



Waitakere City Council
Te Taiao o Waitakere

NOTICE OF MEETING

TENDERS SUBCOMMITTEE

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

DATE: Friday 6 October 2006 **TIME:** 9.00 am

VENUE: Waitakere Central, 6 Henderson Valley Road, Henderson,
Waitakere

to consider the business as set out herein and to take any necessary action connected therewith.

29 September 2006

Ngareta Delamere
COMMITTEE SECRETARY

Telephone (09) 836 8000 extn 8552

MEMBERSHIP:

Councillors JM Clews, QSO, JP (Chairman)
 RI Clow (Deputy Chairman)

Chief Executive Officer
Director: City Services
Director: Corporate & Civic Services
Director: Strategy & Development
Director: Quality Assurance
Director: Finance
Maori Issues Manager

Mayor RA 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 A MEETING OF THE TENDERS SUBCOMMITTEE TO BE HELD AT
WAITAKERE CENTRAL, 6 HENDERSON VALLEY ROAD, HENDERSON,
WAITAKERE, ON FRIDAY, 6 OCTOBER 2006,
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 Chairman 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 - 22 September 2006

RECOMMENDATION

That the minutes of the Meeting of the Tenders Subcommittee held on Friday, 22 September 2006, as circulated, be taken as read and now be confirmed.



4 SUPPLEMENTARY FLEET REPLACEMENT - 2006

PURPOSE OF THE REPORT

The purpose of this report is to inform the Tenders Subcommittee of events which followed decision 640/2006 for the replacement of certain categories of fleet vehicles and to seek approval for a different course of action.

BACKGROUND

The Tenders Subcommittee at its meeting on 21 April 2006 awarded Category A1, A1 Auto, A2 and A3 vehicle tenders to West City Holden in the following terms:

- “2. That contract for the purchase of **nine** Holden Barina 3 Door Hatch Manuals and **16** Holden Barina three Door Hatch Automatics and **seven** Holden Barina 5 Door Hatch Manuals and **two** Holden Rodeo Spacecab 4x2's and **three** Holden Rodeo Crewcab 4x4 LX's and **one** Holden Rodeo Space Cab 4x4 and **three** Holden Combos be approved to be entered into with West City Holden for the total purchase price of \$736,204.78 plus GST \$92,025.59 totalling \$828,230.37.
5. That the authority to enter into Contracts or purchase agreements for the vehicles specified above on behalf of Council be delegated to the Director: Corporate & Civic Services.”

640/2006

The tender from West City Holden described the safety rating for the Holden Barina, based on the Australasian New Car Assessment Programme Crash Test Results provided by Land Transport New Zealand, as being estimated at four stars out of five stars. The Holden Barina vehicle that Council purchased in the last vehicle replacement round in 2000 did achieve Australasian New Car Assessment Programme Crash Test Results of four stars out of five and it was assumed by West City Holden when submitting its tender that the same result would apply for the latest Barina model.

Land Transport New Zealand tested the new Holden Barina model and announced 9 May 2006 that this new model only rated two stars out of five stars for the Australasian New Car Assessment Programme Crash Test Results. Media commentary noted after the announcement that it was most unusual for a model to reduce its crash test rating. West City Holden was notified on 10 May 2006 that the order which the Council had placed as a consequence of the April resolution for 32 Holden Barinas was placed on hold until further clarification of the implications of the reduction in the ratings of the crash test results. Subsequently the test result was confirmed.

The view taken was that the effect of this new result was a substantial failure by the Holden Barina to meet the specifications required by the tender. West City Holden were advised that the order which had been placed for the 32 vehicles was on hold until further information was received. A letter cancelling the order has now been sent to West City Holden.

The fleet replacement tender process had come to a formal end with the Subcommittee's resolution on 21 April 2006. However, there is still a need to replace these particular vehicles. Contact has been made with all suppliers and they have confirmed that the prices submitted in December 2006 remain valid and open for acceptance. Rather than run a new tender process it seems simpler (and time and cost effective) to take the information previously supplied for all quoted vehicles and to update the evaluation criteria in the light of the changed circumstances (i.e. the failure of the Holden Barina to achieve four stars in the crash test result as originally anticipated). It is not considered necessary to revisit the original road testing evaluations. On that basis the amended tender evaluation is as follows:

A1 3 or 5 door, Manual or Automatic

Tender Evaluation	Attributes	Sustainability	Warranty	Buy Waitakere	Safety	Specs	Price	Total Weights
	Weights							
		20	5	5	10	25	35	100
Tenderer	Total Life Cycle Costs	Grades						INDEX
Toyota Yaris 1.3 3 dr hatch	\$187,111	70.0	100	100	100	100	57	79
Daihatsu Sirion 1.3 5 dr Hatch	\$172,101	72.0	100	100	80	95	65	79
Toyota Yaris 1.3 5 dr hatch	\$200,307	70.0	100	100	100	100	51	77
Holden Barina 3 Dr Hatch Man	\$164,634	65.5	100	100	40	100	69	76
Ford Festa 1.6 5 door	\$208,847	67.0	100	100	80	100	47	73
Toyota Yaris 1.5 5 dr hatch	\$223,832	69.5	100	100	100	100	39	73
Holden Barina 3 Dr Hatch Auto	\$179,933	61.0	100	100	40	100	61	73
Suzuki Swift 1.5 5 dr Hatch	\$205,059	67.5	100	100	80	95	49	72
Mazda2 1.5 5 door	\$202,097	57.0	100	100	80	100	50	72
Mitsubishi Colt 1.5 LS	\$220,340	58.0	100	100	80	95	41	68
Honda Jazz	\$222,468	73.0	100	0	80	100	40	67
Mitsubishi Colt Plus 1.5 LS Hatch	\$237,729	58.0	100	100	80	95	32	65
Toyota Prius 1.5 Hybrid 5 dr Hatch	\$365,414	86.0	100	100	100	95	-31	50
Med.n Tender Price	\$202,097							

A1 3 or 5 door, Automatic only

Tender Evaluation	Attributes	Sustainability	Warranty	Buy Waitakere	Safety	Specs	Price	Total Weights
	Weights							
		20	5	5	10	25	35	100
Tenderer	Total Life Cycle Costs	Grades						INDEX
Daihatsu Sirion 1.3 5 dr Hatch	\$327,817	68.0	100	100	80	95	66	78
Toyota Yaris 1.3 3 dr hatch	\$364,192	67.5	100	100	100	100	56	78
Toyota Yaris 1.3 5 dr hatch	\$388,129	67.5	100	100	100	100	50	76
Holden Barina 3 Dr Hatch Auto	\$321,941	61.0	100	100	40	100	67	75
Toyota Yaris 1.5 5 dr hatch	\$432,638	66.5	100	100	100	100	39	72
Mazda2 1.5 5 door	\$386,261	54.0	100	100	80	100	50	71
Ford Festa 1.6 5 door	\$410,007	62.5	100	100	80	100	44	71
Suzuki Swift 1.5 5 dr Hatch	\$398,125	62.5	100	100	80	95	47	71
Honda Jazz	\$410,505	72.0	100	0	80	100	44	68
Med.n Tender Price	\$388,129							

A2 5 door, rear seats removed, Manual or Automatic

Tender Evaluation	Attributes	Sustainability	Warranty	Buy Waitakere	Safety	Specs	Price	Total Weights
	Weights							
		20	5	5	10	25	35	100
Tenderer	Total Life Cycle Costs	Grades						INDEX
Daihatsu Sirion 1.3 5 dr Hatch	\$96,715.41	72.0	100	100	80	95	67	79
Toyota Yaris 1.3 5 dr hatch	\$111,962.82	70.0	100	100	100	100	54	78
Holden Barina 5 Dr Hatch Manual	\$96,754.25	65.5	100	100	40	100	67	75
Toyota Yaris 1.5 5 dr hatch	\$124,626.54	69.5	100	100	100	100	43	74
Ford Fiesta 1.6 5 door	\$117,012.90	67.0	100	100	80	100	49	74
Suzuki Swift 1.5 5 dr Hatch	\$115,232.15	67.5	100	100	80	95	51	73
Mazda2 1.5 5 door	\$113,402.54	57.0	100	100	80	100	52	73
Mitsubishi Colt 1.5 LS	\$122,999.45	58.0	100	100	80	95	44	69
Honda Jazz	\$121,450.96	73.0	100	0	80	100	45	68
Holden Barina 5 Dr Hatch Auto	\$105,660.73	61.0	100	100	40	100	59	68
Mitsubishi Colt Plus 1.5 LS Hatch	\$132,300.75	58.0	100	100	80	95	36	66
Toyota Prius 1.5 Hybrid 5 dr Hatch	\$198,989.96	86.0	100	100	100	95	-21	53
Med.n Tender Price	\$116,122.53							

A3 - 5 door, rear seats installed, Manual or Automatic

Tender Evaluation	Attributes	Sustainability	Warranty	Buy Waitakere	Safety	Specs	Price	Total Weights
	Weights							
		20	5	5	10	25	35	100
Tenderer	Total Life Cycle Costs	Grades						INDEX
Daihatsu Sirion 1.3 5 dr Hatch	\$34,020.28	72.0	100	100	80	95	66	79
Toyota Yaris 1.3 5 dr hatch	\$39,336.84	70.0	100	100	100	100	53	78
Holden Barina 5 Dr Hatch Manual	\$32,860.99	65.5	100	100	40	100	69	76
Suzuki Swift 1.5 5 dr Hatch	\$38,467.29	67.5	100	100	80	95	55	75
Toyota Yaris 1.5 5 dr hatch	\$43,748.16	69.5	100	100	100	100	42	74
Ford Fiesta 1.6 5 door	\$41,132.71	67.0	100	100	80	100	48	73
Holden Barina 5 Dr Hatch Auto	\$36,017.88	61.0	100	100	40	100	61	73
Mazda2 1.5 5 door	\$39,876.94	57.0	100	100	80	100	52	72
Honda Jazz	\$41,739.69	73.0	100	0	80	100	47	69
Mitsubishi Colt 1.5 LS	\$43,201.88	58.0	100	100	80	95	43	69
Mitsubishi Colt Plus 1.5 LS Hatch	\$46,437.12	58.0	100	100	80	95	35	66
Toyota Prius 1.5 Hybrid 5 dr Hatch	\$69,502.28	86.0	100	100	100	95	-22	53
Med.n Tender Price	\$40,504.82							

EVALUATION ANALYSIS

The highest ranked vehicle in each category including the number of vehicles that are being replaced and the total life cycle costs is as follows. For two categories, A1 and A1 Automatic, the tender evaluation resulted in the same weighting in the evaluation process, and the determining factor in the rankings was the safety factors provided by the particular vehicle. In relation to safety the Toyota Yaris was the only vehicle which achieved a perfect score.

Category	Vehicle Make/Model	Cost per Vehicle	Number of Replacement Vehicles	Total Purchase Cost	Total Life Cycle Costs
A1	Toyota Yaris 3 dr Hatch Manual and Auto	\$17,482.57	9	\$157,343.13	\$187,111.00
A1 Auto	Toyota Yaris 3 dr Hatch Automatic only	\$18,925.68	16	\$302,810.88	\$364,192.00
A2	Daihatsu Sirion 5 dr Hatch Manual	\$15,879.78	5	\$79,398.90	\$96,715.41.00
A3	Daihatsu Sirion 5 dr Hatch Manual and Auto	\$15,879.78	2	\$31,759.56	\$34,020.28.00

RESOURCES

The purchase of fleet vehicles is funded from a combination of fleet sale proceeds, fleet depreciation and borrowings. Any borrowings are to remain, at all times, within the realisable value of the fleet.

CONCLUSION

As previously reported this is the first vehicle tender evaluation to incorporate more detailed Sustainability, Safety (Australasian New Car Assessment Programme crash test results) attributes, and use life cycle costs for evaluating price. Therefore the purchase price may not always rule the decision for buying the vehicles as it is important to look at the life costs for the vehicle. The use of these methodologies means that future fuel usage and costs are taken into account as the vehicle is being purchased rather than incurring higher costs during the operation of the vehicles over the three years they are in the Council fleet, especially during oil price shocks.

A re-evaluation took place as a consequence of the reduced safety rating released for the Holden Barina vehicle, the purchase of which had previously been approved by the Tenders Subcommittee. On the basis of this re-evaluation it is recommended that a contract for the supply of the above "A" category vehicles be awarded to North Western Toyota.

RECOMMENDATIONS

1. That the Supplementary Fleet Replacement - 2006 report be received.
2. That North Western Toyota be offered a contract to supply:
 - 9 Toyota Yaris 1.3 3 Dr Hatch Manuals;
 - 16 Toyota Yaris 1.3 3 Dr Automatics; and
 - 7 Daihatsu Sirion 1.3 5 Dr Hatch Manuals

at a price of \$571,312.47 plus GST \$71,414.06 totalling \$642,726.52.

3. That authority to enter into the contracts or purchase agreements with North Western Toyota for:
 - 9 Toyota Yaris 1.3 3 Dr Hatch Manuals;
 - 16 Toyota Yaris 1.3 3 Dr Automatics; and
 - 7 Daihatsu Sirion 1.3 5 Dr Hatch Manuals

on behalf of Council, be delegated to the Director: Corporate & Civic Services.

Report prepared by: Darryl Griffin, Group Manager: Democracy and Support Services and Leigh Radovan, Administration Team Manager.



5 CONTRACT NO. PK06011A - PARKS ECOSOURCED PLANT SUPPLY

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to publicly call for tenders for Contract No. PK06011A - Parks Ecosourced Plant Supply for a period of two (2) years.

BACKGROUND

To fulfil Council's Parks' Revegetation Programme as provided for in the Long Term Council Community Plan 2006-2016, a large supply of ecosourced plants are required. Generally nurseries do not grow the number and types of trees and shrubs required for large-scale revegetation projects, therefore plants need to be ordered in advance.

The current contract was awarded to Techscape Limited through preferred supplier tender method for a two (2) year period and will conclude on 30 June 2007.

SCOPE OF WORK

The contract will commence 1 July 2007 and conclude 30 June 2009. The contract includes the collection of seed, propagation and continued care of ecosourced plants for supply in April 2008 and April 2009 for planting in specified areas.

ISSUES

Ecosourced plants need to be supplied to meet revegetation requirements at the Waitakere Quarry, Kay Road Balefill, Te Atatu Peninsula Walkway and other roadside and park restoration projects.

Generally nurseries do not grow the number and types of plants required for large-scale revegetation projects. Collection of desirable seed occurs between January and June. The time frame required from the point of seed collection to the production of plantable stock can vary from 6 to 24 months depending on the plant species. Therefore plants need to be ordered in advance.

The cost estimate for Contract No. PK06011A - Parks Ecosourced Plant Supply over the two (2) year contract period is as follows:

	Year 2007/2008	Year 2008/2009
Budget Sum	\$150,000	\$100,000

Ecosourcing supports the Green Network goal of seeking to ensure that the health of native ecosystems is protected and enhanced to ensure their long-term survival. Waitakere City Council has developed a nationally recognised Code of Practice for the sourcing, managing and labelling of plants for ecosourcing purposes.

RESOURCES

Funding for this contract has been included in the Long Term Council Community Plan 2006-2016.

SUMMARY

A contract spanning two financial years is needed to ensure that a supply of ecosourced plants is available to meet program requirements for revegetation projects at the Waitakere Quarry, Kay Road Balefill, Te Atatu Peninsula Walkway and other roadside and park plantings.

RECOMMENDATIONS

1. That the Contract No. PK06011A - Parks Ecosourced Plant Supply report be received.
2. That approval be given to publicly call for tenders for Contract No. PK06011A - Parks Ecosourced Plant Supply for a two (2) year contract period.
3. That the result of the tender evaluation process for Contract No. PK06011A - Parks Ecosourced Plant Supply be reported back to the Tenders Subcommittee for approval.

Report prepared by: Helen Swinburne, Parks Contract Officer - Environmental.



6 CONTRACT NO. EW06014B - EXTERNAL ADVICE FOR ECOWATER DEVELOPMENT SERVICES PROCESSING

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to publicly call for tenders for Contract No EW06014B - External Advice for EcoWater Development Services Processing for a period of two and a half (2.5) years.

BACKGROUND

EcoWater, a department of the Council, is continually striving to improve the process of approvals for sub divisional developments to:

- provide improved public service and faster turnaround;
- ensure that best practice quality management for the delivery of the service is achieved; and
- provide accurate engineering advice on the sub divisional requirements for water supply, wastewater and stormwater development approvals.

The processing of Building Consents and Resource Management Act 1991 Consent Applications at EcoWater is undertaken by the Development Services Team. Due to the large number of consent applications that have needed to be processed, the Team's resources have been supplemented by personnel provided by a consultant. The number of consent applications has continued to increase and is expected to remain high throughout 2006, 2007 and 2008.

The Long Term Council Community Plan 2006-2016 provides sufficient staff resources for a base workload, with additional resources provided by consultants. Thus, Council has the flexibility to meet market demand whilst optimising staff numbers.

All work carried out by Council processing Consents is 100% chargeable to the applicants, and Council does not fund this process from rates.

At the Tenders Subcommittee meeting of 14 July 2006 a process was approved for the provision of professional services in the Asset Management Group, as follows:

- Registration of Interest to be publicly advertised, including professional services for Project Twin Streams and work programmes for the Asset Management Group;
- All organisations that submit a Registration of Interest will then be considered to invite tenders as appropriate;
- Tenders will be invited based on normal tendering procedures with acceptance in accordance with delegated authority and reporting to the Tenders Subcommittee when the value of contracts exceed the delegated authority;
- Tenders will generally be for fixed sum contracts, with the exception of projects where an hourly rate is more appropriate;
- Tenders will generally be evaluated using Land Transport New Zealand's Competitive Pricing Procedures Manual, with the exception that hourly rate contracts will be awarded to the lowest price complying tenderer;
- The Group Manager: Asset Management will maintain a register for providers of professional services. The Register will be updated on a regular basis to allow for new entrants and also record the performance of service providers and any issues that may arise.

The Tenders Subcommittee at its meeting on 14 July 2006 resolved:

“That the Group Manager: Asset Management be delegated authority to maintain a register for providers of professional services and to implement the procurement process set out in the report.”

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SCOPE OF WORK

The scope of work includes the supply of suitably qualified consultants to provide advice and other services on an as required basis to assist with the processing of EcoWater Development Services and to undertake other briefs relevant to the consultant's area of expertise.

This contract will commence in December 2006 and will conclude on 30 June 2009. The scope of work for this contract involves the following:

- Processing of Building Consents;
- Processing of Land Use Consents and Subdivision Consents under the Resource Management Act 1991 including Engineering Approval;
- Conduct quality assurance checks on site Engineering design approval to Council Code of Practice standards, including Close Circuit TV and as built plans.

It is proposed to invite 4 tenders from the Registration of Interest database to tender for Contract No. EW06014B - External Advice for EcoWater Development Services Processing for a period of two and a half (2.5) years subject to the consultant's quality and performance.

A public tendering process is required for the following reasons:

- A specialist skill set not available within Council is required;
- The work is unable to be resourced internally at present;
- External involvement is appropriate for the work requirements;
- The cost estimate for the contract works will exceed \$50,000.

The Registration of Interest was publicly notified during August 2006 and the database at 19 September 2006 shows the following companies have expressed interest in tendering for the proposed professional services as described in the scope:

1. Duffill Watts & King.
2. TSE Group.
3. Thomas Civil Consultants.
4. Connell Wagner Limited.

The proposal to tender the works over two and a half (2.5) year period provides the following benefits to Council:

- Long term contracts provide the best basis for achieving a low hourly rate;
- It takes time to train engineers in the process and gain efficiencies;
- Provides dedicated services from the Consultants;
- Productivity gains as Consultants become confident with the processes;
- If the number of new applications reduces significantly the Contract can be reduced accordingly.

RESOURCES

Funding for this contract has been included in the Long Term Council Community Plan 2006-2016.

SUMMARY

It is proposed to invite tenders for Contract No. EW06014B - External Advice for EcoWater Development Services Processing for a period of two and a half (2.5) years and authority is required to commence the procurement process.

RECOMMENDATIONS

1. That the Contract No. EW06014B - External Advice for EcoWater Development Services Processing report be received.
2. That approval be given to the Group Manager: Asset Management to invite tenders for Contract No. EW06014B - External Advice for EcoWater Development Services Processing for two and a half (2.5) years from the following:
 1. Duffill Watts & King.
 2. TSE Group.
 3. Thomas Civil Consultants.
 4. Connell Wagner Limited.
3. That the result of the tender evaluation process for Contract No. EW06014B - External Advice for EcoWater Development Services Processing be reported back to the Tenders Subcommittee for approval.

Report prepared by: Martin Glover, EcoWater Services Delivery Manager.



7 CONTRACT NO. EW05019B - STORMWATER RENEWALS AT SWANSON ROAD STAGE 2

PURPOSE OF THE REPORT

The purpose of this report is to seek approval to award Contract No. EW05019B - Stormwater Renewals at Swanson Road, Stage 2.

BACKGROUND

Several sections of the existing stormwater line in Swanson Road were surveyed in February 2005 revealing evidence of internal and external corrosion of the line. This survey investigation made known that the existing 1,050 mm diameter 'Armco' pipe is in extremely poor condition requiring immediate replacement. Since failure of this line could be imminent deferral of this work could result in failure of further footpath sections, and possibly the adjacent section of road carriageway.

SCOPE OF WORK

This contract includes removal of the existing 1,050 mm diameter 'Armco' steel corrugated stormwater pipelines lines and manholes within carriageway of Swanson Road and relaying new 1,200 mm diameter reinforced concrete rubber ring jointed pipes and manholes. There is 105 metres of existing 1,050 mm diameter pipe to be removed, and replaced with new 1,200 mm diameter reinforced concrete rubber ring jointed pipe. The works start at an existing manhole (opposite Minihi Road) and finish at a manhole opposite Larnoch Road. The works require care to be taken around existing services located in the carriageway and berm, with full reinstatement of the road carriageway and kerb lines and footpaths as required.

As the works are in the carriageway of Swanson Road traffic management will be an important component of this project.

TENDERS RECEIVED

Tenders were publicly advertised with twelve (12) sets of documents being uplifted. Eight tenders were received by the closing date of 22 August 2006. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
Sumich Plumbing Limited	PO Box 21 269, Henderson	\$183,220.55
Civil Underground Limited	PO Box 131 007, Onehunga	\$275,565.00
Excell Corporation Limited	PO Box 58 740, Greenmount	\$278,794.36
HEB Smithbridge Limited	PO Box 226, Drury	\$285,064.22
Fulton Hogan Limited	PO Box 305, Silverdale	\$293,068.25*
H & H Contractors Limited	PO Box 15 084, New Lynn	\$311,450.00
Suburban Drainage Limited	PO Box 233, Helensville	\$342,737.50
Civil Construction Group Limited	PO Box 104 183, Lincoln North	\$402,325.00
Pre-tender contract estimate		\$340,800.00

Table 1 - Summary of Tender Prices

***NOTE:**

The tender price from Fulton Hogan Limited was originally \$276,528.85, it has been adjusted for tender evaluation to take into account the removal of tags.

The tender received from Fulton Hogan Limited contained nine tags. Prior to opening the price envelopes, all tags were evaluated as to their acceptability in accordance with Clause WCT5 of the Conditions of Tendering. Three tags were considered to be acceptable. When requested to withdraw the other six unacceptable tags, the tenderer advised by email that they agreed to withdraw the tags but informed the Consultant that their unit rate for item 14.6 - Hardfill for backfilling of excavations and item 14.7 - Aggregates for Subbase would increase to \$140.40 per cubic metres and \$262.63 per cubic metres respectively. Therefore, their tender sum has increased from \$276,528.85 to \$293,068.25 after opening the price envelopes. This amended tender price was used for evaluation.

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	Attributes	Exper.	Track Record	Tech. Skills	Resour	Manag. Skills	Method.	Price	Total Weights
	Weights	5	5	5	5	5	5	70	100
Tenderer	Tender Sum	Grades							INDEX
Sumich Plumbing Limited	Withdraw	55	66	62	70	65	56	N/A	Withdraw
Excell Corporation Limited	\$278,794.36	73	64	70	75	75	72	55	60
HEB Smithbridge Limited	\$285,064.22	75	64	75	70	77	75	53	59
Civil Underground Limited	\$275,565.00	65	53	73	75	55	64	56	58
Fulton Hogan Limited	\$293,068.25	80	79	78	80	78	73	50	58
H&H Contractors Limited	\$311,450.00	65	51	65	75	68	63	44	50
Suburban Drainage Limited	\$342,737.50	55	73	55	60	53	54	33	41
Civil Construction Group Limited	\$402,325.00	70	64	75	75	70	57	13	29
Median Tender Price	\$293,068.25								

Table 2 - Summary of Tender Evaluation

Scores for non-price attributes were determined on the basis of information provided in the tenders, interview carried out with referees and recent experience. The level of information supporting each tender was of a good quality except the tender received from Suburban Drainage Limited. This is reflected in the low grades of their attributes excluding track record as they have recently completed contracts for Council satisfactorily.

Sumich Plumbing Limited was requested to confirm their tender price as their price was approximately half of the Pre-tender Contract Estimate and \$100,000.00 lower than the next lowest tender. They confirmed in writing that their tender was withdrawn, and therefore removed from further evaluation.

Civil Underground Limited submitted the next lowest tender. Civil Underground Limited did not carry out contracts awarded to them during the last financial year and to a satisfactory standard thus scored low grades in both track record and management skills.

Excell Corporation Limited submitted the next lowest tender and provided a satisfactory submission. Overall they scored higher than Civil Underground Limited. Excell Corporation Limited has previously completed contracts for Council and it is considered that they have the resources and expertise to complete this contract satisfactorily.

TAGS, ERRORS OR OMISSIONS

The tender from Excell Corporation Limited did not contain any omissions but contained three tags and a five cents arithmetic error. This error was considered insignificant and therefore no clarification has been requested from the Contractor. The tags were evaluated as to their acceptability in accordance with clause WCT5 of the Conditions of Tendering and deemed to be acceptable.

CREDIT CHECK

A credit check dated 20 September 2006 on Excell Corporation Limited revealed no adverse information.

SUMMARY

The results of the tender evaluation as summarised in Table 2 show that Excell Corporation Limited achieved the highest overall index of 60. This tender is also the second lowest priced tender.

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

	excl. GST
Tender sum - (Excell Corporation Limited)	\$278,794.36
Contingency	\$ 27,879.44
Engineering & Supervision	\$ 14,700.00

Total Job Cost	\$321,373.80

SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Stormwater Renewals	85-9845-60000	\$834,325	\$60,060	\$321,374	\$452,891

RECOMMENDATIONS

1. That the Contract No. EW05019B - Stormwater Renewals at Swanson Road, Stage 2 report be received.
2. That the tender from Excell Corporation Limited for Contract No. EW05019B - Stormwater Renewals at Swanson Road, Stage 2 in the sum of \$278,794.36 plus \$34,849.30 GST, totalling \$313,643.66 be accepted.
3. That the tender for Contract No. EW05019B - Stormwater Renewals at Swanson Road, Stage 2 be awarded to other than the lowest priced tender, because the weighted attributes tender evaluation method requires the Council to enter into a contract only with the tender that scores the highest overall index.
4. That a budget allocation of \$321,374.00 be set aside for Contract No. EW05019B - Stormwater Renewals at Swanson Road Stage 2.
5. That authority to enter into Contract No. EW05019B - Stormwater Renewals at Swanson Road, Stage 2 on behalf of Council be delegated to the Group Manager: Project Services.

Report prepared by: Stephen Boyle, Manager Contracts and Quality, Project Service.



8 CONTRACT NO. EW06044A - PROJECT TWIN STREAMS - PROPERTY ADVICE AND ACQUISITION ASSISTANCE STAGE 5, 2006

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. EW06044A - Project Twin Streams - Property Advice and Acquisition Assistance Stage 5, 2006.

BACKGROUND

Project Twin Streams includes the improvement of the ecological habitat of streams in the Huruhuru and Henderson Creek stream catchments. This project involves the purchase of a number of properties for stormwater quality improvements, riparian restoration, stormwater management and walk/cycleway access. The present contract with The Property Group has expired.

SCOPE OF WORK

The scope of services required from the consultant includes the following tasks:

- Provision of expert property advice on the acquisition of properties for stormwater management, riparian restoration and cycleway purposes required in Project Twin Streams;
- Carrying out negotiations to acquire properties, partial acquisitions and rights-of-way, including signed agreements and legal peer review (settlements will be completed by Council);
- Coordination of third party consultants appointed by Council (such as valuers, legal, survey - if necessary) and peer review affected party costs;
- Assist the Council with any public forum and private negotiations.

TENDERS RECEIVED

Tenders were invited from OPUS International Consultants Limited, The Property Group and DTZ New Zealand with three (3) sets of documents being posted out. Two (2) tenders were received by the closing date of 12 September 2006. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl GST)
OPUS International Consultants Limited	Auckland	\$114,189.20
The Property Group	Auckland	\$125,610.00
DTZ New Zealand	Auckland	No tender submitted.
Pre-tender contract estimate		\$120,000.00

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 Number EW06 044A
								Total Weights
	Weights	10	5	10	10	5	60	100
Tenderer	Tender Sum							INDEX
The Property Group	\$125,610.00	90	80	85	80	80	45	61
OPUS International Consultants Limited	\$114,189.20	65	60	55	70	80	55	59
Engineer's Estimate	\$120,000.00							

Table 2 - Summary of Tender Evaluation

The Property Group's core business is the provision of property advice and negotiation of property, particularly for public purposes. It has been involved with Project Twin Streams from early planning in 2002 and since then in all property acquisitions. Its staff are qualified and experienced in this project and in property acquisition for public purposes generally. They have been successful in this project and have developed a strong track record. Their staff nominated for the project team include two (2) registered valuers. Their qualifications also include professional affiliations and accreditations and all have tertiary qualifications with many years experience. Their management and methodology to date has included reporting, confidentiality, programming, public relations and quality assurance.

One of the referees nominated by OPUS International Consultants Limited also advised that they had used The Property Group and advised that they had provided a superior service to OPUS International Consultants Limited for property acquisition.

OPUS International Consultants Limited has wide experience as an organisation, however their project team had considerably less experience, track record and technical skills than The Property Group nominated team. One of the team members nominated by OPUS International Consultants Limited to make a major contribution to the project is a recent graduate. One of the senior OPUS International Consultants Limited team members was well recommended by their referees. However the same referees advised that very clear communication was necessary when dealing with another senior team member to ensure no misunderstanding developed. The most proficient, experienced and qualified team OPUS International Consultants Limited members were nominated with less time commitment to the project than The Property Group senior team members. The technical qualifications of the active OPUS International Consultants Limited team were less than that of The Property Group team.

OPUS International Consultants Limited have a well qualified Project Director and their supporting management information appeared strong, however, the tender submission included a number of arithmetical and other errors that required clarification. A referee also made comments about the need for clear communication with team management. For these reasons the grading for management was reduced.

TAGS, ERRORS OR OMISSIONS

The OPUS International Consultants Limited tender had a number of arithmetical errors. The hourly rates and the total line sums did not equate on three items in the schedule. In addition Item 3 of the schedule had been copied from an earlier tender last year and the description and figures did not match the tender documents. OPUS International Consultants Limited was asked to confirm their tendered sum and to correct their schedule descriptions. OPUS International Consultants Limited altered their hourly rate to match their tendered sum and corrected the description of Item 3.

The Property Group were asked to advise the percentage of time that the nominated team members would be available to the project. They advised this information.

CREDIT CHECK

A credit check on The Property Group has been requested.

SUMMARY

The results of the tender evaluation as summarised in Table 2 shows that the tender submitted by The Property Group achieved the highest index of 61. This result is the highest of the two tenders received, although is also the more expensive option.

The Property Group have been involved in all phases of Project Twin Streams to date and will provide efficiencies and benefits through their knowledge of the project.

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 - The Property Group	\$125,610.00
Contingency	\$ 25,000.00
Total Job Cost	\$150,610.00

The contingency is above 10% to reflect the level of uncertainty in negotiating with property owners who at times are not immediately willing to sell their property.

SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Project Twin Streams	85-9815-63870-022	675,000	63,880	150,610	460,502

RECOMMENDATIONS

1. That the Contract No. EW06044A - Project Twin Streams - Property Advice and Acquisition Assistance Stage 5, 2006 report be received.
2. That subject to a satisfactory credit check the tender from The Property Group for Contract No. EW06044A - Project Twin Streams - Property Advice and Acquisition Assistance Stage 5, 2006 in the sum of \$125,610.00 plus \$15,701.25 GST, totalling \$141,311.25 be accepted.
3. That the tender for Contract No. EW06044A - Project Twin Streams - Property Advice and Acquisition Assistance Stage 5, 2006 be awarded to other than the lowest priced tender, because the weighted attributes tender evaluation method requires the tendering authority to enter into a contract only with the tender that scores the highest overall index.
4. That authority to enter into Contract No. EW06044A - Project Twin Streams - Property Advice and Acquisition Assistance Stage 5, 2006 on behalf of Council be delegated to the Group Manager: Asset Management.

Report prepared by: Lawrence Butcher, Sustainable Engineering Manager.

