



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** **23 November 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.

13 November 2007

Sharlene Riley
COMMITTEE SECRETARY

Telephone (09) 836 8000 extn 8851

MEMBERSHIP:

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

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 PA Hulse (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, 23 NOVEMBER 2007,
COMMENCING AT 9.00 AM**

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1 APOLOGIES



2 URGENT BUSINESS

Section 46A(7) of the Local Government Official Information and Meetings Act 1987 provides that where an item of business is not on the agenda, it may only be dealt with at the meeting if:

- (i) the Committee by resolution so decides; and
- (ii) the Chairman has explained at the beginning of the meeting (when open to the public) that the item will be raised for discussion and decision, why the item is not on the agenda, and why it cannot be delayed until a subsequent meeting.

The Committee may make a decision on a matter determined to be urgent.

NOTE: Urgent Business need not be dealt with now and may be delayed until later in the meeting.



3 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

Extraordinary Meeting Minutes - 9 November 2007

RECOMMENDATION

That the minutes of the Extraordinary Meeting of the Tenders Subcommittee held on Friday, 9 November 2007, as circulated, be taken as read and now be confirmed.



5 CONTRACT NO. PY05017J - WAITAKERE CITY COUNCIL GROUNDS MAINTENANCE

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from Tenders Subcommittee to award Contract: No. PY05017J - Waitakere City Council Grounds Maintenance, for a thirty one month term, being an initial seven month period with two one year rights of renewal subject to the contractor's continued satisfactory performance.

BACKGROUND

The Grounds Maintenance contract covers twenty nine Council-owned and leased properties.

Services provided include planned grounds maintenance, garden waste removal, response maintenance and minor contract work as required.

The Tenders Subcommittee meeting dated 19 May 2006 resolved:

“That the Contract No. PY05017J - Waitakere City Council Grounds Maintenance Contract be tendered for a 36 month term, being an initial 12 months with two one-year renewals.”

850/2006

TENDERS RECEIVED

Three (3) tenders were received by the closing date of Tuesday, 18 September 2007. Tenderers were required to submit a Schedule of Rates, together with Statement of Weighted Attributes. They are summarised below:

TENDERER	POSTAL ADDRESS	Tender Price (ex GST)
Grasshopper Lawnmowing Services Ltd	PO Box 72 079, Papakura	*\$100, 910.00
Envirotech Maintenance Ltd	PO Box 20241, Glen Eden	\$90,393.00
Asplundh	PO Box 14501, Panmure	*\$221,080.33
Pre Tender Contract Price Estimate		\$90,000.00

*Grasshopper and Asplundh sums have been adjusted to allow for 26 green bin collections per year at the contractors tendered rate.

TENDER EVALUATION

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

Tender Evaluation	Attributes	Exper.	Track Record	Tech. Skill	Resour.	Manag. Skill	Method.	Price	Contract Number PY05017J
									Total Weights
	Weights	5	5	10	10	10	10	50	100
Tenderer	Tender Sum	Grades							INDEX
Envirotech Maintenance Ltd	\$90,393.00	80.0	86.7	73.3	70.0	80.0	75.0	60.4	68
Asplundh	\$221,080.33	80.0	80.0	73.3	80.0	90.0	85.0	-69.1	6
Grasshopper Lawnmowing Services Ltd	\$100,910.00	80.0	46.7	73.3	70.0	80.0	75.0	50.0	61
Med.n Tender Price	\$100,910.00								

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

Table 2 - Summary of Tender Evaluation

Envirotech are the incumbent contractors, their work to date has been of a consistently high quality.

TAGS, ERRORS OR OMISSIONS

There were no tags, errors or omissions in any of the tenders.

CREDIT CHECK

A credit check on Envirotech Maintenance Ltd has been requested.

JOB COSTS

	excl. GST
Tender sum - (Envirotech Maintenance Ltd)	\$ 90,393.00
Contingency	\$ 10,000.00

Total Job Cost	\$100,393.00

SOURCE OF FUNDING

The costs associated with this contract are provided for in the 2006-2016 Long Term Council Community Plan.

SUMMARY

The lowest priced tender was submitted by Envirotech Maintenance Ltd. This tender has achieved a pass in all the non-price attributes and therefore is recommended for award.

As part of City Services vision "Quality and Health and Safety is not negotiable" all contractors have had this focus clearly reinforced through the contract documents and this will be strongly reiterated at the subsequent pre-start meeting and imposed during the contract period.

RECOMMENDATIONS

1. That the Contract No. PY05017J - Waitakere City Council Grounds Maintenance report be received.
2. That subject to a satisfactory credit check, the tender from Envirotech Maintenance Ltd for Contract No. PY05017J - Waitakere City Council Grounds Maintenance, for an initial seven month term in the sum of \$52,729.25, plus \$6,591.16 GST, totalling \$59,320.41, be accepted.
3. That approval for Contract No. PY05017J - Waitakere City Council Grounds Maintenance is given to committing \$90,393.00 against the 2008/2009 Annual Plan.
4. That approval for Contract No. PY05017J - Waitakere City Council Grounds Maintenance is given to committing \$90,393.00 against the 2009/2010 Annual Plan.
5. That the authority to enter into Contract No. PY05017J - Waitakere City Council Grounds Maintenance on behalf of Council be delegated to the Group Manager: Asset Management.

6. That the renewal for Contract No. PY05017J - Waitakere City Council Grounds Maintenance for the 2008/2009 and 2009/2010 financial years be reported back to the Tenders Subcommittee for approval.

Report prepared by: Rory Chacko, Facilities Manager, Property Assets.



6 CONTRACT NO. PY06046F - CITYWIDE LIFT AND ESCALATOR MAINTENANCE

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from Tenders Subcommittee to publicly call for tenders for Contract No. PY06046F - Citywide Lift and Escalator Maintenance, for a three year term.

BACKGROUND

This contract is designed to meet the service requirements of Council's lifts and escalators in terms of statutory testing, and to ensure continued service and reliability.

The contract will include planned and response maintenance.

Council's various lifts and escalators are currently being serviced by a variety of contractors.

ISSUES

It is proposed to let the contract for a three year term.

The request for a three year term is in line with Council's Procurement Policy and is based on the following:

- the longer term will promote value for money setting a platform for competitive pricing due to the volume of work over this period;
- the longer term allows the prospective Contractor to become established and gain specific property knowledge to operate the contract efficiently;
- the risk to Council is minimised through the inclusion of performance criteria within the terms and conditions of the contract, which allow for early termination for non-performance.

RESOURCES

As this contract has the potential to commit funding from future annual budgets the approval of the Tenders Subcommittee is sought prior to tendering. The costs associated with this contract are provided for in the 2006-2016 Long Term Council Community Plan.

SUMMARY

A three year term for this contract allows economies to be achieved by the contractor in regards to amortising capital costs and reduces the internal cost to Council associated with annual tendering. It provides a platform for competitive pricing and allows Council the flexibility to continue for the full term, including renewal, if the contractor performs to expected standards.

RECOMMENDATIONS

1. That the Contract No. PY06046F - Citywide Lift and Escalator Maintenance report be received.
2. That approval be given to publicly invite tenders for Contract No. PY06046F - Citywide Lift and Escalator Maintenance, for a three year term.

Report prepared by: Rory Chacko, Facilities Manager, Property Assets.



7 CONTRACT NO. SP06005F - HENDERSON TOWN CENTRE - GREAT NORTH ROAD STREETSCAPE AND ROADING UPGRADE - REGISTRATION OF INTEREST

GLOSSARY

Registration of Interest	(ROI)
Land Transport New Zealand	(LTNZ)

PURPOSE OF THE REPORT

The purpose of this report is to inform the Tenders Subcommittee of the shortlist of registrants for the Great North Road Streetscape and Roading Upgrade contract and to seek approval to invite tenders from the short listed registrants.

BACKGROUND

A Registration of Interest (ROI) from prospective tenderers, for the construction of the Great North Road Streetscape and Roading Upgrade was called for by insertion of the ROI documents in the Local Government tenders website (Tenderlink).

The reasons for using the ROI process for this project are:

- this is a large-scale project with high costs (in excess of \$4 million);
- the project has high importance to Council;
- the contract works will be highly visible and will be subject to public view and scrutiny;
- pre-selecting suitably experienced and competent contractors to ensure a high level of performance during the works, and competitive bids during the tender phase.

The ROI process is being carried out in accordance with the Council's Procurement Manual. The evaluation of registrants has been carried out generally in accordance with the Transit NZ weighted attributes method, where tenderers to be invited for construction are drawn from the highest ranked registrants.

REGISTRATIONS RECEIVED

Three (3) ROI were received by the closing date of 25 October 2007. These are shown in Table 1 below:

Registrant	Reg. Office
HEB Smithbridge Ltd	Drury
P&M Paving and Construction Ltd	Ponsonby
John Fillmore Contracting Ltd	Royal Oak

Table 1 - Summary of Registrants

REGISTRANT EVALUATION

Registrants were evaluated generally in accordance with the "Weighted Attributes Method" contained in Transit New Zealand's "Manual of Competitive Pricing Procedures" using Council's standard attributes for tender evaluation.

As this project is subsidised by Land Transport New Zealand (LTNZ) a LTNZ certified evaluator was included in the three person evaluation panel.

A summary of the evaluation results is shown in Table 2 below:

Registration of Interest Evaluation	Attributes	Exper.	Track Record	Tech. Skill	Resour.	Manag. Skill	ROI SP06005F
	Weights	30	30	10	15	15	Total Weights
Registrant		Grades					INDEX
HEB Smithbridge Ltd		70	75	85	70	75	74
P&M Paving and Construction Ltd		70	75	75	65	70	71
John Fillmore Contracting Ltd		70	70	72	70	70	70

Table 2 Summary of Evaluation Results

All three registrants are well known contractors who have carried out a variety of streetscape and roading projects, including work in busy central business districts of a similar nature to the proposed works for the Great North Road Streetscape and Roding Upgrade.

The evaluation was carried out by reviewing the documentation provided, phone conversations with a number of referees and checks of the registrants health and safety records.

The scores achieved indicate that all three registrants are competent and capable contractors. The higher score achieved by HEB Smithbridge Ltd for technical skills is due to a very comprehensive submission for this attribute.

SUMMARY

The ROI document for this process specified the information required and the format of the registrant's submissions. This document also identified that only the highest ranked registrants would be invited to tender for the project.

An accepted industry standard of up to five invited tenderers is deemed appropriate for a contract of this magnitude and encourages serious and competitive tenders. Based on the normal scoring ranges, a grade of 65 represents an “above-average” score. The three registrants all have scores of more than 65 and therefore are well experienced and capable of carrying out this project in a competent manner. Therefore, all three registrants will be invited to tender for this project.

The actual tenders will be evaluated using the weighted attributes method, which will take into account nominated personnel, proposed sub-contractors and other specific contract attributes such as methodology and price.

RECOMMENDATIONS

1. That the Contract No. SP06005F - Henderson Town Centre - Great North Road Streetscape and Roothing Upgrade - Registration of Interest report be received.
2. That the three registrants be invited to tender for Contract No. SP06005F - Henderson Town Centre - Great North Road Streetscape and Roothing Upgrade, with the Registrants being:
 - HEB Smithbridge Ltd;
 - P&M Paving and Construction Ltd;
 - John Fillmore Contracting Ltd.

Report prepared by: Duncan Miller, Senior Engineer, Special Projects.

