



Waitakere City Council
Te Taiao o Waitakere

NOTICE OF MEETING

TENDERS SUBCOMMITTEE

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

DATE: **Friday** **20 August 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.

13 August 2004

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, 20 AUGUST 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 Council 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 Council 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

Ordinary - 6 August 2004

RECOMMENDATION

That the minutes of the Ordinary Meeting of the Tenders Subcommittee held on Friday, 6 August 2004, as circulated, be taken as read and now be confirmed.



4 **CONTRACT NO. EW04042C - NEW LYNN MC17 INVESTIGATION**

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. EW04042C - New Lynn MC17 Investigation.

BACKGROUND

The Council has an objective to reduce flows in the wastewater network by 25% through the Infiltration and Inflow Control Programme. The New Lynn Sewer Catchment is the first catchment to be assessed under this programme. Through monitoring the inflow and infiltration of water into the existing network, Council is able to detect areas of weakness/defects and implement necessary rehabilitation programmes to repair these areas. Rehabilitation works have already been carried out on public drains in mini-catchments MC4, MC9, MC21 and MC2.

The next mini-catchment to be investigated is MC17. This contract covers the pre-rehabilitation field investigations of the wastewater network in the mini-catchment.

SCOPE OF WORK

The scope of the contract includes:

- Location and inspection of 210 manholes;
- Closed Circuit Television (CCTV) Inspection of 9225 meter of 150 mm diameter public wastewater drains;
- Service junction location and pegging;
- Gully inspections;
- Smoke testing.

TENDERS RECEIVED

Tenders were publicly advertised with four sets of documents being uplifted. One tender was received by the closing date of Tuesday, 27 July 2004. This is summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (EXCL. GST)
City Care Limited	P.O. Box 8243 Symonds Street	\$158,807.18
Pre-tender contract estimate		\$205,120.00

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 they be deducted from the tender sum prior to evaluating each tender. The value of Provisional Sums in this contract is \$1,500.00.

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

Tender Evaluation	Attributes	Exper	Track Record	Tech Skills	Resour.	Mang. Skill	Method.	Price	Contract No. EW04042C
									Total Weights
	Weights	10	5	5	10	10	10	50	100
Tenderer	Tender Sum	Grades							Index
City Care Limited	\$157,307.18	80	85	85	75	85	85	50	66
Median Tender Price	\$157,307.18								

Table 2 - Summary of Tender Evaluation

The tender price from City Care Limited is lower than the pre - tender estimate by an acceptable margin. The estimate was based on prices for similar work undertaken in the last financial year. The low tender price is probably a reflection of this tender being the first of its kind to be advertised in the Auckland region this financial year.

City Care Limited has proposed a team with the necessary resources and expertise to manage and undertake the work. City Care Limited has undertaken works of a similar nature for Waitakere City Council and other local authorities in the region, and has recently completed a wastewater investigations contract satisfactorily for North Shore City Council.

It should be noted that City Care Limited have been declined for Council wastewater contracts that include trenchless construction methods. The reason for this is that City Care Limited had not demonstrated through the tendering process an appropriate track record of using these methods. However, City Care Limited are considered to have appropriate attributes to carry out this contract as it does not involve trenchless construction.

TAGS, ERRORS OR OMISSIONS

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

CREDIT CHECK

A credit check dated 2 August 2004 carried out on City Care Limited revealed no adverse information.

SUMMARY

The results of the tender evaluation as summarised in Table 2 show that the tender submitted by City Care Limited achieved the (highest) overall index of 66. This was the only tender received.

It is considered that City Care Limited has the necessary expertise and resources to carry out the works satisfactorily.

As part of the 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 - City Care Limited	\$158,807.18
Contingency	\$ 15,000.00
Engineering & Supervision	<u>\$ 26,800.00</u>
Total Job Cost	<u>\$200,607.18</u>

SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Wastewater Renewal	85-9835-25110-999	\$2,015,450.00	\$126,971.00	\$200,607.18	\$1,687,871.82

RECOMMENDATIONS

1. That the Contract No. EW04042C - New Lynn MC17 Investigation report be received.
2. That the tender from City Care Limited for Contract No. EW04042C - New Lynn MC17 Investigation in the sum of \$158,807.18 plus \$19,850.90 GST, totalling \$178,658.08 be accepted.
3. That authority to enter into Contract No. EW04042C - New Lynn MC17 Investigation on behalf of Council be delegated to the Group Manager: Asset Management.

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



5 NEW ZEALAND POST CONTRACT (IM04119A)

PURPOSE OF THE REPORT

The purpose of this report is to seek the Tenders Subcommittee's approval to extend the existing contract with New Zealand Post by a further 12-months through to 31 August 2005 with an option to extend a further 12-months. It is proposed that no tender be held, as New Zealand Post is the only known provider of volume post and other services the Council requires.

BACKGROUND

Council's existing contract with New Zealand Post for volume post services is for a 12-month period ending to 31 August 2004. The volume post services also includes business reply and free post and permit post.

ISSUES

There are a number of small to medium size organisations that offer a range of services from mail sorting to courier and street delivery services. However, in the main these providers do not have access to P O Boxes, Private Bags, Rural Delivery, Overseas mail and do not process returned mail. In some cases they also utilise New Zealand Post for delivery services.

As New Zealand Post appear to be the only organisation to provide a complete mail service including volume post, Council have held discussions with them on the proposed extension of their contract. The rates proposed by New Zealand Post for the 12 month period are fair and reasonable.

RESOURCES

Based on Council's postal service spend last year it is anticipated to spend in the order of \$175,000 on the proposed contract for which provision has been made in the 2004/2005 Annual Plan and subsequent years in the Long Term Council Community Plan.

CONCLUSION

As New Zealand Post is the only known service provider to provide a complete volume post service, it will be recommended that the subcommittee approve the extension of the existing New Zealand Post contract till 31 August 2005 with an option to extend a further 12-months without going to tender, in accordance with the provisions of Council's procurement policy, noting that in order to satisfy the requirements of policy, the reasons for not going to tender are required to be recorded in writing.

RECOMMENDATIONS

1. That the New Zealand Post Contract (IM04119A) report be received.
2. That, in accordance with Council's Procurement Policy, approval be given to extend the existing New Zealand Post contract till 31 August 2005 with an option to extend a further 12 months without going to competitive tender on the basis that New Zealand Post is the only acceptable provider of the required comprehensive solution to Council's volume post service requirements.
3. That, approval be given to commit expenditure incurred under the New Zealand Post Contract (IM04119A) in the 2005/2006 financial year against the 2005/2006 Annual plan.
4. That, the Director: Corporate & Civic Services be delegated authority to enter into the contract on behalf of Council, and authority to exercise the right of extension if he is satisfied with the level of service.

Report prepared by: Joy Kennedy, Team Leader, Central Records.

