trenchless methods down the carriageway of Pisces Road and through No. 2 Capricorn Place to connect with the existing stormwater reticulation. There are also three new catchpit leads to manholes to be constructed. In addition, the existing stormwater pipe running through the rear of the Pisces Road properties will be slipped lined with new 150 mm diameter PE pipe to pick up the existing private connections. The reinstatement of the Pisces Road carriageway and private properties is included in the contract works.

The Fowey Avenue part of the contract works include the construction of 70 metres of 300 mm diameter PE pipe by trenchless methods through Nos. 12, 13 and 14 Fowey Avenue. There is also one new manhole and three private connections to be constructed. The reinstatement of the private properties is included.

TENDERS RECEIVED

Tenders were publicly advertised, with two sets of documents being uplifted. Two tenders were received by the closing date of 18 November 2003. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
JB Pipeline Services Ltd	P O Box 13447, Onehunga	\$179,700.00
Civil Construction Group Ltd	P O Box 46-009, Herne Bay	\$219,765.00
Pre-tender contract estimate		\$167,000.00

Table 1 - Summary of Tender Prices

TENDER EVALUATION

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

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

Tender Evaluation	Attributes	Exper.	Track	Tech.	Resour.	Manag.	Method.	Price	Contract No.
			Record	Skill		Skill			EW 03 655C
	Weights	10	10	10	10	5	5	50	Total Weights
Tenderer	Tender Sum	Grades							INDEX
JB Pipeline Services Ltd	\$179,700.00	80	80	75	75	75	80	60	69
Civil Construction Group Ltd	\$219,765.00	65	65	70	60	60	60	40	52
Median Tender Price	\$199,732.50								

Table 2 - Summary of Tender Evaluation

Attribute scores were given on the basis of the information received with each tender, and on actual recent contract experience with each tenderer.

JB Pipeline Services Limited is currently carrying out wastewater contracts for Waitakere City Council. Its recent track record on drainage contracts with Council has been very good, and it has provided the necessary resources and expertise to complete the contracts to our satisfaction.

Although the price tendered by JB Pipeline Services Limited is approximately 10% above the Pre tender Contract Estimate, it is considered that the construction rates are fair and reasonable, with the main differences being in the establishment and re-instatement costs. The higher costs are possibly reflective of the lack of competition in the market place at present.

Civil Construction Group Limited provided generally good non-price attribute information, except for specific methodology.

TAGS, ERRORS OR OMISSIONS

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

CREDIT CHECK

A credit check dated 25 November 2003 on JB Pipeline Services Limited revealed no adverse information.

SUMMARY

The results of the tender evaluation as summarised in Table 2 show that the tender submitted by JB Pipeline Services Limited achieved the highest overall index of 69. This tender is also the lowest priced tender received.

It is considered that JB Pipeline Services Limited has the necessary expertise and resources to carry out the works satisfactorily.

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 sum - JB Pipeline Services Limited	\$179,700.00
Contingency	\$ 17,970.00
Engineering & Supervision	\$ 4,906.00

Total Job Cost	\$202,576.00

SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Stormwater Renewal	85-9845-60000-999	\$1,344,900.00	\$449,416.00	\$202,576.00	\$692,908.00

RECOMMENDATIONS

1. That the information be received.
2. That the tender from JB Pipeline Services Limited for Contract No. EW 03 655C - Stormwater Improvements at 7 Pisces Road and 12 Fowey Avenue in the sum of \$179,700.00 plus \$22,462.50 GST, totalling \$202,162.50 be accepted.
3. That authority to enter into Contract No. EW 03 655C - Stormwater Improvements at 7 Pisces Road and 12 Fowey Avenue on behalf of Council be delegated to the Group Manager: Asset Management.

Report prepared by: Tony Miguel, Group Manager, Asset Management.



6 **CONTRACT NUMBER CM02005D - SUPPLY AND INSTALLATION OF CREMATOR AT WAIKUMETE CREMATORIUM**

PURPOSE OF THE REPORT

The purpose of this report is to obtain approval to invite tenderers for the supply and installation of a new cremator at Waikumete Crematorium.

BACKGROUND

The cremators at Waikumete Crematorium were installed in 1954, and are now nearing the end of their useful working life. It is proposed to install a new cremator and renovate the existing crematorium building, funding has been set-aside for this in the 2003/2004 Annual Plan.

In February 2003 a Registration of Interest was held to determine if the market was interested in entering into a Joint Venture, or any other suitable option, for the operation and provision of the Cremation services at Waikumete Crematorium. The only valid responses were from Australian manufactures of cremators for installation and maintenance of cremators only. No responses to the Registration of Interest were received in respect of operators wishing to enter into a Joint Venture.

This issue was reported back to Projects Special Committee on 5 March 2003 with the way forward proposed as purchasing a new cremator and carrying out renovations through the following resolution:

“That the Director: City Services be authorised to initiate the process for replacement of the Waikumete cremators and renovation of the Crematorium as outlined in the agenda report.

328/2003

REGISTRATION OF INTEREST

The Registration of Interest was publicly advertised with six (6) sets of registration documents being uplifted. Two (2) registrations of interest were received by the closing date of 4:00 pm Tuesday, 3 February 2003. These are summarised in Table 1 below.

REGISTRANT	REGISTERED OFFICE
Austeng Pty Ltd	78-80 Douro St, North Geelong, Victoria, Australia, 3215
Major Engineering Pty Ltd	100 Fairbank Road, Clayton, Victoria, Australia, 3169

Table 1 - Summary of Tenders

EVALUATION

The Registration of Interest was evaluated in accordance with Council's standard evaluation criteria of Relevant Experience, Track Record, Technical Skills, Resources, Management, Skills, and Methodology. It was also ensured that the cremators comply with the technical specifications required by the Auckland Regional Council. Both suppliers complied with the evaluation criteria including the technical requirements, and each is able to supply technical backup and spare parts if required.

The majority, if not all, of the cremators installed in New Zealand in the past five years have come from either one or other of these manufacturers including North Shore Cemetery (two cremators), Manukau Memorial Gardens (two cremators) and Purewa Crematorium (two cremators). Both suppliers have been deemed to provide a quality product and service.

TAGS ERRORS OMISSIONS

Not applicable at this stage.

CREDIT CHECK

The credit check is not applicable at this stage as it will be submitted as part of the tender documents.

JOB COSTS - FOR INSTALLATION OF NEW CREMATOR

Indicative costs were provided with one of the Registration of Interests.

Professional services, consents and engineering	\$78,000
Supply and installation of cremator	\$340,000
Alterations to building	\$100,000
	\$518,000

RESOURCES

Funding has been provided in the 2003/2004 Annual Plan as follows.

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
New Cremator Option - Cremator	75-9525- 40430-***	\$518,419	Nil	\$518,419	\$0

CONCLUSION

Austeng Pty Limited and Major Engineering Pty Limited were the only respondents to a Registration of Interest for replacement of the existing cremators at Waikumete Crematorium.

Both suppliers complied with the evaluation criteria including the technical requirements, and each is able to supply technical backup and spare parts if required.

RECOMMENDATIONS

1. That the information be received.
2. That approval be given to invite tenders from Major Engineering Limited and Austeng Limited for Contract Number CM02005D - Supply and Installation of Cremator at Waikumete Crematorium.

Report prepared by: Graham Resnick, Waikumete Cemetery & Crematorium Manager.



7 CONTRACT SW04001 - LANDFILL LOADING AND TRANSPORTATION

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract SW04001 - Landfill Loading and Transportation.

BACKGROUND

The existing contract, Contract No: 73220, will expire on the 6 May 2004.

SCOPE OF WORK

The contract is for the non-exclusive right to load and transport refuse from the Refuse and Recycling Transfer Station at The Concourse, Henderson to the Waste Management Landfill site at Redvale.

TENDERS RECEIVED

Tenders were publicly advertised with six sets of documents being uplifted. Three tenders were received by the closing date of 18 November 2003. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
Smith & Davies Limited	Northcote	\$11.17/tonne
Waste Management Limited	Panmure	\$12.74/tonne
Nikau Contractors Limited	Onehunga	\$30.86/tonne

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	Agree Accep	Resour.	Manag. Skill	Method.	Price	Contract Number SW04001
		Weights	10	10	5	15	5	5	50
Tenderer	Tender Sum	Grades							INDEX
Smith & Davies	\$11.17	85	70	55	85	80	80	62	70
Waste Management	\$12.74	85	70	55	80	85	85	50	64
Nikau Contractors	\$30.86	75	75	85	90	75	75	-92	-6
Median Tender Price	\$12.74								

Table 2 - Summary of Tender Evaluation

TAGS, ERRORS OR OMISSIONS

The tender from Waste Management Limited was tagged, the tag referring to the period of the contract. The contract period is three years from 7 May 2004 and carries a right of renewal, or rights of renewal, up to a maximum of a further two years. Waste Management has tendered on the basis of an initial five year minimum period.

The Contract between the City and Waste Management Limited for disposal of refuse at the Waste Management Landfill at Redvale expires on May 6 2004. The City is currently negotiating with Waste Management to continue to dispose of the refuse to the Landfill, but this is unlikely to be concluded before this contract should be awarded. Tenderers have been advised that for the purpose of their tenders, they should assume transportation to the Waste Management Landfill at Redvale. Allowance for transportation to an alternative site has been included in the contract.

The removal or otherwise of this tag does not affect the outcome of the evaluation rankings and ratings. There were no errors or omissions.

CREDIT CHECK

A credit check on Smith & Davies Limited has been requested.

SUMMARY

The results of the tender evaluation as summarised in Table 2 shows that the tender submitted by Smith & Davies Limited achieved the highest index of 70. This tender is also the lowest priced tender.

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 sum - (Smith & Davies Limited)	\$ 11.17 / tonne

Total Job Cost	\$ 11.17 / tonne

SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Contract Payments 2003/04	30-4825-36780- 280	4,053,193	3,047,556	1,005,637	0
Contract Payments 2004/05 (Draft)	30-4825-36780- 280	4,749,969	3,608,869	1,139,100	0

RECOMMENDATIONS

1. That the information be received.
2. That subject to a satisfactory credit check the tender from Smith & Davies Limited for Contract SW04001 - Landfill Loading and Cartage in the sum of \$11.17 per tonne plus \$1.39 GST, totalling \$12.56 per tonne be accepted.
3. That the commitment to the 2004/05 financial year for Contract SW04001 - Landfill Loading and Cartage totalling \$1,139,100 plus GST be approved.
4. That subject to the awarding of a Landfill Disposal Contract at Redvale with Waste Management the authority to enter into Contract SW04001 - Landfill Loading and Cartage on behalf of Council be delegated to the Director: City Services.

Report prepared by: Robert Menzies, (Acting) Administration Manager, Solid Waste.



**8 REGISTRATION OF INTEREST FOR CONSTRUCTION - CIVIC FUTURE PROJECT
WAITAKERE CENTRAL LIBRARY/UNITEC CAMPUS - JOINT DEVELOPMENT**

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to invite tenders for construction from a shortlist of four registrants for the proposed Waitakere Central Library/UNITEC Campus - Joint Development.

BACKGROUND

A registration of interest from prospective tenderers, for construction of the proposed Waitakere Central Library/UNITEC Campus - Joint Development was called for by way of four insertions in the New Zealand Herald, insertion in the Government Electronic Trading Service (GETS) and on Council's Website.

The reasons for using the registration of interest process for this project are:

- this is a large-scale project with high costs (over \$ 50,000);
- project has high importance to Council;
- pre-selecting specialists to ensure high level of performance during the works and competitive bids during the tender phase.

The registration of interest process is being carried out in accordance with the Council's Procurement Manual. The evaluation of respondents will be in accordance with the Transit NZ weighted attributes method, with tenderers for construction being drawn from the highest ranked respondents.

REGISTRATIONS RECEIVED

Seven registrations of interest were received by the closing date of 25 November 2003:

REGISTRANT (alphabetical order)	REG. OFFICE
Argon Construction Limited.	East Tamaki
Canam Construction Limited.	Waitakere City
Gibson O'Connor Limited.	Ellerslie
Hawkins Construction Limited.	Manukau
Haydn & Rollett Limited.	Northcote
Mainzeal Property & Construction Limited.	Auckland
Watts & Hughes Construction Co. Limited.	Auckland

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". In view of the scale of this project and the current 'heated' construction market, it is recommended that the list of invited tenderers for this project be limited to four. The four highest scoring registrants will be contacted by the Project Manager to reconfirm their intentions of submitting a competitive tender prior to this Tenders Subcommittee meeting.

An evaluation process was undertaken by a team of four, nominated by the Waitakere City Council/UNITEC project control group. The team comprised representatives from Waitakere City Council, UNITEC, OCTA - (Project Manager) and Rawlinsons (Quantity Surveyor). The average scores of the team were used for each attribute in the evaluation table below.

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

Registration of Interest Evaluation	Relevant Experience	Track Record	Resources	Management Skills	Contract Number SP02503i
	Weighting (%)	30	30	20	20
Tenderer	Grades (%)				INDEX
Mainzeal Property & Construction Ltd.	86.25	83.75	83.75	85.00	85
Hawkins Construction Ltd.	80.00	78.75	81.25	82.50	80
Watts & Hughes Construction Co. Ltd	73.75	73.75	77.50	75.00	75
Haydn Rollett Ltd.	71.25	72.50	72.50	76.25	73
Canam Construction Ltd.	69.50	71.25	71.25	75.00	71
Gibson O'Connor Ltd.	68.75	63.75*	75.00	63.75*	68*
Argon Construction Ltd.	67.50	67.50	66.25	57.50	65

Table 2 - Summary of Registration of Interest Evaluation

*The registration from Gibson O'Connor has been scored at 68 due to the project being a joint venture between Waitakere City Council and UNITEC, and the average of the four individual scores being used in the evaluation table. UNITEC have had previous experience on smaller scale projects with Gibson O'Connor with success and UNITEC's scoring for Gibson O'Connor's attributes, while reflecting the smaller scale of these projects, is based on the submission together with their experience.

However, Waitakere City Council have had recent experience with Gibson O'Connor including the Aquatic Centre Upgrade project in which serious issues arose, which have led to the scores for Gibson O'Connor for *Track Record* and *Management Skills* each being scored by Waitakere City Council at 35. According to the Transfund New Zealand's Competitive Pricing Procedures Manual, a score of 35 or less in any attribute is deemed "unacceptable in this attribute and ruled out of further consideration". Under standard Waitakere City Council policy, this registration of interest is excluded from further consideration and Gibson O'Connor therefore can not be recommended by Waitakere City Council for a tender shortlist on this project.

SUMMARY

The registration of interest document specified the information required and the format of the registrant's submissions. This document also identified that only the highest ranked registrants would be short-listed for invitation to tender for this project.

The Consultant team headed by the Project Manager - OCTA Associates, have strongly recommended that a shortlist of maximum four registrants be selected for invitation to tender. They advise that due to the scale of the project and in the current 'heated' construction industry, the most competitive tenders would be achieved though a smaller but confirmed tender group. The four highest scoring tenderers will be contacted to confirm their intentions of submitting a competitive tender.

The four highest-ranked registrants all have scores of more than 70, which is in the range *Very Good – Excellent* and they are well experienced and capable of carrying out the projects in a competent manner. Therefore the four top scoring registrants have been recommended for invitation to tender for this project.

UNITEC's agreement with Waitakere City Council requires sign-off from the nominated representatives of both parties on the joint Project Control Group prior to submission of reports to Waitakere City Council's Tenders Subcommittee for final approval. The signatures of both parties' representatives are included below.

RECOMMENDATIONS

1. That the information be received.
2. That the four top scoring registrants be invited to tender for Construction of the Waitakere Central Library / UNITEC Campus - Joint Development. The proposed tender invitation list is as follows:
 - Mainzeal Property & Construction Limited;
 - Hawkins Construction Limited;
 - Watts & Hughes Construction Company Limited;
 - Haydn Rollett Limited.
3. That should any of the four short-listed tenderers be unavailable to tender, Canam also be invited to tender.
4. That Gibson O'Connor be disqualified from the tender process on the basis that they failed in the categories of management skills and track record in the evaluation by the Waitakere City Council representative, meaning they are ineligible for Council work.

Report prepared by: John Schermbrucker, Special Projects Engineer.



9 CONTRACT PK03621B - TE ATATU PENINSULA AND FRED TAYLOR PARK SAND FIELD CONSTRUCTION

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract PK03621B - Te Atatu Peninsula and Fred Taylor Park Sand Field Construction.

BACKGROUND

This contract forms part of Council's parks asset upgrade programme as provided for in the 2003/2004 Annual Plan.

SCOPE OF WORK

The scope of work in this contract is to further develop No.2 & 4 fields at Te Atatu Peninsula Park, and the training area at Fred Taylor Park. It involves the supply and installation of uPVC field drains, sand slit drains, sand carpet and irrigation system.

TENDERS RECEIVED

Tenders were publicly advertised with one set of document being uplifted. One tender was received by the closing date of 11 November 2003. This is summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
Field Drainage Specialists Ltd.	Silverdale	\$ 278,311.34
Pre-tender contract estimate		\$ 268,579.64

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	Re-source	Man-agement	Method	Price	Total Weight
Tenderer	Weight	5	5	5	5	5	5	70	100
	Tender Sum	Grades							Index
Field Drainage Specialists Ltd.	\$278,311.34	90	90	85	90	80	85	50	65
Median Tender Price	\$278,311.34								

Table 2 - Summary of Tender Evaluation

Field Drainage Specialists Limited have constructed all of the Waitakere City Council sand fields for the last 12 years and their work has consistently been completed to a high standard. Field Drainage Specialists Limited have also satisfactorily completed numerous sand field development contracts for North Shore City and Rodney District Council.

TAGS, ERRORS OR OMISSIONS

There were no tags, errors or omissions in the tender submitted by Field Drainage Specialists Limited.

CREDIT CHECK

A credit check on Field Drainage Specialists Limited has been requested.

SUMMARY

The results of the tender evaluation, as summarised in Table 2, shows that the tender submitted by Field Drainage Specialists Limited achieved a total index of 65 This tender is also the only tender submitted.

Field Drainage Specialists Limited have successfully completed numerous similar contracts in Waitakere City. They have performed well on these contracts and have shown a high standard of workmanship.

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 sum - Field Drainage Specialists Limited	\$278,311.34
Contingency	\$ 27,831.13
Engineering & Supervision	\$ 13,750.00
Total Job Cost	<u>\$319,892.47</u>

SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to this Project	Unallocated Balance
Fred Taylor Training Area Upgrade	75-9825-47890	\$120,000	\$0.00	\$120,000	\$0.00
Te Atatu Peninsula Park Sandfield Conversion	75 9825 47870	\$240,000	\$40,000	\$200,000	\$0.00
TOTAL		\$360,000	\$40,000	\$320,000	\$0.00

RECOMMENDATIONS

1. That the information be received.
2. That subject to a satisfactory credit check the tender from Field Drainage Specialists Limited for Contract PK03621B - Te Atatu Peninsula and Fred Taylor Park Sandfield Construction in the sum of \$278,311.34 plus \$34,788.92 GST, totalling \$313,100.26 be accepted.
3. That authority to enter into Contract PK03621B - Te Atatu Peninsula and Fred Taylor Park Sandfield Construction on behalf of Council be delegated to the Group Manager: Asset Management.

Report prepared by: Harish Singh, Parks Assets & Contracts Engineer.



10 CONTRACT PK03642B - HARBOUR VIEW PATHWAY AND SITEWORKS

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract PK 03642B - Harbourview Pathway and Siteworks.

BACKGROUND

An Open Space Management Plan and Design Concept plan has been prepared for Harbourview - Orangihina Park. Stage one physical works to provide vehicle access to the park was completed in 2003. The second stage of the physical works contract involves implementing further stages of the concept plan, in particular, the walkway to the southern part of the park.

SCOPE OF WORK

The scope of the contract involves weed removal, tree removal, construction of 960.0m of 2.0m wide exposed aggregate pathway, construction of timber boardwalks and bridges with handrails so as to provide access to pedestrians around the park.

TENDERS RECEIVED

Tenders were publicly advertised with two sets of documents being uplifted. Only one (1) tender was received by the closing date of 11 November 2003. This is summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
Te Ngahere Native Forrest Management Limited	PO Box 68407 Newton Auckland	\$ 193,532.00
Pre-tender contract estimate		\$ 271, 559.00

Table 1 - Summary of Tender Prices

TENDER EVALUATION

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

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

Tender Evaluation	Attributes	Exper.	Track Record	Tech. Skill	Resour.	Manag. Skill	Method.	Price	PK03642B Total Weights
	Weights	5	5	5	5	5	5	70	100
Tenderer	Tender Sum	Grades							INDEX
Te Ngahere Native Forrest Management Ltd.	\$193,532.00	95	90	90	90	85	85	75	80
Med.n Tender Price	\$193,532.00								

* Attribute grading as defined by Transit NZ in their CPP Tender Evaluation Manual Effective 1 March 1997

Table 2 - Summary of Tender Evaluation

One tender submission was received. Te Ngahere's tender is below the Engineer's Estimate of \$271,559.00. Te Ngahere has proven themselves to be competent professional contractors. Reports from Waitakere City officers have indicated that Te Ngahere is a reputable company with high standards of workmanship and excellent contract management practices.

TAGS, ERRORS OR OMISSIONS

- The Tenderer has tagged Scheduled item 1.13. The Tenderer has suggested an alternative crack jointing method with an associated cost saving of \$2,850.00. This methodology does not meet with Waitakere City standard details.

The Tenderer has removed this tag and the contract price has been adjusted by adding \$2,850.00

2. The Tenderer has tagged Scheduled item 1.17 pertaining to the maintenance of grass-seeded areas beyond the initial sowing. The Tenderer has been informed that this item is required to meet defects liability/maintenance clauses in the tender documents.

The Tenderer has removed this tag and the contract price has been adjusted by adding \$8000.00.

3. The Tenderer has tagged 20 metres of drainage for a 'No Dig' pathway. The tender documents did not nominate this as a scheduled item.

The Tenderer has removed this tag and there is no influence on the tendered price.

4. The Tenderer has made 2 minor arithmetical errors in Scheduled item 1.6 and Scheduled item 1.8. The errors are to the value of \$100.00.

The Tenderer has noted the errors and the contract price have been adjusted by removing \$100.00.

5. The Tenderer has noted that he has made no allowance for the protection of or removal of graffiti. The tender documents did not note either point as scheduled items.

The Tenderers note does not influence the tendered price.

CREDIT CHECK

A credit check on Te Ngahere Native Forrest Management Limited has been requested.

SUMMARY

The results of the tender evaluation as summarised in Table 2 shows that the tender submitted by Te Ngahere Native Forrest Management Limited achieved an index of 53. Although this was the only tender received, their price was well below our engineer's estimate and within our budget.

JOB COSTS

	<u>EXCL. GST</u>
Tender sum - Te Ngahere Native Forrest Management Ltd	\$ 204,282.00
Contingency	\$ 20,428.20
Engineering & Supervision included within Professional Services contract PK02010.3	\$ 16,000.00
Total Job Cost	<u>\$240,710.20</u>

SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Harbour View Pathway & Siteworks – Stage 2 Development	46 6160 43960	\$883,279	\$600,000	\$883,279	\$42,568.80

RECOMMENDATIONS

1. That the information be received.
2. That subject to a satisfactory credit check the tender from Te Ngahere Native Forrest Management Limited for Contract PK03642B, Harbour View Pathway and Siteworks in the sum of \$204,282.00 plus \$25,535.25 GST, totalling \$229,817.25 be accepted.
3. That authority to enter into Contract PK03642B, Harbour View Pathway and Siteworks on behalf of Council be delegated to the Group Manager: Asset Management.

Report prepared by: Harish Singh, Parks Assets & Contracts Engineer.



11 PK03638A - ECOSOURCED PLANT SUPPLY CONTRACT

PURPOSE OF THE REPORT

Permission is sought to invite tenders for a two-year contract for the supply of ecosourced plants for programmed revegetation projects from 2004 to 2005.

BACKGROUND

To fulfil Council's capital revegetation programme as provided for in the Long Term Council Community Plan, 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 need to be ordered in advance.

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, Harbourview Reserve, Paremuka and other stream restoration projects in the Long Term Council Community Plan.

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, Oratia Native Plant Nursery, Naturally Native and Taupo Native Plant Nursery are four approved suppliers of ecosourced plants as per Waitakere City Council's ecosourcing Code of Practice.

Letting a two-year contract would involve committing funding from the 2003/2004 and 2004/2005 budgets.

	Year 2003/2004	Year 2004/2005
Harbour View Reserve	\$101,733.92	\$101,733.92
Henderson Creek	\$ 41,045.00	\$ 41,045.00
PAM	\$ 30,045.00	\$ 30,045.00
Paremuka Esplanade		\$199,663.10
Piha - Various	\$ 7,050.00	\$ 7,050.00
TED - Various	\$ 30,110.00	\$ 30,110.00
Waitakere Quarry		\$ 7,395.00
Total	\$209,983.92	\$417,042.02

The proposed contract will include performances measure through a variety of key performance indicators (KPI's) that are to be measured under the contract. The KPI's will include:

- Completion of work programmes;
- Planting Contractor Complaints;
- Accurate reporting of required data;
- Environmental Compliance;
- Health and Safety;
- Quality Control.

RESOURCES

Funding for the ecosourced plants to be supplied in 2003/2004, estimated at \$209,983.92 is allowed for in the 2003/2004 Annual Plan.

A commitment to fund the ecosourced plants to be supplied in 2004/2005, estimated at \$409,647.02 is required from the 2004/2005 Annual Plan.

CONCLUSION

A two-year contract is needed to ensure that a supply of ecosourced plants is available to meet revegetation program requirements from 2004 to 2005.

RECOMMENDATIONS

1. That the information be received.
2. That approval be given to invite tenders to supply ecosourced plants for the 2004/2005 financial year from approved suppliers of ecosourced plants as per Waitakere City Council's ecosourcing Code of Practice.

Report prepared by: Debbie Chapman, Parks Assets Environmental Officer.



12 CONTRACT SP 02501D - GLEN EDEN LIBRARY CONSTRUCTION

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract SP 02501D - Glen Eden Library Construction.

Note: This report was written prior to the meeting of the Finance and Operational Performance Committee on 8 December 2003 and therefore the resolutions from that meeting could not be included in this report. The actual resolutions, and also the final tender amount from the contractor, will be circulated to the Tenders Subcommittee members as supplementary information prior to the meeting on 12 December 2003.

BACKGROUND

Following receipt of tenders for Contract SP02501D - Glen Eden Library Construction, which were significantly in excess of the available budget, the Tenders Subcommittee passed the following resolutions at their meeting on Friday, 16 October 2003:

- *That authority be given to the Director: City Services to enter into negotiations with Hawkins Construction Limited for Contract No. SP02501D Glen Eden Library Construction, to reduce the lump sum tender amount of \$3,127,000.00 excluding GST to a revised amount to be established through the negotiation process with the aim of achieving the targeted savings of \$488,600.00 excluding GST.*
- *That a report be brought back to the Finance and Operational Performance Committee outlining that options available for reduction in cost of the project, and potential budget sources for any cost escalation over the approved budget.*
- *That the outcome from the tender negotiation process, including any recommendations from Finance and Operational Performance Committee and the results of the credit check be reported to Tenders Subcommittee for approval to award the contract.*

3013/2003

A1-A11

A value management process has been undertaken with the aim of identifying possible cost savings. A report outlining the options available for reduction in cost of the project has been prepared for the Finance and Operational Performance Committee and is attached as pages A1 to A11.

TENDER NEGOTIATION

The original tender sum received from Hawkins Construction Limited was \$ 2,861,794.00 excluding GST. The tender contained numerous tags, which related to the fact that a lump sum tender was required and such prices were unobtainable from sub-contractors within the 18 working day tender period.

Negotiations with the tenderer to remove the tags associated with non-lump sum prices resulted in a confirmed Lump Sum tender price of \$3,127,000.00 excluding GST.

Further negotiations have been carried out with Hawkins Construction Limited in order to make the schedule of quantities a contract document and reduce the risk to the contractor. As a result a further cost saving of \$214,071.00 has been achieved and Hawkins Construction Limited revised their tender sum to be \$2,912,929.00 excluding GST.

The recommendation from the Value Management Working Group, which was formed following a resolution from the Communication and Facilitation Group meeting on 11 November 2003 to consider various cost saving options, is to implement 'Option 1 - Natural Ventilation and Miscellaneous Savings' which would deliver a total cost saving of approximately \$190,000 - \$200,000.

At the time of writing the report the final tender amount, including the 'Option 1' cost savings, had not been confirmed by the contractor but it is estimated to be \$2,722,929.00 excluding GST. (Note: The confirmed tender amount will be circulated to the Committee as supplementary information prior to the meeting on 12 Dec 2003.)

CREDIT CHECK

A credit check on Hawkins Construction Limited dated 15 October 2002 revealed adverse information with regards to the commercial credit score of the company. This score is related to the slow manner in which some of Hawkins Construction Limited's previous payments have been made. The recently implemented Construction Contracts Act is intended to 'speed up' payments to subcontractors and suppliers so slow payment is likely to become much less of an issue in the future. Therefore, despite the results of the credit check, Hawkins Construction Limited are considered capable of meeting the requirements of Contract SP02501D satisfactorily.

JOB COSTS

Note: The figures shown below are estimated values only. The confirmed figures will be circulated to the Committee as supplementary information prior to the meeting on 12 December 2003.

	<u>EXCL. GST</u>
Estimated Final Tender - (inc. SOQ as contract doc and 'Option 1' cost savings of approx. \$190,000.00)	\$2,722,929.00
Contingency	\$ 200,000.00

Total Job Cost	\$2,922,929.00

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 Construction	75-9120-44910	\$2,445,000	\$656,600	\$1,788,400	Nil
Glen Eden Library Interior	75-9120-44920	\$750,000	Nil	\$750,000	Nil
Automated Library Systems	15-9522-30180	\$519,000	Nil	\$390,000	\$129,000
			TOTAL	\$2,928,400	

Note: The table above includes funding from the Automated Library Systems budget, which will need to be reallocated to the Glen Eden Library Construction budget, depending on the outcome of the Finance & Operational Performance Committee meeting.

RECOMMENDATIONS

1. That the information be received.
2. That the tender from Hawkins Construction Limited for Contract SP 02501D - Glen Eden Library Construction in a sum to be confirmed prior to the Tenders Subcommittee meeting on 12 December 2003 (but estimated to be approximately \$2,722,929.00 plus \$340,366.12 GST, totalling \$3,063,295.12) be accepted.
3. That authority to enter into Contract SP 02501D - Glen Eden Library Construction on behalf of Council be delegated to the Director: City Services

Report prepared by: Peter Sewell, Special Projects Engineer.

