

**AGENDA FOR A MEETING OF THE TENDERS SUBCOMMITTEE TO BE HELD IN THE
CIVIC CENTRE, 6 WAIPAREIRA AVENUE, LINCOLN, WAITAKERE CITY,
ON FRIDAY, 29 APRIL 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 - 15 April 2005

RECOMMENDATION

That the minutes of the Meeting of the Tenders Subcommittee held on Friday, 15 April 2005, as circulated, be taken as read and now be confirmed.



4 CONTRACT NO. EW04069C - PAEWAI WITHERS ROAD - WASTEWATER UPGRADE

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. EW04069C - Paewai Withers Road - Wastewater Upgrade.

BACKGROUND

The existing wastewater pipelines from 26 Withers Road to 20 Paewai Road and from 10 Paewai Road to 20 Paewai Road are in poor condition and require replacing and re-routing.

SCOPE OF WORK

This contract is for the replacement of the existing 150 mm diameter earthenware wastewater pipeline.

The scope of the work includes construction of approximately 135 metres of 200 mm diameter PE80 SDR17 wastewater pipeline by trenchless technique, construction of approximately 200 metres of 175 mm diameter uPVC SN 16 wastewater pipeline by open excavation technique and construction of six (6) new manholes.

The work also includes site clearance, setting out, temporary access to works, supply of plant, labour and materials, protection and restoration of private and public property that may be affected by the work, co-operation and liaison with property owners and occupiers at all stages of work and provision of as built plans.

The work is located within private properties and a Council park.

TENDERS RECEIVED

Tenders were publicly advertised with seven (7) sets of documents being uplifted. Four (4) tenders were received by the closing date of Tuesday, 8 March 2005. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (EXCL. GST)
H & H Contractors Limited	PO Box 15084, New Lynn	\$260, 009.00
Civil Construction Group Limited	PO Box 46009, Herne Bay	\$280, 695.00
Horizontal Earth Drilling Limited	PO Box 65133, Mairangi Bay	\$282, 181.00
JB Pipeline Services Limited	PO Box 13447, Onehunga	\$467, 315.00
Pre-tender contract estimate		\$264, 805.00

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	Resour.	Mang. Skill	Method.	Price	Contract No. EW04069C	
	Weights	10	5	10	5	10	10	50	Total Weights	
Tenderer	Tender Sum	Grades					Index			
H & H Contractors Ltd	\$260,009.00	70	70	75	70	60	70	58	63	
Civil Construction Group Ltd	\$280,695.00	70	70	70	65	70	70	50	60	
Horizontal Earth Drilling Ltd	\$282,181.00	70	70	70	70	60	70	50	59	
JB Pipeline Services Ltd	\$467,315.00	70	70	70	70	70	70	-16	27	
Median Tender Price	\$281, 8.00									

Table 2 - Summary of Tender Evaluation

Scores for the non-price attributes were determined on the basis of information provided in each tender, on the information gathered from the referees nominated by the tenderers and on any recent experience with the tenderers.

The lowest priced tender was from H & H Contractors Limited and the price is 1.8% below the pre-tender contract estimate. They have proposed a team with the necessary resources and expertise to manage and undertake the work.

H & H Contractors Limited has undertaken works of a similar nature for Waitakere City Council and other local authorities in the region and this firm has a good recent track record with stormwater and wastewater projects.

TAGS, ERRORS OR OMISSIONS

The tender from H & H Contractors Limited contained no omissions or arithmetic errors, but contained the tag that if they are successful in the tender they will not be able to commence the work until after completion of their ongoing works with Waitakere City Council. This tag is considered acceptable as the ongoing works are planned to be completed by the end of the second week of April 2005.

There were no tags in the tender submitted by Civil Construction Group Limited, but a summation error was detected, resulting in the tender sum being \$7,375 less than the true total. This was not taken up with the tenderer as their tender price is the second lowest and the resolution of the errors would not affect the outcome of the tender evaluation.

The tender from Horizontal Earth Drilling Limited had errors in the rates for items 7.3 and 7.4 of the price schedule. They have not priced item 3.3 of the schedule. These were not taken up with the tenderer as their tender price is the third lowest and the resolution of the errors would not affect the outcome of the tender evaluation.

There were no errors, tags or omissions in the tender submitted by JB Pipelines Services Limited.

CREDIT CHECK

A credit check dated 21 March 2005 carried out on H & H Contractors Limited revealed no adverse information.

SUMMARY

The results of the tender evaluation as summarised in Table 2 show that the tender submitted by H & H Contractors Limited achieved the highest overall index of 63. This tender is also the lowest priced tender received.

It is considered that H & H Contractors Limited has the necessary expertise and resources to carry out the works satisfactorily.

As part of the 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 - H & H Contractors Limited	\$260, 009.00
Contingency (10%)	\$ 26, 000.00
Engineering & Supervision	<u>\$ 42, 900.00</u>
Total Job Cost	\$328, 909.00

SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Wastewater Upgrades	85-9812-60000-999	\$450,000.00	\$15,000.00	\$328,909.00	\$106, 091.00

RECOMMENDATIONS

1. That the Contract No. EW04069C - Paewai Withers Road - Wastewater Upgrade Report be received.
2. That the tender from H&H Contractors Limited for Contract No. EW04069C - Paewai Withers Road - Wastewater Upgrade in the sum of \$260,009.00 plus \$32, 501.13 GST, totalling \$292, 510.13 be accepted.
3. That authority to enter into Contract No. EW04 069C - Paewai Withers Road - Wastewater Upgrade on behalf of Council be delegated to the Group Manager: Asset Management.

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



5 CONTRACT NO. PK05004A - PARK LANDSCAPE PROGRAMMED MAINTENANCE

PURPOSE OF THE REPORT

The purpose of this report is to seek approval to award Contract No. PK05004A - Park Landscape Programmed Maintenance.

BACKGROUND

This work is being commissioned as part of the ongoing maintenance of Park Assets within Waitakere City as part of the Long Term Council Community Plan. The existing contract term expires on 30 June 2005. This contract is a continuation of the Parks landscape maintenance programme.

SCOPE OF WORK

The contract works involve the programmed maintenance of the city's passive and neighbourhood parks, streetscape and town centres which includes mowing, toilet cleaning, litter collection, flail mowing, paths and track maintenance, fixtures and fittings maintenance and garden maintenance. All other response and non programmed maintenance is to be undertaken by a separate response contractor.

The contract period for the advertised contract was originally for 1 year with a renewal period of a further 2 years plus 2 years.

TENDERS RECEIVED

Tenders were publicly advertised with fourteen sets of documents being uplifted. Two (2) tenders were received by the closing date of 8 March 2005. These are summarised in Table 1 below.

TENDERER	REG OFFICE	TENDER PRICE (EXCL. GST)
Techscape Limited	61 Keeling Rd, Henderson	\$2,587,822.83
Asplundh Tree Expert (NZ) Limited	PO Box 14501, Panmure	\$2,849,097.39
Pre-tender contract estimate		\$2,480,000.00

Table 1 - Summary of Tender Prices for 1 year

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. Skill	Resour.	Manag. Skill	Method.	Price	Contract No. PK 05004A
									Total Weights
	Weights	10	10	5	5	15	5	50	100
Tenderer	Tender Sum	Grades							INDEX
Techscape Ltd	\$2,587,822.83	78	75	76	75	69	76	55	64
Asplundh Tree Expert (NZ) Ltd	\$2,849,097.39	71	68	73	60	67	69	45	57
Med.n Tender Price	\$ 2,718,460.11								

Table 2 - Summary of Tender Evaluation

This contract is a measure and value contract based on schedule sums.

Asplundh Tree Expert (NZ) Limited scored considerably less in attributes, and their price was \$261,274.56 higher than that of Techscape Limited. Techscape Limited scored higher in all attributes across the board.

Techscape Limited are the incumbent contractors and have performed well over the last six months. A good working relationship has developed between the Waitakere Parks Team and Techscape's Green Team, with open communication and liaison with both teams working together towards improving and providing quality service to the city's residents and users.

Both the tenders however were higher than the proposed budget allocated to this contract.

TAGS, ERRORS OR OMISSIONS

The tender sums from both tenderers were higher than the proposed budget allocated to this contract. Hence a meeting was held with the lowest tenderer to discuss the possibility of reducing the scope of the works to suit the budget. A negotiated tender sum of \$2,478,570.68 per annum was agreed upon with Techscape Limited. The revised tender is based on implementing efficiencies identified by Techscape Limited and Council and does not affect the levels of service.

The contract period for the contract was originally one (1) year with a renewal period of a further two (2) years plus two (2) years. This was changed as part of the negotiations to a contract period of three (3) years with a renewal period of a further 1 year plus 1 year plus 1 year, subject to the sole discretion of the Principal.

There were no other tags or errors.

CREDIT CHECK

A credit check dated 21 March 2005 revealed no adverse information

SUMMARY

The results of the tender evaluation as summarised in Table 2 shows that the tender submitted by Techscape Limited achieved the highest index of 64. This tender is also the lowest priced tender.

In order to deliver the parks maintenance programme within budget, a revised tender sum has been agreed upon with Techscape Limited.

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>
2005/2006 (Year1)	
Tender sum - Techscape Limited for 2005/2006	\$2,478,570.68
Contingency	\$ 169,678.00
Engineering & Supervision	\$ 20,000.00

Total Job Cost for 2005/2006	\$2,668,248.68
2006/2007 (Year 2)	
Tender sum - Techscape Limited for 2006/2007	\$2,478,570.68
Contingency	\$ 169,678.00
Engineering & Supervision	\$ 20,000.00

Total Job Cost for 2006/2007	\$2,668,248.68
2007/2008 (Year 3)	
Tender sum - Techscape Limited for 2005/2006	\$2,478,570.68
Contingency	\$ 169,678.00
Engineering & Supervision	\$ 20,000.00

Total Job Cost for 2007/2008	\$2,668,248.68
Total for 3 years (2005/2006 - 2007/2008)	
Tender sum - Techscape Limited for 3 years	\$7,435,712.04
Contingency	\$ 509,034.00
Engineering & Supervision	\$ 60,000.00

Total Job Cost	\$8,004,746.04

SOURCE OF FUNDING

2005/2006 (Year 1)

Account	Budget	Committed to other Projects	Allocation to this Project	Unallocated Balance
Building Maintenance	\$563,247	\$367,286	\$195,961	\$0
Car parks and Driveway Maintenance	\$125,299	\$36,299	\$89,000	\$0
Fixtures and Furniture Maintenance	\$247,228	\$142,247	\$104,981	\$0
Litter Control Parks	\$543,069	\$260,529	\$282,540	\$0
Passive Grass Maintenance	\$1,299,563	\$202,336	\$1,097,227	\$0
Paths Tracks Walkways Maintenance	\$118,750	\$78,750	\$40,000	\$0
Planting Maintenance	\$1,072,383	\$246,883	\$825,500	\$0
Sports Facilities Maintenance	\$302,380	\$292,232	\$10,148	\$0

Account	Budget	Committed to other Projects	Allocation to this Project	Unallocated Balance
Structures Maintenance	\$68,461	\$45,570	\$22,891	\$0
Total	\$4,340,380	\$1,672,132	\$2,668,248	\$0

2006/2007 (Year 2)

Account	Budget	Committed to other Projects	Allocation to this Project	Unallocated Balance
Building Maintenance	\$563,247	\$367,286	\$195,961	\$0
Car parks and Driveway Maintenance	\$125,299	\$36,299	\$89,000	\$0
Fixtures and Furniture Maintenance	\$247,228	\$142,247	\$104,981	\$0
Litter Control Parks	\$543,069	\$260,529	\$282,540	\$0
Passive Grass Maintenance	\$1,299,563	\$202,336	\$1,097,227	\$0
Paths Tracks Walkways Maintenance	\$118,750	\$78,750	\$40,000	\$0
Planting Maintenance	\$1,072,383	\$246,883	\$825,500	\$0
Sports Facilities Maintenance	\$302,380	\$292,232	\$10,148	
Structures Maintenance	\$68,461	\$45,570	\$22,891	\$0
Total	\$4,340,380	\$1,672,132	\$2,668,248	\$0

2007/2008 (Year 3)

Account	Budget	Committed to other Projects	Allocation to this Project	Unallocated Balance
Building Maintenance	\$563,247	\$367,286	\$195,961	\$0
Car parks and Driveway Maintenance	\$125,299	\$36,299	\$89,000	\$0
Fixtures and Furniture Maintenance	\$247,228	\$142,247	\$104,981	\$0
Litter Control Parks	\$543,069	\$260,529	\$282,540	\$0
Passive Grass Maintenance	\$1,299,563	\$202,336	\$1,097,227	\$0
Paths Tracks Walkways Maintenance	\$118,750	\$78,750	\$40,000	\$0
Planting Maintenance	\$1,072,383	\$246,883	\$825,500	\$0
Sports Facilities Maintenance	\$302,380	\$292,232	\$10,148	
Structures Maintenance	\$68,461	\$45,570	\$22,891	\$0
Total	\$4,340,380	\$1,672,132	\$2,668,248	\$0

RECOMMENDATIONS

1. That the Contract No PK05004A - Park Landscape Programmed Maintenance report be received.
2. That the tender from Techscape Limited for Contract No PK 05004A - Park Landscape Programmed Maintenance for the period 2005/2006 - 2007/2008 in the sum of \$7,435,712.04 plus \$929,464.01 GST, totalling \$8,365,176.05 be accepted.
3. That the commitment to the financial year 2005/2006 for Contract No PK05004A - Park Landscape Programmed Maintenance totalling \$2,668,249 plus GST be approved.
4. That the commitment to the financial year 2006/2007 for Contract No PK05004A - Park Landscape Programmed Maintenance totalling \$2,668,249 plus GST be approved.
5. That the commitment to the financial year 2007/2008 for Contract No PK05004A - Park Landscape Programmed Maintenance totalling \$2,668,249 plus GST be approved.
6. That authority to enter into Contract No PK05004A - Park Landscape Programmed Maintenance on behalf of Council be delegated to Group Manager: Asset Management.

Report prepared by: Darren Hannay, Contracts Manager: Sports and Landscapes.

