

**AGENDA FOR A MEETING OF THE TENDERS SUBCOMMITTEE TO BE HELD IN THE
CIVIC CENTRE, 6 WAIPAREIRA AVENUE, LINCOLN, WAITAKERE CITY,
ON FRIDAY, 21 APRIL 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

Extraordinary Meeting Minutes - 31 March 2006
Meeting Minutes - 7 April 2006

RECOMMENDATION

That the minutes of the Extraordinary Meeting of the Tenders Subcommittee held on Friday, 31 March 2006 and the Meeting held on Friday, 7 April 2006, as circulated, be taken as read and now be confirmed.



4 **CONTRACT NO. PK05006C - PARKS PLANTING - AUTUMN 2006**

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. PK05006C - Parks Planting - Autumn 2006.

BACKGROUND

Funding was allocated through the 2005/2006 Annual Plan to purchase and plant pre-ordered ecosourced native plants as part of the Green Network strategic platform. The planting being undertaken forms part of the development of ecological linkages from the Waitakere Ranges to the sea. All sites chosen form part of the Revegetation Programme and have been selected based on the ecological value and impact of not planting.

SCOPE OF WORK

The scope of work outlined in this contract involves site preparation, extensive environmental weed control, planting of 92,000 ecosourced plants, mulching and follow up maintenance at selected sites in the following reserves throughout the city:

- Armada Reserve
- Astelia Grandis Reserve
- Buckingham Common
- Da Vinci Park
- Don Buck Corner
- Epping Esplanade
- Glendene Reserve
- Herrings Cove
- Hindmarsh Green
- Lowtherhurst Reserve
- McKinley Park
- Marina Esplanade Reserve
- Outside 451 Don Buck Road
- Pahi Park
- Paremuka Esplanade
- Ranui Domain
- Riverlea Road
- Rush Creek Reserve
- Taipari Strand
- Waikumete Cemetery
- Waitakere Quarry
- Wakeling Park
- West Harbour Esplanade
- Whenuapai Hall Reserve
- Zita Maria Park

TENDERS RECEIVED

Tenders were publicly advertised with six (6) sets of documents being uplifted. Three (3) tenders were received by the closing date of 4 April 2006. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
Techscape Ltd	61a Keeling Road, Henderson	\$398,705.00
Wetland Solutions Ltd	21 Durness Place, Red Beach	\$593,571.00
Brett Garea Environments Ltd	75 Vauxhall Road, Devonport	\$1,247,500.25
Pre-tender contract estimate		\$350,000.00

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. Skill	Resour.	Manag. Skill	Method.	Price	Contract No. PK05006C Total Weights	
		Weights	10	5	5	5	5	10	60	100
Tenderer	Tender Sum	Grades							INDEX	
Techscape Ltd	\$398,705.00	90	85	90	85	75	85	83	84	
Wetland Solutions Ltd	\$593,571.00	90	80	85	85	80	90	50	65	
Brett Garea Environments Ltd	\$1,247,500.25	85	80	85	85	75	80	-60	-3	
Med.n Tender Price	\$593,571.00									

Table 2 - Summary of Tender Evaluation

All tender prices submitted were higher than the Engineer's Estimate of \$350,000. This is largely due to the difficulty experienced by all tenderers to obtain mulch for use within the project. The most appropriate time for planting in 2005/2006 is going to be in June/July due to a dry, hot summer. This shortens the available time for planting to one month in this financial year rather than two or three months in previous years which, in turn, increases the tender prices with regard to the intensity of labour required.

TAGS, ERRORS OR OMISSIONS

Wetland Solutions Limited tender raised concern with regard to timeframe. The tag has no effect on the outcome of the tender evaluation.

Brett Garea Environments Limited tender had three (3) tags attached based on mulch pricing, weather allowances and consents for access through private property. The tags have no effect on the outcome of the tender evaluation. Brett Garea Environments Limited tender contained an arithmetical error. It has no bearing on the outcome of the tender evaluation.

Techscape Limited tender contained no tags, errors or omissions.

CREDIT CHECK

A credit check on Techscape Limited has been requested.

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 84. This tender is also the lowest priced tender.

Techscape Limited have recently undertaken the Parks Planting - Spring 2005 contract to a very high standard.

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 - Techscape Limited	\$398,705.00
Contingency	\$ 39,870.50
Engineering & Supervision	\$ 0.00

Total Job Cost	\$438,575.50

Engineering and supervision will be provided by Parks staff and therefore there is no external cost associated with this contract.

SOURCE OF FUNDING

Budget Description	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Revegetation Programme and Ecosourcing	75-9825-51080	\$781,600.00	\$420,632.00	\$360,968.00	Nil
Planting Parks Renewals	75-9823-27240	\$325,000.00	\$295,000.00	\$30,000.00	Nil
Weed & Pest Maintenance	46-7614-27110	\$748,000.00	\$700,392.50	\$47,607.50	Nil

RECOMMENDATIONS

1. That the Contract No. PK05006C - Parks Planting - Autumn 2006 report be received.
2. That subject to a satisfactory credit check the tender from Techscape Limited for Contract No. PK05006C - Parks Planting - Autumn 2006 in the sum of \$398,705.00 plus \$49,838.13 GST, totalling \$448,543.13 be accepted.
3. That authority to enter into Contract No. PK05006C - Parks Planting - Autumn 2006 on behalf of Council be delegated to Group Manager: Asset Management.

Report prepared by: Debbie Chapman, Asset Manager: Environmental.



5 CONTRACT NO. CC05139A - CAFÉ AND CATERING SERVICES

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. CC05139A for the provision of Café and Catering Services for the new Waitakere Central Civic Centre (new Civic Centre) building.

BACKGROUND

The current cafeteria contract is held by Eurest New Zealand and expires on 31 July 2006. The current contract has been in operation for three years, which meant that a new tender process was required to be undertaken. The tender process took into account the fact that the new Civic Centre was being built. While in moving to the new Civic Centre, Council as one of its goals is aiming to increase patronage of Henderson retail premises, as a result of staff shopping patterns. However, alongside this aim there is a need to provide adequate facilities for staff and Elected Members within the new Civic Centre. Based on this need the Chief Executive Officer decided to provide for a café facility in association with the staff room. The new premises offered the Evaluation Team an opportunity to re-look at how the contract was set up and how best to administer the contract for Council. A new tender was issued in February 2006 which actively sought out any catering companies who would be viable to tender for this contract, taking into consideration a new focus on innovation.

It is important that Council and the successful tenderer work together to ensure that the new Café facilities provides excellent food at affordable prices in a modern environment with a warm ambience. With the new building comes a customer base of approximately 700 staff. With this in mind Council wrote the tender document to reflect the above and to include the criteria set out below.

The following criteria have been included in the café and catering contract:

Relevant Experience/Track Record	10%
Technical Skills	10%
Appropriate Resources	5%
Management Skills	10%
Methodology and Innovation	25%
Weightings on Price	40%
Total	100%

SCOPE OF WORK

The contract is for the provision of café and catering services at the new Civic Centre. The required services for the café include:

- Provision of food for purchase based upon the opening hours set by the Council;
- Estimated Council staff numbers located at the new Civic Centre will be between 600-700, with an estimated seating for approximately 130 staff at any one time;
- Sandwich and Bun Run or similar service;
- Compliance with all applicable food sanitation and compliance, and Health and Safety laws and regulations;
- The contract period will commence on 22 June 2006 and expire on 30 May 2008 with provision for an extension of up to one year. Any extension of the contract period will only be by the mutual agreement of the parties formalised in writing.

Function Catering

While Council will not be required to place any function or event catering orders with the selected party, the selected party should have the ability to provide such services (including staff required to serve or wait on functions) to Council as required. Use of the café facilities is permitted provided that there is no conflict and the required services continue to be maintained.

Opening hours for café and catering services are from 7.30am - 4.00pm, Monday to Friday. While Council is not required to place any function or event catering orders with the selected party, the selected party will have the ability to provide such services outside of the above stipulated café opening hours as required.

Responsibilities of the Tenderer:

- Food costs (all);
- Staff labour, including washing/cleaning of all cups, plates and utensils;
- Other consumables/costs normally incurred in the operation of a café;
- Regulatory licensing fees;
- Kitchen cleaning and keeping the table area clean and tidy.

Responsibilities of Council:

- Repair and maintenance of Council owned equipment;
- Purchase of materials and utensils as required for use by staff and kitchen i.e. knives, forks, plates, cups, etc;
- Purchase of tea, coffee, milo, sugar and milk for the Council building including both Administration and Civic wings. Distribution will be incorporated into the Orderly Contract and will be outside the scope of this contract. Budget for these costs is provided in the Long Term Council Community Plan.

REGISTRATIONS OF INTEREST

The Council conducted a pre-tender registration of interest process in February 2006. Nine (9) registrations of interest were received:

Tenderer	Situated At Head Office	Pre-Registration Presentation
Fuel Devine	Henderson	Yes
Eurest New Zealand	Penrose	Yes
Spotless NZ	Ellerslie	Yes
Sodexo	Mangere	Yes
Debbie Moncur	Henderson	No
Jessica's Homemade Gourmet	Glendene	Yes
RD6 Café and Bar	Warkworth	No
Phillip Spathis	Birkenhead	No
John's Catering	Beach Haven	Yes
Andrea Lithgow	Remuera	No

Table 1 - Summary of Registrations of Interest

Council invited all the above to attend a pre-registration presentation to discuss the tender document and what Council was looking for with regards to the contract. This provided an opportunity to inform all tenderers on how Council wanted to operate the contract now and into the future.

TENDERS RECEIVED

From those parties invited to tender, four (4) tender submissions were received by the closing date of 3 March 2006. These are summarised in Table 2 below:

TENDERER	SITUATED AT	TENDER PRICE Excl GST
Eurest New Zealand	485 Great South Road, Penrose	\$1.00
Spotless NZ	602 Great South Road, Ellerslie	\$1.00
Sodexho	3 Airpark, Drive, Mangere	\$25,000.00
Andrea Lithgow	5/28 Victoria Ave, Remuera	\$346,000.00

Table 2 - Summary of Tenders submitted

TENDER EVALUATION

Registrants were generally evaluated in accordance with the “Weighted Attributes Method” contained in Transit New Zealand’s “Manual of Competitive pricing Procedures”. Following on from the issues with the previous tender it was felt by the evaluation team that the main weightings should be given to Innovation, Relevant Experience and Price as this should give Council a tender that is not only price drive but highly innovative with a clear methodology for providing the Café services Council demands.

A summary of the evaluation results is shown in Table 3.

Tender Evaluation	Attributes	Exper.	Resources	Tech. Skills	Manag. Skill	Method Innovation	Price	Contract Number CC05139A
								Total Weights
	Weights	10	5	10	10	25	40	100
Tenderer	Tender Sum							INDEX
Eurest New Zealand	\$1.00	80	80	70	70	85	100	87
Spotless NZ	\$1.00	70	80	60	60	80	100	83
Sodexho	\$25,000.00	70	80	60	60	80	50	63
Lithgow	\$346,000.00	40	40	50	40	40	10	29

Table 3 - Tender Evaluation Table

Using the Weighted Attributes Grading method, the evaluation was carried out by reviewing the tender documentation provided. Each tender was assessed for innovation, the proposed methodology they intend to use for this contract. They were also assessed on their management skills, technical skills and experience with similar contracts.

TAGS, ERRORS OR OMISSIONS

The contract closing date was pre-selected by the evaluation team as the 24 February 2006. At the presentation one of the tenderers requested that the tender deadline be extended by one week so that they would be able to look at innovation and provide the best possible tender for Council's needs. The evaluation team group advised that they would take advice and notify once confirmed. The evaluation team agreed to extend the date by one week to 3 March 2006, and all prospective tenderers were advised of the new date.

Eurest New Zealand currently holds the cafeteria contract. They have been in a contract with Council since 1997 and their performance with Council over the last ten years is of a standard to warrant their selection. Over the years their performance has been satisfactory but with recent changes in management issues raised by elected members and staff has been addressed with the Management of Eurest New Zealand with a positive outcome. This has been reflected in the increased customer base of the café over the recent months and increase in satisfaction levels with the products produced. Eurest New Zealand realised that Council were looking for smarter technology and this is highlighted through their tender document on what they propose they can achieve for Council during their contract term. Eurest New Zealand also have the knowledge and understanding of how we operate as a Council this knowledge is important to running a successful business and providing a good service to the staff of Waitakere City Council.

Comparisons were made on price as shown in Table 3 to determine the competitiveness of Eurest New Zealand and Spotless NZ with them both providing a zero total service fee. Eurest New Zealand and Spotless NZ were able to provide this due to lower corporate overheads and relying on the 700 Council staff who will purchase food from the café. The determining factor on choosing Eurest New Zealand on the pricing attribute was the competitive pricing for staff to buy food at the new building. This will enable a savings to Council on running the café at the new Civic Centre with no cost to Council but still providing competitive pricing to staff and for any catered events.

CREDIT CHECK

Eurest New Zealand has been the providers of cafeteria and function catering services to Council since August 1997. They are also one of the largest catering companies in New Zealand. A credit check dated 16 March 2006 on Eurest New Zealand revealed no adverse information.

SUMMARY

This is the first café and catering evaluation to incorporate innovation as a criteria for evaluating this tender. Eurest New Zealand provided ideas on how they will provide innovation to Council:

- A \$1.00 total service fee per annum is proposed;
- Contribution of up to \$10,000 (excl GST) per annum for the term of tenure, to Council for the purchase of furniture, signage and equipment;
- **E-Café** - a web portal which would enable Council staff to order and be billed accordingly;
- **Heat and eat meals** - providing freshly made, nutritious and wholesome meals in packaging which enables Council staff to take home and reheat or purchase to be consumed after café opening hours – this would offer a great service to the Call Centre staff and many staff members who have to attend after hours Committee meetings;
- **Salad bar** - provision of a salad bar from which Council staff can create their own salads, for consumption in the café or to take away, this works in with Council's healthy "Heartbeat Challenge" criteria;
- **Barista** - Ritazza coffee;
- **Bun Run** - to provide the ultimate communication tool for a café service at Council 'as it is literally a walking, talking showcase of our food and beverage offered in the café'.

SOURCE OF FUNDING

The preferred tenderer for this contract has a \$1.00 total service fee per annum.

RECOMMENDATIONS

1. That the Contract No. CC05139A - Café and Catering Services report be received.
2. That Contract No. CC05139A - Café and Catering Services be awarded to Eurest New Zealand for a service fee payable by Council of \$1.00 per annum to commence on 22 June 2006 and expire on 30 May 2008 with provision for an extension of up to one year.
3. That authority to enter into Contract No. CC05139A - Café and Catering Services on behalf of Council be delegated to the Director: Corporate and Civic Services.

Report prepared by: Leigh Radovan, Administration Team Manager.



6 FLEET REPLACEMENT - 2006

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award contract for the replacement of fleet vehicles.

BACKGROUND

Council policy for replacement of general pool vehicles states that the vehicles will be replaced when owned for 36 months or driven 100,000km. Council tries to balance maximising sale returns with getting good use from its vehicles.

As Council's vehicle fleet has grown, so has its fuel consumption. Carbon emissions from transport account for 44% of all emissions in Waitakere City and 19% of the corporate emissions. With the introduction of the Sustainable Energy and Clean Air platform and joining the Communities for Climate Protection, the Council began to review how it could reduce the fuel usage and associated CO₂, and resulting fuel costs of the fleet.

Fuel	Litres per Financial Year						CO ² Emissions Tonnes
	1999/2000	2000/2001	2001/2002	2002/2003	2003/2004	2004/2005	2004/2005
Diesel	44,754.1	53,996.6	57,555.9	57,950.6	58,172.0	59,702.0	155.22
Unleaded 91	138,691.0	153,376.5	172,987.8	167,162.9	166,541.0	174,638.0	379.71
Premium 95	36,770.5	35,089.3	33,455.0	54,357.0	47,031.0	32,211.0	83.75
Ultimate 98	N/A	4,046.0	11,770.0	17,285.0	10,430.0	13,148.0	34.18
Total Litres of Fuel	220,215.6	246,508.4	275,768.7	296,755.5	282,174.0	279,699.0	652.86

Table 1 - Fuel consumption for Council's fleet

The peak in Council's fuel consumption occurred in 2002/2003. In 2004/2005 fuel consumption continued to drop reflecting more fuel efficient vehicles entering the fleet, thereby cancelling out the impact of additional vehicles and an additional 400,000 kilometres travelled per annum in 2004/2005 due to increased services delivered into the community. Through this and future vehicle tender processes, Council is endeavouring to reduce the fuel consumption per 100 kilometres per vehicle to ensure continuing fuel reductions.

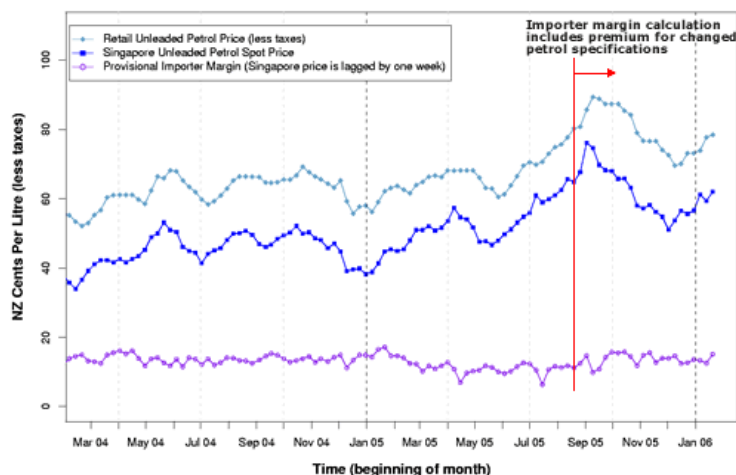


Figure 1 - Unleaded Petrol Prices (Less Taxes)

The above graph indicates international fuel prices that have been escalating internationally due to impacts on supply from weather related events, political instability, Global oil production levels and increasing demand. There is also an emerging debate as to whether the world has reached 'peak oil'. Therefore, any improvements in vehicle fuel efficiency will not only reduce the CO2 generated, it will also benefit in minimising or reducing future fuel costs

Over time changes to vehicles has improved the fuel efficiency of the fleet but most of these changes were not understood at the time. The Council has already purchased three hybrid petrol/electric vehicles (rated at 4.4 litres/100km) and amended the Fleet Remuneration Policy to encourage the selection of hybrid petrol/electric vehicles for the medium car range where they are economically viable to Council and the staff members involved.

In 2004 a Fleet Check Audit was conducted on the Council fleet to review the energy efficiency, air emissions and usage of the vehicles. Recommendations in the Action Plan included incorporating greater emphasis on environmental criteria for the procurement criteria. Ongoing monitoring of the fuel efficiency of Council vehicles has continued and education for staff on fuel efficient operation of vehicles.

The following sustainability criteria have been included into this vehicle procurement tender process:

- Sustainability 20%:
 - Litres/100 km (7 litres/100km for small cars and 10 litres/100km for utility vehicles);
 - Euro Standard for Air Emissions.

- Specifications and Safety Rating 35%:
 - ANCAP crash test results (aim 4 stars out of 5);
 - Safety features including but not limited to air bags, ABS braking, soundproofing, seat belt pretensioners, anti-webbing, side intrusion bars, dual system hydraulic braking system;
 - Compliance with vehicle specifications.
- Price 35% (based on full life cycle costs, not just purchase cost):
 - ‘All In’ purchase cost (may include warrant and servicing);
 - Additional cost for warranty;
 - Additional cost for servicing;
 - Estimated fuel cost (based on km/month of vehicles being replaced and fuel efficiency rating litres/100km);
 - Less potential resale value (based on depreciation rate of 20% per annum).
- Buy Waitakere 5% - the following weightings were considered by the evaluation team; if the vehicles were purchased from Waitakere City at a 50% weighting and a further 50% if they had a servicing arm within Waitakere City;
- Warranty 5%:
 - Warranties/guarantees/servicing.

SCOPE OF WORK

This fleet replacement programme incorporates the replacement of 45 vehicles. These include a number of logo general-purpose pool and dedicated vehicles (currently predominantly Holden Barinas) and specific business requirement vehicles such as utilities and vans.

Vehicle Categories

Category	Category References	Number of Vehicles Replaced	Km/Month of Replaced Vehicles
A 1.3 - 1.5 litre			
Category A1 Table 4	3 or 5 door, 2 seater, manual or automatic (not pre-selected)	9	9,795
Category A1 Auto Table 5	3 or 5 door, 2 seater, automatic	16	16,959
Category A2 Table 6	5 door, rear seats removed, manual or automatic	5	6,524
Category A3 Table 7	5 door, rear seats installed, manual or automatic	2	2,374
Category A3 Auto Table 8	5 door, rear seats installed, Automatic	1	1,612
Category A4 Table 9	5 door, 5 seater, manual station wagon	1	1,306
B Fleet Utilities			
Category B1 Table 10	5 speed manual gearbox, 3 door	2	2,335
Category B2 Table 11	Twin Cab 3.2L Turbo Diesel 4WD Utility	3	4,356
Category B3 Table 12	4WD Tip Tray Utility	1	1,060
C Vans			
Category C1	Passenger Van	1	1,196

Category	Category References	Number of Vehicles Replaced	Km/Month of Replaced Vehicles
Table 13			
Category C2 Table 14	Short wheel based van	1	1,360
Category C3 Table 15	Small Utility Van (up to 1.6 litre)	3	4,644
	Total	45	53,521

Table 2 - Replacement Vehicle

To enable competitive tendering it was noted in the tender document that tenderers could submit pricing for one or more of the categories noted in Table 1. This methodology could have resulted in more than one dealer supplier in each category so that Council gets the best possible fleet car for each particular category.

TENDERS RECEIVED

Tenders were invited from major distributors of all relevant makes of vehicle from within Waitakere City. Where there was no local distributor for a particular make of vehicle tenders were then sent to other distributors within the Auckland region.

Six (6) tenders were received by the closing date of 16 December 2005. Confirmation of the tenders as still being current was confirmed in writing to Council in April 2006. These are summarised in Table 3 below:

TENDERER	SITUATED AT
West City Holden	Waitakere City
Auckland Motors Mitsubishi	Waitakere City
Honda Cars Newmarket	Newmarket
North Western Toyota	Waitakere City
John Andrew Ford/Mazda	Waitakere City
Perry Motors	Waitakere City

Table 3 - Summary of Tenders submitted

TENDER EVALUATION

The tender sum is based on full life cycle cost for tender evaluation purposes only.

- Price 35% (based on full life cycle costs, not just purchase cost):
 - 'All In' purchase cost (may include warrant and servicing);
 - Additional cost for warranty;
 - Additional cost for servicing;
 - Estimated fuel cost (based on km/month of vehicles being replaced and fuel efficiency rating litres/100km);
 - Less potential resale value (based on depreciation rate of 20% per annum).

The top three ranking vehicles were test driven by four staff members representing different needs out of a score of five points. The weighted average for Holden Barina was 4.18; Daihatsu Sirion was 3.77; and Toyota Yaris was 3.49.

Tender Evaluation	Attributes		Sustainability	Warranty	Buy Waitakere	Safety	Specs	Price	Total Weights
	Weights		20	5	5	10	25	35	
Tenderer	Total Life Cycle Costs	Grades							INDEX
Holden Barina 3 Dr Hatch Man	\$164,634		65.5	100	100	80	100	69	80
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 Auto	\$179,933		61.0	100	100	80	100	61	77
Ford Fiesta 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
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								

Table 4 - 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	
Tenderer	Total Life Cycle Costs	Grades							INDEX
Holden Barina 3 Dr Hatch Auto	\$321,941		61.0	100	100	80	100	67	79
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
Toyota Yaris 1.5 5 Dr hatch	\$432,638		66.5	100	100	100	100	39	72
Mazda2 1.5 5 Dr	\$386,261		54.0	100	100	80	100	50	71
Ford Fiesta 1.6 5 Dr	\$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								

Table 5 - A1 3 or 5 door, Automatic only

Tender Evaluation	Attributes	Sustainability	Warranty	Buy Waitakere	Safety	Specs	Price	Total Weight
	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
Holden Barina 5 Dr Hatch Manual	\$96,754.25	65.5	100	100	80	100	67	79
Toyota Yaris 1.3 5 Dr hatch	\$111,962.82	70.0	100	100	100	100	54	78
Toyota Yaris 1.5 5 Dr hatch	\$124,626.54	69.5	100	100	100	100	43	74
Ford Fiesta 1.6 5 Dr	\$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 Dr	\$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	80	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

Table 6 - 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
Holden Barina 5 Dr Hatch Manual	\$32,860.99	65.5	100	100	80	100	69	80
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 Auto	\$36,017.88	61.0	100	100	80	100	61	77
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 Dr	\$41,132.71	67.0	100	100	80	100	48	73
Mazda2 1.5 5 Dr	\$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							

Table 7 - 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	\$15,845.37	72.0	100	100	80	95	68	80	
Toyota Yaris 1.3 5 Dr hatch	\$18,325.91	70.0	100	100	100	100	55	78	
Holden Barina 5 Dr Hatch Auto	\$17,028.05	61.0	100	100	80	100	61	77	
Toyota Yaris 1.5 5 Dr hatch	\$20,057.03	69.5	100	100	100	100	46	75	
Suzuki Swift 1.5 5 Dr Hatch	\$18,543.59	67.5	100	100	80	95	54	74	
Ford Fiesta 1.6 5 Dr	\$19,364.37	67.0	100	100	80	100	49	74	
Mazda2 1.5 5 Dr	\$18,573.45	57.0	100	100	80	100	53	73	
Honda Jazz	\$18,540.68	73.0	100	0	80	100	54	71	
Mitsubishi Colt 1.5 LS	\$19,090.02	58.0	100	100	80	95	51	71	
Mitsubishi Colt Plus 1.5 LS Hatch	\$20,303.23	58.0	100	100	80	95	44	69	
Toyota Prius 1.5 Hybrid 5 Dr Hatch	\$28,049.76	86.0	100	100	100	95	4	62	
Med.n Tender Price	\$19,227.19								

Table 8 - A3 5 door, rear seats installed, 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	
Toyota Corolla 1.8 5 Dr wagon	\$15,701.66	62.0	100	100	80	100	67	79	
Holden Viva 5 Dr wagon	\$17,455.29	63.0	100	100	100	100	57	78	
Nissan Pulsar 1.5 LX	\$20,221.91	46.0	100	100	80	100	43	67	
Mitsubishi Lancer ES Wagon	\$21,101.44	41.0	100	100	80	100	38	64	
Med.n Tender Price	\$18,838.60								

Table 9 - 4 5 door, 5 seater, Manual Station Wagon

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	
Holden Rodeo Spacecab 4x2	\$60,080.69	52.5	100	100	60	100	64	74	
Toyota Hilux 2WD Single cab / chassis	\$69,403.97	62.0	100	100	60	100	51	71	
Mazda Bounty Cab plus	\$69,941.80	44.5	100	100	60	100	50	67	
Ford Courier XLT 4x2	\$72,948.35	44.5	100	100	60	100	46	66	
Toyota Hilux 4WD Extra cab / chassis	\$80,700.02	62.5	100	100	60	100	35	66	
Med.n Tender Price	\$69,941.80								

Table 10 - B1 - 5 speed manual gearbox, 3 door

Tender Evaluation	Attributes		Sustainability	Warranty	Buy Waitakere	Safety	Specs	Price	Total Weights
	Weights		20	5	5	10	25	35	
Tenderer	Total Life Cycle Costs	Grades							INDEX
Holden Rodeo Crewcab 4x4 LX	\$117,055.48	52.5	100	100	60	100	57	71	
Toyota Hilux 4WD Double Cab	\$135,605.60	62.5	100	100	60	100	42	68	
Ford Courier Crew 4x4	\$124,177.66	44.5	100	100	60	100	51	68	
Mazda Bounty Dbl Cab 4x4	\$125,919.34	44.5	100	100	60	100	50	67	
Mitsubishi Triton 4WD 2.8 ICTD D/Cab	\$130,396.53	52.5	100	100	0	100	46	62	
Med.n Tender Price	\$125,919.34								

Table 11 - B2 - Twin Cab 3.2L Turbo Diesel 4WD Utility

Tender Evaluation	Attributes		Sustainability	Warranty	Buy Waitakere	Safety	Specs	Price	Total Weights
	Weights		20	5	5	10	25	35	
Tenderer	Total Life Cycle Costs	Grades							INDEX
Holden Rodeo Space cab 4x4	\$25,668.62	52.5	100	100	60	100	65	74	
Toyota Hilux 4WD Extra Cab / Chassis	\$30,994.02	62.5	100	100	60	100	48	70	
Mazda Bounty Cab Plus 4x4 cab/chassis	\$29,567.90	46.5	100	100	60	80	52	64	
Ford Courier Cab Plus 4x4 cab/chassis	\$30,322.55	44.5	100	100	60	80	50	62	
Mitsubishi Triton 4WD 2.8 ICTD D/Cab	\$30,969.66	52.5	100	100	0	100	48	62	
Med.n Tender Price	\$30,322.55								

Table 12 - B3 - 4WD Tip Tray Utility

Tender Evaluation	Attributes		Sustainability	Warranty	Buy Waitakere	Safety	Specs	Price	Total Weights
	Weights		20	5	5	10	25	35	
Tenderer	Total Life Cycle Costs	Grades							INDEX
Mazda E2000	\$28,671.99	44.5	100	100	60	95	54	67	
Toyota Hiace 2.7 LWB	\$30,895.88	47.0	100	100	0	100	46	61	
Med.n Tender Price	\$29,783.94								

Table 13 - C1 - Passenger Van

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
Ford Econovan 1.8 SWB	\$25,347.34	44.5	100	100	60	95	54	68
Mazda E1800 SWB	\$25,578.87	44.5	100	100	60	95	53	67
Mitsubishi L300 2.4 SWB Van	\$27,352.12	46.0	100	100	60	80	47	62
Toyota Hiace 2.7 SWB 5 Dr van	\$29,125.13	47.0	100	100	0	100	40	58
Med.n Tender Price	\$26,465.50							

Table 14 - C2 - Short Wheel Based Van

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
Holden Combo	\$64,732.02	83.5	100	100	80	95	68	82
Toyota Corolla 5 Dr Wagon	\$79,172.74	77.0	100	100	80	80	50	71
Suzuki APV 1.6	\$67,793.21	64.5	100	100	0	80	64	65
Ford Econovan 1.8 SWB	\$83,224.66	44.5	100	100	60	95	45	64
Mazda E1800 SWB	\$84,188.97	44.5	100	100	60	95	44	64
Med.n Tender Price	\$79,172.74							

Table 15 - C3 - Small Utility Van (up to 1.6L)

TAGS, ERRORS OR OMISSIONS

The warranty period of 100,000km/three years was omitted from the Category C Vans. The tenderers were contacted to confirm that the 100,000 km/three years applied to the vans and were asked to provide written documentation confirming warranty period for the Category C Vans, this information was provided to Council in a written format.

Clarification was sought from West City Holden regarding the additional servicing costs after the 45,000km/three year service additional to the 'All In' price to incorporate into the life cycle cost for servicing of the vehicles for when they had travelled between 45,000km to 100,000km, to be comparable to the other tenders received.

Auckland Motors Mitsubishi submitted Triton 2 WD Ute for Category B 1 Utility Vehicles this was excluded from the tender process as this vehicle has no airbags (failing safety requirements) and therefore Auckland Motors Mitsubishi provided no further information or pricing in the tender process.

Tenders submitted information on fuel efficiency and ANCAP crash test results for the majority of the 76 vehicle evaluated in the 11 vehicle categories. Fuel efficiency ratings were estimated for all Category A1 5 door, Automatic (as fuel consumption ratings were only provided for A1 3 or 5 door, Manual or Automatic) and two other vehicles based on similar vehicles in the Australian Green Vehicle Guide fuel consumption database if they were not provided. Crash test results were estimated for 13 vehicles using non-New Zealand database ANCAP crash test results where crash test results could not be found in New Zealand or international databases for five vehicles - all were utility vehicles and vans. It should be noted that while the attributes for Safety included that the LTSA (ANCAP) Crash Test Results must be four stars or an international equivalent, this was difficult to achieve in Category B and C due to the nature of safety improvement (or lack of) in this type of vehicle.

CREDIT CHECK

A credit check dated 6 March 2006 on West City Holden, North Western Toyota and John Andrew Limited revealed no adverse information.

SUMMARY

This is the first vehicle tender evaluation to incorporate more detailed Sustainability, Safety (ANCAP crash test results) attributes, and use life cycle costs for evaluating price. Therefore the 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.

In some cases the tender evaluation shows the same or similar total weighting in the tender evaluation process, the determining factor for choosing the confirmed tender on these categories was factored by either, best life cycle costs, safety, driving tests provided by staff. There were only two categories where the above occurred:

- **Category A2** - five door, rear seats removed manual or automatic - Table 6. Both the Holden Barina five door Hatch Manual and the Daihatsu Sirion 1.3 5 door hatch resulted in a similar weighting of 79. We have chosen to go with the Holden Barina due to test drive results.
- **Category C3** - Small Utility Van (up to 1.6L) - Table 13. Both the Ford Econovan 1.8 SWB and the Mazda E1800 SWB have resulted in a similar weighting of 61. We have chosen to go with the Ford Econovan due to lower life cycle costs as all other areas are comparable.

In the latest NZ Local Government Magazine (Vol 42 No.2) states *“As Councils increasingly face rising costs of petrol, diesel, maintenance and parts, a vehicle fleet management specialist is urging them to use a ‘whole of life costing model to help keep control of out-goings. Councils probably need to get away from the price mentality when buying a vehicle, because often the cheapest vehicle to buy on any one day isn’t necessarily the cheapest vehicle to run over a longer term”.*

On-going monitoring for vehicle fuel efficiency during operation compared to the fuel efficiency ratings and resulting life cycle costs will assist in forming the continuation or adaptation of the methodology for the next tender round.

The last time Council went out to tender the winning vehicle (Holden Barina) used 7.5 litres per 100 km's. With the new tender, vehicles have improved technology (Holden Barina) uses 6.90 litres per 100 km's. This shows a clear savings to Council on fuel in the amount of 2,645 litres of fuel for manual and automatic vehicles over 36 months. This reflects how car manufacturers are improving the fuel consumption of their products over time and as customers we benefit.

This is an estimated savings of \$24,019.63 over 36 months.

It is recommended that the contract for the supply of fleet vehicles be negotiated with three different suppliers based upon their tender.

It is also recommended that the contract period be based on the three year pricing.

JOB COSTS

Lowest price per vehicle for each category including the number of vehicles that are being replaced and the total life cycle costs.

Category	Vehicle Make/Model	Cost per Vehicle	Number of Replacement Vehicles	Total Purchase Cost	Total Life Cycle Costs
A1	Holden Barina 3 dr Hatch Manual and Auto	\$13,490.00	9	\$121,411.00	\$164,634.00
A1 Auto	Holden Barina 3 dr Hatch Automatic only	\$14,627.00	16	\$234,047.00	\$321,941.00
A2	Holden Barina 5 dr Hatch Manual	\$14,912.00	5	\$74,561.00	\$96,754.00
A3	Holden Barina 5 dr Hatch Manual and Auto	\$14,134.00	2	\$28,268.00	\$32,860.00
A3 Auto	Daihatsu Sirion 1.3 5 Dr Hatch	\$16,662.00	1	\$16,662.00	\$15,845.00
A4	Toyota Corolla 1.8 5 Dr Wagon	\$15,822.00	1	\$15,822.00	\$15,701.00
B1	Holden Rodeo Spacecab 4x2	\$32,247.00	2	\$64,494.00	\$60,080.00
B2	Holden Rodeo Crewcab 4x4 LX	\$38,933.00	3	\$116,80.00	\$117,055.00
B3	Holden Rodeo Space Cab 4x4	\$36,361.00	1	\$36,361.00	\$25,668.00
C1	Mazda E2000	\$28,893.00	1	\$28,893.00	\$28,671.00
C2	Ford Econovan 1.8 SWB	\$21,625.00	1	\$21,625.00	\$25,347.00
C3	Holden Combo	\$20,086.00	3	\$60,259.00	\$64,732.00

SOURCE OF FUNDING

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.

RECOMMENDATIONS

1. That the Fleet Replacement - 2006 report be received.

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.
3. That contract for the purchase of **one** Daihatsu Sirion 1.3 5 Door Hatch and **one** Toyota Corolla 1.8 5 Door Wagon be approved to be entered into with North Western Toyota for the total purchase price of \$40,735.84 plus GST \$5,091.98 totalling \$45,827.82.
4. That contract for the purchase of **one** Mazda E2000 and **one** Ford Econovan 1.8 SWB be approved to be entered into with John Andrew Ford/Mazda for the total price of \$50,519.45 plus GST \$6,314.93 totalling \$56,834.38.
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.

Report prepared by: Leigh Radovan, Administration Team Manager.

