



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** **10 March 2006** **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.

2 March 2006

Ngareta Delamere
COMMITTEE SECRETARY

Telephone (09) 836 8000 extn 8552

MEMBERSHIP:

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

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 IN THE
CIVIC CENTRE, 6 WAIPAREIRA AVENUE, LINCOLN, WAITAKERE CITY,
ON FRIDAY, 10 MARCH 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 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 February 2006

RECOMMENDATION

That the minutes of the Meeting of the Tenders Subcommittee held on Friday, 24 February 2006, as circulated, be taken as read and now be confirmed.



4 CONTRACT NO. PY05017C - WAITAKERE CITY COUNCIL CITYWIDE CLEANING

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award the above contract for a twenty seven (27) month term, being an initial three months with two one-year renewals at the Council's discretion.

BACKGROUND

The Citywide Cleaning Contract covers thirty four Council owned and leased properties, excluding the Aquatic and Recreation Centres. Services provided include scheduled maintenance, one off cleans and urgent cleaning work. The contract includes pricing for the new Waitakere Central Library/Unitec building (from 1 March 2006) and Waitakere Central Civic Centre (from 1 July 2006), excluding the Civic wing, as this area will be cleaned by the contract orderly.

The Tenders Subcommittee meeting dated 17 October 2005 resolved:

“That the Waitakere City Council Citywide Cleaning Contract - PY05017C be tendered with a thirty one month term being an initial seven (7) month term with two (2) one-year renewals.”

1975/2005

TENDERS RECEIVED

Four (4) companies tendered for the contract and tenders were received by the closing date of 24 January 2006 and are summarised in the table below:

Tenderer	(excluding GST)
Cleaning Plus	\$942,202.36
Professional Property & Cleaning Services	\$681,946.33
City Cleaning Services	\$1,344,779.48
Crew Cut	\$896,962.09

TENDER EVALUATION

In accordance with the conditions of tendering, tenders were evaluated in line with the Lowest Price Conforming Tender contained in Transfund New Zealand's "Competitive Pricing Manual". A Weighted Attributes Grading was also undertaken and the results are as follows:

Tender Evaluation	Attributes	Exper.	Track Record	Tech Skill	Resour.	Manag Skill	Method	Price	Contract Number PY05017C	
									Total Weights	
	Weights	10	10	5	5	10	10	50	100	
Tenderer	Tender Sum	Grades							INDEX	
Cleaning Plus	\$942,202.36	80	50	60	65	60	55	48	55	
Professional Property & Cleaning Services	\$681,946.33	80	50	60	65	60	55	76	69	
City Cleaning Services	\$1,344,779.48	60	60	60	75	75	60	4	34	
Crew Cut	\$896,962.09	50	50	50	50	55	50	52	52	
Med.n Tender Price	\$919,582.23									

* Attribute grading as defined by Transit NZ in their CPP Tender Evaluation Manual Effective 1 March 1997

Reference checks were undertaken and documented, together with the outcomes of the weighted attributes. They are filed in the 'Tender' section of the contract file.

TAGS, ERRORS OR EMISSIONS

There were no tags, errors or omissions.

CREDIT CHECK

A credit check report dated 21 February 2006 showed no adverse information.

SOURCE OF FUNDING

Budget Description	Codes	Budget	Allocation to this Project	Unallocated Balance
Citywide Cleaning	*Various	\$839,250.00	\$716,046.33	\$123,203.67

*Various codes relating to individual buildings.

JOB COSTS

	<u>Excl. GST</u>
Tender Sum - 27 months - Professional & Cleaning Services	\$681,946.33
Contingency	\$ 34,100.00
Total Job Cost	\$716,046.33
2005/2006 - 3 month cost	\$ 73,054.17
Contingency	\$ 3,675.00
Total Job Cost	\$ 76,729.17
2006/2007 - per annum cost	\$304,446.08
Contingency	\$ 15,222.00
Total Job Cost	\$319,668.08
2007/2008 - per annum cost	\$304,446.08
Contingency	\$ 15,222.00
Total Job Cost	\$319,668.08

SUMMARY

The tender received from Professional Property & Cleaning Services achieved the highest score of sixty nine in the weighted attributes grading and is also the lowest price. As such, Professional Property & Cleaning Services will be recommended for award. The Citywide Cleaning contract will not include cleaning of the Civic wing at the new Waitakere Central Civic Centre as this will continue to be undertaken by the contract orderly.

The contract term was originally for 31 months, with an initial seven month term, with a right of renewal for two further one-year terms at the Council's discretion. Due to the Christmas and New Year period it was not recommended to let the tender over this period, and a variation was raised and approved to extend the existing contract to 31 March 2006. The new contract term is for a twenty seven month term, being an initial three months with two one-year renewals at the Council's discretion. This enables the contract to be reviewed at the end of each year, and if the contractor does not perform adequately the contract will not be extended.

Professional Property & Cleaning Services is the incumbent service provider for Waitakere City Council's Citywide cleaning and this will enable them to provide good continuity of service. They have provided a very satisfactory service more recently, and have improved noticeably since the appointment of a dedicated 'non-cleaning' paid supervisor. Professional Property & Cleaning Services have the appropriate equipment and good staff coverage on the ground. They use biodegradable, 100% natural cleaning products, in conjunction with ammonia free and neutral cleaners that leave no residuals.

To monitor contractor performance going forward Property Assets will implement a formal contractor performance procedure to be undertaken monthly. Key performance indicators will be developed from this information and six monthly contractor performance reviews will be undertaken.

RECOMMENDATIONS

1. That the Contract No. PY05017C - Waitakere City Council Citywide Cleaning report be received.
2. That the tender from Professional Property & Cleaning Services for Contract No. PY05017C - Waitakere City Council Citywide Cleaning in the sum of \$681,946.33 plus \$85,243.29 GST totalling \$767,189.62 be accepted.
3. That approval for Contract No. PY05017C - Waitakere City Council Citywide Cleaning is given to committing \$304,446.08 against the 2006/2007 Annual Plan.
4. That approval for Contract No. PY05017C - Waitakere City Council Citywide Cleaning Contract is given to committing \$304,446.08 against the 2007/2008 Annual Plan.
5. That the authority to enter into Contract No. PY05017C - Waitakere City Council Citywide Cleaning on behalf of Council be delegated to the Group Manager: Asset Management.
6. That the renewal for Contract No. PY05017C - Waitakere City Council Citywide Cleaning for the 2006/2007 and 2007/2008 financial years be reported back to the Tenders Subcommittee for approval.

Report prepared by: Brenda Hoskins, Property Assets Unit: Asset Management.



5 CONTRACT NO. PY05017H - WAITAKERE CITY COUNCIL CITYWIDE HYGIENE

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award the above contract for a twenty seven (27) month term, being an initial three months with two one-year renewals at Council's discretion.

BACKGROUND

The Hygiene Contract covers thirty five Council owned and leased properties. Services provided will include sanitary disposal units, soap dispensers, one-shot hands clean dispensers and all hygiene related requirements. The contract includes pricing for the new Waitakere Central Civic Centre (from 1 July 2006) and Waitakere Central Library/Unitec (from 1 March 2006).

The Tenders Subcommittee meeting dated 14 October 2005 resolved:

“That the Waitakere City Council Citywide Hygiene Contract PY05017H be tendered with a thirty one month term being an initial seven month term with two one year renewals at Council discretion.”

1978/2005

TENDERS RECEIVED

Three (3) companies were invited to tender for the contract. Two (2) tenders were received by the closing date of 22 November 2005 and are summarised in the table below:

TENDERER	Fumacare PO Box 21 453 Henderson	Rentokil-Initial Ltd PO Box 21 752, Henderson
	Amount ex GST	
Year 1 (1 April 2006 - 30 June 2006)	\$9,223.85	\$15,592.43
Year 2 (1 July 2006 - 30 June 2007)	\$40,044.90	\$42,670.16
Year 3 (1 July 2007 - 30 June 2008)	\$40,044.90	\$42,670.16
Total	\$89,313.65	\$100,932.75

The Fumacare tender came in at a similar cost to what is already being paid for hygiene products and services, but the tender now includes significantly higher levels of service than previously offered.

Soap dispensers are now included in this hygiene contract to provide a higher level of service and a more ‘cosmetic’ appeal. These were previously part of the cleaning contract. Annual toilet and urinal deep cleans for the new Waitakere Central Civic Centre have been added to the specification to ensure ongoing cleanliness and longevity of the toilets and urinals.

TENDER EVALUATION

In accordance with the conditions of tendering, tenders were evaluated in line with the Lowest Price Conforming Tender contained in Transfund New Zealand’s “Competitive Pricing Manual”.

TAGS, ERRORS OR EMISSIONS

There were no tags, errors or omissions.

CREDIT CHECK

A credit check report dated 17 February 2006 revealed no adverse information.

SOURCE OF FUNDING

Hygiene expenditure is currently \$41,000 per annum, excluding GST, for hygiene services for all sites covered under this contract. The new Waitakere Central Library/Unitec and Waitakere Central Civic Centre sites are now included in this contract. The new contract includes an increase in service levels, and by combining all sites into one city wide contract, this has enabled us to obtain a lower contract value of \$40,044.90, excluding GST. Essentially, the costs have not increased and therefore the current hygiene budget is sufficient.

The schedule below identifies the associated hygiene costs, which includes contingency across the various Council properties, over the term of the contract.

Property Types	Year 1 (3 months) 2005 / 2006	Year 2 2006 / 2007	Year 3 2007 / 2008	SFL Codes
Libraries	\$2,179.92	\$8,387.11	\$8,387.11	50-8628-XXXXX-406
Council Occupied	\$3,571.37	\$17,192.36	\$17,192.36	50-8637-XXXXX-406
Community Centres	\$1,181.28	\$4,543.50	\$4,543.50	50-8618-XXXXX-406
Lopdell House	\$40.60	\$156.16	\$156.16	50-8624-28290-406
Aquatic Centre	\$2,680.73	\$10,310.70	\$10,310.70	30-4710-16000-406
Crematorium	\$138.08	\$531.07	\$531.07	30-4320-22160-406
Animal Welfare	\$287.46	\$1,105.63	\$1,105.63	30-4110-16000-406
Testing Station	\$142.53	\$548.20	\$548.20	30-4410-16000-406
Solid Waste	\$312.30	\$1,201.17	\$1,201.17	30-4810-16000-406
Total	\$10,534.27	\$43,975.90	\$43,975.90	

The cost of the new contract is covered under the cleaning budget set out in the Annual Plan 2005/2006.

SUMMARY

The tender received from Fumacare is the lowest price and as such will be recommended for award.

Fumacare is the incumbent service provider for Waitakere City hygiene requirements and this will enable them to provide good continuity of service. They have provided a very good service to date, have the appropriate equipment, good staff on the ground, and a skilled management structure.

The contract term is initially for three months with a right of renewal for two further one-year terms, at Council discretion. This has been pre approved by the Tenders Subcommittee. This enables the contract to be reviewed at the end of each year, and if the contractor does not perform adequately the contract will not be extended.

RECOMMENDATIONS

1. That the Contract No. PY05017H - Waitakere City Council Citywide Hygiene report be received.
2. That the tender from Fumacare for Contract No. PY05017H - Waitakere City Council Citywide Hygiene in the sum of \$89,313.65 plus \$11,164.20 GST, totalling \$100,477.85, be accepted.
3. That approval for Contract No. PY05017H - Waitakere City Council Citywide Hygiene is given to committing \$43,975.90 against the 2006/2007 Annual Plan.
4. That approval for Contract No. PY05017H - Waitakere City Council Citywide Hygiene is given to committing \$43,975.90 against the 2007/2008 Annual Plan.
5. That the authority to enter into Contract No. PY05017H - Waitakere City Council Citywide Hygiene on behalf of Council be delegated to the Group Manager: Asset Management.
6. That the renewal for Contract No. PY05017H - Waitakere City Council Citywide Hygiene for the 2006/2007 and 2007/2008 financial years be reported back to the Tenders Subcommittee for approval.

Report prepared by: Brenda Hoskins, Property Assets Unit: Asset Management.



6 CONTRACT NO. PY050171 - WAITAKERE CITY COUNCIL AQUATIC CENTRE CLEANING

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award the above contract for a twenty seven (27) month term, being an initial three (3) months with two one-year renewals at the Council's discretion.

BACKGROUND

The Aquatic Centre Cleaning Contract covers cleaning of the Aquatic Centre and Henderson Recreation Centre. Services provided include scheduled cleaning maintenance, one-off cleans and urgent cleaning work.

The Tenders Subcommittee meeting dated 17 October 2005 resolved:

"That the Waitakere City Council Aquatic Centre Cleaning Contract - PY050171 be tendered with a thirty one month term being an initial seven (7) month term with two (2) one-year renewals."

1974/2005

TENDERS RECEIVED

Five (5) companies tendered for the contract and tenders were received by the closing date of 31 January 2006, and are summarised in the table below:

Tenderer	Annual Tender Sum (excluding GST)
City Cleaning Services	\$402,531.56
Crew Cut	\$152,880.00
Cleaning Plus	\$229,068.24
Paramount Services	\$376,838.44
Professional Property & Cleaning Services	\$337,470.08

As contained in the tender documents, Schedule 1A Citywide Cleaning Contract Specifications for Poolside Cleaning (Aquatic only), this was optional to the tender. A Notice to Tenderers No. 2, dated 20 January 2006, stated that the Day Cleaning may not form part of this contract and revised schedules, 1A Cleaning Specifications and 1B Pricing, were issued to all tenderers with the notice to tenderers. Aquatic Centre staff will perform the Day and Poolside cleaning duties as from 01 April 2006. The Day and Poolside cleaning were excluded from the tender evaluation and this is summarised in the table below.

TENDERER	City Cleaning	Crew Cut	Cleaning Plus	Paramount	Professionals
Annual Tender Sum	\$402,531.56	\$152,880.00	\$229,068.24	\$376,838.44	\$337,470.08
Less Day Clean	\$77,389.25	\$58,240.00	\$84,816.00	\$90,763.87	\$76,867.52
Less Poolside (optional)	\$91,861.75	\$43,680.00	\$0.00	\$28,996.78	\$17,597.40
Adjusted Annual Tender Sum	\$233,280.56	\$50,960.00	\$144,252.24	\$257,077.79	\$243,005.16
Monthly Sum	\$19,440.05	\$4,246.67	\$12,021.02	\$21,423.15	\$20,250.43
Year 1 (01 April - 30 June 06)	\$58,320.14	\$12,740.00	\$36,063.06	\$64,269.45	\$60,751.29
Year 2 (2006/2007)	\$233,280.56	\$50,960.00	\$148,579.81	\$257,077.79	\$243,005.16
Year 3 (2007/2008)	\$233,280.56	\$50,960.00	\$153,037.20	\$257,077.79	\$243,005.16
27 months	\$524,881.26	\$114,660.00	\$337,680.07	\$578,425.03	\$546,761.61

TENDER EVALUATION

In accordance with the conditions of tendering, tenders were evaluated in line with the Lowest Price Conforming Tender contained in Transfund New Zealand's "Competitive Pricing Manual". A Weighted Attributes Grading was also undertaken and the results are as follows:-

Tender Evaluation	Attributes	Exper.	Track	Tech.	Resour.	Manag.	Method.	Price	Contract Number PY050171	
			Record	Skill		Skill			Total Weights	
Weights		10	10	5	5	10	10	50	100	
Tenderer	Tender Sum	Grades							INDEX	
City Cleaning Services	\$524,881.26	60	60	60	75	75	60	54	Disqualified	
Crew Cut	\$114,660.00	35	35	35	35	40	35	100		
Cleaning Plus	\$337,680.07	75	70	75	80	75	75	88	81	
Paramount Services	\$578,425.03	50	50	55	50	60	60	44	49	
Professional Property	\$546,761.61	50	50	60	50	65	60	50	53	
Med.n Tender Price	\$524,881.26									

* Attribute grading as defined by Transit NZ in their CPP Tender Evaluation Manual Effective 1 March 1997

Reference checks were undertaken and documented, together with the outcomes of the weighted attributes. They are filed in the 'Tender' section of the contract file.

TAGS, ERRORS OR EMISSIONS

There were no tags, errors or omissions.

CREDIT CHECK

A credit check report dated 21 February 2006 showed no adverse information.

SOURCE OF FUNDING

Budget Description	Codes	Budget	Allocation to this Project	Unallocated Balance
Aquatic Centre & Recreation Centre Cleaning	30-4710-16000-406 30-4730-17000-406	\$364,500.00	\$337,680.07	\$26,819.93

SUMMARY

That the contract be awarded to other than the lowest priced tender, Crew Cut, because the lowest priced tender has failed to achieve a grade greater than 35 for one of the attributes and was awarded a "disqualified" under that attribute and is therefore excluded from further consideration.

Crew Cut submitted a poor tender submission, with little supporting documentation. They were further requested to provide information for the purposes of tender evaluation. The quality of what was provided failed to convince us that their methodology would enable them to meet the cleaning specifications required for the Aquatic and Recreation Centres.

Cleaning Plus achieved the highest index score of eighty one and had the second lowest price out of the five tenders received. They are the current incumbent service provider for Waitakere City Council's Aquatic and Recreation Centres. This will enable them to provide good continuity of service. Their management have established and maintained good working relationships with both the Aquatic Centre and Property Assets staff, with a 'hands on' approach. They undertake weekly routine checks and inspections and management are accessible after hours via mobile telephones. Communication is efficient, effective and concise between all parties. Cleaning Plus also provide a 24-hour call centre service and have a proven track record in resolving problems in a timely manner. They are a large, reputable cleaning company and as such Cleaning Plus will be recommended for award.

The contract term was originally for 31 months, with an initial seven month term, with a right of renewal for two further one-year terms at the Council's discretion. Due to the Christmas and New Year period it was not recommended to let the tender over this period, and a variation was raised and approved to extend the existing contract to 31 March 2006. The new contract term is for a twenty seven (27) month term, being an initial three months with two one-year renewals at the Council's discretion. This enables the contract to be reviewed at the end of each year, and if the contractor fails to perform all cleaning tasks in accordance with the detailed cleaning schedules, then the contract will not be extended.

To monitor and sustain contractor performance going forward Property Assets will implement a formal contractor performance procedure to be undertaken monthly. Key performance indicators will be developed from this information and six monthly contractor performance reviews will be undertaken.

RECOMMENDATIONS

1. That the Contract No. PY05017I - Waitakere City Council Aquatic Centre Cleaning report be received.
2. That the tender from Cleaning Plus for Contract No. PY05017I - Waitakere City Council Aquatic Centre Cleaning in the sum of \$337,680.07 plus \$42,210.00 GST totalling \$379,890.07 be accepted.
3. That approval for Contract No. PY05017I - Waitakere City Council Aquatic Centre Cleaning is given to committing \$148,579.81, inclusive of a 3% CPI increase, against the 2006/2007 Annual Plan.
4. That approval for Contract No. PY05017I - Waitakere City Council Aquatic Centre Cleaning is given to committing \$153,037.20, inclusive of a 3% CPI increase, against 2007/2008 Annual Plan.
5. That the authority to enter into Contract No. PY05017I - Waitakere City Council Aquatic Centre Cleaning on behalf of Council be delegated to the Group Manager: Asset Management.
6. That the renewal for Contract No. PY05017I - Waitakere City Council Aquatic Centre Cleaning for the 2006/2007 and 2007/2008 financial years be reported back to the Tenders Subcommittee for approval.

Report prepared by: Brenda Hoskins, Property Assets Unit: Asset Management.

