



NOTICE OF MEETING

TENDERS SUBCOMMITTEE

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

DATE: **Friday** **21 November 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.

21 November 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, 21 NOVEMBER 2003,
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	CONTRACT NO. EW 03 659C - STORMWATER WETLAND, POOKS ROAD, RANUI	2
5	CONTRACT NO. EW 03 654C - STORMWATER IMPROVEMENTS AT 143 ATKINSON ROAD, 28 FAIRDENE AVENUE AND 12 MAHOE ROAD	5
6	TELECOMMUNICATIONS CONTRACT - MOBILE SERVICES (IM03087C)	8
7	TELECOMMUNICATIONS CONTRACT - VOICE SERVICES (IM03087B)	11
8	TELECOMMUNICATIONS CONTRACT - DATA SERVICES (IM03087D)	12
9	CONTRACT LS03519 - SUMMERLAND DRIVE COMMUNITY FACILITY DEVELOPMENT	15

**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 - 7 November 2003

RECOMMENDATION

That the minutes of the Ordinary Meeting of the Tenders Subcommittee held on Friday, 7 November 2003, as circulated, be taken as read and now be confirmed.



4 **CONTRACT NO. EW 03 659C - STORMWATER WETLAND, POOKS ROAD, RANUI**

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. EW 03 659C - Stormwater Wetland, Pooks Road, Ranui.

BACKGROUND

The improvement of water quality in the natural environment and the minimisation of stormwater flooding is a prime Council objective. The provision of stormwater detention devices such as ponds or wetlands is one way of achieving this. A wetland has been proposed for a sub-catchment of the Waimoko Stream, which discharges into the Swanson Stream.

The wetland will be constructed over an existing watercourse, which is a tributary of the Waimoko Stream, and will provide treatment for stormwater runoff from the existing and future upstream development. The wetland will be landscaped to provide a suitable habitat for native bird life.

As a result of the contract works, the currently degraded site will be enhanced with additional landscaping, and weed and rubbish removal.

SCOPE OF WORK

The contract works involve the temporary diversion of the existing watercourse, earthworks, the construction of a wet pond, and associated landscaping. The wet pond consists of a forebay, three pool areas, associated stormwater structures and fencing.

TENDERS RECEIVED

Tenders were publicly advertised with four sets of documents being uplifted. Two tenders were received by the closing date of 28 October 2003. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
Civil Construction Group Ltd	PO Box 46-009, Herne Bay	\$160,478.00
HEB Contractors Ltd	PO Box 226, Drury	\$270,736.18
Pre-tender contract estimate		\$135,371.50

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	Contract No. EW 03 659C
		Total Weights							
	Weights	15	15	10	10	10	10	30	100
Tenderer	Tender Sum	Grades							INDEX
Civil Construction Group Ltd	\$160,478.00	65	65	65	60	65	65	76	68
HEB Contractors Ltd	\$270,736.18	85	70	70	80	75	85	24	62
Median Tender Price	\$215,607.09								

Table 2 - Summary of Tender Evaluation

Scores for the non-price attributes were determined on the basis of information provided in the tenders and on recent experience with the contractors. The level of information supporting each of the tenders received was of a high quality, and both tenderers have satisfactorily completed drainage contracts for the Council recently.

The lowest tender price, submitted by Civil Construction Group Limited, is approximately 19% above the Pre-tender Estimate. The main differences are in the Clearing & Earthworks and Stormwater Construction costs, and although the tendered amounts are high, they are considered to be reasonable. Otherwise, the overall construction rates as tendered are considered to be fair and reasonable, and are reflective of the volume of work and lack of competition in the market place at present. If the contract were to be re-tendered, there is no guarantee that any more or lower priced tenders would be received, and the contract work would be delayed to the point where it might not be completed in the current construction season.

Although Civil Construction Group Limited has been awarded three other contracts for completion this financial year, this contract requires different resources as it is essentially an earth-moving contract. This firm recently satisfactorily completed a stormwater quality pond in Central Park Drive for Council. Therefore, it is considered that Civil Construction Group Limited will have both the expertise and resources to undertake a project of this nature.

TAGS, ERRORS OR OMISSIONS

There were no tags or omissions in any of the tender received, and no errors in the tender from HEB Contractors Limited.

The tender from Civil Construction Group Limited contained an arithmetical error; the tender sum should be \$160,668.00 instead of the stated \$160,478.00. When requested in writing to do so, Civil Construction Group Limited confirmed in writing that its tender would remain open for acceptance at the tendered sum of \$160,478.00.

CREDIT CHECK

A credit check dated 5 September 2003 on Civil Construction Group Limited revealed no adverse information.

SUMMARY

The results of the tender evaluation as summarised in Table 2 show that the tender submitted by Civil Construction Group Limited achieved the highest overall index of 68. This tender is also the lowest priced tender.

Civil Construction Group Limited submitted a full and thorough tender to demonstrate that it is familiar with Waitakere City Council's standards and procedures. It is considered that Civil Construction Group Limited has the 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 - Civil Construction Group Limited	\$160,478.00
Contingency	\$ 16,050.00
Engineering & Supervision	\$ 12,700.00

Total Job Cost	\$189,228.00

SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Stormwater Upgrades	85-9815-60000-999	\$2,878,682	\$1,795,606	\$189,228	\$893,848

RECOMMENDATIONS

1. That the information be received.
2. That the tender from Civil Construction Group Limited for Contract No. EW 03 659C - Stormwater Wetland, Pooks Road, Ranui, in the sum of \$160,478.00 plus \$20,059.75 GST, totalling \$180,537.75 be accepted.
3. That authority to enter into Contract No. EW 03 659C - Stormwater Wetland, Pooks Road, Ranui 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 654C - STORMWATER IMPROVEMENTS AT 143 ATKINSON ROAD, 28 FAIRDENE AVENUE AND 12 MAHOE ROAD**

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. EW 03 654C - Stormwater Improvements at 143 Atkinson Road, 28 Fairdene Avenue and 12 Mahoe Road.

BACKGROUND

There is a history of surface flooding and some private property flooding in both Atkinson Road and Fairdene Avenue. Most of these problems are attributable to inadequate carriageway drainage and under sized existing reticulation. These works are to address these problems, which should minimise any future flooding issues.

In addition, there was a landslip in 2002 along Mahoe Road which nearly destroyed two houses. The landslip was caused by excessive surface water. A part of this contract is to install a catch basin to control the surface water run off upstream of these properties and to discharge it through a new stormwater pipe and culvert.

SCOPE OF WORK

The contract works for Atkinson Road include the construction of 150 metres of 300 mm diameter pipe, both polyethylene (PE) and reinforced concrete rubber ring jointed (RCRRJ), by both trenchless and open trenching methods in the footpath of Atkinson Road and down through the driveway of 143 Atkinson Road to connect to the existing stormwater reticulation. There are also one new manhole and six new superpits to be constructed. Reinstatement of the Atkinson Road footpath and private property is included in the contract works.

For Fairdene Avenue, the contract works include the construction of 150 metres of 300 mm diameter RCRRJ pipe by open trenching methods in the footpath of Fairdene Avenue and 30 metres of 450 mm RCRRJ pipe by open trenching methods across Fairdene Avenue to connect to the existing stormwater reticulation. There are also four new manholes, two new superpits and 12 lateral connections to be constructed. Reinstatement of the Fairdene Avenue footpath and carriageway is included in the contract works.

The contract works for Mahoe Road include the construction of 75 metres of 250 mm diameter PE pipe by open trenching methods down through the property of 12 Mahoe Road, and 10 metres of 300 mm diameter PE pipe by open trenching methods across Mahoe Road. There are also two new manholes, a catch basin and an outlet structure to be constructed. Reinstatement of the Mahoe Road carriageway and private property is included in the contract works.

TENDERS RECEIVED

Tenders were publicly advertised, with five sets of documents being uplifted. One tender was received by the closing date of 28 October 2003. This is summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
Civil Construction Group Ltd	P O Box 46-009, Herne Bay	\$267,215.00
<i>Pre-tender contract estimate</i>		\$225,910.00

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 2:

Tender Evaluation	Attributes	Exper.	Track Record	Tech. Skill	Resour	Manag Skill	Method	Price	Contract No. EW 03 654C
									Total Weights
	Weights	5	5	5	5	5	5	70	100
Tenderer	Tender Sum	Grades							INDEX
Civil Construction Group Ltd	\$267,215.00	65	65	70	60	60	60	50	54
Median Tender Price	\$267,215.00								

Table 2 - Summary of Tender Evaluation

Attribute scores were given on the basis of the information received with the tender, through checking with referees, and on actual recent experience with the tenderer.

The only tender received was from Civil Construction Group Limited. This firm is already undertaking a number of drainage contracts for the Council this year, and has been the one consistent tenderer for recent Council drainage contracts. Civil Construction Group Limited has been awarded three other contracts for completion this financial year, two of which are of similar size to this one. Consequently, the firm's Technical Skills and Resources available to undertake this contract satisfactorily was a major consideration in the tender evaluation.

The tenderer was questioned with regard to its ability to complete the works within the contract timeframes. Civil Construction Group Limited conceded that the schedule was tight but advised that it felt capable of completing the works in time.

The tendered price from Civil Construction Group Limited was approximately 18% above the Pre-tender Estimate. The main differences were in the Preliminary and General and re-instatement costs, and although the tendered amounts are high, they are not ridiculously so. Otherwise, the overall construction rates as tendered are considered to be fair and reasonable, and are reflective of the volume of work and lack of competition in the market place at present. If the contract were to be re-tendered, there is no guarantee that any more or lower priced tenders would be received, and the contract work would be delayed to the point where it might not be completed in the current construction season.

It is considered that Civil Construction Group Limited has both the expertise and resources to undertake a project of this size and scope.

TAGS, ERRORS OR OMISSIONS

There were no tags, errors or omissions in the tender received.

CREDIT CHECK

A credit check dated 5 September 2003 on Civil Construction Group Limited revealed no adverse information.

SUMMARY

The results of the tender evaluation as summarised in Table 2 show that the tender submitted by Civil Construction Group Limited achieved an overall index of 54. This was the only tender received. Nonetheless, it is considered that the price tendered by Civil Construction Group Limited is competitive, and that this firm has the necessary 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 - Civil Construction Group Limited	\$267,215.00
Contingency	\$ 26,722.00
Engineering & Supervision	\$ 6,724.00

Total Job Cost	\$300,661.00

SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Stormwater Upgrades	85-9815-60000-999	\$2,878,682	\$1,494,945	\$300,661	\$1,083,076

RECOMMENDATIONS

1. That the information be received.
2. That the tender from Civil Construction Group Limited for Contract No. EW 03 654C - Stormwater Improvements at 143 Atkinson Road, 28 Fairdene Avenue and 12 Mahoe Road in the sum of \$267,215.00 plus \$33,401.87 GST, totalling \$300,616.87 be accepted.
3. That authority to enter into Contract No. EW 03 654C - Stormwater Improvements at 143 Atkinson Road, 28 Fairdene Avenue and 12 Mahoe Road on behalf of Council be delegated to the Group Manager: Asset Management.

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



6 TELECOMMUNICATIONS CONTRACT - MOBILE SERVICES (IM03087C)

PURPOSE OF THE REPORT

The purpose of this report is to seek the Tenders Subcommittee's approval and authority to enter into a contract with Vodafone New Zealand Limited to be Council's mobile services provider for a three-year term.

BACKGROUND

In 2001, Telecom New Zealand Limited launched their new 027 (Code Division Multiple Access) cellular network into the New Zealand marketplace. Council remained using Telecom's older 025 (Time Division Multiple Access) network, as, until recently, there have been issues with the level of 027 coverage within Waitakere region. Telecom New Zealand Limited is slowly phasing out their 025 network and in the near future Council will be unable to buy hardware compatible with this network, hence the need to migrate off the existing mobile network.

As a move from one cellular network to another is imminent and as recent benchmarking and reviews by utility consultants indicates it would be in the Council's best interest to test the market, approval was sought and granted by the Tenders Subcommittee on the 27 June 2003 to issue a selective tender for it's mobile services.

ISSUES

A tender was issued and responses received from two telecommunication vendors. The evaluation included field-testing, by Council, to establish the level of coverage on both vendors' networks within the Waitakere Region. The locations tested ranged from CBD, suburban and rural areas within the region and the results indicate that the local coverage on both networks is fairly even, with no one vendor significantly better than the other. On a national basis, both networks have comparable coverage and each vendor has improvement plans, which are at varying stages.

The tariffs offered by the two vendors have been applied to Council's current establishment of mobile phones and a typical month's mobile usage (calls) for comparison. The following table reflects the comparative results.

Tender Evaluation	Attributes	Network Coverage	Technology and Support	Account Billing	Account Mgmt	Cost of Change	Contract Compliance	Partnership	Price	Contract Number IM03087C
		Total Weights								
	Weights	20	15	6	6	6	6	5	36	100
Tenderer	Tender Sum	Grades								INDEX
Vodafone New Zealand Ltd	\$617,340.00	88	86	85	85	88*	100	90	51	69
Telecom New Zealand Ltd	\$628,467.00	82	81	82	80	93	100	80	49	66
Med.n Tender Price	\$622,903.50									

The key differences between the two proposals based on the non-price attributes are:

- **Network Coverage** - Although, local coverage for 021 and 027 at present, is fairly even, Vodafone's future plans for coverage improvement within Waitakere Region is more comprehensive and at advanced stages than that of Telecom. Vodafone has better International Roaming capabilities and is easier to administer than that of Telecom.
- **Technology and Support** - Vodafone operate a SIMcard Technology which provides a number of advantages to Council e.g. faster restoration times for damaged phones, mobile users will no longer have to manually transfer contact details from one phone to another as this data is stored on the SIMcard, reduction in mobile support time for Council.
- **Account Billing** - Both vendors offer tools to analyse mobile usage. Vodafone's TwinTalk facility offers the ability to group individual mobile users business and non-business related calls, via one invoice, to aid in reconciliation and subsequent reimbursement to Council of these costs.
- **Account Management** - Both Telecom and Vodafone offer an account management facility. In practice, Vodafone has a proven account management track record, which has been verified by reference checks utilizing both vendors and is a standout feature in comparison to Telecom.
- **Cost of Change** -
 - A change of mobile vendor, will incur disconnection fees from Telecom NZ Limited. This cost is estimated to be \$12960* on the assumption that the migration occurs in two major phases. Phase One will migrate over those users whose individual connection agreements with Telecom, have already expired plus all of Council's high volume users (regardless of agreement status). Phase Two will migrate over those users whose individual connections agreements end late 2004.
 - Any cost of changing business cards will be minimised by migrating in two phases. In both phases, mobile connections will be moved to the cheapest Telecom consumer plan with a voice mail message advising the change in recipients' mobile number. Vodafone has agreed to cover these costs for a 2-month period after which time, the Telecom mobile connection will be disconnected.

- Council will not incur costs for changing mobile handsets (as long as they fall within Council's standard models) and any costs of change in relation to handsfree car-kits, as a result of the migration will be covered by the hardware subsidy offered by Vodafone.
- **Partnership** - From the two proposals, Vodafone has demonstrated a commitment to Council's Eco City philosophy by offering refurbished mobile phones for low volume users.

RESOURCES

It's anticipated that Council's annual spend for the new mobile services will be in the order of \$204,825 for which provision has been made in the 2003/2004 Annual Plan and the subsequent Long Term Council Community Plan. This provision also covers those mobile phones remaining on Telecom's network.

Cost Centre	Estimated Costs		Annual Plan Budget	
	Year	Amount	Year	Amount
15-1810-16000-220 and other various cost centres	2003/04	\$116,805*	2003/04	\$272,944
15-1810-16000-220 and other various cost centres	2004/05	\$204,825	2004/05	\$274,352
15-1810-16000-220 and other various cost centres	2005/06	\$204,825	2005/06	\$274,352
15-1810-16000-220 and other various cost centres	2006/07	\$103,845	2006/07	\$274,352
Total		\$630,300		

*Includes disconnection fees of \$12,960

CONCLUSION

Based on the evaluation results it is recommended that Vodafone New Zealand Limited be awarded the three-year preferred supplier contract for Council's mobile services.

Authority is also sought to continue to utilise Telecom New Zealand Limited for those mobile connections, not included in Phase One of the migration, until the individual connection agreement term ceases.

RECOMMENDATIONS

1. That the information be received.
2. That Vodafone New Zealand Limited be awarded a three-year preferred supplier contract for Council's mobile services.
3. That Council continue to utilise Telecom New Zealand Limited for those individual connection agreements, which are not included in the Phase One migration, and that the Director: Corporate & Civic Services be authorised to give effect to any necessary and appropriate contractual agreements associated with these connections.
4. That the Director: Corporate & Civic Services be delegated authority to enter into the preferred supplier contract with Vodafone New Zealand Limited on behalf of Council.

Report prepared by: Sandra Boyes, Administration Team Leader, Information Management.



7 TELECOMMUNICATIONS CONTRACT - VOICE SERVICES (IM03087B)

PURPOSE OF THE REPORT

The purpose of this report is to seek the Tenders Subcommittee's approval and authority to enter into a contract with Telecom New Zealand Limited to be Council's voice services provider for a three-year term.

Voice services covers Council's landline rentals and associated costs including call charges for these lines i.e. local, national, international calls.

BACKGROUND

On the 27 June 2003, the subcommittee granted approval for a selective tender to be undertaken for Council's voice services. This was as a result of recent benchmarking and reviews by utility consultants, which indicated it would be in the Council's best interest to test the market for its telecommunication services by issuing a selective tender.

This report was submitted to Tenders Subcommittee on 10 October 2003, but subsequently delayed to enable the completion of the mobile services tender evaluation, which has now been completed.

ISSUES

A selective tender was issued and responses received from four telecommunication vendors. CallPlus Limited and USC Limited did not submit proposals for line rentals and their proposals for call charges were incomplete and therefore were not evaluated further. The tariffs offered by the remaining two vendors have been applied to Council's current landline infrastructure (line rentals) and a typical month's telephone usage (calls) for comparison. The following table reflects the comparative results.

Tender Evaluation	Attributes	Technology	Quality of Proposal	Account Billing	Account Mgmt	Cost of Change	Contract Compliance	Commitment to Partnership	Price	Contract Number IM03087B
										Total Weights
	Weights	5.5	3	5.5	5.5	5	5.5	3	67	100
Tenderer	Tender Sum	Grades							INDEX	
Telecom NZ Ltd	\$1,017,945.00	95	100	90	90	100	100	100	51	61
TelstraClear NZ Ltd	\$1,046,277.00	95	90	90	90	98	100	95	49	58
Med.n Tender Price	\$1,032,111.00									

RESOURCES

It's anticipated that Council's annual spend for the new voice services will be in the order of \$340,000 for which provision has been made in the 2003/2004 Annual Plan and the subsequent Long Term Council Community Plan.

Cost Centre	Estimated Costs		Annual Plan Budget	
	Year	Amount	Year	Amount
15-1810-16000-228 and other various cost centres	2003/04	\$169,650	2003/04	\$538,360
15-1810-16000-228 and other various cost centres	2004/05	\$339,300	2004/05	\$538,360
15-1810-16000-228 and other various cost centres	2005/06	\$339,300	2005/06	\$538,360
15-1810-16000-228 and other various cost centres	2006/07	\$169,650	2006/07	\$538,360
Total		\$1,017,900		

CONCLUSION

Based on the evaluation results it is recommended that Telecom New Zealand Limited be awarded the three-year preferred supplier contract for Council's voice services.

RECOMMENDATIONS

1. That the information be received.
2. That Telecom New Zealand Limited be awarded a three-year preferred supplier contract for Council's voice services.
3. That the Director: Corporate & Civic Services be delegated authority to enter into the preferred supplier contract with Telecom New Zealand Limited on behalf of Council.

Report prepared by: Sandra Boyes, Administration Team Leader, Information Management.



8 TELECOMMUNICATIONS CONTRACT - DATA SERVICES (IM03087D)

PURPOSE OF THE REPORT

The purpose of this report is to seek the Tenders Subcommittee's approval and authority to enter into a contract with Telecom New Zealand Limited to be Council's data services provider for a three-year term.

BACKGROUND

For the last six years, Council has operated a WAN (Wide Area Network) over lines leased from Telecom, utilizing the Telecom DDS (Digital Data Services) Network, which is one of a number of different networking technologies offered by Telecom. This network is used to connect Council's remote sites (including the branch Libraries) back to the campus network, and also provides connections to business partners such as Techscape, Datacom & Jade.

Telecom have recently announced the discontinuation of the Digital Data Services network, and this, along with changes in Council's business requirements driving the need for more bandwidth, prompted a review of Council's WAN technology requirements, the results of which were incorporated in the selective Request For Proposal issued as agreed by Tenders Subcommittee on 27 June 2003.

This report was submitted to Tenders Subcommittee on 10 October 2003, but subsequently delayed to enable the completion of the mobile services tender evaluation, which has now been completed.

ISSUES

A tender was issued and responses received from two telecommunication vendors. The tariffs offered by these vendors have been applied to Council's proposed data infrastructure however TelstraClear failed to provide a complete solution addressing the overall data networking requirements of Council, for both Corporate and Traffic Control WANS, and therefore we are unable to provide a comparative cost figure. The following table below shows ratings against non-price attributes as a benchmarking comparison only.

Tender Evaluation	Attributes	Technology	Quality of Proposal	Account Billing	Account Mgmt	Cost of Change	Contract Compliance	Commitment to Partnership	Price	Contract Number IM03087D
										Total Weights
	Weights	17	3	6	6	6	6	3	53	100
Tenderer	Tender Sum	Grades								INDEX
Telecom NZ Ltd	\$707,400	95	100	90	90	100	90	100	50	65
TelstraClear NZ Ltd	Insufficient info	35	90	90	90	98	35	95	FAIL	Disqualified
Med.n Tender Price	\$707,400									

The key differences between the two proposals based on the non-price attributes are:

- **Technology and Quality of Proposal** - Telecom New Zealand Limited provided a comprehensive proposal with a complete solution for the Council's overall data network including low speed analogue lines, which is used to control traffic lights throughout the City. TelstraClear failed to provide a network solution for Council's traffic light control and Jetstream access for some remote sites.
- **Cost of Change** - At present Telecom New Zealand Limited is the incumbent supplier and therefore the cost of changing will be less than going to new supplier.
- **Contract Compliance** - TelstraClear was unable to provide a complete network solution and therefore the proposal was incomplete and did not meet Council's contract compliance.
- **Commitment to Partnership** - From the two proposals, Telecom has provided a total data network solution over the next three years and proposed a migration path that waives normal installation costs and any capital outlay associated with upgrading a significant proportion of the communications hardware required to migrate to Telecom's Next Generation Network (NGN) platform, where as TelstraClear has only provided a partial solution.

RESOURCES

It's anticipated that Council's annual spend for the new data services will be in the order of \$235,800 for which provision has been made in the 2003/2004 Annual Plan and the subsequent Long Term Council Community Plan.

Cost Centre	Estimated Costs		Annual Plan Budget	
15-1810-16000-254 and other various cost centres	2003/04	\$117,900	2003/04	\$216,349
15-1810-16000-250			2003/04	\$ 20,400
Sub-Total	2003/04	\$117,900	2003/04	\$236,749
15-1810-16000-254 and other various cost centres	2004/05	\$235,800	2004/05	\$216,349
15-1810-16000-250			2004/05	\$ 20,400
Sub-Total	2004/05	\$235,800	2004/05	\$236,749
15-1810-16000-254 and other various cost centres	2005/06	\$235,800	2005/06	\$216,349
15-1810-16000-250			2005/06	\$ 20,400
Sub-Total	2005/06	\$235,800	2005/06	\$236,749
15-1810-16000-254 and other various cost centres	2006/07	\$117,900	2006/07	\$216,349
15-1810-16000-250			2006/07	\$ 20,400
Sub-Total	2006/07	\$117,900	2006/07	\$236,749
TOTAL		\$707,400		

CONCLUSION

As Telstra-Clear failed to provide a complete solution addressing the overall data networking requirements of Council, and based on the comparative scoring of the non-price attributes above, it is therefore recommended that Telecom New Zealand Limited continue as preferred supplier for Council's Data Services.

RECOMMENDATIONS

1. That the information be received.
2. That Telecom New Zealand Limited be awarded a three-year preferred supplier contract for Council's data services.
3. That the Director: Corporate & Civic Services be delegated authority to enter into the preferred supplier contract with Telecom New Zealand Limited on behalf of Council.

Report prepared by: Sandra Boyes, Administration Team Leader, Information Management.



9 **CONTRACT_LS03519 - SUMMERLAND DRIVE COMMUNITY FACILITY DEVELOPMENT**

PURPOSE OF THE REPORT

The purpose of the report is to seek approval from the Tenders Subcommittee to enter into two two-year contracts, for the 2003/2004 to 2004/2005 financial years, with consultants for the architectural design and quantity surveying services for the detailed design of the proposed Summerland Drive Community Facility.

BACKGROUND

A partnership between Council and the Ministry of Education was established to develop the concept of co-locating a community facility with the now existing Summerland Primary School. The concept of a community facility co-located with the school was presented to the community for consultation, which resulted in widespread support for the collaborative approach.

As a result the Community Facilities and Recreation Committee on the 15 November 2000 resolved:

“That \$350,000 be included in the 2001/2002 Annual Plan to complete the purchase of sites adjoining the new Sturges Valley Primary School on which new community facilities can be co-located at a future date.”

3945/2000

The land was subsequently purchased in the 2001/2002 financial year.

The 2002/2003 Annual Plan provided a further \$30,000 to progress the concept plan for a proposed community facility and to undertake comprehensive community consultation, which has subsequently been completed. The findings of the consultation, concept plan and costings were presented to the Projects Special Committee for their consideration at the October meeting. The estimated cost of the project is \$660,000.

As a result the Projects Special Committee on 1 October 2003 resolved the following:

“That Summerland Drive Community Facility detailed design commence during the 2003/2004 year and be funded from the funding provided in the 2003/2004 Annual Plan for a facility size of 300 sqm, with potential to extend.”

2000/2003

The 2003/2004 Annual Plan provides \$60,000 to progress the project and commence developed and detailed design. Future capital development funding has been disclosed in the Long Term Council Community Plan for 2004/2005 and 2005/2006.

The proposed timeline for development is as follows:

- Detailed Design Commenced - 2003/2004 Financial Year;
- Detailed Design Completed - by October 2004;
- Facility Construction - Commence December 2004.

STRATEGIC CONTEXT

Community and leisure facilities and activities contribute to Council's Strong Communities and Urban and Rural Villages Strategic Platforms by helping provide networks of appropriate and accessible public buildings as key community focal points, and through a wide range of low cost, low impact community activities.

Council's strategic objective for leisure is that a comprehensive range of leisure, recreation and sports services and facilities are provided.

Through adoption of First Call for Children, Council has also stated its commitment to proactively supporting children, young people and their families in Waitakere City.

The Local Government Act defines one of Council's responsibilities is to promote the social, economic, environmental and cultural wellbeing of communities, in the present and for the future.

ISSUES

An architect is required to undertake the detailed design stage for a 300sqm community facility on the Council owned sites on Summerland Drive.

The scope of works will take 10 months to complete and will include, but will not be limited to, the following:

- Facility layout and a detailed floor plan - 300sqm;
- Design of the building services and structure, including detailed construction documentation;
- Landscape design - including car park, school linkage, gardens and features;
- Art features - both interior and exterior;
- Elevations;
- Earthworks required;
- Resource and Building Consent.

A quantity surveyor will also be required to provide quantity surveying services for the building complex, fit out, site and landscape works described more specifically including:

- Review of design to establish anticipated costs of construction and conformance with the Specified Target Budget (STB);
- Review of detailed design to establish conformance with the Specified Target Budget;
- Preparation of schedules of quantities, which will NOT be contract documents;
- Review and confirm value of all variations;
- Assist the Project Manager with any value-engineering exercises conducted.

The letting of these two-year contracts would involve committing funding from the 2003/2004 and 2004/2005 financial years.

The cost estimates for both the architectural and quantity surveyor contracts is outlined in Table one below:

Table one

	Year 2003/2004	Year 2004/2005
Leisure Services Budget	\$60,000.00	\$55,000.00
Total	\$60,000.00	\$55,000.00

The total estimate for the two two-year contracts for the architect and quantity surveying services for the Summerland Drive Community Facility is \$115,000.00.

The contracts will be project managed by the Special Projects unit of Council.

RESOURCES

The Leisure Services Budget has \$60,000 approved in the 2003/2004 financial year to commence the detail design, including quantity surveyor services.

\$500,000 is provided in both the 2004/2005 and 2005/2006 years of the Long Term Council Community Plan, which provides for the development of the Summerland Drive Community Facility under the line item of 'Leisure Facilities Improvements'.

The forecast for the 2004/2005 and 2005/2006 years has been reviewed and reforecasted to \$750,000 for 2004/2005 and 250,000 for 2005/2006.

A commitment is required to fund \$55,000 from the Leisure Services Budget for the completion of detailed design of the Community Facility in the 2004/2005 financial year.

CONCLUSION

The Projects Special Committee in October 2003 endorsed the commencement of detailed design for the proposed Summerland Drive Community Facility, with capital development funding forecast in the 2004/2005 Long Term Council Community Plan.

Consultants are required to undertake Architectural Design and Quantity Surveying services for the detailed design of the proposed Summerland Drive Community Facility, has a timeframe of 10 months to complete.

The report is seeking approval to enter into two two-year contracts, for the 2003/2004 to 2004/2005 financial year, with consultants for the detailed design of the proposed Summerland Drive Community Facility.

RECOMMENDATIONS

1. That the information be received.
2. That approval be given to enter into a two-year contract, for the 2003/2004 to 2004/2005 financial years, with a consultant for the architectural design services for the proposed Community Facility on Summerland Drive.
3. That approval be given to enter into a two-year contract, for the 2003/2004 to 2004/2005 financial years, with a consultant for the quantity surveying services for the proposed Community Facility on Summerland Drive.
4. That approval be given to commit funding of \$55,000.00 plus GST of \$6,875.00 totalling \$61,875.00 against 2004/2005 financial year for the completion of detailed design and quantity surveyor services for the proposed Community Facility on Summerland Drive.
5. That authority be given to the Director: City Services to enter into two contracts for a two year term for the detailed design of the proposed Community Facility on Summerland Drive.

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