



Waitakere City Council  
*Te Taiao o Waitakere*

## NOTICE OF MEETING

# TENDERS SUBCOMMITTEE

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

**DATE:**        **Friday**                    **17 December 2004**                    **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.

10 December 2004

Ngareta Delamere  
**COMMITTEE SECRETARY**

Telephone (09) 836 8000 extn 8552

### **MEMBERSHIP:**

Councillors    JM        Clews, QSO, JP (Chairperson)  
                  RI        Clow (Deputy Chairperson)

Chief Executive

Director: City Services

Director: Corporate & Civic Services

Director: Strategy & Development

Director: Quality Assurance

Director: Finance

Maori Issues Manager

Mayor RA 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 A MEETING OF THE TENDERS SUBCOMMITTEE TO BE HELD IN THE  
CIVIC CENTRE, 6 WAIPAREIRA AVENUE, LINCOLN, WAITAKERE CITY,  
ON FRIDAY, 17 DECEMBER 2004, COMMENCING AT 9.00 AM**

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**1 APOLOGIES**



**2 URGENT BUSINESS**

Section 46A(7) of the Local Government Official Information 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 Committee by resolution so decides; 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 and decision, why the item is not on the agenda, and why it cannot be delayed until a subsequent meeting.

The Committee may make a decision on a matter determined to be urgent.

**NOTE:** Urgent Business need not be dealt with now and may be delayed until later in the meeting.



**3 CONFIRMATION OF MINUTES**

Meeting Minutes - 26 November 2004  
Meeting Minutes - 3 December 2004

**RECOMMENDATION**

That the minutes of the Meeting of the Tenders Subcommittee held on Friday, 26 November 2004 and Friday, 3 December 2004, as circulated, be taken as read and now be confirmed.



4 **CONTRACT NO. EW04132C - STORMWATER UPGRADE 4214 GREAT NORTH ROAD**

**PURPOSE OF THE REPORT**

The purpose of this report is to seek approval to award Contract No. EW04132C - Stormwater Upgrade 4214 Great North Road.

**BACKGROUND**

The properties at and adjacent to No. 4214 Great North Road, Glendene have been experiencing flooding due to poor drainage reticulation and a lack of defined overland flow paths in the area.

The existing stormwater catch pits on Great North Road adjacent to No. 4214 are not capable of taking the large flow volume from the road carriageway during storm events. Consequently, the stormwater spills over on to adjacent downstream properties and floods the low lying ones.

Also, the existing properties in the area do not have stormwater reticulation and most discharge to private soak holes. It is proposed to connect these properties to the new stormwater system as part of the works.

**SCOPE OF WORK**

The contract works involve the construction of a total of approximately 220 metres of stormwater pipe ranging in diameter from 375 mm to 525 mm, with associated manholes, private connections and cesspits. All of the work will be carried out by open trenching, and most will be in private property.

**TENDERS RECEIVED**

Tenders were publicly advertised with three (3) sets of documents being uplifted. Three (3) tenders were received by the closing date of 25 November 2004. These are summarised in Table 1 below:

<b>TENDERER</b>	<b>REG OFFICE</b>	<b>TENDER PRICE (excl. GST)</b>
Asset Construction Limited	PO Box 39243, Auckland	\$215,637.50
Civil Construction Group Limited	PO Box 46-009, Herne Bay	\$222,637.00
H&H Contractors Limited	PO Box 15084, New Lynn	\$307,092.00
<b>Pre-tender contract estimate</b>		<b>\$223,012.50</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".

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	Tech	Resour	Manag	Method	Price	Contract No: EW 04132C
			Record	Skill		Skill			Total Weights
	Weights	5	5	5	5	5	5	70	100
Tenderer	Tender Sum	Grades							INDEX
Asset Construction Limited	\$215,637.50	70	70	60	55	65	60	53	56
Civil Construction Group Limited	\$222,661.00	75	75	65	50	65	50	50	54
H & H Contractors Limited	\$307,092.00	75	75	75	80	65	65	12	30
<b>Median Tender Price</b>	<b>\$222,661.00</b>								

**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. All tenderers have satisfactorily completed contracts for the Council recently.

The lowest tender price, submitted by Asset Construction Limited, is lower than the pre-tender estimate.

Asset Construction Limited has satisfactorily completed several drainage and construction works for Council in the past three years, although this will be its largest job undertaken if awarded the contract. However, considering its good track record, Asset Construction Limited should 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 tenders received, but all tenders contained arithmetic errors. The tender from Asset Construction Limited contained an error of approximately \$2,100 relating to a transposition error in one of the unit rates. However, when advised of this error by fax, the tenderer formally confirmed in writing that its tender remains open for acceptance at the tendered sum notwithstanding the error.

Both Civil Construction Group Limited and H & H Contractors Limited were also informed of the arithmetic error contained in each of their tenders, and both also formally confirmed in writing that each of their tenders remains open for acceptance at the tendered sum.

### CREDIT CHECK

A credit check on Asset Construction Limited on 9 September 2004 revealed no adverse information.

### SUMMARY

The results of the tender evaluation as summarised in Table 2 show that the tender submitted by Asset Construction Limited achieved the highest overall index of 56. This tender is also the lowest priced tender.

Asset Construction 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 Asset Construction Limited has the capability to complete this contract satisfactorily.

As part of Council's contracting process "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 - Asset Construction Limited	\$215,637.50
Contingency	\$ 21,562.50
Engineering & Supervision	\$ 15,900.00
Other (CCTV and Consent Application)	\$ 3,000.00
	-----
Total Job Cost	\$256,100.00

### SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Stormwater Upgrade	85-9815- 60000-999	\$4,753,807.00	\$1,180,416.00	\$256,100.00	\$3,242,663

### RECOMMENDATIONS

1. That Contract No. EW04132C - Stormwater Upgrade 4214 Great North Road report be received.
2. That the tender from Asset Construction Limited for Contract No. EW04132C - Stormwater Upgrade 4214 Great North Road, in the sum of \$215,637.50 plus \$26,954.69 GST, totalling \$242,592.19 be accepted.
3. That authority to enter into Contract No. EW04132C - Stormwater Upgrade 4214 Great North Road on behalf of Council be delegated to the Group Manager: Asset Management.

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



## 5 CONTRACT NO. EW04117C - STORMWATER SANDFILTER AT 55 RATA STREET

### PURPOSE OF THE REPORT

The purpose of this report is to seek approval to award Contract No. EW04117C - Stormwater Sandfilter at 55 Rata Street, New Lynn.

### BACKGROUND

The improvement in the quality of water discharged into the natural environment is a prime Council objective. The provision of stormwater treatment devices such as sand filters is one way of achieving this. A sand filter has been proposed for a sub-catchment of New Lynn East, which discharges into the Whau Creek.

The sand filter will be constructed in the Rata Street Esplanade (at 55 Rata Street), and will provide treatment for stormwater runoff from the existing road and urban catchment by providing low level flow bypasses from the existing reticulated stormwater system.

The works will have little visual impact on the site as the sand filter will be installed wholly underground with only service lids being visible after the completion of full reinstatement.

### SCOPE OF WORK

The contract works involve the construction of a reinforced concrete, in-ground sand filter of approximate dimensions 20 metres x 10 metres x 3 metres deep, the installation of approximately 55 metres of 225 mm and 300 mm diameter stormwater pipes, the modification of an existing manhole, planting and reinstatement.

### TENDERS RECEIVED

Tenders were publicly advertised with 10 sets of documents being uplifted. Three tenders were received by the closing date of 18 November 2004. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
Civil Construction Group Limited	PO Box 46009, Herne Bay	\$355,905.00
Techscape Limited	Private Bag 302909, North Harbour	\$545,865.08
Gibbons Contractors Limited	PO Box 40-323, Glenfield	\$662,055.00
<b>Pre-tender contract estimate</b>		<b>\$361,475.00</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".

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 04117C
									Total Weights
Weights		10	10	15	10	10	15	30	100
Tenderer	Tender Sum	Grades							INDEX
Civil Construction Group Ltd	\$355,905.00	75	65	50	60	65	40	85	65
Techscape Ltd	\$545,865.08	60	75	60	65	65	60	50	60
Gibbons Contractors Ltd	\$662,055.00	80	75	75	75	70	65	36	60
<b>Median Tender Price</b>	<b>\$545,865.08</b>								

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 predominantly of a good quality.

Civil Construction Group Limited has successfully constructed several sand filters for the Council recently, and so has scored well in the "Experience" attribute. However, Civil Construction Group Limited scored less well in the other non-price attributes because of the quality of information provided. Also, Civil Construction Group Limited did not provide an adequate methodology for the construction of the sand filter in its submission. However, at a meeting called to clarify its tender, Civil Construction Group Limited was able to demonstrate that its proposed methodology was practical, and it was accepted.

Gibbons Contractors Limited has recently satisfactorily completed a sand filter of the same type (although not in Waitakere City), and so has scored well in its non-price attributes.

There were considerable differences in the tendered rates submitted, particularly in the rates for the bulk excavation and temporary retaining works, which may be due to the different methodologies proposed for this work.

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

There were no tags, errors or omissions in the tenders received from both Techscape Limited and Gibbons Contractors Limited.

The tender from Civil Construction Group Limited did not contain any tags or omissions but did contain an arithmetical error which, if corrected, would increase the tender sum from \$355,905.00 to \$360,340.00. However, when advised of this error by fax, the tenderer formally confirmed in writing that its tender remains open for acceptance at the tendered sum of \$355,905.00 notwithstanding the error.

### **CREDIT CHECK**

A credit check dated 23 September 2004 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 65. This tender is also the lowest priced tender.

It is considered that Civil Construction Group Limited has the experience and capability to complete this contract satisfactorily.

As part of Council's contracting process "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**

	<b><u>EXCL. GST</u></b>
Tender sum - Civil Construction Group Limited	\$355,905.00
Contingency	\$ 35,600.00
Engineering & Supervision	\$ 7,000.00
Other (Consent Application and Geotechnical Investigation)	\$ 4,000.00
	-----
Total Job Cost	\$402,505.00

## SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Stormwater Quality	85-9815-60000-999	\$1,200,000	\$359,768	\$402,505	\$437,727

## RECOMMENDATIONS

1. That Contract No. EW04117C - Stormwater Quality at 55 Rata Street report be received.
2. That the tender from Civil Construction Group Limited for Contract No. EW04117C - Stormwater Quality at 55 Rata Street, in the sum of \$355,905.00 plus \$44,488.13 GST, totalling \$400,393.13 be accepted.
3. That authority to enter into Contract No. EW04117C - Stormwater Quality at 55 Rata Street on behalf of Council be delegated to the Group Manager: Asset Management.

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



## 6 CONTRACT NO. EW04101C - STORMWATER UPGRADE, TITIRANGI ROAD

### PURPOSE OF THE REPORT

The purpose of this report is to seek approval to award Contract No. EW 04101C - Stormwater Upgrade Titirangi Road.

### BACKGROUND

The banks of the Waikumete Stream at the headwaters located at the rear of No. 419 Titirangi Road are eroding very badly, partly as the result of stormwater discharges from catch pits on Titirangi Road. Such problems with inadequate catch pit control are repeated along Titirangi Road from Rangiwai Road to approximately No. 335 Titirangi Road, causing serious surface water overflows through properties on the western side of Titirangi Road.

The work proposed in this contract seeks to alleviate this problem by intercepting stormwater runoff from Titirangi Road and diverting it to an existing stormwater line located in Woodfern Crescent.

### SCOPE OF WORK

The scope of work involves the construction of up to 965 metres of a 500 mm nominal diameter polyethylene pipe within the carriageway of Titirangi Road and through private properties to the existing stormwater line in Woodfern Crescent. Approximately 710 metres will be constructed by directional drilling and 255 metres by open trenching. The work also includes the construction of 18 manholes, 25 catch pits, associated fittings and other ancillary works.

## TENDERS RECEIVED

Tenders were publicly advertised with eight (8) sets of documents being uplifted. Three tenders were received by the closing date of 16 November 2004. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)	ALTERNATIVE TENDER (excl. GST)
M Keoghan Contractors Ltd	PO Box 43126, Mangere	\$704,689.50	
Civil Construction Group Ltd	PO Box 46 009, Herne Bay	\$906,145.50	
Hughes Civil Ltd	No. 222 Old Titirangi Road	\$984,453.50	
Hughes Civil Ltd (Alternative)	No. 222 Old Titirangi Road		\$876,836.00
<b>Pre-tender contract estimate</b>		<b>\$831,982.00</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".

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.

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

Following the evaluation of the non-price attributes for all tenders, the second envelopes were opened and the tender prices were duly included in the evaluation. The price of the alternative tender is *not* included in the calculation of the median tender price, although it is evaluated against it.

Summaries of the evaluation results are shown in Tables 2a and 2b below.

Tender Evaluation	Attributes	Exper.	Track Record	Tech. Skill	Resour	Manag. Skill	Method.	Price	Contract No. EW 04101C
									Total Weights
	Weights	5	5	5	5	5	5	70	100
Tenderer	Tender Sum	Grades							INDEX
M Keoghan Contractors Ltd	\$704,689.50	70	60	50	65	60	65	72	69
Civil Construction Group Ltd	\$906,145.50	70	75	65	55	70	50	50	54
Hughes Civil Ltd	\$984,453.50	80	60	65	70	70	60	41	49
<b>Median Tender Price</b>	<b>\$906,145.50</b>								

**Table 2a - Summary of Tender Evaluation – Conforming Tenders**

Tender Evaluation	Attributes	Exper.	Track	Tech.	Resour	Manag.	Method.	Price	Contract No. EW 04101C
			Record	Skill		Skill			Total Weights
	<b>Weights</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>70</b>	<b>100</b>
Tenderer	Tender Sum	Grades							INDEX
Hughes Civil Ltd (alternative)	\$876,836.00	80	60	65	70	70	65	53	58
<b>Median Tender Price</b>	<b>\$906,145.50</b>								

**Table 2b - Summary of Tender Evaluation – Alternative Tender**

Scores for the non-price attributes were determined on the basis of information provided in each tender, on any recent experience that Council has with the contractors, as well as on conclusions drawn from interviewing referees.

All of the tenders received have generally scored in the above average to very good range for most of the non-price attributes. However, scores below 65 have been given when the submitted information was considered inadequate.

The alternative tender from Hughes Civil Limited proposed to substitute rubber-ring jointed concrete pipes in place of polyethylene pipe in the open cut sections of the work. While this would have been technically acceptable, it may be seen from the evaluation results that the price saving gained is insufficient to challenge the price of the lowest tender. Its overall index of 58 is less than the highest overall index of 69.

Each of the three tenderers have recently completed drainage contracts for Waitakere City Council successfully, and would be suitable for carrying out this contract.

### TAGS, ERRORS OR OMISSIONS

There were no tags, errors or omissions in the tender received from M Keoghan Contractors Limited.

The tender from Civil Construction Group Limited did not contain any errors or omission but contained 2 tags. The tags were evaluated as to their acceptability in accordance with clause WCT5 of the Conditions of Tendering and considered to be acceptable.

The tender from Hughes Civil Limited also did not contain any errors or omission but contained 1 tag. This tag was not evaluated as to its acceptability, as its resolution would not affect the outcome of the tender evaluation due to the tender price of Hughes Civil Contractors Limited being significantly higher than the lowest tender.

### CREDIT CHECK

A credit check on M Keoghan Contractors Limited on 23 November 2004 revealed no adverse information.

### SUMMARY

The results of the tender evaluation as summarised in Table 2 show that the tender submitted by M Keoghan Contractor Limited achieved the highest overall index of 69. This tender is also the lowest priced tender.

It is considered that M Keoghan Contractors Limited has the capability and resources to complete the contract satisfactorily.

As part of Council's contracting process "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)	\$704,689.50
Contingency	\$ 70,430.50
Engineering & Supervision	\$ 58,280.00
Other (Soil Investigation and Consent Applications)	\$ 55,000.00
	-----
Total Job Cost	\$888,400.00

### SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Stormwater Upgrade	85-9815- 60000-999	\$4,753,807	\$292,016	\$888,400	\$3,573,391

### RECOMMENDATIONS

1. That Contract No. EW04101C - Stormwater Upgrade Titirangi Road report be received.
2. That the tender from M Keoghan Contractors Limited for Contract No. EW04101C - Stormwater Upgrade Titirangi Road in the sum of \$704,689.50.00 plus \$88,086.19 GST, totalling \$792,775.69 be accepted.
3. That authority to enter into Contract No. EW04101C - Stormwater Upgrade Titirangi Road on behalf of Council be delegated to the Group Manager: Asset Management.

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



## 7 CONTRACT NO. EW 04103C - WASTEWATER RENEWALS AT 2-16 POOKS ROAD, 40-46 TITOKI ROAD AND 3 WATTLE ROAD

### PURPOSE OF THE REPORT

The purpose of this report is to seek approval to award Contract No. EW 04103C - Wastewater Renewals at 2-16 Pooks Road, 40-46 Titoki Street and 3 Wattle Road.

### BACKGROUND

The contract consists of three (3) projects each at different locations within Waitakere City.

The existing wastewater lines at all three locations have been suffering repeated blockages resulting from major dips in the lines. CCTV inspections have further confirmed that the condition of the lines is in a poor state of repair. The resultant wastewater overflows are becoming a nuisance and a health hazard to the residents. At times, the wastewater overflows at No. 3 Wattle Road have reached the nearby stream, spreading the problem downstream.

### SCOPE OF WORK

This contract involves the removal of existing 150 mm diameter wastewater pipelines and replacing them with new pipes at each of the three locations. The new replacement lines consist of a total of 94 metres of 150 mm diameter uPVC pipe, 139 metres of 225 mm diameter uPVC pipe and 15 metres of a 177 mm concrete lined steel pipe bridge, together with other associated drainage and reinstatement works.

### TENDERS RECEIVED

Tenders were publicly advertised with 4 sets of documents being uplifted. One tender was received by the closing date of 16 November 2004. This is summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
Civil Construction Group Limited	PO Box 46009, Herne Bay	\$180,627.50
<b>Pre-tender contract estimate</b>		<b>\$195,592.50</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".

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 04103C
									Total Weights
Weights		10	10	15	10	10	15	30	100
Tenderer	Tender Sum	Grades							INDEX
Civil Construction Group Ltd	\$180,627.50	70	70	65	55	65	50	50	60
<b>Median Tender Price</b>	<b>\$180,627.50</b>								

Table 2 - Summary of Tender Evaluation

Scores for the non-price attributes were determined on the basis of information provided in the tender and on recent experience with the contractor.

Since only one tender was received, a comparison with other tenders is not possible. Although the rates for drainage items in the tender are higher and the rates for non drainage items lower than in Council's estimate, the total tender price is below the pre-tender estimate and so is considered to be competitive.

Civil Construction Group Limited has satisfactorily completed drainage contracts for Council in recent years and has been a regular participant in Council's drainage tenders.

### TAGS, ERRORS OR OMISSIONS

There are no tags, errors or omissions in the tender received from Civil Construction Group Limited.

### CREDIT CHECK

A credit check on Civil Construction Group Limited on 23 November 2004 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 60. This tender is the only tender received. It is considered that Civil Construction Group Limited has the required resources and ability to complete the contract satisfactorily.

As part of Council's contracting process "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	\$180,627.50
Contingency	\$ 18,092.50
Engineering & Supervision	\$ 15,080.00
Other (Soil Investigation and Consent application)	\$ 3,000.00
	-----
Total Job Cost	\$216,800.00

### SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Wastewater Renewals	85-9835-60000-999	\$1,025,000	\$808,029	\$216,800	\$171

### RECOMMENDATIONS

1. That Contract No. EW04103C - Wastewater Renewals 2-16 Pooks Road, 40-46 Titoki Road and 3 Wattle Road report be received.
2. That the tender from Civil construction Group Limited for Contract No. EW04103C - Wastewater Renewals 2-16 Pooks Road, 40-46 Titoki Road and 3 Wattle Road in the sum of \$180,627.50 plus \$22,578.44 GST, totalling \$203,205.94 be accepted.
3. That authority to enter into Contract No. EW04103C - Wastewater Renewals 2-16 Pooks Road, 40-46 Titoki Road and 3 Wattle Road on behalf of Council be delegated to the Group Manager, Asset Management.

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



## 8 CONTRACT NO. EW04118C - STORMWATER WETLAND AT CUNARD STREET

### PURPOSE OF THE REPORT

The purpose of this report is to seek approval to award Contract No. EW04118C - Stormwater Wetland at Cunard Street.

### BACKGROUND

The improvement in the quality of water discharged into the natural environment is a prime Council objective. The provision of stormwater treatment devices such as ponds or wetlands is one way of achieving this. A wetland has been proposed for a sub-catchment of New Lynn East, which discharges into the Whau Creek.

The wetland will be constructed over an existing reserve, and will provide treatment for stormwater runoff from the existing road and urban catchment by providing low level flow bypasses from the existing reticulated stormwater system.

A part of the contract works will be to enhance the site with additional landscaping.

### SCOPE OF WORK

The contract works involve the re-grading of existing stormwater lines, earthworks, the construction of a wetland pond, and associated landscaping. The wetland will consist of a forebay, wetland ponds, associated stormwater structures and fencing.

### TENDERS RECEIVED

Tenders were publicly advertised with 10 sets of documents being uplifted. Two tenders were received by the closing date of 16 November 2004. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
M Keoghan Contractors Ltd	PO Box 43-126, Mangere	\$288,330.00
Civil Construction Group Ltd	PO Box 46-009, Herne Bay	\$288,418.00
<b>Pre-tender contract estimate</b>		<b>\$292,275.00</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".

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

Tender Evaluation	Attributes	Exper.	Track	Tech.	Resour	Manag.	Method.	Price	Contract No. EW 04118C
			Record	Skill		Skill			Total Weights
		Weights	10	10	15	10	10	15	30
Tenderer	Tender Sum	Grades							INDEX
M. Keoghan Contractors Ltd	\$288,330.00	65	65	65	70	60	55	50	59
Civil Construction Group Ltd	\$288,418.00	80	65	70	70	65	50	50	61
Median Tender Price	\$288,374.00								

**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 generally of a good quality, except for the methodologies, which were both of average quality only.

Both tenderers have satisfactorily completed drainage contracts for the Council recently, and so both have good track records, and are reasonably comparable in the areas of resources and management skills. However, Civil Construction Group Limited has been scored considerably higher on the "Relevant Experience" attribute because in the past five years it has satisfactorily completed three stormwater quality ponds or wetlands for Council, whereas M Keoghan Contractors Limited has no experience in this area. Therefore, it is considered that Civil Construction Group Limited has the better expertise and technical skills to undertake a project of this nature.

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

There were no tags, errors or omissions in the tender received from M Keoghan Contractors Limited.

The tender from Civil Construction Group Limited did not contain any tags or omissions but did contain arithmetic errors. Its tender inadvertently missed out the scheduled item for 75 metres of 450 mm diameter stormwater line. The pre-tender estimate for this item of work is approximately \$30,000. However, when advised of this error by fax, the tenderer formally confirmed in writing that its tender remains open for acceptance at the tendered sum notwithstanding the error.

#### **CREDIT CHECK**

A credit check dated 23 November 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 61. This tender is the second lowest priced tender, being \$88.00 higher than the lowest 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 Council's contracting process "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	\$288,418.00
Contingency	\$ 28,850.00
Engineering & Supervision	\$ 13,000.00
Other (Consent Applications)	\$ 2,000.00
	-----
Total Job Cost	\$332,268.00

## SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Stormwater Quality	85-9815-60000-999	\$1,200,000	\$27,500	\$332,268	\$840,232

## RECOMMENDATIONS

1. That Contract NO. EW04118C - Stormwater Wetland at Cunard Street report be received.
2. That the tender from Civil Construction Group Limited for Contract No. EW04118C - Stormwater Wetland at Cunard Street, in the sum of \$288,418.00 plus \$36,052.25 GST, totalling \$324,470.25 be accepted.
3. That the tender for Contract No. EW04118C - Stormwater Wetland at Cunard Street be awarded to other than the lowest priced tender, because the weighted attributes tender evaluation method requires Council to enter into a contract only with the tender that scores the highest overall index.
4. That authority to enter into Contract No. EW04118C - Stormwater Wetland at Cunard Street on behalf of Council be delegated to the Group Manager: Asset Management.

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



**9 CONTRACT NO. PK03625B - TE PAI SKATE PARK UPGRADE**

**PURPOSE OF THE REPORT**

The purpose of this report is to seek approval to award Contract PK03625B - Te Pai Skate Park Upgrade.

**BACKGROUND**

This contract forms part of Council's parks asset creation programme as provided for in the 2004/2005 Annual Plan. Construction work is proposed at Te Pai Park to extend the existing skate facility.

**SCOPE OF WORK**

The scope of work for this contract involves the construction of an extension to the existing Te Pai Skate Park. This entails the construction of a reinforced concrete base platform with skating apparatus such as straight and curved ramps, walls and steel edged boxes, certified earthworks, predominantly fill and shaping around the exterior of the skate area. As well as the installation of drainage and a chain link fence along the boundary.

**TENDERS RECEIVED**

Tenders were publicly advertised with four sets of documents being uplifted. One tender was received by the closing date of 19 October 2004. The tender was in excess of the available budget so the original tender was rejected.

Tenders were then invited from selected tenderers with four sets of documents being uplifted. The selected tenderers included the original tenderer and some of the companies who originally uplifted tender documents. The tenderers were invited to re-tender based on a reduction in the scope of works. This involved changing the design of the overall layout of the skate area and some proposed elements.

Field Drainage Specialists Limited and Wayne Wood Contractors Limited did not submit a tender due to being over committed.

Two tenders were received by the closing date of 29 October 2004. These are summarised in Table 1 below:

<b>TENDERER</b>	<b>REG OFFICE</b>	<b>TENDER PRICE (excl. GST)</b>
Tom Smithers Enterprises Ltd	Taranaki	\$179,000.50
P&M Paving & Construction Ltd	Picton	\$227,550.00
Pre-tender contract estimate		\$182,415.00

**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 Skills	Re-source	Man-agement	Method	Price	Total Weight
Tenderer	Weight	10	10	5	5	5	5	60	100
	Tender Sum	Grades							Index
Tom Smithers Enterprises Ltd	\$ 179,000.50	85	75	75	65	55	60	62	66
P&M Paving & Construction Ltd	\$ 227,550.00	85	80	80	75	65	60	38	53
Median Tender Price	\$203,275.25								

**Table 2 - Summary of Tender Evaluation**

Tom Smithers Enterprises Limited are a small “hands on” company. They have extensive experience in skate park construction and have constructed over fifty five skate parks throughout New Zealand.

Referees have indicated that these contracts have been completed to a high standard.

The methodology proposed is adequate although their timeframes for scheduling of works may be unrealistic but this issue will be raised at the pre-start meeting. Tom Smithers Enterprises Limited are not local but have existing relationships with local sub contractors.

P&M Paving and Construction Limited have experience in all relevant areas. The Company’s track record, technical skills, resources and management were all very good. Their methodology was adequate although generic in nature. They also constructed the existing Te Pai Skate Park.

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

The tender from Tom Smithers Enterprises Limited contained some errors. They had included some items that were omitted from the original tender. Clarifications were sought and they subsequently confirmed their tender sum.

### **CREDIT CHECK**

A credit check on Tom Smithers Enterprises Limited dated 12 November 2004 revealed no adverse information.

### **SUMMARY**

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

As part of Councils contracting process “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 - Tom Smithers Enterprises Limited	\$179,000.50
Contingency	\$ 17,900.50
Consultancy Costs	\$ 8,099.00
Other- QA, consent fees	\$ 5,000.00
	-----
Total Job Cost	\$210,000.00

## SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Te Pai Skate Park Extension	75-9825-27440	\$210,000	\$0	\$210,000	\$0
Total		\$210,000	\$0	\$210,000	\$0

## RECOMMENDATIONS

1. That Contract No. PK03625B - Te Pai Skate Park Upgrade report be received.
2. That the tender from Tom Smithers Enterprises Limited for Contract PK03625B - Te Pai Skate Park Upgrade in the sum of \$179,000.50 plus \$22,375.06 GST, totalling \$201,375.56 be accepted.
3. That authority to enter into Contract PK03625B - Te Pai Skate Park Upgrade on behalf of Council be delegated to the Group Manager: Asset Management.

Report prepared by: Katharine Slack, Parks Projects Manager.



## 10 CONTRACT NO. TA04513B - LINCOLN ROAD WIDENING STAGE 2A (NORVAL ROAD TO WOODFORD AVENUE)

### PURPOSE OF THE REPORT

The purpose of this report is to seek approval to award Contract TA04513B Lincoln Road Widening Stage 2A (Norval Road to Woodford Avenue ).

### BACKGROUND

This work is being commissioned as new work approved through the 2004/2005 Annual Plan and is a continuation of the road widening works completed in 2003/2004.

The contract is for the widening of the eastern side of Lincoln Road between Norval Road and Woodford Avenue, a distance of approximately 200 metres. The widening will provide for two through lanes in each direction, separated by a flush median.

A pedestrian refuge island and signalised crossing will be provided at the existing pedestrian crossing adjacent to Henderson Intermediate School.

### SCOPE OF WORK

This contract is for the widening of Lincoln Road, over a length of approximately 200 metres.

The works include, but are not limited to:-

- Earthworks;
- Stormwater drainage works;
- Road widening works including pavement construction and kerbing;
- Chip sealing and hot mixing works;
- Construction of a new footpath and grassed berm;
- Reconstruction of vehicle crossings;
- Construction of low retaining wall;
- Road marking and traffic signs;
- Traffic signalisation.

### TENDERS RECEIVED

Tenders were publicly advertised on 22 October 2004 with two sets of documents being uplifted. Two tenders were received by the closing date of 16 November 2004. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl.GST)
Fulton Hogan Limited	Silverdale	\$426,734.45
HEB Contractors Limited	Drury	\$462,978.36
<b>Pre-tender contract estimate</b>		\$480,875.00

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 there are no Provisional Sums.

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	Tech.	Resour.	Manag	Method	Price	Contract Number TA04513B
			Record	Skill		Skill			Total Weights
	<b>Weights</b>	<b>6</b>	<b>7</b>	<b>5</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>70</b>	<b>100</b>
<b>Tenderer</b>	<b>Tender Sum</b>	<b>Grades</b>							<b>INDEX</b>
Fulton Hogan Ltd	\$426,734.45	<b>80</b>	<b>82</b>	<b>77</b>	<b>78</b>	<b>80</b>	<b>88</b>	54	62
HEB Contractors Ltd.	\$462,978.36	<b>81</b>	<b>77</b>	<b>73</b>	<b>75</b>	<b>73</b>	<b>83</b>	46	55
<b>Med.n Tender Price</b>	\$444,856.41								

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

**Table 2 - Summary of Tender Evaluation**

### TAGS, ERRORS OR OMISSIONS

Fulton Hogan Limited - No tags, errors or omissions.

HEB Contractors Limited - No tags or omissions. The tender contained a mathematical error of \$836.00 but does not affect the outcome of the tender evaluation.

### CREDIT CHECK

A credit check on Fulton Hogan Limited, dated 23 November 2004, revealed no adverse information.

### SUMMARY

The results of the tender evaluation as summarised in Table 2 shows that the tender submitted by Fulton Hogan Limited achieved the highest index of 62. This tender is also the lowest priced tender.

As part of Council's contracting process "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 – Fulton Hogan Limited	\$426,734.45
Contingency	\$ 43,000.00
Engineering & Supervision	\$ 70,695.00
Other (Disbursements)	\$ 3,837.00
	-----
Total Job Cost	\$544,266.45

The Engineering and Supervision costs of \$70,695.00 also include the design and tender documentation of the future Lincoln Road Widening Stage 2B contract between Sel Peacock Drive and Abel Tasman Avenue. This stage is awaiting the resolution of land acquisition before a separate contract can be awarded.

## SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Lincoln Road Widening	75-9871-41340	\$653,000	\$0	\$409,532	\$243,468
Signalisation	75-9872-47620	\$140,000	\$5,000	\$135,000	\$0
<b>Total</b>				\$544,532	

## RECOMMENDATIONS

1. That Contract No. TA04513B - Lincoln Road Widening Stage 2A (Norval Road to Woodford Avenue) report be received
2. That the tender from Fulton Hogan Limited for Contract No. TA04513B Lincoln Road Widening Stage 2A (Norval Rd to Woodford Ave) in the sum of \$426,734.45 plus \$53,341.81 GST, totalling \$480,076.26 be accepted.
3. That authority to enter into Contract No. TA04513B Lincoln Road Widening Stage 2A (Norval Rd to Woodford Ave) on behalf of Council be delegated to Group Manager: Asset Management.

Report prepared by: Paul Schischka, Transport Engineer.



## 11 CONTRACT NO. PK 04638A - ECOSOURCED PLANT SUPPLY

### PURPOSE OF THE REPORT

The purpose of this report is to seek approval to award Contract No. PK 04638A - Ecosourced Plant Supply.

### 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.

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.

Techscape Limited were awarded the previous contract for ecosourced plant supply through public tender method. Techscape Limited performance on this contract has been exemplary and they have the necessary resources to undertake the Ecosourced Plant Supply for 2006 and 2007. The quality of plants supplied in the previous contract was of a high standard and they were delivered within the allocated timeframes.

## SCOPE OF WORK

The contract includes the seed collection, propagation and continued care of ecosourced plants for supply in April 2006 and April 2007.

Ecosourced plants need to be supplied to meet revegetation requirements at the Waitakere Quarry, Kay Road Balefill, Te Atatu Peninsula Walkway, Ranui Reserves, West Harbour Reserves, Paremuka and other stream restoration projects.

## TENDERS RECEIVED

A tender was invited from Techscape Limited. This is summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
Techscape Limited	Private Bag 302909 North Harbour	\$588,515.00
<b>Pre-tender contract estimate</b>		\$598,000.00

**Table 1 - Summary of Tender Prices**

## TENDER EVALUATION

Techscape Limited was the only invited tenderer and submitted a conforming tender.

## TAGS, ERRORS OR OMISSIONS

There were no tags, errors or omissions in Techscape Limited tender.

## CREDIT CHECK

A credit check on Techscape Limited has been requested.

## SUMMARY

The tender submitted by Techscape Limited is competitively priced and they have a proven record for the production of quality ecosourced plants and exemplary standards of ecosourcing practices. It is therefore recommended for award.

As part of Council's contracting process "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 - Techscape Limited	\$588,515.00
Contingency	\$ 58,851.50
Engineering & Supervision	\$ 0
	-----
Total Job Cost	\$647,366.50

Engineering and supervision will be provided by Parks staff therefore there is no external cost associated with this contract.

## **SOURCE OF FUNDING**

A commitment to fund the ecosourced plants to be supplied in April 2006, estimated at \$323,683.25 is required from the 2005/2006 Annual Plan.

A commitment to fund the ecosourced plants to be supplied in April 2007, estimated at \$323,683.25 is required from the 2006/2007 Annual Plan.

## **RECOMMENDATIONS**

1. That Contract No. PK 04638A - Ecosourced Plant Supply report be received.
2. That subject to a satisfactory credit check, the tender from Techscape Limited for Contract No. PK04638A - Ecosourced Plant Supply Contract in the sum of \$588,515.00 plus \$73,564.37 GST, totalling \$662,079.37 be accepted.
3. That the commitment to the 2005/2006 financial year for Contract No. PK04638A - Ecosourced Plant Supply Contract totalling \$323,683.25 plus GST be approved.
4. That the commitment to the 2006/2007 financial year for Contract No. PK04638A - Ecosourced Plant Supply Contract totalling \$323,683.25 plus GST be approved.
5. That authority to enter into Contract No. PK04638A - Ecosourced Plant Supply Contract on behalf of Council be delegated to the Group Manager: Asset Management.

Report prepared by: Debbie Chapman, Asset Manager: Environmental.



## **12 CONTRACT NO. TA 04536B - BIRDWOOD ROAD FOOTPATH CONSTRUCTION**

### **PURPOSE OF THE REPORT**

The purpose of this report is to seek approval to award Contract No. TA 04536B – Birdwood Road Footpath Construction.

### **BACKGROUND**

Council has an ongoing programme of new footpath construction and this contract will complete the last missing section of footpath on Birdwood Rd between Swanson Rd and Glen Rd.

### **SCOPE OF WORK**

This contract is for the construction of 320 metres of road widening, kerb and channel and footpath construction. The works include the following:

- Site clearance;
- Earthworks;
- New drainage construction;
- Retaining wall construction;
- Construction of new kerb and channel;
- Construction of new concrete footpath;

- Road reshaping and sealing;
- Topsoil and grassing.

### TENDERS RECEIVED

Tenders were publicly advertised with two sets of documents being uplifted. Two tenders were received by the closing date of 30 November 2004 and are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
M. Keoghan Contractors Ltd	Mangere	\$ 236,819.00
Fulton Hogan North Harbour Ltd	Swanson	\$ 320,779.70
<b>Pre-tender contract estimate</b>		<b>\$ 245,000.00</b>

**Table 1 - Summary of Tender Prices**

### TENDER EVALUATION

In accordance with the conditions of tendering, tenders were evaluated generally 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. For this contract the value of Provisional Sums is \$1,000.

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 TA04536B
									Total Weights
	Weights	10	10	5	5	5	5	60	100
Tenderer	Tender Sum				Grade				INDEX
M Keoghan Contractors	\$235,819.00	75	85	75	70	80	65	65	70
Fulton Hogan Ltd	\$319,779.70	80	80	75	80	75	65	35	52
<b>Med.n Tender Price</b>	<b>\$277,799.35</b>								

**Table 2 - Summary of Tender Evaluation**

M Keoghan Contractors Limited has completed several contracts for Council over the past four years. These have included four kerb, channel and footpath construction projects and five retaining wall contracts. All contracts were carried out to a good standard and the company have demonstrated a good track record for work quality and management skills.

Their most recent work was a very similar project in Laingholm Drive where Council received several written and verbal compliments from adjacent residents about Keoghan Contractors courtesy and quality of works.

## TAGS, ERRORS OR OMISSIONS

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

## CREDIT CHECK

A credit check on M Keoghan Contractors Limited, dated 11 November, 2004 reveals no adverse information.

## SUMMARY

M Keoghan Contractors Limited is the tenderer that has received the highest index. They are also the lowest price tender.

M Keoghan Contractors Limited are experienced in this type of contract and have proven to be capable contractors who work to a high quality and with good communication and management.

As part of Council's contracting process "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	\$236,819.00
Contingency	\$ 20,000.00
Engineering & Supervision	\$ 25,000.00
Disbursements	\$ 3,200.00
	-----
Total Job Cost	\$285,019.00

## SOURCE OF FUNDING

Codes	Budget (including carry – forwards)	Committed to Other Projects	Allocation to This Project	Unallocated Balance
75-9888-30530	\$1,080,000.00	\$ 894,981.00	\$ 185,019.00	\$ 0.00
75-9888-39270	\$ 250,000.00	\$ 150,000.00	\$ 100,000.00	\$ 0.00
		TOTAL	<b>\$ 285,019.00</b>	

## RECOMMENDATIONS

1. That Contract No. TA04536B - Birdwood Road Footpath Construction report be received.
2. That the tender from M Keoghan Contractors Limited for Contract No. TA 04536B - Birdwood Road Footpath Construction in the sum of \$236,819.00 plus \$29,602.38 GST, totalling \$266,421.38 be accepted.
3. That authority to enter into Contract No. TA 04536B - Birdwood Road Footpath Construction on behalf of Council be delegated to the Group Manager Asset Management.

Report prepared by: Eddie Dearham - Principal Transport Engineer: Construction



13 **CONTRACT NO. PK03600M - PARKS MINOR WORKS AND RENEWALS CONTRACT - EXTENSION TO CONTRACT**

**PURPOSE OF THE REPORT**

The purpose of this report is to seek approval to increase the contract sum of Contract No. PK 03600M - Parks Minor Works and Renewals.

**BACKGROUND**

Parks and Maintenance Services were awarded Contract PK 03600M Parks Minor Works and Renewals for a term of two years for an annual sum of \$495,842.50, totalling \$991,685.00 for the first two years from July 2003 to June 2005. This contract was awarded with a right of renewal of one (1), plus one (1), plus one (1) year. They were awarded the contract based on their competitive contract rates established through a public tendering process.

An increase to the original contract sum of \$60,981.00 was approved in July 2004 for the 2004 / 2005 financial year. This increase was to cater for an increase in material and labour. This increased the original sum of \$495,842.50 for the 2004 /2005 financial year to a new contract total of \$556,823.50.

The scope of works for the contract has changed since 2003 with increases in the volume of minor renewals, additional building repairs due to vandalism and an increase in customer requests through the Request for Service (RFS) system. Also due to the success of this contract, and good performance of the contractor, minor roading repair work is also being processed through this contract on behalf of Transport Assets.

The original contract was based on 2003 service volumes and the current contract was renewed based on these same volumes. As noted above the scope and volume increase has resulted in the annual contract sum of \$556,823.50 being nearly exhausted with 6 months of the year remaining. The budget however does allow for the scope and volume increases and therefore there is sufficient budget to fund the next 6 months.

**SCOPE OF WORK**

The work involves the provision of a contracting team to undertake replacement, renewal and installation of new parks minor assets. These works range from painting, furniture, construction works, barriers and footpaths installation and minor earthworks and drainage.

The actual volume of work is dependent on the renewal and new minor works programme for each year as identified through the Parks Asset Management Plan and approved through the Annual Plan. This volume of work will vary from year to year.

**ISSUES**

There are two (2) alternatives to enable the service to continue for the next six (6) months of the year:

1. Re-tender.
2. Extend the contract sum of the existing contract.

## 1. Re-Tender

The original contract was publicly tendered in 2003. The unit rates for this type of contract works have increased over the past 18 months. There is a significant risk to Council if the works are publicly tendered given the current volatility in the construction market, that the new tender sum will be substantially more than the current contract.

## 2. Extend Contract Sum of the Existing Contract

It is considered that there is benefit for Council in extending the contract sum for Minor Works Contract with Parks and Maintenance Services as they have consistently met the contract performance measures to date and carried out the contract works to a high standard and the works were competitively priced.

Parks Maintenance Services are prepared to hold their current unit rates with changes only for labour and fuel (\$552,072 for the six (6) month period). It is therefore considered that there will be a financial advantage to Council in extending the contract sum.

The current Minor Works contract with Parks and Maintenance Services is working extremely well with good results in quality and performance. This contract has seen the introduction of a new asset management process to provide quality customer service.

### Contract Extension to 2005/2006

The current contract is a two (2) year plus 3 x 1 year extensions. Due to the excellent performance of Parks Maintenance Services in undertaking this contract it is proposed to initiate the extension period in the 2005/2006 year. The extension of the contract sum to \$1,108,895.75 (includes the additional \$552,072 requested above) will provide Parks Maintenance Services with continuity of work for the remainder of this financial year and provide Council with a reliable contractor to continue to response to customer requests and undertake quality work this year and in the future years of the contract.

Parks and Maintenance Services have adopted a proactive approach to the contract works and have demonstrated:

- Performance in service delivery;
- Improvements in the quality of work;
- The ability to develop processes and systems to improve the project management of works;
- A familiarity with Waitakere City Parks and Community
- A close working relationship with Council
- The ability to produce innovative ideas and solutions

### Benefits to Council

- Long term savings in quality works, reducing maintenance costs;
- Detailed safety record and therefore reduced risk to Council;
- Financial savings in contract works;
- Quality workmanship; and
- Timely Response to customer requests.

## SUMMARY

Parks and Maintenance Services Limited have performed extremely well and quality standards have been met in the delivery of the Minor Works contract. There will be financial and productivity benefits to Council with the extension of this contract.

Accordingly it is recommended that the contract sum be increased \$552,072.00 for the 2004/2005 financial year to a new contract sum of \$1,108,895.75, with a further extension for 2005/2006.

## JOB COSTS

### EXCL GST

Tender Sum one year	\$ 556,823.50
Extra works	\$ 552,072.00
Contingency	
Engineering and Supervision	\$ 20,000.00
	-----
Total Job Costs	\$1,128,895.50

## SOURCE OF EXTRA FUNDING

### 2004/2005

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Artworks Renewals	75-9823-43260	\$25,000	\$1,000	\$24,000	0
Plantings Parks Renewals	75-9823-27240	\$56,000	\$1,000	\$55,000	0
Wastewater Renewals	75-9823-27510	\$30,000	\$20,000	\$10,000	0
Community Board Projects	75-9825-22590	\$100,000	\$13,854	\$ 86,146	0
Harbourview Stage 3	46-6160-43960	\$350,000	\$296,000	\$54,000	0
Toilet & Changing Rooms Renewals	75-9823-31560	\$220,000	\$110,944	\$109,056	0
Structures Renewals	75-9823-47980	\$230,000	\$160,000	\$70,000	0
Safety & Emergency Works	46-7614-27190	\$147,175	\$80,000	\$67,175	0
Completion Stage 2 of Park Developments	75-9825-49350	\$120,000	\$23,305	\$96,695	0
<b>Total</b>		<b>\$1,278,175</b>	<b>\$706,103</b>	\$572,072	<b>\$0</b>

## RECOMMENDATIONS

1. That the Contract No. PK 03600M Parks Minor Works and Renewals Contract Extension report be received.
2. That Contract No. PK 03600M - Parks Minor Works and Renewals contract sum be increased to \$1,108,895.75 plus GST for 2004/2005 and \$1,128,895.50 plus GST for 2005/2006.
3. That the commitment to the 2005/2006 financial year for Contract No. PK 3600M - Parks Minor Works and Renewals - for the sum of \$1,128,895.50 plus GST be approved.

4. That authority to extend the term and value of Contract No. PK 03600M - Parks Minor Works and Renewals for 2004/2005 and 2005/2006 on behalf of Council be delegated to the Group Manager: Asset Management.

Report prepared by: Toni Grogan, Project Manager, Parks & Open Spaces.

14 **PREFERRED SUPPLIER AGREEMENT FOR COUNCIL'S PHASE 1 PARKS AND PROPERTY IMPLEMENTATION PROJECT - CONTRACT NUMBER IM04128A**

This item will be considered in the Confidential Supplement of the agenda, and has been circulated to members separately with this agenda

**PROCEDURAL MOTION TO EXCLUDE THE PUBLIC**

That the public be excluded from the following part of the proceedings of this meeting, namely, Preferred Supplier Agreement for Council's Phase 1 Parks and Property Implementation Project - Contract Number IM04128A.

The general subject of the matter to be considered while the public is excluded, the reason for passing this resolution in relation of the matter, and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of the matter to be considered.	Reason for passing this resolution in relation to the matter.	Ground(s) under Section 48(1)(a) for the passing of this resolution.
<ul style="list-style-type: none"> <li>Preferred Supplier Agreement for Council's Phase 1 Parks and Property Implementation Project - Contract Number IM04128A.</li> </ul>	<p>The withholding of information is necessary in order to:</p> <ul style="list-style-type: none"> <li>enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</li> </ul>	<p>That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist.</p>

This resolution is made in reliance on Section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 7(2)(i) of that Act which would be prejudiced by the holding of the relevant part of the proceedings of the meeting in public as follows:

- The report contains information which if released could affect the Councils negotiations.*