



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**                    **14 September 2007**                    **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.

pp.

11 September 2007

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: Strategic Performance

Director: Strategic Planning

Director: Public Affairs

Director: Finance

Mayor RA Harvey, QSO, JP (ex officio)

Deputy Mayor CA Stone (ex officio)

(Quorum 3 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, 14 SEPTEMBER 2007,  
COMMENCING AT 9.00 AM**

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**AGENDA FOR A MEETING OF THE TENDERS SUBCOMMITTEE TO BE HELD AT  
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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 CONFLICTS OF INTEREST**

The Council has acknowledged in its Code of Conduct that Elected Members need to be vigilant to stand aside from decision making when a conflict arises between their role as a member of the Council and any private or other external interest they might have. This note is provided as a reminder to members to check that no such conflicts arise in relation to any items on this agenda.



**4 CONFIRMATION OF MINUTES**

Meeting Minutes - 31 August 2007

**RECOMMENDATION**

That the minutes of the Meeting of the Tenders Subcommittee held on Friday, 31 August 2007, as circulated, be taken as read and now be confirmed.



5 **CONTRACT NO. TA06031B - BUS SHELTER CONSTRUCTION AND RENEWAL 2006/2007- APPROVAL TO EXTEND**

**PURPOSE OF THE REPORT**

The purpose of this report is to seek approval from the Tenders Subcommittee to extend Contract No. TA06031B - Bus Shelter Construction and Renewal 2006/2007 for the first of two one-year extensions for the 2007/2008 financial year.

**BACKGROUND**

Waitakere City Council currently has an asset of 204 bus shelters in Waitakere City. Many of the existing bus shelters are very old and need renewal. In addition, Waitakere City Council has a policy to increase the number of bus shelters in the City to encourage the use of public transport facilities.

This contract provides renewal of existing damaged or outdated bus shelters and installation of new bus shelters where required.

Approval to award the contract was given by the Tenders Subcommittee on 15 December 2006 with an initial approval period to 30 June 2007 with the following recommendation:

*"4. That authority to extend Contract No. TA06031B - Bus Shelter Construction and Renewal 2006-2007 for an additional 1+1 years be reported back to the Tenders Subcommittee for approval.."*

2537/2006

**SCOPE OF WORK**

This contract provides for the construction and installation of bus shelters on public roads within Waitakere City.

The extent of the contract works includes, but is not limited to, the following:

- Manufacture and installation of 26 shelters to an agreed design. Ten shelters will be at new approved sites and 16 will be renewal of shelters that are in poor condition.

**CONTRACTOR PERFORMANCE**

Adshel New Zealand Limited has confirmed that they will carry out the contract for a further 12 months if offered the opportunity.

An evaluation of Adshel New Zealand Limited's performance to date contains the following features:

- They have developed good working relationships with Council staff.
- They are quick to react to urgent requests and have adequate level of resource for the works.
- They have good technical ability and the quality of workmanship of completed jobs is to a good standard.
- No complaints regarding workmanship received from public.
- No complaints relevant to health and safety or environmental issues have been received.

## JOB COSTS

Tender sum for 12 months	\$254,000.00
Engineering and supervision	\$ 15,000.00
Consultation, Resource Consent Applications and Consent Fees	<u>\$ 15,000.00</u>
Total Job Cost	\$ 284,000.00

## SOURCE OF FUNDING

2007/2008 Draft Annual Plan	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Bus shelter construction	8AMTA -07- 092	\$128,000	Nil	\$128,000	Nil
Bus shelter renew	8AMTA -07- 012	\$236,000	\$80,000	\$156,000	Nil
	Total			\$ 284,000	

## SUMMARY

Adshel New Zealand Limited has carried out their contractual obligations during the last year to a very good standard and to the satisfaction of the Council.

It is therefore recommended that Adshel New Zealand Limited be granted the first contract extension for Contract No. TA06031B - Bus Shelter Construction and Renewal 2006/2007, for the period 1 July 2007 to 30 June 2008.

## RECOMMENDATIONS

1. That the Contract No. TA06031B - Bus Shelter Construction and Renewal 2006/2007 - Approval to Extend report be received.
2. That approval be granted to extend Contract No. TA06031B - Bus Shelter Construction and Renewal 2006/2007 to Adshel New Zealand Limited in the sum of \$254,000.00 plus \$31,750.00 GST totalling \$285,750.00 for the annual period 1 July 2007 to 30 June 2008.
3. That the total commitment of \$ 284,000.00 excluding GST to the Annual Plan 2007/2008 for Contract No. TA06031B - Bus Shelter Construction and Renewal 2006/2007 be approved.
4. That authority to extend Contract No. TA06031B - Bus Shelter Construction and Renewal 2006/2007 for the annual period 1 July 2007 to 30 June 2008, on behalf of Council, be delegated to the Group Manager: Project Services.

Report prepared by: Neil Prendiville, Roading Projects Manager



**6 CONTRACT NO. PY06055B - HOUSING FOR OLDER ADULTS REFURBISHMENT - KAURILANDS**

**PURPOSE OF THE REPORT**

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. PY06055B - Housing for Older Adults Refurbishment - Kaurilands.

**BACKGROUND**

Council is undertaking a four year project to upgrade and refurbish all of its Housing for Older Adults Villages, this report is regarding the refurbishment of Kaurilands Village, 18 Kaurilands Rd, Titirangi.

**SCOPE OF WORK**

This contract is for the refurbishment (as per approved plans) of all units (excluding unit 1 which was completed as a pilot for the project) at Kaurilands Court, 18 Kaurilands Rd, Titirangi in the following areas:

<b>Front Entrance</b>
New sensor light, security chain, viewer, screen door and paint.
<b>Bathroom</b>
Walk in shower, with new paint and flooring
<b>Bedroom</b>
New wall, paint and flooring.
<b>Kitchen</b>
New kitchen, paint and flooring
<b>Back Door/Porch/Outdoor Area</b>
New paving, trellis, and washing line
<b>Lounge</b>
Paint and new floor coverings
<b>Electrical</b>
New switch board, new light fittings, switches and power points
<b>General</b>
New restrictor stays, window latches, curtain tracks, door stops

Due to many of the units being tenanted the contract has separable portions to account for the moving of tenants, the stages of work are as follows:

<b>Stages</b>	<b>Starting Date</b>	<b>Completion Date (incl. CCC)</b>
Stage 1 - units 4, 6, 14, 16, 19	1 / 10 / 07	2 / 11 / 07
Stage 2 - units 9, 10, 11, 12, 13, 15	12 / 11 / 07	14 / 12 / 07
Stage 3 - units 17, 18, 20, 21, 22,	24 / 12 / 07	1 / 2 / 08
Stage 4 - units 2, 3, 5, 7, 8	11 / 2 / 08	17 / 3 / 08

Completion of each stage requires the contractor to obtain Certificate of Code of Compliance (CCC). Progress payments will be made at the completion of each stage.

## TENDERS RECEIVED

Tenders were posted on tender link and publicly advertised with 20 sets of documents being uplifted. Five tenders were received by the closing date of 28 August 2007. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
Edgecity Builders Ltd	PO Box 15320 New Lynn	\$563,798.00
Spacework Ltd	PO Box 60322	Non complying
Mag Building Services	64C Luke St, Otahuhu	\$610,031.00
Meridian Construction	PO Box 101675, NSMC	\$753,362.35
Infrastructure Management Ltd	108 Highbridge Rd, RD2, Papakura	\$965,487.57
<b>Pre-tender contract estimate</b>		\$501,651.00

**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 Number PY06055B
									Total Weights
	<b>Weights</b>	<b>10</b>	<b>10</b>	<b>5</b>	<b>10</b>	<b>10</b>	<b>5</b>	<b>50</b>	<b>100</b>
Tenderer	Tender Sum	Grades							INDEX
Edgecity Builders Ltd	\$563,798.00	80	80	80	75	75	70	67	72
Mag Building Services	\$610,031.00	75	70	80	70	80	75	61	68
Meridian Construction	\$753,362.35	35						39	Disqualified
Infrastructure Management	\$965,487.57	68	58	59	50	54	36	8	32
<b>Med.n Tender Price</b>	\$681,696.68								

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

**Table 2 - Summary of Tender Evaluation**

Edgecity Builders Ltd scored highest in the evaluation. Edgecity Builders Ltd have completed a number of projects for Council as well as providing response maintenance for Council's properties (including Housing for Older Adults). They were awarded the project pilot for Flagstaff Village and have made good progress. Edgecity Builders Ltd employ their own carpenters and labourers and have built up good working relationships with their other sub contractors. They have an automated accounting and office systems and project management software. They have sound operational procedures and practices. They are members of Certified Builders and Site Safe and have robust Health and Safety systems. They ensure they employ methods to minimise environmental damage and have well established communication channels with Council.

Mag Building Services also scored well in the evaluation but it was found that Edgecity Builders Ltd outscored them on the basis of experience and track record as well as the fact that Edgecity Builders Ltd employ a large number of qualified builders as well as labourers and apprentices. Mag Building Services have a strong management structure which was also reflected in their methodology yet they do not employ any builders, relying instead on subcontractors for all of the trades.

Meridian Construction supplied no evidence of the non price weighted attributes which meant those areas could not be evaluated. Follow up was not undertaken to obtain further information, as Meridian Construction tender prices were significantly higher than most other tenders.

### **TAGS, ERRORS OR OMISSIONS**

Edgecity Builders Ltd tagged no allowance for; the upgrade of the electrical supply or circuit breaker protection, mains supply or the amplifying of the TV signal required. They also queried the timeframes for the stages. A tender clarification meeting was held on 3 September 2007 and it was accepted that Stage 3 would start on 14 January 2008 (as opposed to 24 December 2007), with the timeframes for the remaining stages being moved out accordingly. The tags are acceptable and were not included in the project scope.

Spacework Ltd's tender was non conforming due to the fact that they did not complete any of the required forms, they did not provide any evidence for the other weighted attributes and only supplied a tender price for stage 1 of the village.

Mag Building Services did not supply the acceptance of the notice for tenderers, this was supplied on 31 August 2007. Mag Building Services confirmed that although they had not acknowledged the notice to tenderers that was sent out, this did not alter their original tendered price.

Meridian Construction tagged a number of items but due to the fact that their tender was disqualified there was no follow up of these tags.

Infrastructure Management Ltd had no tags, errors or omissions.

### **CREDIT CHECK**

A credit check dated 30 August 2007 on Edgecity Builders Ltd revealed a significant dynamic risk score which indicates some risk. However they are only just in the 'significant' range and Council has a good work history with Edgecity Builders Ltd and have experienced no problems that would cause concern. City Services are also aware that Edgecity Builders Ltd are currently engaged in a number of other works within Council.

### **JOB COSTS**

	<b>excl. GST</b>
Tender sum - Edgecity Builders Ltd	\$563,798.00
Contingency	\$33,377.00
	-----
Total Job Cost	\$597,175

## SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to this Project	Unallocated Balance
PY06055B - Housing for Older Adults Refurbishment Kaurilands	74000 8AMPP-07-161	\$2,417,000	1,819,825	597,175	0

Budget commitments include Jack Smyth, Kaumatua and Flagstaff tenders, plus the pilot units already built or under way.

## SUMMARY

The results of the tender evaluation as summarised in Table 2 shows that the tender submitted by Edgcity Builders Ltd achieved the highest index of 72. This tender is also the lowest priced tender.

It has been recommended that all four current tenders for the Housing for Older Adults Refurbishment Project be awarded to Edgcity Builders Ltd. Edgcity Builders Ltd have provided written confirmation that can meet all timeframes, as set out in the Tender Documents, should they be awarded all four contracts.

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.

## RECOMMENDATIONS

1. That the Contract No. PY06055B - Housing for Older Adults Refurbishment - Kaurilands report be received.
2. That the tender from Edgcity Builders Ltd for Contract No. PY06055B - Housing for Older Adults Refurbishment - Kaurilands in the sum of \$563,798.00 plus \$70,474.75 GST, totalling \$634,272.75 be accepted.
3. That authority to enter into Contract no. PY06055B - Housing for Older Adults Refurbishment - Kaurilands on behalf of Council be delegated to Group Manager: Asset Management.

Report prepared by: Nikki Watkins, Project Manager, Property Assets Team.



7 **CONTRACT NO. PY06055C - HOUSING FOR OLDER ADULTS REFURBISHMENT - FLAGSTAFF**

**PURPOSE OF THE REPORT**

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. PY06055C - Housing for Older Adults Refurbishment - Flagstaff.

**BACKGROUND**

Council is undertaking a four year project to upgrade and refurbish all of its Housing for Older Adults Villages, this report is regarding the refurbishment of Flagstaff Village, 6 Flagstaff Road, Massey.

**SCOPE OF WORK**

This contract is for the refurbishment (as per approved plans) of all units (excluding unit 20 which was completed as a pilot for the project) at Flagstaff Village, 6 Flagstaff Road, Massey in the following areas:

<b>Front Entrance</b>
New sensor light, security chain, viewer, screen door and paint
<b>Bathroom</b>
Walk in shower, with new paint and flooring
<b>Bedroom</b>
New paint and flooring
<b>Kitchen</b>
New kitchen, paint and flooring
<b>Back Door/Porch/Outdoor Area</b>
New paving , trellis and washing line
<b>Lounge</b>
Paint and new floor coverings
<b>Electrical</b>
New switch board, new light fittings, switches and power points
<b>General</b>
New restrictor stays, window latches, curtain tracks and door stops

Due to many of the units being tenanted the contract has separable portions to account for the moving of tenants, the stages of work are as follows:

<b>Stages</b>	<b>Starting Date</b>	<b>Completion Date (incl. CCC)</b>
Stage 1 - units 3, 7, 10, 16	1/10/07	26/10/07
Stage 2 - units 4, 5, 6, 1, 2	5/11/07	30/11/07
Stage 3 - units 12, 13, 9, 14, 15	10/12/07	11/1/08
Stage 4 - units 21, 22, 11, 23, 24	22/1/08	15/2/08
Stage 5 - units 19, 25, 26, 28, 18	25/2/08	21/3/08
Stage 6 - units 27, 17	31/3/08	25/3/08

Completion of each stage requires the contractor to obtain Certificate of Code of Compliance (CCC). Progress payments will be made at the completion of each stage.

## TENDERS RECEIVED

Tenders were posted on tender link and publicly advertised with 12 sets of documents being uplifted. Four tenders were received by the closing date of 28 August 2007. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
Edgecity Builders Ltd	PO Box 15320 New Lynn	\$672,906.00
Mag Building Services	64C Luke St, Otahuhu	\$736,008.00
Infrastructure Management Ltd	108 Highbridge Rd, RD2, Papakura	\$772,416.22
Meridian Construction	PO Box 101675, NSMC	\$931,466.18
<b>Pre-tender contract estimate</b>		<b>\$558,757.00</b>

**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 Number PY06055C
									Total Weights
Weights	10	10	5	10	10	5	50	100	
Tenderer	Tender Sum	Grades							INDEX
Edgecity Builders Ltd	\$672,906.00	80	80	80	75	75	70	61	69
Mag Builders Ltd	\$736,008.00	75	70	80	70	80	75	52	63
Infrastructure Management	\$772,416.32	68	58	59	50	54	36	48	52
Meridian Construction	\$931,446.62	35						27	Disqualified
<b>Med.n Tender Price</b>	\$754,212.16								

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

**Table 2 - Summary of Tender Evaluation**

Edgecity Builders Ltd scored highest in the evaluation. Edgecity Builders Ltd have completed a number of projects for Council as well as providing response maintenance for Council's properties (including Housing for Older Adults). They were awarded the project pilot for Flagstaff Village and have made good progress. Edgecity Builders Ltd employ their own carpenters and labourers and have built up good working relationships with their other sub contractors. They have an automated accounting and office systems and project management software. They have sound operational procedures and practices. They are members of Certified Builders and Site Safe and have robust Health and Safety systems. They ensure they employ methods to minimise environmental damage and have well established communication channels with Council.

Mag Building Services also scored well in the evaluation but it was found that Edgecity Builders Ltd outscored them on the basis of experience and track record as well as the fact that Edgecity Builders Ltd employ a large number of qualified builders as well as labourers and apprentices. Mag Building Services have a strong management structure which was also reflected in their methodology yet they do not employ any builders, relying instead on subcontractors for all of the trades.

Meridian Construction supplied no evidence of the non price weighted attributes which meant those areas could not be evaluated. Follow up was not undertaken to obtain further information, as Meridian Construction tender prices were significantly higher than most other tenders.

### TAGS, ERRORS OR OMISSIONS

Edgecity Builders Ltd tagged no allowance for; the upgrade of the electrical supply or circuit breaker protection, mains supply or the amplifying of the TV signal required. They also queried the timeframes for the stages. A tender clarification meeting was held on 3 September 2007 and it was accepted that Stage 3 would start on 14 January 2008 (as opposed to 10 December 2007), with the timeframes for the remaining stages being moved out accordingly. The tags are acceptable and were not included in the project scope.

Mag Building Services did not supply the acceptance of the notice for tenderers, this was supplied on 31 August 2007. Mag Building Services confirmed that although they had not acknowledged the notice to tenderers that was sent out, this did not alter their original tendered price.

Meridian Construction tagged a number of items but due to the fact that their tender was disqualified there was no follow up of these tags.

Infrastructure Management Ltd had no tags, errors or omissions.

### CREDIT CHECK

A credit check dated 30 August 2007 on Edgecity Builders Ltd revealed a significant dynamic risk score which indicates some risk. However, they are only just in the 'significant' range and Council has a good work history with Edgecity Builders Ltd and have experienced no problems that would cause concern. City Services are also aware that Edgecity Builders Ltd are currently engaged in a number of other works within Council.

### JOB COSTS

	<b>excl. GST</b>
Tender sum - Edgecity Builders Ltd	\$672,906.00
Contingency	\$ 39,836.00
	-----
Total Job Cost	\$712,742.00

### SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to this Project	Unallocated Balance
PY06055C Housing for Older Adults Refurbishment Flagstaff	74000 8AMPP- 07-161	2,417,000.00	1,704,258.00	712,742.00	0

Budget commitments include Jack Smyth, Kaurilands and Kaumatua tenders plus the pilot units already built or under way

### **SUMMARY**

The results of the tender evaluation as summarised in Table 2 shows that the tender submitted by Edgcity Builders Ltd achieved the highest index of 69. This tender is also the lowest priced tender.

It has been recommended that all four current tenders for the Housing for Older Adults Refurbishment Project be awarded to Edgcity Builders Ltd. Edgcity Builders Ltd have provided written confirmation that can meet all timeframes, as set out in the Tender Documents, should they be awarded all four contracts.

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.

### **RECOMMENDATIONS**

1. That the Contract No. PY06055C - Housing for Older Adults Refurbishment - Flagstaff report be received.
2. That the tender from Edgcity Builders Ltd for Contact No. PY06055C - Housing for Older Adults Refurbishment - Flagstaff in the sum of \$672,906.00 plus \$84,113.25 GST, totalling \$757,019.25 be accepted.
3. That authority to enter into Contract No. PY06055C - Housing for Older Adults Refurbishment - Flagstaff on behalf of Council be delegated to Group Manager: Asset Management.

Report prepared by: Nikki Watkins, Project Manager, Property Assets Team.



## **8 CONTRACT NO. PY06055D - HOUSING FOR OLDER ADULTS REFURBISHMENT - JACK SMYTH**

### **PURPOSE OF THE REPORT**

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. PY06055D - Housing for Older Adults Refurbishment - Jack Smyth.

### **BACKGROUND**

Council is undertaking a four year project to upgrade and refurbish all of its Housing for Older Adults Villages, this report is regarding the refurbishment of Jack Smyth Village, " 14 Royal Road, Massey.

## SCOPE OF WORK

This contract is for the refurbishment (as per approved plans) of all units (excluding unit 11 which was completed as a pilot for the project) at Jack Smyth Village, 14 Royal Rd, Massey in the following areas:

<b>Front Entrance</b>
New sensor light, security chain, viewer, screen door and paint
<b>Bathroom</b>
New vanity, toilet and fittings, new paint and flooring
<b>Bedroom</b>
New paint and flooring
<b>Kitchen</b>
New paint and flooring
<b>Outdoor Area</b>
New concrete, trellis, and washing line
<b>Lounge</b>
Paint and new flooring
<b>Electrical</b>
New switch board, new light fittings, switches and power points
<b>General</b>
New restrictor stays, window latches, curtain tracks and door stops

Due to many of the units being tenanted the contract has separable portions to account for the moving of tenants, the stages of work are as follows:

Stages	Starting Date	Completion Date (incl. CCC)
Stage 1 - units 10, 16, 20	1/10/07	19/10/07
Stage 2 - units 18, 17, 15, 19	29/10/07	16/11/07
Stage 3 - units 8, 1, 13, 12	26/11/07	14/12/07
Stage 4 - units 5, 14, 7, 6	24/12/07	18/1/08
Stage 5 - units 4, 2, 3, 9	29/1/08	22/2/08

Completion of each stage requires the contractor to obtain Certificate of Code of Compliance (CCC). Progress payments will be made at the completion of each stage.

## TENDERS RECEIVED

Tenders were posted on tender link and publicly advertised with 10 sets of documents being uplifted. Five tenders were received by the closing date of 28 August 2007. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
Edgecity Builders Ltd	PO Box 15320 New Lynn	\$359,803.00
Mag Building Services	64C Luke St, Otahuhu	\$380,342.00
Infrastructure Management Ltd	108 Highbridge Rd, RD2, Papakura	\$424,271.52
Meridian Construction	PO Box 101675, NSMC	\$500,235.69
E. P. Maddren	PO Box 244, Main Rd Kumeu	\$527,909.00
<b>Pre-tender contract estimate</b>		<b>\$211,906.00</b>

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 Number PY06055D
									Total Weights
Weights	10	10	5	10	10	5	50	100	
Tenderer	Tender Sum	Grades							INDEX
Edgecity Builders Ltd	\$359,803.00	80	80	80	75	75	70	65	71
Mag Building Services	\$380,342.00	75	70	80	70	80	75	60	67
Infrastructure Management Ltd	\$424,271.52	68	58	59	50	54	36	50	53
Meridian Construction Ltd	\$500,235.69	35						32	Disqualified
EP Maddren Construction Ltd	\$527,909.00	55	55	55	55	55	55	26	40
<b>Med.n Tender Price</b>	\$424,271.52								

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

**Table 2 - Summary of Tender Evaluation**

Edgecity Builders Ltd scored highest in the evaluation. Edgecity Builders Ltd have completed a number of projects for Council as well as providing response maintenance for Council's properties (including Housing for Older Adults). They were awarded the project pilot for Flagstaff Village and have made good progress. Edgecity Builders Ltd employ their own carpenters and labourers and have built up good working relationships with their other sub contractors. They have an automated accounting and office systems and project management software. They have sound operational procedures and practices. They are members of Certified Builders and Site Safe and have robust Health and Safety systems. They ensure they employ methods to minimise environmental damage and have well established communication channels with Council.

Mag Building Services also scored well in the evaluation but it was found that Edgecity Builders Ltd outscored them on the basis of experience and track record as well as the fact that Edgecity Builders Ltd employ a large number of qualified builders as well as labourers and apprentices. Mag Building Services have a strong management structure which was also reflected in their methodology yet they do not employ any builders, relying instead on subcontractors for all of the trades.

Meridian Construction supplied no evidence of the non price weighted attributes which meant those areas could not be evaluated. Follow up was not undertaken to obtain further information, as Meridian Construction tender prices were significantly higher than most other tenders.

## TAGS, ERRORS OR OMISSIONS

Edgecity Builders Ltd tagged no allowance for; the upgrade of the electrical supply or circuit breaker protection, mains supply or the amplifying of the TV signal required. They also queried the timeframes for the stages. A tender clarification meeting was held on 3 September 2007 and it was accepted that stage 4 would start on 14 January 2008 (as opposed to 24 December 2007) with the timeframes for the other stages being moved out accordingly. The tags are acceptable and were not included in the project scope.

Mag Building Services did not supply the acceptance of the notice for tenderers, this was supplied on 31 August 2007. Mag Building Services confirmed that although they had not acknowledged the notice to tenderers that was sent out, this did not alter their original tendered price.

Meridian Construction tagged a number of items but due to the fact that their tender was disqualified there was no follow up of these tags.

Infrastructure Management Ltd had no tags, errors or omissions.

EP Maddren tagged no allowance for; re-establishing poor ground or excavating in rock, a new stove or kitchen, safety barricades to each unit, upgrading any in wall or in ground service, drainages or tiling. They have allowed for Public liability insurance only, free use of power and water, a provisional sum for external paving and trellis due to insufficient detail, and the assumption that the existing stopping of the ceilings is satisfactory. Clarification will be required re start time and the timeframes for each stage

### CREDIT CHECK

A credit check dated 30 August 2007 on Edgecity Builders Ltd revealed a significant dynamic risk score which indicates some risk. However they are only just in the 'significant' range and Council has a good work history with Edgecity Builders Ltd and have experienced no problems that would cause concern. City Services are also aware that Edgecity Builders Ltd are currently engaged in a number of other works within Council.

### JOB COSTS

	<b>excl. GST</b>
Tender sum - Edgecity Builders Ltd	\$359,803.00
Contingency	\$ 21,300.00
	-----
Total Job Cost	\$381,103.00

### SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to this Project	Unallocated Balance
PY06055D Housing for Older Adults Refurbishment t Jack Smyth	74000 8AMPP-07- 161	\$2,417,000.	2,035,897	381,103	0

Budget commitments include Kaurilands, Kaumatua, and Flagstaff tenders plus the pilot units already built or under way.

### SUMMARY

The results of the tender evaluation as summarised in Table 2 shows that the tender submitted by Edgecity Builders Ltd achieved the highest index of 71. This tender is also the lowest priced tender.

It has been recommended that all four current tenders for the Housing for Older Adults Refurbishment Project be awarded to Edgocity Builders Ltd. Edgocity Builders Ltd have provided written confirmation that can meet all timeframes, as set out in the Tender Documents, should they be awarded all four contracts.

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.

### **RECOMMENDATIONS**

1. That the Contract No. PY06055D - Housing for Older Adults Refurbishment - Jack Smyth report be received.
2. That the tender from Edgocity Builders Ltd for Contract No. PY06055D - Housing for Older Adults Refurbishment - Jack Smyth in the sum of \$359,803.00 plus \$44,975.38 GST, totalling \$404,778.38 be accepted.
3. That authority to enter into Contract No. PY06055D - Housing for Older Adults Refurbishment - Jack Smyth on behalf of Council be delegated to Group Manager: Asset Management.

Report prepared by: Nikki Watkins, Project Manager, Property Assets Team.



## **9 CONTRACT NO. PY06055E - HOUSING FOR OLDER ADULTS REFURBISHMENT - KAUMATUA**

### **PURPOSE OF THE REPORT**

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. PY06055E - Housing for Older Adults Refurbishment - Kaumatua.

### **BACKGROUND**

Council is undertaking a four year project to upgrade and refurbish all of its Housing for Older Adults Villages, this report is regarding the refurbishment of Kaumatua Village, 11 Kaumatua Rd, Te Atatu Peninsula.

### **SCOPE OF WORK**

This contract is for the refurbishment (as per approved plans) of all units in stage 2 (excluding unit 42 which was completed as a pilot for the project) at Kaumatua Village, 11 Kaumatua Road, Te Atatu Peninsula in the following areas:

<b>Front Entrance</b>
New sensor light, security chain, viewer, screen door and paint
<b>Bathroom</b>
Walk in shower, with new paint and flooring
<b>Bedroom</b>
New wall, paint and flooring

<b>Kitchen</b>
New kitchen, paint and flooring
<b>Back Door/Porch/ Outdoor Area</b>
New paving, trellis, and washing line
<b>Lounge</b>
Paint and new floor coverings
<b>Electrical</b>
New switch board, new light fittings, switches and power points
<b>General</b>
New restrictor stays, window latches, curtain tracks and door stops

Due to many of the units being tenanted the contract has separable portions to account for the moving of tenants, the stages of work are as follows:

Stages	Starting Date	Completion Date (incl. CCC)
Stage 1 - units 25, 34, 35, 38, 39	1/10/07	2/11/07
Stage 2 - units 26, 33, 23, 24, 27, 28	12/11/07	14/12/07
Stage 3 - units 29, 43, 44, 30, 32, 31	24/12/07	1/2/08
Stage 4 - units 36, 37, 40, 41	11/2/08	14/3/08

Completion of each stage requires the contractor to obtain Certificate of Code of Compliance (CCC). Progress payments will be made at the completion of each stage.

### TENDERS RECEIVED

Tenders were posted on tender link and publicly advertised with 8 sets of documents being uplifted. Four tenders were received by the closing date of 28 August 2007. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
Edgecity Builders Ltd	PO Box 15320 New Lynn	\$589,659.00
Mag Building Services	64C Luke St, Otahuhu	\$590,247.00
Infrastructure Management Ltd	108 Highbridge Rd, RD2, Papakura	\$632,616.18
Meridian Construction	PO Box 101675, NSMC	\$759,887.43
<b>Pre-tender contract estimate</b>		\$501,651.00

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 Number PY06055E
									Total Weights
	Weights	10	10	5	10	10	5	50	100
Tenderer	Tender Sum	Grades							INDEX
Edgecity Builders Ltd	\$589,659.00	80	80	80	75	75	70	54	65
Mag Building Services Ltd	\$590,247.00	75	70	80	70	80	75	53	64
Infrastructure Management	\$632,616.18	68	58	59	50	54	36	47	51
Meridian Construction	\$759,887.43	35						26	Disqualified
<b>Med.n Tender Price</b>	\$611,431.59								

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

**Table 2 - Summary of Tender Evaluation**

Edgecity Builders Ltd scored highest in the evaluation. Edgecity Builders Ltd have completed a number of projects for Council as well as providing response maintenance for Council's properties (including Housing for Older Adults). They were awarded the project pilot for Flagstaff Village and have made good progress. Edgecity Builders Ltd employ their own carpenters and labourers and have built up good working relationships with their other sub contractors. They have an automated accounting and office systems and project management software. They have sound operational procedures and practices. They are members of Certified Builders and Site Safe and have robust Health and Safety systems. They ensure they employ methods to minimise environmental damage and have well established communication channels with Council.

Mag Building Services also scored well in the evaluation but it was found that Edgecity Builders Ltd outscored them on the basis of experience and track record as well as the fact that Edgecity Builders Ltd employ a large number of qualified builders as well as labourers and apprentices. Mag Building Services have a strong management structure which was also reflected in their methodology yet they do not employ any builders, relying instead on subcontractors for all of the trades.

Meridian Construction supplied no evidence of the non price weighted attributes which meant those areas could not be evaluated. Follow up was not undertaken to obtain further information, as Meridian Construction tender prices were significantly higher than most other tenders.

### TAGS, ERRORS OR OMISSIONS

Edgecity Builders Ltd tagged no allowance for; the upgrade of the electrical supply or circuit breaker protection, mains supply and any amplifying of the TV signal required. They also queried the timeframes for the stages. A tender clarification meeting was held on 3 September 2007 and it was accepted that Stage 3 would start on 14 January 2008 (as opposed to 24 December 2007), with the timeframes for the remaining stages being moved out accordingly. The tags are acceptable and were not included in the project scope.

Mag Building Services did not supply the acceptance of the notice for tenderers, this was supplied on 31 August 2007. Mag Building Services confirmed that although they had not acknowledged the notice to tenderers that was sent out, this did not alter their original tendered price.

Meridian Construction tagged a number of items but due to the fact that their tender was disqualified there was no follow up of these tags.

Infrastructure Management Ltd had no tags, errors or omissions.

### CREDIT CHECK

A credit check dated 30 August 2007 on Edgecity Builders Ltd revealed a significant dynamic risk score which indicates some risk. However they are only just in the 'significant' range and Council has a good work history with Edgecity Builders Ltd and have experienced no problems that would cause concern. City Services are also aware that Edgecity Builders Ltd are currently engaged in a number of other works within Council.

### JOB COSTS

excl. GST

Tender sum - Edgecity Builders Ltd	\$589,659.00
Contingency	\$ 34,908.00
	-----
Total Job Cost	\$624,567.00

### SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to this Project	Unallocated Balance
PY06055E Housing for Older Adults Refurbishment Kaumatua	74000 8AMPP-07-161	\$2,417,000	\$1,792,433	624,567	0

Budget commitments include Jack Smyth, Kaurilands and Flagstaff tenders plus the pilot units already built or under way.

### SUMMARY

The results of the tender evaluation as summarised in Table 2 shows that the tender submitted by Edgecity Builders Ltd achieved the highest index of 65. This tender is also the lowest priced tender.

It has been recommended that all four current tenders for the Housing for Older Adults Refurbishment Project be awarded to Edgecity Builders Ltd. Edgecity Builders Ltd have provided written confirmation that can meet all timeframes, as set out in the Tender Documents, should they be awarded all four contracts.

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.

### RECOMMENDATIONS

1. That the Contract No. PY06055E - Housing for Older Adults Refurbishment - Kaumatua report be received
2. That the tender from Edgecity Builders Ltd for Contract No. PY06055E - Housing for Older Adults Refurbishment - Kaumatua in the sum of \$589,659.00 plus \$73,707.38 GST, totalling \$663,366.38 be accepted.

3. That authority to enter into Contract No. PY06055E - Housing for Older Adults Refurbishment - Kaumatua on behalf of Council be delegated to Group Manager: Asset Management.

Report prepared by: Nikki Watkins, Project Manager, Property Assets Team.

