

**AGENDA FOR A MEETING OF THE TENDERS SUBCOMMITTEE TO BE HELD IN THE
CIVIC CENTRE, 6 WAIPAREIRA AVENUE, LINCOLN, WAITAKERE CITY,
ON FRIDAY, 8 JULY 2005, COMMENCING AT 9.00 AM**

TABLE OF CONTENTS

<u>ITEM</u>		<u>PAGE NO.</u>
1	APOLOGIES	1
2	URGENT BUSINESS	1
3	CONFIRMATION OF MINUTES	1
4	CONTRACT NO. TA05006B - CESSPIT CLEANING 2005/2006	2
5	CONTRACT NUMBER TA 05009B - HUIA/WHATIPU DRAINAGE MAINTENANCE 2005	6

**AGENDA FOR A MEETING OF THE TENDERS SUBCOMMITTEE TO BE HELD IN THE
CIVIC CENTRE, 6 WAIPAREIRA AVENUE, LINCOLN, WAITAKERE CITY,
ON FRIDAY, 8 JULY 2005, COMMENCING AT 9.00 AM**

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 - 24 June 2005

RECOMMENDATION

That the minutes of the Meeting of the Tenders Subcommittee held on Friday, 24 June 2005, as circulated, be taken as read and now be confirmed.



4 CONTRACT NO. TA05006B - CESSPIT CLEANING 2005/2006

PURPOSE OF THE REPORT

The purpose of this report is to seek approval to award Contract No. TA05006B - Cesspit Cleaning 2005/2006.

BACKGROUND

This contract replaces the existing Cesspit Cleaning maintenance contract, due to expire on 30 June 2005.

SCOPE OF WORK

This maintenance contract provides for the routine cleaning of Transport and Property Asset cesspits and for the additional cleaning of high maintenance cesspits as required within Waitakere City.

Two options were tendered for - Option 1 allows for a contract completion date of 30 June 2006 (12 months) and Option 2 for a contract completion date of 30 June 2008 (36 months). Both options provide for up to two annual extensions (i.e., reviewed annually) solely at Council's discretion based on the satisfactory performance of the Contractor.

TENDERS RECEIVED

Tenders were publicly advertised with seven sets of documents being uplifted. One tender was received by the closing date of 17 May 2005. This is summarised in Table 1A below:

TENDERER	REG OFFICE	TENDER PRICE OPTION 1 (EXCL. GST)	TENDER PRICE OPTION 2 (EXCL. GST)
Vacuum Loading Ltd	Beach Haven	\$243,905.00	\$714,549.00
Pre-tender contract estimate		\$184,425.00	\$528,922.50

Table 1A - Summary of Tender Price

The Tender submitted by Vacuum Loading Limited significantly exceeded Councils budget and therefore, in accordance with the provisions of the Tender documents and following legal advice from Legal Services Manager, it was decided to reject the tender and re-tender this contract. Tender documents were re-issued to all seven Contractors who uplifted the original documents.

Three tenders were received by the closing date of 2 June 2005. This is summarised in Table 1B below:

TENDERER	REG OFFICE	TENDER PRICE OPTION 1 (EXCL. GST)	TENDER PRICE OPTION 2 (EXCL. GST)
Industrial Services Trading Trust, trading as Interclean	East Tamaki	\$180,082.50	\$527,497.50
Vacuum Loading Limited	Beach Haven	\$199,862.60	\$568,215.00
Techscape Limited	North Harbour	\$323,481.10	\$965,520.05
Pre-tender contract estimate		\$184,425.00	\$528,922.50

Table 1B - Summary of Re-submitted 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 2A and 2B:

Tender Evaluation	Attributes	Exper.	Track Record	Tech Skill.	Resour.	Manag. Skill	Method.	Price	Contract Number TA05006B Option 1
									Total Weights
	Weights	5	10	5	5	3	2	70	100
Tenderer	Tender Sum	Grades							INDEX
Industrial Services Trading Trust T/A Interclean	\$180,082.50	75	60	68	73	70	73	60	62
Vacuum Loading Ltd	\$199,862.60	73	70	68	70	73	73	50	56
Techscape Ltd	\$323,481.10	75	60	68	73	75	73	-12	12
Med.n Tender Price	\$199,862.60								

Table 2A - Summary of Tender Evaluation (Option 1)

Tender Evaluation	Attributes	Exper.	Track Record	Tech. Skill.	Resour.	Manag Skill	Method.	Price	Contract Number TA05006B Option 2
									Total Weights
	Weights	5	10	5	5	3	2	70	100
Tenderer	Tender Sum	Grades							INDEX
Industrial Services Trading Trust T/A Interclean	\$527,497.50	75	60	68	73	70	73	57	60
Vacuum Loading Ltd	\$568,215.00	73	70	68	70	73	73	50	56
Techscape Ltd	\$965,520.05	75	60	68	73	75	73	-20	7
Med.n Tender Price	\$568,215.00								

Table 2B - Summary of Tender Evaluation (Option 2)

In consideration of the tenders, a comparison of the weighted attribute indices in Table 2A and Table 2B demonstrates that Industrial Services Trading Trust, trading as Interclean, ranked highest in both options. They also have the lowest tender for both options.

An evaluation of their submitted rates indicates a cost savings of \$4,250 per annum if awarding a 36-month contract. Furthermore, there would be savings in professional services fees in the order of \$4000 per annum as a result of the contract not requiring re-tendering each year.

It is recommended that the option 2 contract be awarded and, on the satisfactory performance of this tenderer, and at the discretion of Waitakere City Council, up to two further 12-month extensions to the contract be offered. This has been allowed for in the Tender.

As this tenderer is a trading trust, a contract can only be entered into with the trustee, in this case Bradford Trust Limited and its sole Director is Mr Alan C Hill. The contract is therefore with Bradford Trust Limited as trustee of Industrial Services Trading Trust, trading as Interclean.

TAGS, ERRORS OR OMISSIONS

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

CREDIT CHECK

A credit check dated 14 June 2005 revealed no adverse information.

SUMMARY

The results of the tender evaluation as summarised in Table 2A and 2B shows that the tender submitted by Industrial Services Trading Trust, trading as Interclean achieved the highest index in both options. This tender is also the lowest priced tender for both options.

Industrial Services Trading Trust, trading as Interclean is a specialist stormwater and wastewater systems cleaning company, carrying out cesspit and soak hole cleaning and road sweeping works for other local authorities either as principal contractor or engaged on a sub-contract basis. Reference check with Auckland City Council confirms the satisfactory performance of Interclean within the current cesspit and soak hole cleaning contract. They are the incumbent Contractor for Waitakere City Council's Cesspit Cleaning 2003/2004 contract. This was awarded as a one year contract with a 12 month extension based on satisfactory performance. They were granted this 12 month extension and have performed to Council's satisfaction. They are well resourced to carry out this work.

JOB COSTS

EXCL. GST

Tender sum - (Industrial Services Trading Trust, trading as Interclean -option 2)	\$527,497.50
Contingency / Cost Fluctuation	\$ 27,300.00
Professional Services	\$ 50,300.00

Total Job Cost (3 year period to 30 June 2008)	\$605,097.50

SOURCE OF FUNDING

Budget description (from Annual Plan line item) 2005/2006 Annual Plan	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance
Street Cleaning- subsidised	46-7126-24430-280	135,000	82,870	55,000	0
Street Cleaning- non subsidised	46-7178-24770-280	365,000	298,650	70,000	0
General Road maintenance (non- subsidised)	46-7174-24700-280	72,500	58,280	15,000	0
Commercial Centres Road Sweeping	46-7180-24440-280	200,000	157,350	45,000	0
Car Park maintenance	46-7174-24710-280	24,000	19,263	5,000	0
Council Properties- Cesspit Cleaning	Various	746	0	746	0

Budget description (from Annual Plan line item) 2005/2006 Annual Plan	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance
Professional Services- street cleaning subsidised	46-7126-24360-132	8,500	3,500	5,000	0
Professional Services- street cleaning non subsidised	46-7178-24360-132	25,000	135,500	11,500	0
	Subtotal 2005/2006			197,333	
2006/2007* Annual Plan				202,000	
2007/2008* Annual Plan				205,765	
	TOTAL ALLOCATION FOR CONTRACT			605,098	
2008/2009* Annual Plan (only on approval of contract extension)				209,500	
2009/2010* Annual Plan (only on approval of contract extension)				213,200	

* Includes provisions for cost fluctuation adjustment as provided for in the Contract.

RECOMMENDATIONS

1. That the Contract No. TA05006B - Cesspit Cleaning 2005/2006 report be received.
2. That the tender for Option 2 (36 month contract) from Bradford Trust Limited as trustee of Industrial Services Trading Trust, trading as InterClean for Contract No. TA05006B - Cesspit Cleaning 2005/2006 in the sum of \$527,497.50 plus \$65,937.19 GST, totalling \$593,434.69 be accepted.
3. That the commitment of \$202,000 for 2006/2007; \$205,765 for 2007/2008; \$209,500 for 2008/2009 and \$213,200 for 2009/2010 plus GST for Contract No. TA05006B - Cesspit Cleaning 2005/2006 be approved.
4. That authority to enter into Contract No. TA05006B - Cesspit Cleaning 2005/2006 on behalf of Council be delegated to the Group Manager: Asset Management.
5. That authority to extend Contract No. TA05006B - Cesspit Cleaning 2005/2006 for up to two additional one year periods (reviewed annually) to end on 30 June 2010, based on the satisfactory performance by the Contractor, be delegated to the Group Manager: Asset Management.

Prepared by: Ara Ovanessoff, Transport Operations Manager



5 **CONTRACT NUMBER TA 05009B - HUIA/WHATIPU DRAINAGE MAINTENANCE 2005**

PURPOSE OF THE REPORT

The purpose of this report is to seek approval to award Contract No. TA 05009B - Huia/Whatipu Drainage Maintenance 2005.

BACKGROUND

This contract forms part of Council's asset maintenance and renewal programmes as provided for in the Annual Plan 2005/2006 and specifically the drainage maintenance of Huia/ Whatipu area. It also includes provision for the clearance of minor slips in the area.

A report was submitted to the Tenders Subcommittee on 10 June 2005 to enter into a negotiated two year contract ending 30 June 2007 with provision for extension of one year to 30 June 2008 and it was resolved as follows:

- “2. That authority be given to negotiate Contract No. TA050009 – Huia/Whatipu Drainage Maintenance Contract for 2005/2006 for a two (2) year period with an option for extension up to a further one (1) year, for various drainage maintenance activities in the Huia/Whatipu area, be approved.
3. That the outcomes of the negotiations be reported back to the Tenders Subcommittee for approval.”

1058/2005

SCOPE OF WORK

The contract is to provide routine, ordered and emergency drainage maintenance works in Huia/Whatipu area.

The works include the following:

- Inspection of culverts after heavy rainfall and reporting;
- Reshape/clear water tables;
- Unblock cesspit grates, pits and leads;
- Unblock culverts and vehicle crossing pipes;
- Clearance of minor slips.

TENDERS RECEIVED

The tender was negotiated, as approval by Tenders Subcommittee on 10 June 2005, with Mansell Contractors Limited. The tender submitted for the contract is as shown in table 1.

TENDERER	REG OFFICE	TENDER PRICE (EXCL. GST)
Mansell Contractors Limited	PO Box 60-048, Titirangi	\$98,880.00
Pre-tender contract estimate		\$96,960.00

Table 1 - Summary of Tender Prices

TENDER EVALUATION

In accordance with the conditions of tendering, tenders were evaluated in line with the Lowest Price Conforming Tender Method contained in Transfund New Zealand's "Competitive Pricing Procedures Manual".

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

Tenderer	Relevant Exper.	Track Record	Tech. Skills	Resour-ces	Manage. Skills	Method	Lowest Price Conforming Tender
Mansell Contractors Limited	Pass	Pass	Pass	Pass	Pass	Pass	\$98,880.00

Table 2 - Summary of Tender Evaluation

The tender received from Mansell Contractors Limited is within an acceptable range of the Engineer's estimate. Mansell Contractors Limited is well versed in the requirements for this contract and has significant local knowledge which is of benefit.

TAGS, ERRORS OR OMISSIONS

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

CREDIT CHECK

A credit check on Mansell Contractors Limited has been requested.

SUMMARY

The tender submitted by Mansell Contractors Limited has achieved a pass in all the non-price attributes and therefore is recommended for award.

Mansell Contractors Limited has carried out contracts for Waitakere City Council over the past six years to a good and acceptable standard in the Huia/Whatipu area. They have the necessary skills and resources to carry out the contract works.

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 - Mansell Contractors Limited	\$ 98,880.00
Contingency	\$ 10,120.00
Engineering & Supervision	\$ 27,000.00

Total Job Cost	\$ 136,000.00

SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committe d to Other Projects	Allocation to This Project	Unallocated Balance
Rural Maintenance	46-7118-24250-280	\$648,250	633,250	\$15,000	\$0.00
Street Cleaning - cesspit cleaning	46-7126-24430-280	\$65,000	55,000	\$6,500	\$3,500
Flood Damage	46-7142-24490-280	\$40,000	37,000	\$3,000	\$0.00
Flood Damage - professional services	46-7142-24360-132	\$25,000	20,000	\$5,000	\$0.00
Non-Subsidised Maintenance - street cleaning (unsubsidised)	46-7178-24770-280	\$365,000	355,000	\$10,000	\$0.00
Non-Subsidised Maintenance - General road maintenance	46-7174-24700-280	\$72,500	67,000	\$5,500	\$0.00
Non-Subsidised Maintenance - Professional Services Environmental	46-7178-24360-280	\$30,000	22,500	\$5,000	\$2,500
Non-Subsidised Maintenance - Professional Services Amenity	46-7174-24360-132	\$60,000	54,000	\$4,000	\$2000
Subsidised Renewals - Drainage systems renewals	75-9860-24670-280	\$807,160	797,000	\$10,000	\$160
Non-Subsidised Maintenance - Drainage	46-7174-24670-280	\$47,000	42,000	\$5,000	\$0.00
TOTAL 2005/2006				\$69,000	
TOTAL 2006/2007				\$67,000	

RECOMMENDATIONS

1. That the Contract No. TA 05009B - Huia/Whatipu Drainage Maintenance 2005 report be received.
2. That subject to a satisfactory credit check the tender from Mansell Contractors Limited for Contract No. TA 05009B - Huia/Whatipu Drainage Maintenance 2005 in the sum of \$98,880.00 plus \$12,360.00 GST, totalling \$111,240.00 be accepted.
3. That the commitment for Contract No. TA 05009B - Huia/Whatipu Drainage Maintenance 2005 of \$67,000.00 for 2006/2007 be approved.
4. That authority to enter into Contract No. TA 05009B - Huia/Whatipu Drainage Maintenance be delegated to the Group Manager: Asset Management.
5. That authority to extend Contract No. TA 05009B - Huia/Whatipu Drainage Maintenance for a further one year period ending on 30 June 2008 dependant upon the contractors satisfactory performance be delegated to the Group Manager: Asset Management.

Report prepared by: Edwin Dearham, Principal Engineer Construction.

