

**AGENDA FOR A MEETING OF THE TENDERS SUBCOMMITTEE TO BE HELD IN THE
CIVIC CENTRE, 6 WAIPAREIRA AVENUE, LINCOLN, WAITAKERE CITY,
ON FRIDAY, 24 JUNE 2005, 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 - 10 June 2005

RECOMMENDATION

That the minutes of the Meeting of the Tenders Subcommittee held on Friday, 10 June 2005, as circulated, be taken as read and now be confirmed.



4 **CONTRACT NO. EW05013A - FLUORIDE IDENTIFICATION**

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. EW05013A - Fluoride Identification.

BACKGROUND

Fluoride is added into the Auckland regions water supply, by Watercare Services Limited, at a level of approximately 1ppm to reduce tooth decay. Therefore, apart from Huia Village where fluoride is not put into the water supply, the detection of fluoride in water samples taken from surface discharges is a good indicator of whether the source is drinking water supply or not. This is a useful tool for leak detection and the management of repairs to water main breaks.

Because the need for this work is assured, and efficiencies can be gained by contracting this work for longer than one year at a time, approval was sought from and given by the Tenders Subcommittee on 15 April 2005 (minute no. 620/2005) to tender this contract for a two (2) year period, with an option to extend for a further period of two (2) years, subject to certain performance requirements being met.

SCOPE OF WORK

The scope of work includes the analysis, on demand, of water samples to determine the concentration of fluoride in them, and reporting the results within prescribed time frames. When the presence of sewage is suspected, the testing for other identifiers will also be requested.

TENDERS RECEIVED

Tenders were publicly advertised with seven sets of documents being uplifted. Three (3) tenders were received by the closing date of 2 June 2005. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (EXCL. GST)
Aqualab (NZ) Limited	Unit 4B Mc Whirter Place, New Lynn	\$8,828.00
Watercare Services Limited	PO Box 107 028 Airport Oaks, Auckland	\$14,560.00
SGS (NZ) Limited	17 - 19 Maurice Rd. Penrose	\$33,500.00
Pre-tender contract estimate		\$11,550.00

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 & Resources	Manag. Skill	Method	Price	Contract No. EW05013A
		Weights	5	5	10	10	20	50
Tenderer	Tender Sum							INDEX
Aqualab (NZ) Ltd	\$8,828.00	95	90	90	90	75	74	79
Watercare Services Ltd	\$14,560.00	95	90	95	95	95	24	59
SGS (NZ) Ltd	\$33,500.00	90	85	85	80	90	-140	-27
Engineer's Estimate	\$11,550.00							

Table 2 - Summary of Tender Evaluation

Aqualab (NZ) Limited have been carrying out Waitakere City's drinking water and recreational bathing beach monitoring for many years, and have performed these contracts satisfactorily.

Aqualab (NZ) Limited have been scored at 75% for methodology as they do not have quite the same level of certification as the other two tenderers but utilise the same methodology.

Watercare Services Limited is the incumbent, and has been carrying out this work for the last two years. Council is satisfied with the way Watercare has performed and the accuracy of its results. Accordingly, Watercare Services Ltd has been scored 95 for most of the attributes.

Council does not have any previous experience with SGS (NZ) Limited, and the scores given are based solely on the information provided in the tender.

TAGS, ERRORS OR OMISSIONS

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

CREDIT CHECK

A credit check on Aqualab (NZ) Limited has been requested.

SUMMARY

The results of the tender evaluation as summarised in Table 2 show that the tender submitted by Aqualab (NZ) Limited achieved the highest overall index of 79. This tender is also the lowest priced tender.

Aqualab (NZ) Limited has worked for Council for a number of years and has given good service. Therefore, it is considered that Aqualab (NZ) Limited will be able to carry out 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 - Aqualab (NZ) Ltd	\$8,828.00
Contingency	0.00

Total Job Cost	<u>\$8,828.00</u>

SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
2005/2006 (12 months)					
Leak Detection Survey Requests	85-7529-26860	\$10,000.00	Nil	\$4,414.00	\$5,586.00
2006/2007 (12 months)					
Leak Detection Survey Requests	85-7529-26860	\$10,000.00	Nil	\$4,414.00	\$5,586.00

RECOMMENDATIONS

1. That the Contract No. EW05013A - Fluoride Identification report be received.
2. That the tender from Aqualab (NZ) Limited for Contract No. EW05013A - Fluoride Identification in the sum of \$8,828.00 plus \$1,103.50.GST, totalling \$9,931.50, with a two (2) year right of renewal subject to satisfactory performance on cost and quality, be accepted.
3. That the commitment to the 2005/2006 financial year for Contract No. EW05013A - Fluoride Identification totalling \$4,414.00 plus GST be approved.
4. That the commitment to the 2006/2007 financial year for Contract No. EW05013A - Fluoride Identification totalling \$4,414.00 plus GST be approved.
5. That authority to enter into Contract No. EW05013A - Fluoride Identification on behalf of Council be delegated to the Assets & Network Manager.

Report prepared by: Richard Taylor, Assets & Network Manager.



5 CONTRACT NO. IM04133A - STORAGE AREA NETWORK UPGRADE

PURPOSE OF THE REPORT

The purpose of this report is to seek the Tenders Subcommittee's approval and authority to accept a quotation from Datacom Systems Limited to replace Council's existing Storage Area Network platform.

BACKGROUND

Council's Storage Area Network, which is several years old provides data storage for its enterprise wide systems such as GEMS, Email, Asset Management and electronic documents.

Council's current Storage Area Network platform has reached its capacity and technology limit and needs to be upgraded in order to accommodate new major applications that are coming on-stream, such as the Electronic Document and Records Management System, the GEMS replacement system, and scanning of hard copy property information. Furthermore, the maintenance costs are becoming uneconomical and the new Storage Area Network platform will provide a saving of \$135,000 in maintenance costs over the next three (3) years.

The new Storage Area Network platform will provide a platform for future growth and significantly improved performance and throughput.

A Request for Proposal was issued to selected resellers for the supply and installation of a new Storage Area Network as the Manufacturers only market through resellers.

RESPONSES RECEIVED

Reseller	Office
Datacom Systems Limited	106 Vincent Street, Auckland
ATL Systems NZ Limited	117-125 St Georges Bay Road, Parnel, Auckland
Computerbrokers	72 Paul Mathews Road, North Harbour Industrial Estate, Auckland

PROPOSAL EVALUATION

Proposals were evaluated in accordance with the "Weighted Attributes Price Method" contained in Transfund New Zealand's "Manual of Competitive Pricing Procedures".

All responses were evaluated for price and attributes individually by members of the evaluation team, and the results averaged for each factor and a table of the final allocation of scores and rankings was created.

This table summarises the final scores arrived at from the evaluation process.

Reseller	Manufacturer	Attributes	Technical Skills and Appropriate Resources	Contract Terms	Specification	PRICE	Contract No. IM04133A
							Total Weights
		Weights	30	5	35	30	100
		Project Sum				INDEX	
Datacom Systems Ltd	HP	\$224,154	68%	100%	95%	66%	79.9
ATL	EMC	\$328,254	50%	100%	92%	27%	62.5
Computer Brokers	IBM	\$267,013	40%	50%	82%	50%	60.1
	Med.n Price	\$267,013					

The top ranked response was from Datacom Systems Limited. As well as providing the most competitive price Datacom Systems Limited have good staffing levels in Auckland in terms of meeting Council's support needs and have provided a sound migration plan for moving data from the old network to the new one.

TAGS, ERRORS OR OMISSIONS

Computer Brokers proposal was not fully compliant with some of Council's contractual terms and had they been the top ranking respondent, this would have required further scrutiny.

SUMMARY

Based on the evaluation results it is recommended that Datacom Systems Limited be awarded the contract.

SOURCE OF FINANCE

The value of the upgrade is \$224,154 plus GST, and it should be noted that this includes the first three years of both hardware and software maintenance.

Funding for this contract is provided in the Annual Plan 2004/2005, under the Information Management Infrastructure Capital budget. As the work will not be able to be completed within the 2004/2005 year, it is recommended this funding be carried forward to 2005/2006.

RECOMMENDATIONS

1. That the Contract No. IM04133A - Storage Area Network Upgrade report be received.
2. That it be recommended to the Long Term Council Community Plan and Annual Plan Special Committee that the \$224,154 provided in the Annual Plan 2004/2005 for the Storage Area Network Upgrade be carried forward to 2005/2006.
3. That the tender from Datacom Systems Limited for Contract No. IM04133A - Storage Area Network Upgrade in the sum of \$224,154 plus GST be approved.
4. That authority be given for Datacom Systems Limited to be Council's preferred supplier for maintenance and future upgrades to the HP Storage Area Network.
5. That authority to enter into Contract No. IM04133A - Storage Area Network Upgrade on behalf of Council be delegated to the Director: Corporate & Civic Services.

Report prepared by: Mark Lovell, Project Manager, Technical Infrastructure.



6 CONTRACT NO. TA03504 - STREET LIGHT MAINTENANCE 2003/2005 - INCREASE IN VALUE OF CONTRACT WORKS

PURPOSE OF THE REPORT

The purpose of this report is to seek the approval from the Tenders Subcommittee to increase the approved contract sum for Contract No. TA03504 - Street Light Maintenance.

BACKGROUND

The Street Light Maintenance contract covers the maintenance and renewal of 13,500 Council owned streetlights on both dedicated and shared poles. The contract also provides for regular patrols to identify faults, and for '24 hours 7 days' response to emergency calls.

Contract No. TA03504 - Street Light Maintenance is a two (2) year contract with a possible extension for a further year. The second year of the contract ends 30 June 2005. The contractor's performance has been good and approval has been given by the Director: City Services, exercising authority delegated by the Tenders Subcommittee, to extend the contract for a further year.

Permission is sought from the Tenders Subcommittee to increase the sum spent in the one year extension in line with the budget increase approved at the 10 November 2003 meeting of the Finance and Operational Performance Committee for the first two years of the contract, where it was resolved:.

"2. That additional funding of \$78,000 be authorised for streetlight maintenance and that the Director: City Services be authorised to offset this amount by reducing roading maintenance and renewal programmes."

4082/2003

STRATEGIC CONTEXT

The Waitakere City Council's 'Integrated Transport and Communication' platform provides the strategic context for this report. The vision is for public transport and communications systems that provide fast, effective services, and for city travel facilitated by integrated, environmentally responsible, and innovative design, with a focus on meeting the essential needs of all, for access, communication, and safety.

Street lights contribute to road user safety at night by illuminating footpaths, carriageways and road side hazards.

ISSUES

Street light maintenance costs for Waitakere City are increasing as the new subdivisions are added to the city. In the last three years more than 1,000 new lights have been installed.

Many new subdivisions and town centre renewals now incorporate decorative street light installations. Maintenance of these assets is generally more costly than equivalent standard lighting. Replacement of damaged decorative supports can be particularly costly and time consuming.

A recently completed programme to bring street lighting on all arterial and collector roads in the city up to Australasian standards has also increased the total number of street lights within the city.

JOB COSTS

	<u>EXCL. GST</u>
Annual Contract Sum at Tender Acceptance	\$280,311.25
Proposed Contract Sum during 2005/2006	\$420,000.00

Difference	\$139,688.75

RESOURCES

Additional funds or reallocation of funds between existing budgets is not required. The funds for the required maintenance works are provided for within the proposed 2005/2006 draft Annual Plan from the street light maintenance budget.

Budget Description Proposed 20052006 Annual Plan	Code	Budget	Committed to other projects	Allocation to this project	Unallocated balance
Street Lighting Maintenance	46-7158-24580	420,000	0	420,000	0

CONCLUSION

In order to ensure road user safety and meet public expectations regarding maintenance of highly visible Council assets it is necessary to ensure that street light faults are repaired in a timely manner and the street light asset is kept in good condition. The anticipated annual cost of street light maintenance works is \$420,000.

There are funds available within the existing street light maintenance budget to carry out the required work. However, the Tenders Subcommittee's approval is sought to increase the sum spent on Contract No. TA03515B beyond what was originally agreed with the contractor so as to permit this contract to be used to carry out this work. Approval is sought to spend the entire \$420,000 street light maintenance budget provided for in the draft Annual Plan 2005/2006 on Contract No. TA03504 - Street Light Maintenance.

RECOMMENDATIONS

1. That the Contract No. TA03504 - Street Light Maintenance - Increase in Value of Contract Works report be received.
2. That in regard to Contract No. - TA03504 Street Light Maintenance approval be given to increase the contract sum for Street Light Maintenance to \$420,000 in the 2005/2006 financial year.
3. That the commitment to the 2005/2006 financial year for Contract No. TA03504 - Street Light Maintenance totalling \$420,000 be approved.

Report prepared by: Paul Schischka, Transport Engineer.

