



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**                    **24 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.

pp. *Sharan Simiona* .

17 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, 24 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 - Friday, 10 March 2006

**RECOMMENDATION**

That the minutes of the Meeting of the Tenders Subcommittee held on Friday, 10 March 2006, as circulated, be taken as read and now be confirmed.



#### 4 **CONTRACT NO. TA04535C - WAIPAREIRA/WOODFORD AVENUE LINK**

##### **PURPOSE OF THE REPORT**

The purpose of this report is to seek approval to award Contract No. TA04535C - Waipareira/Woodford Avenue Link.

##### **BACKGROUND**

The new road link between Woodford Avenue and Waipareira Avenue is to be built to provide continuity in the roading network. It will provide a road link to the east for the Woodford Avenue, Epping Road, Buscomb Avenue and the surrounding area including the Waitakere Hospital. It will reduce reliance on Lincoln Road to provide a route to the east. The Waipareira Avenue link is part of the 2005/2006 Annual Plan.

##### **SCOPE OF WORK**

This contract is for the construction of the new road link between Waipareira Avenue and Woodford Avenue (180 metres) plus a roundabout. The works include the following:

- Site clearance;
- Earthworks;
- Construction of new road and footpath;
- Re-construct cul-de-sac into a roundabout;
- New drainage construction;
- Topsoil and grassing.

##### **TENDERS RECEIVED**

Tenders were publicly advertised with nine sets of documents being uplifted. Five (5) tenders were received by the closing date of 7 March 2006. These are summarised in Table 1 below:

<b>TENDERER</b>	<b>REG OFFICE</b>	<b>TENDER PRICE (excl. GST)</b>
HEB Smithbridge Limited	Auckland	\$ 381,876.23
Ken Rintoul Contractors Limited	Te Atatu	\$ 399,715.02
Blacktop Construction	Manukau	\$ 549,640.28
P&M Paving and Construction	Auckland	\$ 558,361.50
Arrow Civil Engineers Limited	Auckland	Disqualified
<b>Pre-tender contract estimate</b>		\$ 360,140.00

**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".

These procedures require that where the tender includes Provisional Sums (work valued by the Principal and placed within the Schedule of Prices) they are deducted from the Tender Sum prior to evaluating each tender.

In this contract the value of Provisional Sums is \$32,000.

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.

Tender Evaluation	Attributes	Exper	Track Record	Tech Skills	Resource	Management	Method	Price	Total Weight
Tenderer	Weight								
	Tender Sum	Grades							Index
HEB Smithbridge Limited	\$349,876.23	79	83	76	69	76	79	71	73
Ken Rintoul Contractors Limited	\$367,715.02	67	69	63	61	62	70	67	67
Blacktop Construction	\$517,640.28	79	77	73	66	74	74	33	45
P&M Paving and Construction	\$526,361.50	60	67	55	57	56	57	31	39
Arrow Civil Engineers Limited		64	35	62	58	35	62	100	Disqualified
Median Tender Price	\$442,677.65								

**Table 2 - Summary of Tender Evaluation**

HEB Smithbridge Limited achieved the highest index of 73 and also attained the highest attribute score on all the attributes. They are working for Waitakere City Council in a number of projects with acceptable results. The pre-tender estimate is within ten percent of the tender price for HEB Smithbridge Limited.

Arrow Civil Engineers Limited was given a score of 35 for both their track record and management skills due to past performance within Waitakere City Council and was thus disqualified.

### CREDIT CHECK

A credit check for HEB Smithbridge Limited dated 9 December 2005 revealed no adverse information. They attained a dynamic risk score of 1401 with the industrial average being 1409. HEB Smithbridge Limited has a low probability of experiencing financial distress.

### SUMMARY

The results of the tender evaluation as summarised in Table 2 shows that the tender submitted by HEB Smithbridge Limited achieved the highest index of 73. This tender is also the lowest priced tender.

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**

	<b>Excl. GST</b>
Tender sum - (HEB Smithbridge Limited)	\$381,876.23
Contingency	\$ 19,093.81
Engineering & Supervision	\$ 33,753.96
Total Job Cost	\$434,724.00

**SOURCE OF FUNDING**

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to other Projects	Allocation to This Project	Unallocated Balance
Land Waipareira Woodford	75-9886-45990	\$404,524	\$0.00	\$404,524	\$0.00
Contributions to Subdividers	75-9814-30680	\$40,000	\$9,800	\$30,200	\$0.00
Total				\$434,724	

**RECOMMENDATIONS**

1. That the Contract No. TA004535C - Waipareira/Woodford Avenue Link report be received.
2. That the tender from HEB Smithbridge Limited for Contract No. TA04535C - Waipareira/Woodford Avenue Link in the sum of \$381,876.23 plus \$47,734.53 GST, totalling \$429,610.76 be accepted.
3. That authority to enter into Contract No. TA04535C - Waipareira/Woodford Avenue Link on behalf of Council be delegated to Group Manager: Asset Management.

Report prepared by: Edwin Dearham, Principal Transport Engineer Construction.

