



## NOTICE OF MEETING

# TENDERS SUBCOMMITTEE

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

**DATE:**        **Friday**                    **24 October 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.

17 October 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, 24 OCTOBER 2003,  
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, 24 OCTOBER,  
COMMENCING AT 9.00 AM**

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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 - 10 October 2003  
Extraordinary - 16 October 2003

**RECOMMENDATION**

That the minutes of the Ordinary Meeting of the Tenders Subcommittee held on Friday, 10 October 2003 and the Extraordinary Meeting held on Thursday, 16 October 2003 as circulated, be taken as read and now be confirmed.



4 **CONTRACT NO. EW02 688C - AVA AVENUE/GOLF ROAD STORMWATER UPGRADE**

**PURPOSE OF THE REPORT**

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. EW02 688C Ava Avenue/Golf Road Stormwater Upgrade.

**BACKGROUND**

There is a problem with the existing stormwater system serving the properties in the vicinity of Ava Avenue, Golf Road and Titirangi Road, caused by a critical shortfall in the stormwater network capacity during times of heavy rainfall in the vicinity of Lemnos Street/De Val Drive, Titirangi North. As improvements to the network in that area are not feasible, a new stormwater line to re-direct stormwater away from the De Val Drive area towards the Ragley Street/Crum Park area has been proposed.

The proposed scheme involves complex engineering and consent issues due to the steep, heavily vegetated site, presence of large trees, and private property access.

**SCOPE OF WORK**

The contract works include construction of 142 metres of 375 mm diameter reinforced concrete pipe in the carriageway of Golf Road and through the old depot site in Ragley Street, and 191 metres of 400 mm diameter polyethylene pipe in the section from Golf Road to the old depot site. There are seven precast concrete manholes to be constructed along the pipeline. Reinstatement work for the Golf Road carriageway, the old depot site, and private property is also included in the contract.

**TENDERS RECEIVED**

Tenders were publicly advertised, with 7 sets of documents being uplifted. Three tenders were received by the closing date of 16 September 2003. These are summarised in Table 1 below:

<b>TENDERER</b>	<b>REG OFFICE</b>	<b>TENDER PRICE (excl. GST)</b>
M Keoghnan Contractors Limited	PO Box 43-126, Mangere	\$239,515.00
H & H Contractors Limited	PO Box 15-084, New Lynn	\$283,905.00
JB Pipeline Services Limited	PO Box 13-447, Onehunga	\$298,710.00
Pre-tender contract estimate		<b>\$250,000.00</b>

**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 \$7,000.00.

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 688C
									Total Weights
	Weights	5	5	5	5	5	5	70	100
Tenderer	Tender Sum	Grades							INDEX
M Keoghnan Contractors Limited	\$232,515.00	45	55	65	45	55	55	66	62
H & H Contractors Limited	\$276,905.00	75	55	75	75	55	70	50	55
JB Pipeline Services Limited	\$291,710.00	65	60	65	60	70	55	45	50
<b>Median Tender Price</b>	<b>\$276,905.00</b>								

**Table 2 - Summary of Tender Evaluation**

Attribute scores were given on the basis of the information received with each tender, as well as on actual experience in recent contracts, if any.

The lowest tenderer, M Keoghnan Contractors Limited, scored poorly in the two non-price attributes of Relevant Experience and Resources. This is because the tenderer did not provide any information related to directional drilling for these two attributes, when directional drilling forms a significant proportion of the contract works. However, the tenderer *has* proposed the use of an experienced directional drilling subcontractor for this part of the work, and this subcontractor is known and is acceptable to Council officers.

During the evaluation process a note of caution was raised by one referee regarding the volume of work that M Keoghnan Contractors Limited could become committed to, including this contract. Consequently, the tenderer was requested in writing to provide information on its current workload, on tenders it has submitted which are awaiting decision, and the impact of this information on its ability to undertake this project. Based on the information provided by the tenderer, Council officers are confident that M Keoghnan Contractors Limited will be in a position to start the Ava Avenue/Golf Road contract from mid November 2003, which is consistent with the project programme.

The tender from M Keoghnan Contractors Limited is approximately 4 percent lower than the pre-tender estimate for the works.

**TAGS, ERRORS OR OMISSIONS**

The tenders of M Keoghnan Contractors Limited and JB Pipeline Services Limited did not contain any tags, errors or omissions.

The tender of H & H Contractors Limited contained seven tags. The tags were evaluated as to their acceptability in accordance with Clause 105.8.5 of the Conditions of Tendering, and four tags were considered to be not acceptable. When requested by fax to withdraw these tags, the tenderer complied, and supplied a commentary clarifying the intent of the tags.

**CREDIT CHECK**

A credit check on M Keoghnan Contractors Limited dated 20 September 2003 revealed no adverse information.

## SUMMARY

The results of the tender evaluation as summarised in Table 2 show that the tender submitted by M Keoghan Contractors Limited achieved the highest overall index of 62. This is also the lowest tender received. It is considered that M Keoghan Contractors Limited 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 - M Keoghan Contractors Limited	\$239,515.00
Contingency	\$ 23,952.00
Engineering & Supervision	\$ 27,960.00
Total Job Cost	<u>\$291,427.00</u>

## 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	\$769,072	\$291,427	\$1,818,183

## RECOMMENDATIONS

1. That the information be received.
2. That the tender from M Keoghan Contractors Limited for Contract No. EW02 688C - Ava Avenue/Golf Road Stormwater Upgrade in the sum of \$239,515.00 plus \$29,939.38 GST, totalling \$269,454.38 be accepted.
3. That authority to enter into Contract No. EW02 688C - Ava Avenue/Golf Road Stormwater Upgrade on behalf of Council be delegated to the Group Manager: Asset Management.

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



**5 CONTRACT PK03620A - PUBLIC TOILET UPGRADE - BRAINS & ARCHIBALD PARK**

**PURPOSE OF THE REPORT**

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract PK 03620A - Public Toilet Upgrade - Brains & Archibald Parks.

**BACKGROUND**

This contract forms part of Council's parks asset capital and renewal programme as provided for in the 2003/2004 Annual Plan and work carried over from the 2002/2003 programme.

Tenders for Public Toilet Upgrades of Archibald and Te Atatu Peninsula have been called for three times prior to this tender.

The first public tender period closed on 19 November 2002 and no tenders were submitted. The tender was then re-advertised and the tender period closed on 10 December 2002 with only one tender submitted that exceeded the budget and engineers estimate by approximately 400%. A list of invited tenderers was then compiled and these tenderers were invited to submit tenders for the works.

The third tender period closed on 7 February 2003 with three tenders submitted. All three tenders submitted exceeded the budget and engineers estimate, therefore rejected. A decision to delay the tender process and carryover funding was made in the hope that a more affordable price could be obtained later in 2003.

**SCOPE OF WORK**

This contract is for the construction of two toilet/changing room facilities at Brains Park and at Archibald Park. This contract includes demolition of the existing toilet facilities at Archibald Park and the demolition of the toilet/changing rooms at Brains Park. The facilities comprise public toilets, changing and showering facilities. Both facilities are designed to use the same building materials and fittings. The construction on both sites is of pre-cast concrete slab including the supply and installation of all fixtures, fittings and the connection of all services to the facilities.

The construction materials have been selected to reduce the long-term maintenance costs, reduce the risk of vandalism and to ensure the buildings are aesthetically pleasing.

**TENDERS RECEIVED**

Tenders were publicly advertised with four sets of documents being uplifted. Four tenders were received by the closing date of 23 September 2003. These are summarised in Table 1 below:

<b>TENDERER</b>	<b>REG OFFICE</b>	<b>TENDER PRICE (excl.GST)</b>
Edge City Builders Limited	P.O.Box 15320, New Lynn	\$665,004.00
Gibbons Contractors Limited	P.O.Box 40 323, Glenfield	\$661,905.39
Auckland Construction Limited	P.O.Box 83 018, Edmonton	\$690,244.00
Construction Smart Limited	P.O.Box 39 432, Howick	\$741,904.00
<b>Pre-tender contract estimate</b>		<b>\$581,000.00</b>

**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".

Gibbons Contractors Limited submitted the lowest tender sum, however during the evaluation of the tenders it was identified that Gibbons Contractors Limited had excluded item 15 of the Archibald Park schedule from their tender sum, stating that they did not have sufficient information to price the item. This omission was treated as a tag and Gibbons Contractors Limited were subsequently asked to submit a price for this item. They did not submit a price and therefore their tender was considered to be nonconforming and eliminated from the tender process.

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 Number PK 03620A
									Total Weights
	<b>Weights</b>	<b>5</b>	<b>10</b>	<b>4</b>	<b>3</b>	<b>5</b>	<b>3</b>	<b>70</b>	<b>100</b>
Tenderer	Tender Sum	Grades							INDEX
Edge City Builders Limited	\$665,004.00	70	75	65	55	60	65	54	58
Auckland Construction Limited	\$690,244.00	60	60	45	65	60	45	50	<b>52</b>
Construction Smart Limited	\$741,904.00	65	70	65	65	60	65	42	<b>50</b>
<b>Med.n Tender Price</b>	\$690,224.00								

**Table 2 - Summary of Tender Evaluation**

Although all tenders received exceed the Engineer's Estimate they do not exceed the budgets available for this project. The Engineer's Estimate was established using a qualified Quantity Surveyor. At the time of the estimate it was made clear that it did not take into account the fluctuations currently seen within the construction market.

Edge City Builders Limited have undertaken work for Waitakere City Council through the property department and have been awarded contract PK 02541B Piha Toilet Upgrade. This contract is on time and there are no issues with quality of work.

The results of the tender evaluation as summarised in Table 2 shows that the tender submitted by Edge City Builders Limited achieved the highest index of 58. This tender is also the second 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.

### TAGS, ERRORS OR OMISSIONS

The tender submitted by Gibbons Contractors Limited had not allowed for the inclusion of item 15 of the Archibald Park schedule. Included in their tender was an explanation that they did not believe that they had sufficient information to submit a price however this was not an issue for the other tenderers. No tags, errors or omissions were received in the other tenders.

### CREDIT CHECK

A credit check on Edge City Builders Limited has been requested.

### JOB COSTS

#### EXCL.GST

Tender sum - Edge City Builders Limited.	\$665,004.00
Contingency	\$66,500.40
Engineering & Supervision	\$19,000.00
<b>Total Job Cost</b>	<b><u>\$750,504.40</u></b>

### SOURCE OF FUNDING

Account Name	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Archibald Park Toilet Upgrade and Extension (Carried Forward)	75-9825-46280	\$100,586.00	\$0.00	\$100,586.00	\$0.00
Toilet & Changing Rooms Renewals (Includes Carry Forward of \$405,000)	75-9823-31560	\$985,000.00	\$674,900.00	\$310,100.00	\$0.00
Toilet Capital associated with renewals	75-9825-31560	\$560,000.00	\$220,181.60	\$339,818.40	\$0.00
		<b>\$1,645,586.00</b>	<b>\$895,081.60</b>	<b>\$750,504.40</b>	<b>\$0.00</b>

### RECOMMENDATIONS

1. That the information be received
2. That subject to a satisfactory credit check the tender from Edge City Builders Limited for contract No. PK03620A - Public Toilet Upgrades - Archibald and Brains Parks in the sum of \$665,004.00 plus \$83,125.50 GST, totalling \$748,129.50 be accepted.
3. That authority to enter into Contract No. PK03620A - Public Toilet Upgrades - Archibald and Brains Parks Construction on behalf of Council be delegated to the Group Manager: Asset Management.

Report prepared by: Alan Duxfield, Parks Assets Project Manager.



**6 CONTRACT PK03620B - PUBLIC TOILET UPGRADE - TE ATATU PENINSULA PARK**

**PURPOSE OF THE REPORT**

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract PK 03620B - Public Toilet Upgrade - Te Atatu Peninsula Parks.

**BACKGROUND**

This work has been carried over from last financial year due to the fact that no satisfactory tender was received for Public Toilet Upgrades of Archibald and Te Atatu Peninsula. This was after three attempts at tendering.

The first public tender period closed on 19 November 2002 and no tenders were submitted. The tender was then re-advertised and the tender period closed on 10 December 2002, with only one tender submitted that exceeded the budget and Engineers Estimate by approximately 400%. A list of invited tenderers was then compiled and these tenderers were invited to submit tenders for the work.

The third tender period closed on 7 February 2003 with three tenders submitted. All three tenders submitted exceeded the budget and Engineers Estimate and therefore rejected. A decision to delay the tender process and carryover funding was made in the hope that a more affordable price could be obtained later in 2003.

This contract forms part of Council's parks asset capital and renewal programme as provided for in the 2003/2004 Annual Plan and work carried over from the 2002/2003 programme.

**SCOPE OF WORK**

This contract is for the upgrade of the existing toilet/changing room facility at Te Atatu Peninsula Park. This contract includes altering the layout and improving the existing toilet, changing and showering facilities to cater for the high demands and to allow for separate public toilets. The construction materials have been selected to reduce the long-term maintenance costs, reduce the risk of vandalism and to ensure the building is aesthetically pleasing.

**TENDERS RECEIVED**

Tenders were publicly advertised with two sets of documents being uplifted. No tenders were received by the closing date of 26 August 2003.

The tender documents were subsequently sent out to four contractors who expressed interest in tendering for the contract. Only one tender was received by the closing date of 23 September 2003. These are summarised in Table 1 below:

<b>TENDERER</b>	<b>REG OFFICE</b>	<b>TENDER PRICE (excl.GST)</b>
Edge City Builders Limited	P.O.Box 15320, New Lynn	\$180,465.00
<b>Pre-tender contract estimate</b>		\$160,000.00

**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 Record	Tech. Skill	Resour.	Manag. Skill	Method.	Price	Contract Number PK 03620A
									Total Weights
	<b>Weights</b>	<b>5</b>	<b>10</b>	<b>4</b>	<b>3</b>	<b>5</b>	<b>3</b>	<b>70</b>	<b>100</b>
Tenderer	Tender Sum	Grades							INDEX
Edge City Builders	\$180,465.00	<b>70</b>	<b>75</b>	<b>65</b>	<b>55</b>	<b>60</b>	<b>65</b>	37	46
<b>Med.n Tender Price</b>	\$160,000.00								

**Table 2 - Summary of Tender Evaluation**

Although the tender price received exceeds the Engineer's Estimate it does not exceed the budget available for this project. The Engineer's Estimate was established using a qualified Quantity Surveyor. At the time of the estimate it was made clear that it did not take into account the fluctuations currently seen within the construction market.

Edge City Builders have undertaken work for Waitakere City Council through the property department and have been awarded contract PK 02541B Piha Toilet Upgrade. This contract is on time and there are no issues with quality of work.

The results of the tender evaluation as summarised in Table 2 shows that the tender submitted by Edge City Builders Limited achieved the index of 46.

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.

#### **TAGS, ERRORS OR OMISSIONS**

No tags, errors or omissions were received in the tender submitted by Edge City Builders Limited.

#### **CREDIT CHECK**

A credit check on Edge City Builders Limited has been requested.

#### **JOB COSTS**

	<u>EXCL.GST</u>
Tender sum - Edge City Builders Limited.	\$180,465.00
Contingency	\$ 18,046.50
Engineering & Supervision	\$ 5,988.50
<b>Total Job Cost</b>	<b>\$204,500.00</b>

**SOURCE OF FUNDING**

Account Name	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Community Board Projects (Includes \$11,000 Carried Forward)	75-9825-22590	\$111,000.00	\$106,000.00	\$5,000.00	\$0.00
Toilet & Changing Rooms Renewals (Includes Carry Forward of \$405,000)	75-9823-31560	\$985,000.00	\$818,000.00	\$167,000.00	\$0.00
Toilet Capital associated with renewals	75-9825-31560	\$560,000.00	\$527,500.00	\$32,500.00	\$0.00
		\$1,656,000.00	\$1,451,500.00	\$204,500.00	\$0.00

**RECOMMENDATIONS**

1. That the information be received
2. That subject to a satisfactory credit check the tender from Edge City Builders Limited for contract No. PK03620B - Public Toilet Upgrades - Te Atatu Peninsula Park in the sum of \$180,465.00 plus \$22,558.13 GST, totalling \$203,023.13 be accepted.
3. That authority to enter into Contract No. PK03620B - Public Toilet Upgrades - Te Atatu Peninsula Park Construction on behalf of Council be delegated to the Group Manager: Asset Management.

Report prepared by: Alan Duxfield, Parks Project Manager, Environmental.



**7 WAITAKERE ROADSIDE VEGETATION CONTROL 2003/2005**

**PURPOSE OF THE REPORT**

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract PK03602B - Waitakere Roadside Vegetation Control 2003/2005.

**BACKGROUND**

Council has a routine maintenance programme for the control of roadside vegetation. The principal objectives of the programme are to maintain or improve the asset through prevention of damage to built assets (seal edges, footpaths, kerbs and damage from slips); reduction of flooding; and reduction of threats to the environment both within and surrounding the road reserve (erosion and silt control, damage to habitat and noxious weed invasion).

This programme has gained a nation-wide reputation for innovation and success. This includes the number of noxious weed species being controlled in the Ranges expanding by 830%. This was done on existing financial allocations. The asset management planning around this programme continues - there is still much to gain. This Contract is one of three main bodies of work carried out to manage vegetation on the road reserve. The other two are 'difficult sites' work, that is control of noxious weeds on the road reserve but beyond the reach of this road based operation (e.g. cliff faces along Scenic Drive); and flail mowing for the retention of safe sight-lines for road users. There is also some work supporting community groups and their restoration projects on the road reserve.

In previous years the sole control method was agrichemical spraying. Herbicide reduction has been an issue addressed by Council over the last year. This contract will apply a weedeating and spot spraying methodology on the frontage of all schools, kindergartens and the like. This work was requested and resourced by Council during the 2002/2003 Annual Plan and is ongoing. The development of methodologies continues and this contract incorporates ideas generated over the last year where this is possible without significantly adding to the cost. Policy that might further direct this is in the process of being developed through the Herbicide Reduction Project and is expected to be presented to Council during the current financial year. Contractors are directed to reduce the quantity and/or effect of herbicides on health and the environment either by reducing the quantity of herbicides used or changing the manner in which herbicides are applied. To achieve this, this Contract requires manual control to be first considered and thereby implemented where this is effective in controlling weeds and where it can be achieved efficiently. Guidelines are given and implemented on a site-by-site basis.

Two years ago Transit New Zealand published the Code of Practice for Temporary Traffic Management (COP). While Council has not adopted this Code of Practice for Temporary Traffic Management it was apparent at the time of tender that expectations on tenderers from the office of Occupational Safety and Health would cause an increase in tender prices compared to prices from previous years.

### SCOPE OF WORK

This Contract is for the control of roadside vegetation including specific noxious weed treatment by scheduled works within Henderson Ward, Massey Ward, New Lynn Ward, and Waitakere Ward. It also incorporates the major commercial centres and associated carparks.

Treatment is by a combination of chemical spraying and manual control methods as required.

### TENDERS RECEIVED

Tenders were publicly advertised with two sets of documents being uplifted. One tender was received by the closing date of 19 August 2003. This is summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl.GST)	
		Option 1 - 9 months	Option 2 - 21 months
Aspin Weed Control Limited	Te Atatu, Auckland	\$218,610.16	\$412,546.17
<b>Pre-tender contract estimate</b>		\$211,138.45	\$402,276.90

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. However, Aspin Weed Control Limited was requested to submit an alternate price (A1.1 - Option 1 and A1.2 - Option 2), as outlined below, and it was this alternate price that was used for tender evaluation.

Multiple pricing options were provided, with Option 1 being a contract for nine months and Option 2 a 21 months contract. The option for a longer-term contract was made available as an incentive for tenderers to provide lower priced tenders, thus financially benefiting the Council.

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

Tender Evaluation	Attributes	Exper.	Track Record	Tech. Skill	Resour.	Manag. Skill	Method.	Price	Contract Number PK03602B
									Total Weights
	<b>Weights</b>	<b>5</b>	<b>10</b>	<b>5</b>	<b>3</b>	<b>5</b>	<b>2</b>	<b>70</b>	<b>100</b>
Tenderer	Tender Sum	Grades							INDEX
Aspin Weed Control Limited.	\$199,694.38	<b>80</b>	<b>75</b>	<b>75</b>	<b>70</b>	<b>70</b>	<b>65</b>	50	57
<b>Med.n Tender Price</b>	\$199,694.38								

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

**Table 2a - Summary of Tender Evaluation for Alternative Price Option 1 (A1.1)**

Tender Evaluation	Attributes	Exper.	Track Record	Tech. Skill	Resour.	Manag. Skill	Method.	Price	Contract Number PK03602B
									Total Weights
	<b>Weights</b>	<b>5</b>	<b>10</b>	<b>5</b>	<b>3</b>	<b>5</b>	<b>2</b>	<b>70</b>	<b>100</b>
Tenderer	Tender Sum	Grades							INDEX
Aspin Weed Control Limited.	\$374,714.79	<b>80</b>	<b>75</b>	<b>75</b>	<b>70</b>	<b>70</b>	<b>65</b>	50	57
<b>Med.n Tender Price</b>	\$374,714.79								

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

**Table 2b – Summary of Tender Evaluation for Alternative Price Option 2 (A1.2)**

### Aspin Weed Control Limited

Aspin Weed Control Limited was the only Tenderer to submit a price. Aspin Weed Control Limited has been in the roadside spraying and vegetation control business over 20 years. As the incumbent contractor, Aspin Weed Control Limited has performed satisfactorily and is very familiar with the sites and scope of works. Aspin Weed Control Limited is very well resourced with highly trained personnel and relevant plant and machinery. They have good backup provisions in case of machinery breakdown. Referees noted that Aspin Weed Control Limited was very efficient, reliable, honest and maintained excellent relationships with their clients.

Aspin Weed Control Limited proposes to utilise Leney Contracting Limited and Don Rhodes of Rhodesway Services as subcontractors. Referees have noted that Aspin Weed Control Limited have managed subcontractors without any problems.

The initial price submitted by Aspin Weed Control Limited was well over the funding allocated for the contract works. This was mainly due to the Tenderer submitting a price based on adhering to the Transit New Zealand Code of Practice for Temporary Traffic Management (COP). Aspin Weed Control Limited was requested to develop a Traffic Management Plan (TMP) under an 'Engineers Violation' clause, as allowed for by the Code of Practice for Temporary traffic Management, and to submit an alternate price based on undertaking contract works under this plan.

The alternate price submitted by Aspin Weed Control Limited, based on the Traffic Management Plan, was still above the funding allocated for the contract works and negotiations were entered into. This was partly resolved by both parties agreeing to remove Cycle 2 of spraying for noxious weeds from the scope of works for the 2003/2005 year. Instead, an additional cycle of noxious spraying would be undertaken in the 2004/2005 term of the contract. Aspin Weed Control Limited agreed to undertake the additional spraying at the 'A1.2' rates supplied for Cycle 2 of noxious weed spraying. The need for catch-up work will be monitored. Any funds able to be saved (that is should any of the noxious species not require catch-up work) will then be used on other noxious weed sites within the road reserve. Any potential for this is expected to be small as the operation attempts to prevent seeding, not just control the size of an infestation.

The remaining shortfall of funds for Contract PK 03602B in the 2003/2004 year have been diverted from the planned 'difficult sites' works of the operation dealing with noxious weed sites on road reserve beyond the reach of this road based operation (e.g. the cliff faces of Scenic Drive).

Thus it is asked that the Tenders Subcommittee approve a funding commitment in the 2004/2005 financial year sufficient to cover the costs of Contract PK 03602B for that year.

#### **TAGS, ERRORS OR OMISSIONS**

Aspin Weed Control Limited proposed reporting and survey formats that differed from those provided within the tender document. This was resolved by way of a clarification letter, requiring Aspin Weed Control Limited to implement the Waitakere reporting and surveying format.

The Alternate price provided by Aspin Weed Control Limited does not include the cost of employing a tail or pilot vehicle for traffic management, as part of the TMP. In the event that a tail or pilot vehicle is employed, the cost of this will be added as a variation. However, it should be noted that it is unlikely that a tail or pilot vehicle will be required, as there are several alternatives within the TMP that would be implemented first.

#### **CREDIT CHECK**

A credit check dated 18 September 2003 revealed no adverse information.

#### **DISCUSSION OF CONTRACT TERM**

As discussed earlier, two pricing options were provided, being Option 1 to 9 months term and Option 2 to 21 months term. Based on the tender provided by Aspin Weed Control Limited, Option 2 to 21 months term is the preferred option due to:

- cost savings from lower rates provided for a longer-term contract;
- cost savings as re-tendering of the contract is not required in the 2004/2005 financial year;

- no perceived risk, as Aspin Weed Control Limited has been undertaking roadside vegetation control and noxious weed control work for the Council for the past several years.

### SUMMARY

The only tender that was submitted was by Aspin Weed Control Limited and is deemed to be a conforming tender.

Aspin Weed Control Limited is a locally based specialist weed control contracting business and has been operating since 1980. They are well known to Waitakere City Council for successfully completing previous (approx 20 years in total) berm spraying and noxious weed control Contracts to Council's satisfaction. They have also carried out similar works for Auckland City Council, North Shore City Council and the Auckland Regional Council, all to their satisfaction.

Aspin Weed Control Limited is the incumbent roadside weed-spraying Contractor for Waitakere City Council.

Their performance on this Contract has been entirely satisfactory.

The level of funding available for this contract is not sufficient to carry out all works specified in the Tender document. Hence, some rearrangement of the scope of works and request for additional funding will be required.

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

#### 2003/2004 year

	<u>EXCL. GST</u>
Tender sum - (Aspin Weed Control Limited.)	\$177,247.40
	<i>(includes provisional sums)</i>
Contingency	\$ 15,000.00
Engineering & Supervision	\$ 27,850.00
	-----
Total Job Cost for 2003/2004	\$220,097.40

### SOURCE OF FUNDING 2003/2004 YEAR

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Roadside vegetation	46-7615-24790-	\$156,740	\$31,440	\$125,100	nil
Vegetation control - Urban	46-7616-24330-	\$55,000	nil	\$55,000	nil
Vegetation control - Rural	46-7617-24330-	\$40,000	nil	\$40,000	nil
			Total	\$220,100	

**JOB COSTS**

**2004/2005 year**

**EXCL. GST**

Tender sum - (Aspin Weed Control Limited.)	\$197,467.40 <i>(includes provisional sums)</i>
Contingency	\$ 25,000.00
Engineering & Supervision	\$ 22,000.00
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Total Job Cost for 2003/2004	\$244,467.40

**SOURCE OF FUNDING 2004/2005 YEAR**

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Roadside vegetation	46-7615-24790-	\$217,000	\$67,500	\$149,500	nil
Vegetation control - Urban	46-7616-24330-	\$55,000	nil	\$55,000	nil
Vegetation control - Rural	46-7617-24330-	\$40,000	nil	\$40,000	nil
			Total	\$244,500	

**RECOMMENDATIONS**

1. That the information be received.
2. That the tender for Option 2 (21 months) from Aspin Weed Control Limited for Contract PK03602B - Waitakere Roadside Vegetation Control 2003/2005 in the sum of \$374,714.79 plus \$46,839.35 GST, totalling \$421,554.14 be accepted.
3. That approval be given to committing \$220,100 plus GST of \$27,512.50 totalling \$247,612.50 against the Annual Plan for the 2003/2004 financial year.
4. That approval be given to committing \$ 244,500 plus GST of \$30,563.00 totalling \$275,063.00 against the Annual Plan for the 2004/2005 financial year.
5. That authority to enter into Contract PK03602B - Waitakere Roadside Vegetation Control 2003/2005 on behalf of Council be delegated to the Group Manager: Asset Management.

Report prepared by: Chris Ferkins, Environmental Co-ordinator: Parks

