



## NOTICE OF MEETING

# TENDERS SUBCOMMITTEE

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

**DATE:**        **Friday**                    **27 February 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.

19 February 2004

PP.

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)

★ ★ ★ ★ ★ ★ ★ ★ ★ ★

(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, 27 FEBRUARY 2004,  
COMMENCING AT 9.00 AM.**

---

**TABLE OF CONTENTS**

<b><u>ITEM</u></b>		<b><u>PAGE NO.</u></b>
1	<b>APOLOGIES</b>	<b>1</b>
2	<b>URGENT BUSINESS</b>	<b>1</b>
3	<b>CONFIRMATION OF MINUTES</b>	<b>1</b>
4	<b>CONTRACT NO. EW03 632C - EASTGLEN ROAD WASTEWATER RENEWAL</b>	<b>2</b>
5	<b>CONTRACT NO. TA 03525E - LAINGHOLM DRIVE KERB AND FOOTPATH</b>	<b>5</b>
6	<b>CONTRACT NO. RM03502B - ELECTRICITY SUPPLY</b>	<b>8</b>
7	<b>CONTRACT NO. TA 03536B - SECONDARY ROAD STREET LIGHTING &amp; WALKWAY LIGHTING UPGRADE 2003/2005</b>	<b>10</b>

**AGENDA FOR AN ORDINARY MEETING OF THE TENDERS SUBCOMMITTEE  
TO BE HELD IN THE CIVIC CENTRE, 6 WAIPAREIRA AVENUE, LINCOLN, WAITAKERE  
CITY, ON FRIDAY, 27 FEBRUARY 2004,  
COMMENCING AT 9.00 AM.**

---

**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 - 13 February 2004

**RECOMMENDATION**

That the minutes of the Ordinary Meeting of the Tenders Subcommittee held on Friday, 13 February 2004, as circulated, be taken as read and now be confirmed.



4 **CONTRACT NO. EW03 632C - EASTGLEN ROAD WASTEWATER RENEWAL**

**PURPOSE OF THE REPORT**

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. EW03 632C - Eastglen Road Wastewater Renewal.

**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 and rehabilitation works have already been carried out on public drains in mini-catchments MC4, MC9 and MC21.

Mini-catchment MC2 has experienced a fair amount of development in recent years that has resulted in an increased demand on the system. This section of existing pipeline in Eastglen Road is in poor condition and requires replacement.

This contract was first tendered in July 2003 together with three other similar contracts. However, the tender prices that were received for the four contracts then were higher than had been estimated, and so in order that the budget would not be exceeded, it was decided to postpone the implementation of this particular contract, and the tender was cancelled. Since then, with all other contracts now tendered and some savings identified, it is now considered possible to fund this contract, and so it has been re-tendered.

**SCOPE OF WORK**

The works to be carried out under this contract include:

- The replacement of approximately 600 metres of existing 150 and 225 mm diameter public wastewater pipes using a combination of open cut, thrusting, and pipe bursting construction techniques;
- Reinstatement of 34 private drainage connections, with associated pipe work;
- The construction of nine new manholes.

**TENDERS RECEIVED**

Tenders were publicly advertised with three sets of documents being uplifted. Three tenders were received by the closing date of 27 January 2004. These are summarised in Table 1 below:

<b>TENDERER</b>	<b>REG OFFICE</b>	<b>TENDER PRICE (EXCL. GST)</b>
Horizontal Earth Drilling Ltd	Mairangi Bay	\$385,640.00
JB Pipeline Services Ltd	Onehunga	\$419,040.00
Civil Construction Group Ltd	Herne Bay	\$468,920.00
Contract Estimate		\$411,180.00

**Table 1 - Summary of Tender Prices**

Two of the three firms that submitted tenders in July 2003 also tendered this time, viz. Horizontal Earth Drilling Limited and JB Pipeline Services Limited, while Civil Construction Group Limited is submitting a tender for this contract for the first time.

## 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 \$4,000.00.

A summary of the evaluation results is shown below:

Tender Evaluation	Attributes	Exper.	Track Record	Tech. Skill	Resour.	Manag. Skill	Method.	Price	Contract No. EW03 632C
		Weights	10	5	10	10	5	10	50
<b>Tenderer</b>	<b>Tender Sum</b>	<b>Grades</b>							<b>INDEX</b>
Horizontal Earth Drilling Ltd	\$381,640.00	75	65	75	65	70	65	58	64
JB Pipeline Services Ltd	\$415,040.00	75	70	75	75	80	85	50	64
Civil Construction Group Ltd	\$464,920.00	70	65	65	60	65	65	38	51
<b>Median Tender Price</b>	<b>\$415,040.00</b>								

**Table 2 - Summary of Tender Evaluation**

Tenders were evaluated on the basis of the information submitted, experience from previous works undertaken for Council and discussions with referees.

When the earlier wastewater rehabilitation contracts were tendered in July 2003 and higher than expected prices were received, the reasons for the higher prices were reported to the Tenders Subcommittee on 26 September 2003. It was found that the major cost increases were for the trenchless work, as well as for Preliminary and General items, with smaller increases across the remaining work items. Therefore, for this contract, the Contract Estimate shown above is the original estimate accordingly adjusted.

Since the tender in July 2003, anecdotal evidence from other Councils in the Auckland region suggests that market prices have, if anything, trended upwards slightly. However, although Horizontal Earth Drilling Limited has increased its price since the last tender, JB Pipeline Services Limited has not.

Horizontal Earth Drilling Limited has good experience and technical skills, and also a good track record with Council. However, it has been given lower scores for the "resources" and "methodology" attributes because it is unable to start this contract until it has finished its current commitments to Waitakere City Council, followed by another commitment to North Shore City Council, and its methodology contains some obvious errors which would need to be clarified and corrected should Horizontal Earth Drilling Limited be awarded the contract.

JB Pipeline Services Limited submitted a quality tender. The firm is well equipped to undertake this type of work, and is performing well on current contracts that it has with Council. JB Pipeline Services Limited would have the necessary expertise, technical skills and resources to undertake the work, and it is available to commence the contract upon award.

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

The tender from Horizontal Earth Drilling Limited contained one tag and one extension error in the Price Schedule (meaning that its tender price was overstated by \$460.00), but no omissions. The tag was a condition on the contract start date, as mentioned above, and means that Horizontal Earth Drilling Limited would not be able to start this contract until June 2004. Therefore, apart from the inability to complete the work within this financial year, construction would be taking place through the winter months, with the potential for weather delays and quality problems with reinstatement. In order to avoid the undesirability of working through winter, the contract start date should be delayed until, say, October 2004 should Horizontal Earth Drilling Limited be awarded the contract. Horizontal Earth Drilling Limited has confirmed in writing that its tender price would remain valid for work commencing in October 2004.

There were no tags, errors or omissions in the tender from JB Pipeline Services Limited.

There were no tags or omissions in the tender from Civil Construction Group Limited, but an extension error in the Price Schedule meant that its tender price was overstated by \$2,250.00.

### **CREDIT CHECK**

A credit check on Horizontal Earth Drilling Limited has been requested.

### **SUMMARY**

The results of the tender evaluation as summarised in Table 2 show that the tenders submitted by Horizontal Earth Drilling Limited and JB Pipeline Services Limited both achieved the highest overall index of 64. However, the tender from Horizontal Earth Drilling Limited is the lowest priced.

It is considered that Horizontal Earth Drilling Limited has the necessary expertise, technical skills and resources to complete the works satisfactorily but, if awarded the contract, the start date should be delayed until October 2004. Accordingly, it is recommended that funding for this contract be carried over to 2004/2005.

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**

	<b><u>EXCL. GST</u></b>
Tender sum - Horizontal Earth Drilling Ltd	\$385,640.00
Contingency (5%)	\$19,282.00
Engineering & Supervision	\$15,000.00
Total Job Cost	<hr/> \$419,922.00

### SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Wastewater Renewal	85-9835-60000-999	\$1,941,500	\$1,680,315	\$135,000	\$126,185
Wastewater Upgrades	85-9812-60000-999	\$992,168	\$626,691	\$284,992	\$80,485

### RECOMMENDATIONS

1. That the Contract No. EW03 632C - Eastglen Road Wastewater Renewal report be received.
2. That, subject to a satisfactory credit check, the tender from Horizontal Earth Drilling Limited for Contract No. EW03 632C - Eastglen Road Wastewater Renewal in the sum of \$385,640.00 plus \$48,205.00 GST, totalling \$433,845.00 be accepted
3. That authority to enter into Contract No. EW03 632C - Eastglen Road Wastewater Renewal on behalf of Council be delegated to the Group Manager: Asset Management.
4. That it be a recommendation to the Finance and Operational Performance Committee that approval be given for this contract and its associated funding to be carried over to the 2004/2005 financial year.

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



## 5 CONTRACT NO. TA 03525E - LAINGHOLM DRIVE KERB AND FOOTPATH

### PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. TA 03525E - Laingholm Drive Kerb and Footpath.

### BACKGROUND

Council has an ongoing programme of new footpath construction and this is Stage 3 of works in Laingholm Drive.

### SCOPE OF WORK

This contract is for the construction of 450 metres of road widening, kerb 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 with asphaltic concrete;
- Topsoil and grassing.

### TENDERS RECEIVED

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

TENDERER	REG OFFICE	TENDER PRICE (EXCL. GST)
M. Keoghan Contractors Ltd	Mangere	\$ 214, 764.00
<b>Pre-tender contract estimate</b>		\$ 160,000.00

Table 1 - Summary of Tender Prices

The initial tender sum submitted was considerably higher than the Engineer's estimate. This estimate was based on recent similar projects. The price submitted reflects the current market situation where prices are rising rapidly due to a large volume of work and few available contractors. Other contractors who would normally tender for this work were contacted but they advised they were fully committed for several months ahead.

As M Keoghan Contractors were the only tenderer, a negotiation phase was possible. A revised schedule was provided and M Keoghan Contractors reduced some rates in an effort to allow the full extent of works to proceed without having to reduce the scope to match the available funding. The revised tender sum is \$203,639.00 excl. GST.

### 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 \$1500.00.

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

Tender Evaluation	Attributes	Exper.	Track	Tech.	Resour.	Manag.	Method.	Price	Contract Number
			Record	Skill		Skill			TA03525E
	Weights	8	8	5	3	3	3	70	Total Weights
Tenderer	Tender Sum	Grades							INDEX
M Keoghan Contractors	\$202,139.00	75	85	75	70	80	65	50	58
Med.n Tender Price	\$202,139.00								

Table 2 - Summary of Tender Evaluation

M Keoghan Contractors Limited has completed several contracts for Council over the past two years. These have included three kerb, channel and footpath construction projects and five retaining wall contracts. All contracts were carried out to a very good standard and the company are well regarded by Council staff for work quality and management skills.

#### TAGS, ERRORS OR OMISSIONS

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

#### CREDIT CHECK

A recent credit check revealed no adverse information.

#### SUMMARY

M Keoghan Contractors Limited is the only tenderer and they have submitted a revised tender.

Although the tender submitted is higher than estimated it is recommended that the negotiated tender be accepted. It is considered that Council is unlikely to receive a better price under current market conditions and there are several similar projects that Council is currently tendering during January and February 2004.

M Keoghan Contractors Limited have proven to be capable contractors who work to a high quality and with good communication and management.

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

	<b><u>EXCL. GST</u></b>
Tender sum - M Keoghan Contractors Limited	\$203,639.00
Contingency	\$ 10,000.00
Engineering & Supervision	\$ 18,800.00
Disbursements	\$ 1,200.00
	-----
Total Job Cost	\$233,639.00

#### SOURCE OF FUNDING

Codes	Budget (including carry – forwards)	Committed to Other Projects	Allocation to This Project	Unallocated Balance
75-9814-30530	\$685,642.00	\$ 527,003.00	\$ 158,639.00	\$ 0
75-9814-39270	\$250,000.00	\$ 200,000.00	\$ 50,000.00	\$ 0
75-9860-24450	\$15,000.00	\$ 0	\$ 15,000.00	\$ 0
46-7118-24250	\$10,000.00	\$ 0	\$ 10,000.00	\$ 0
		<b>TOTAL</b>	<b>\$ 233,639.00</b>	

### **RECOMMENDATIONS**

1. That the Contract No. TA 03525E - Laingholm Drive Kerb and Footpath report be received.
2. That the tender from M Keoghan Contractors Limited for Contract No. TA 03525E - Laingholm Drive Kerb and Footpath in the sum of \$203,639.00 plus \$25,454.88 GST, totalling \$229,093.88 be accepted.
3. That authority to enter into Contract No. TA03525E - Laingholm Drive Kerb and Footpath on behalf of Council be delegated to the Group Manager: Asset Management.

Report prepared by: Adam Moller, Principal Transport Engineer: Development.



## **6 CONTRACT NO. RM03502B - ELECTRICITY SUPPLY**

### **PURPOSE OF THE REPORT**

The purpose of this report is to seek approval from the Tenders Subcommittee to tender Contract No. RM03502B - Electricity Supply for the period of July 2004/June 2006/June 2007.

### **BACKGROUND**

For the last two contract periods, 2000/2002 and 2002/2004, Waitakere City Council has participated in energy purchasing groups to tender electricity supply to Council. During those tendering periods the electricity market was a buyer's market and electricity retailers were interested in securing large contracts. In 2004 the electricity market has changed to a seller's market and electricity retailers have changed their approach to creating and maintaining their customer base.

Waitakere City Council's requirements within the electricity supply contract have expanded beyond those of the other councils and organisations involved in the 2002/2004 energy purchasing group and given the current climate of the electricity market, individual tender may be more effective than an energy purchasing group that may be too large and widespread.

Waitakere City Council's electricity load is estimated below for November 2002 to October 2003 and is anticipated to grow due to new buildings being developed.

Street lighting	5,360,344 kWh	\$722,954	3 accounts
Time of Use sites (West Wave, Civic Centre)	3,779,959 kWh	\$361,227	5 accounts
Non-Time of Use sites	2,344,888 kWh	\$344,610	227 accounts
Residential	42,102 kWh	\$ 9,477	23 accounts
	<u>11,527,293 kWh</u>	<u>\$1,438,268</u>	<u>252 accounts</u>

The electricity supply contract shall include all of Waitakere City Council and its nominated subsidiary's, for example Waitakere Properties, electricity installations. Advice will be taken on including residential type facilities, e.g. shared services at Housing for Older Adults, in the electricity supply contract tender process.

## **STRATEGIC CONTEXT**

In September 2001 the Energy Efficiency and Conservation Authority released the National Energy Efficiency and Conservation Strategy. The direction of the strategy focuses on improving energy efficiency and a progressive transition to renewable sources of energy. The strategy includes five action plans, including one for Central and Local Government.

The strategy proposes that local authorities voluntarily commit to improving energy efficiency in the sector by 15% over five years. Energy Efficiency and Conservation Authority believes that most organisations can save around 5-15% of their energy costs through monitoring and targeting. Such savings can be achieved through modifying timing of energy use, correct payment of energy costs, and corrective action when issues are identified. The basis of Council's electricity contract should enable these activities to be undertaken.

Energy and climate change policy are inextricably linked, and are an integral part of Waitakere City's Eco-City philosophy. Clean Air and Sustainable Energy objectives have been incorporated into the Long Term Council Community Plan.

## **ISSUES**

Waitakere City Council's special interests for the next electricity supply contract tendering process include:

- gaining a fair price for electricity supply given the mix of accounts;
- implementing a pricing structure that will allow the Council to financially benefit from energy management initiatives;
- implementing net metering price structures for installations with renewable energy sources (e.g. Massey Leisure Centre & Library photovoltaic system) for excess electricity to be exported to the national grid;
- gaining access to electronic files of the Council's energy usage and charges for use in an energy monitoring and targeting database;
- examining the possibility of resolving ongoing problems with street lighting through a contract non-performance clause.

As Council is tendering the electricity contract independently, rather than through an energy purchasing group, it can investigate the opportunities for cost savings over a longer contract period through calling for two price periods within the tender document of a two-year period and a three-year period.

## **RESOURCES**

Provision is made for electricity supply within the existing Council budgets. Initial work indicated that electricity costs may increase due to the market conditions, however these issues will be addressed during consideration of the Annual Plan and through targeting specific areas for energy efficiency initiatives each financial year.

## **CONCLUSION**

The climate of the electricity market has changed since Council tendered the current electricity supply contract and Council's approach for tendering needs to reflect the changes. Whilst Council benefited from being involved in an energy purchasing group for the last two electricity contract rounds, it is believed that sole tendering will lead to a more beneficial outcome for Council for this tendering round.

Council has specific issues it would like to see addressed through the electricity contract to support energy efficiency initiatives and the Sustainable Energy and Clean Air platform.

### **RECOMMENDATIONS**

1. That the Contract No. RM03502B - Electricity Supply report be received.
2. That the contract periods of both two-years and three-years for the tender of Contract No. RM03502B - Electricity Supply be approved and that approval be given for a financial commitment for electricity in the 2005/2006 and 2006/2007 Annual Plan year subject to contract final approval.

Report prepared by: Michelle Dawson, Project Manager: Cleaner Production.



## **7 CONTRACT NO. TA 03536B - SECONDARY ROAD STREET LIGHTING & WALKWAY LIGHTING UPGRADE 2003/2005**

### **PURPOSE OF THE REPORT**

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. TA 03536B - Secondary Road Street Lighting & Walkway Lighting Upgrade 2003/2005.

### **BACKGROUND**

Waitakere City Council has undertaken street lighting upgrade for the first three years of the five years programme, following an Accident Investigation Study that identified night-time accidents requiring street lighting improvements. This contract is for the upgrading of street lighting for the remaining two years of the five years programme, including new lighting at various walkways that are frequently used at night. The works have been approved in the Annual Budget.

### **SCOPE OF WORK**

This contract is for the supply and installation of street lighting and walkway lighting in Waitakere City. The works include the following:

- remove and dispose existing concrete light poles;
- supply and install six metres and 10 metres mounting height light poles;
- ducting and cabling to the nearest street light pilot connection point;
- update United Networks and Genesis Energy streetlight records as per their requirements;
- provide Certificates of Compliance of electrical work;
- provide as-built drawings and fill in RAMM inventory forms for new lighting;
- all other associated works.

The locations of works are as follow:

- (a) Year 2003/2004
- Street lighting - Marina View Drive (whole length), West Harbour.
  - Wiseley Road (whole length), Hobsonville.
  - Walkway lighting - the sites shall be advised during the contract period.
- (b) Year 2004/2005
- Street lighting - Fitzherbert Avenue (whole length), West Harbour.
  - Granville Drive (whole length), Massey.
  - Oreil Avenue (whole length), West Harbour.
  - Walkway lighting - the sites shall be advised during the contract period.

### TENDERS RECEIVED

Tenders were publicly advertised with eight sets of documents being uplifted. Two tenders were received by the closing date of 13 January 2004. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (EXCL. GST)
CSL Traffic Ltd	Albany	\$244,360.64
Electrix Ltd	Mt Wellington	\$299,321.00
<b>Pre-tender contract estimate</b>		<b>\$313,725.00</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.

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

Tender Evaluation	Attributes	Exper.	Track Record	Tech Skills	Re-source	Man-agement	Method	Price	Total Weight
Tenderer	Weight	5	5	5	5	5	5	70	100
	Tender Sum	Grades							Index
CSL Traffic Ltd	\$244,360.64	73	70	80	73	77	77	60	65
Electrix Ltd	\$299,321.00	77	70	75	72	73	68	40	50
Median Tender Price	\$271,840.80								

Table 2 - Summary of Tender Evaluation

CSL Traffic Limited is the current streetlight maintenance Contractor for Waitakere City. CSL Traffic Limited was also the walkway lighting Contractor for Waitakere City in year 2002/03. All works were carried out to a very good standard. The Contractor is well regarded by Council staff for work quality, technical ability and management skills.

Electrix Limited has carried out the streetlight upgrading and streetlight maintenance contracts for Waitakere City in year 2002/2003. Its quality of workmanship is of an acceptable standard.

Both Contractors have been assessed based on their experience with Council works, information contained in their tender submission and consultation with referees where necessary.

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

There were no tags or errors in CSL Traffic Limited's tender. CSL Traffic Limited did not price one of the scheduled items, but has confirmed in writing that the rate for that item is zero and that the original tender price will remain the same.

There were tags, errors or omissions in Electrix Limited's tender.

#### **CREDIT CHECK**

A credit check on CSL Traffic Limited dated 27 January 2004 revealed no adverse information.

#### **SUMMARY**

The results of the tender evaluation as summarised in Table 2 show that the tender submitted by CSL Traffic Limited achieved the highest index of 65. This tender is also the lowest priced tender.

CSL Traffic Limited has carried out similar contracts for Waitakere City. It has the necessary skills and resources to carry out this contract.

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 - CSL Traffic Limited	\$244,360.64
Contingency	\$ 24,435.36
Engineering & Supervision	\$ 25,000.00
	-----
Total Job Cost	\$293,796.00

### SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Secondary Rd Street Lighting	75-9810-30480	\$150,000	\$2,500	\$147,500	Nil
Walkway Lighting	75-9814-45970	\$20,000	Nil	\$20,000	Nil
	2003/2004	\$170,000	\$2,500	\$167,500	Nil
	2004/2005	\$126,296	Nil	\$126,296	Nil
<b>Total</b>	2003/2005	\$296,296	\$2,500	\$293,796	Nil

### RECOMMENDATIONS

1. That the Contract No. TA 03536B - Secondary Road Street Lighting & Walkway Lighting Upgrade 2003/2005 report be received.
2. That the tender from CSL Traffic Limited for Contract TA 03536B - Secondary Road Street Lighting & Walkway Lighting Upgrade 2003/2005 in the sum of \$244,360.64 plus \$30,545.08 GST, totalling \$274,905.72 be accepted.
3. That the commitment to the 2004/2005 financial year for Contract TA 03536B - Secondary Road Street Lighting & Walkway Lighting Upgrade 2003/2005 totalling \$126,296.00 plus GST be approved.
4. That authority to enter into Contract TA03536B - Secondary Road Street Lighting & Walkway Lighting Upgrade 2003/2005 on behalf of Council be delegated to the Director: City Services.

Report prepared by: Vinh Bui, Transport Engineer, Transport Assets.

