

**AGENDA FOR A MEETING OF THE TENDERS SUBCOMMITTEE TO BE HELD AT
WAITAKERE CENTRAL, 6 HENDERSON VALLEY ROAD, HENDERSON,
WAITAKERE, ON FRIDAY, 25 MAY 2007,
COMMENCING AT 9.00 AM**

TABLE OF CONTENTS

<u>ITEM</u>		<u>PAGE NO.</u>
1	APOLOGIES	1
2	URGENT BUSINESS	1
3	CONFIRMATION OF MINUTES	1
4	CONTRACT NO. PY05017E - RESPONSE MAINTENANCE GLASS - APPROVAL TO EXTEND	2
5	CONTRACT NO. PY05017H - CITYWIDE HYGIENE - APPROVAL TO EXTEND	3
6	CONTRACT NO. PY05017I - AQUATIC CENTRE CLEANING - APPROVAL TO EXTEND	5
7	CONTRACT NO. PY06046G - CITYWIDE EXTERIOR BUILDING WASH - PUBLIC TENDER	6
8	CONTRACT NO. PY05017F - RESPONSE MAINTENANCE BUILDING AND PAINTING - APPROVAL TO EXTEND	7
9	CONTRACT NO. IM03087C - TELECOMMUNICATIONS CONTRACT - MOBILE SERVICES - APPROVAL TO EXTEND	9
10	CONTRACT NO. PK05016A - CIVIL WORKS - APPROVAL TO EXTEND	11
11	CONTRACT NO. PK06018D - MT ATKINSON RETAINING WALL	13
12	CONTRACT NO. TA06030B - GREAT NORTH ROAD/ARCHIBALD ROAD/WEST COAST ROAD INTERSECTIONS IMPROVEMENTS	15
13	CONTRACT NO. EW07005A - DRINKING WATER QUALITY TESTING 2007-2010	18
14	CONTRACT NO. EW07006A - SERVICE CONNECTIONS FOR WATER SUPPLY, WASTEWATER AND STORMWATER	21

**AGENDA FOR A MEETING OF THE TENDERS SUBCOMMITTEE TO BE HELD AT
WAITAKERE CENTRAL, 6 HENDERSON VALLEY ROAD, HENDERSON,
WAITAKERE, ON FRIDAY, 25 MAY 2007,
COMMENCING AT 9.00 AM**

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 CONFIRMATION OF MINUTES

Meeting Minutes - Friday, 27 April 2007

RECOMMENDATION

That the minutes of the Meeting of the Tenders Subcommittee held on Friday, 27 April 2007, as circulated, be taken as read and now be confirmed.



4 **CONTRACT NO. PY05017E - RESPONSE MAINTENANCE GLASS - APPROVAL TO EXTEND**

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to extend Contract No. PY05017E - Response Maintenance Glass for the second of two one-year renewals for the 2007/2008 financial year.

BACKGROUND

The response maintenance glass contract covers all Council owned and leased properties. Services provided include response maintenance, general property maintenance and minor contracts for all glazing requirements.

The Tenders Subcommittee meeting dated 17 October 2005 resolved:

“That the Waitakere City Council Response Maintenance Glass Contract - PY05017E be tendered with a thirty one (31) month term being an initial seven (7) months with two (2) one-year renewals.”

1977/2005

This contract has been active since 1 April 2006

The current contract details are as follows:

Contract No	Type	Contractor	Description	Annual \$	Variations	Revised Annual Sum
PY05017E	Glass	North Shore Glass	Year 1 April 06 - June 06	\$5,000.00	Nil	\$5,000.00
			Year 2 July 06 - June 07	\$20,000.00	Nil	\$20,000.00
			Year 3 July 07 - June 08	\$20,000.00	Nil	\$20,000.00
Total Revised Contract Sum						\$45,000.00

PERFORMANCE ISSUES

North Shore Glass Company Ltd has carried out the contract works to date to a reasonable standard, and in a timely manner.

The flexibility of the contract term reduces the internal cost to Council associated with annual tendering. In addition, the current contractor meets all of Waitakere City Council's Procurement guidelines through the following:

- Value for money at very competitive prices - significantly lower than their competitors;
- Extremely good working knowledge of all Council properties and provides quality service;
- Responds to work issued in a timely manner and in accordance with the Terms and Conditions of the Contract.

RESOURCES

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

SUMMARY

It is proposed to extend Contract No. PY05017E - Response Maintenance Glass for the second of two one-year renewals for the July 2007 to June 2008 period.

The renewal of this contract is recommended as North Shore Glass Company Ltd has carried out the contract works to date to a reasonable standard, and in a timely manner.

RECOMMENDATIONS

1. That the Contract No. PY05017E - Response Maintenance Glass - Approval to Extend report be received.
2. That the renewal of Contract No. PY05017E - Response Maintenance Glass, totalling \$20,000 plus GST, for the 2007/2008 financial year be accepted.
3. That the commitment to the 2007/2008 financial year for Contract No. PY05017E - Response Maintenance Glass, totalling \$20,000 plus GST, be approved.
4. That authority to extend Contract No PY05017E - Response Maintenance Glass, on behalf of Council be delegated to the Group Manager: Asset Management.

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



5 CONTRACT NO. PY05017H - CITYWIDE HYGIENE - APPROVAL TO EXTEND

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to extend Contract No. PY05017H - Citywide Hygiene for the second of two one-year renewals for the 2007/2008 financial year.

BACKGROUND

The Citywide Hygiene contract covers thirty-two Council owned and leased properties. Services provided include planned and response maintenance of nappy and feminine hygiene bins, soap and sanitising equipment.

The Tenders Subcommittee meeting dated 10 March 2006 resolved:

That the renewal for Contract No. PY05017H - Waitakere City Council Citywide Hygiene for the periods 2006/2007 and 2007/2008 financial years be reported back to the Tenders Subcommittee for approval.

246/2006

This contract has been active since 1 April 2006

The current contract details are as follows:

Contract No	Type	Contractor	Description	Annual \$	Variations	Revised Annual Sum
PY05017H	Hygiene	Fumacare	Year 1 April 06 - June 06	\$9,223.85	108.95	\$9,332.80
			Year 2 July 06 - June 07	\$40,153.85	13409.47	\$53,563.32
			Year 3 July 07 - June 08	\$53,563.32	Nil	\$53,563.32
Total Revised Contract Sum						\$116,459.44

The 2007/2008 award will be for \$53,563.32, which is a sum higher than the original tendered amount, because it includes the addition of new buildings throughout the previous year.

PERFORMANCE ISSUES

Fumacare have carried out the contract works to date to a satisfactory standard, and in a timely manner, there have been a number of documented performance issues that have been identified and addressed satisfactorily.

The flexibility of the contract term reduces the internal cost to Council associated with annual tendering. In addition, the current contractor meets all of Waitakere City Council's Procurement guidelines through the following:

- Value for money at very competitive prices - significantly lower than their competitors;
- Extremely good working knowledge of all Council properties and provides quality service;
- Responds to work issued in a timely manner and in accordance with the Terms and Conditions of the Contract.

RESOURCES

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

SUMMARY

It is proposed to extend Contract No. PY05017H - Citywide Hygiene for the second of two one-year renewals for the July 2007 to June 2008 period.

The renewal of this contract is recommended as Fumacare have carried out the contract works to date to a satisfactory standard, and in a timely manner,

RECOMMENDATIONS

1. That the Contract No. PY05017H - Citywide Hygiene - Approval to Extend report be received.
2. That the renewal of Contract No. PY05017H - Citywide Hygiene, totalling \$53,563.32 plus GST, for the 2007/2008 financial year be accepted.
3. That the commitment to the 2007/2008 financial year for Contract No. PY05017H - Citywide Hygiene, totalling \$53,563.32 plus GST, be approved.
4. That authority to extend Contract No. PY05017H - Citywide Hygiene, on behalf of Council be delegated to the Group Manager: Asset Management.

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



6 CONTRACT NO. PY05017I - AQUATIC CENTRE CLEANING - APPROVAL TO EXTEND

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to extend Contract No. PY05017I - Aquatic Centre Cleaning for the second of two one-year renewals, for the July 2007 to June 2008 period.

BACKGROUND

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

The Tenders Subcommittee meeting dated 10 March 2006 resolved:

“That the renewal for Contract PY05017I - Waitakere City Council Aquatic Centre Cleaning for the 2006/2007 and 2007/2008 financial years be reported back to the Tenders Subcommittee for approval.”

247/2006

This contract has been active since 3 April 2006.

The current contract details are as follows:

Contract No	Type	Contractor	Description	Annual \$	Variations	Revised Annual Sum
PY05017I	Cleaning	ISS Facility Services	Year 1 April 06 - June 06	\$36,457.14	Nil	\$36,063.06
			Year 2 July 06 - June 07	\$148,579.81	Nil	\$148,579.81
			Year 3 July 07 - June 08	\$153,037.20	Nil	\$153,037.20
Total Revised Contract Sum						\$337,680.07

PERFORMANCE ISSUES

ISS Facility Services have carried out the contract works to date to a satisfactory standard, and in a timely manner, there have been a number of documented performance issues that have been identified and addressed satisfactorily.

The flexibility of the contract term reduces the internal cost to Council associated with annual tendering. In addition, the current contractor meets all of Waitakere City Council's Procurement guidelines through the following:

- Value for money at very competitive prices - significantly lower than their competitors;
- Extremely good working knowledge of all Council properties and provides quality service;
- Responds to work issued in a timely manner and in accordance with the Terms and Conditions of the Contract.

RESOURCES

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

SUMMARY

It is proposed to extend Contract No. PY050171 - Aquatic Centre Cleaning, for the second of two one-year renewals for the July 2007 to June 2008 period.

This renewal is recommended as ISS Facility Services have carried out the contract works to date to a satisfactory standard, and in a timely manner.

RECOMMENDATIONS

1. That the Contract No. PY050171 - Aquatic Centre Cleaning - Approval to Extend report be received.
2. That the renewal of Contract No. PY050171 - Aquatic Centre Cleaning, totalling \$153,037.20 plus GST, inclusive of a 3% CPI increase for the 2007/2008 financial year be accepted.
3. That the commitment to the 2007/2008 financial year for Contract No. PY050171 - Aquatic Centre Cleaning, totalling \$153,037.20 plus GST, inclusive of a 3% CPI increase be approved.
4. That authority to extend Contract No PY050171 - Aquatic Centre Cleaning on behalf of Council be delegated to the Group Manager: Asset Management.

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



7 CONTRACT NO. PY06046G - CITYWIDE EXTERIOR BUILDING WASH - PUBLIC TENDER

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to publicly call for tenders for Contract No. PY06046G - Citywide Exterior Building Wash, for a three year term.

BACKGROUND

Council has a number of large commercial buildings which require regular cleaning. This contract will cover building wash and gutter cleaning for these buildings.

The buildings to be covered by this contract are:

- Community Centres;
- Libraries;
- Council Offices;
- Council Direct Service Units.

This contract is for exterior and gutter cleaning of all of Council's non-residential buildings. The contract includes both programmed maintenance and response maintenance services, to be carried out in accordance with the appropriate New Zealand standards.

ISSUES

It is proposed to let the contract for a three year term. The estimated contract value is \$50,000 plus GST per annum.

The request for the three-year term is in line with Council's Procurement Policy and 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 Long Term Council Community Plan 2006-2016.

CONCLUSION

A three year term for the 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, if the contractor performs to expected standards.

RECOMMENDATIONS

1. That the Contract No. PY06046G - Citywide Exterior Building Wash - Public Tender report be received.
2. That approval be given to publicly call for tenders for Contract No. PY06046G - Citywide Exterior Building Wash for a three year term.

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



8 CONTRACT NO. PY05017F - RESPONSE MAINTENANCE BUILDING AND PAINTING - APPROVAL TO EXTEND

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to extend Contract No. PY05017F - Response Maintenance Building and Painting for the second of three one-year renewals for the 2007/2008 financial year.

BACKGROUND

The response maintenance building and painting contract covers all Council owned and leased properties. Services provided include response maintenance, general property maintenance and minor contracts for building requirements.

The Tenders Subcommittee meeting dated 16 June 2006 resolved:

- ”7. *“That the renewal for Contract No. PY05017F – Response Maintenance Building & Painting for the periods 2006/2007, 2007/2008 and 2008/2009 financial years be reported back to the Tenders Subcommittee for approval.”*

1023/2006

This contract has been active since 21 June 2006.

The current contract details are as follows:

Contract No	Type	Contractor	Description	Annual \$	Variations	Revised Annual Sum
PY05017F	Building & Painting	Edgecity Builders Ltd	Year 1 July 06 - June 07	\$45,000.00	\$ 45,000.00	\$90,000.00
			Year 2 July 07 - June 08	\$45,000.00	Nil	\$45,000.00
			Year 3 July 08 - June 09	\$45,000.00	Nil	\$45,000.00
Total Revised Contract Sum						\$180,000.00

A variation of \$45,000 was approved during the 2006/2007 financial year. The variation was sought in order to complete additional low value building renewals, for which the best option for Council was to complete these works under this contract.

PERFORMANCE ISSUES

Edgecity Builders Ltd have carried out the contract works to date to a satisfactory standard, and in a timely manner.

The flexibility of the contract term reduces the internal cost to Council associated with annual tendering. In addition, the current contractor meets all of Waitakere City Council's Procurement guidelines through the following:

- Value for money at very competitive prices - significantly lower than their competitors;
- Extremely good working knowledge of all Council properties and provides quality service;
- Responds to work issued in a timely manner and in accordance with the Terms and Conditions of the Contract.

RESOURCES

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

SUMMARY

It is proposed to extend Contract No. PY05017F - Response Maintenance Building and Painting for the second of three one-year renewals for the July 2007 to June 2008 period.

The renewal of the contract is recommended as Edgecity Builders Ltd out the contract works to date to a satisfactory standard, and in a timely manner.

RECOMMENDATIONS

1. That the Contract No. PY05017F - Response Maintenance Building and Painting - Approval to Extend report be received.
2. That the renewal of Contract No. PY05017F - Response Maintenance Building and Painting, totalling \$45,000 plus GST, for the 2007/2008 financial year be accepted.
3. That the commitment to the 2007/2008 financial year for Contract No. PY05017F - Response Maintenance Building and Painting, totalling \$45,000 plus GST, be approved.
4. That authority to extend Contract No. PY05017F - Response Maintenance Building and Painting, on behalf of Council be delegated to the Group Manager: Asset Management.

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



9 CONTRACT NO. IM03087C - TELECOMMUNICATIONS CONTRACT - MOBILE SERVICES - APPROVAL TO EXTEND

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to extend Contract No. IM03087C - Telecommunications Contract - Mobile Services with Vodafone NZ Ltd for a further three year term.

BACKGROUND

In the past three years, Council has had a very successful partnership with Vodafone NZ Ltd. This has included the introduction of mobile data services via the Vodafone Mobile Connect Cards, the introduction of mobile calendaring and messaging via both Blackberry devices and i-Mate devices, and the introduction of an ITZ (Integrated Talk Zone) link to Vodafone which resulted in savings when Council desk phones called Council mobile phones and vice versa. Council has also introduced TXTmail allowing Council PC's to send and receive text messages from mobile phones which has further enhanced the communication with Council staff.

The performance of the solutions outlined above and the services provided by Vodafone NZ Ltd has been very high and when compared to other service provider's Council has dealings with they rate as best and a leader in their field.

This contract has been active since 24 February 2004. Over the past few months Council has been conducting a service review and an analysis of alternative service options available in the mobile communications market.

ISSUES

The introduction of the services described above has allowed Council to become a more streamlined and mobile organisation which has resulted in efficiencies and cost savings not previously identified. Vodafone NZ Ltd are a key strategic partner in further utilising these technologies in order to improve communication, provide continuous service to citizens and ratepayers and gain further efficiencies when staff are conducting Council business by making available Council systems and information via mobile technologies.

In terms of mobile technologies it has been revealed that the principal competitor's underlying mobile network technology CDMA (Code Division Multiple Access) is going to be phased out in the next few years thus making it redundant. As such it would not be in the best interests of Council to face the cost of change to a technology as it would mean further costs associated with another technology change in the near future. The change in technology that would be involved in the subsequent shift would only be a "catch up" with the technology we are currently using.

RESOURCES

It's anticipated that Council's annual spend for mobile services will be in the order of \$365,000 for which provision has been made in the Long Term Council Community Plan for each year of the contract period.

Cost Centre	Annual Plan Budget	
15-1810-16000-220 and other various cost centres	2007/2008	\$365,000
15-1810-16000-220 and other various cost centres	2008/2009	\$375,000
15-1810-16000-220 and other various cost centres	2009/2010	\$385,000
Total		\$1,125,000

SUMMARY

It is proposed to extend Contract No. IM03087C - Telecommunications Contract - Mobile Services for a second three year term.

RECOMMENDATIONS

1. That the Contract No. IM03087C - Telecommunications Contract - Mobile Services Approval to Extend report be received.
2. That Contract No. IM03087C - Telecommunications Contract - Mobile Services be extended without going to tender on the basis of satisfactory performance of the existing supplier and the technology issues raised in the market analysis conducted.
3. That the renewal of Contract No. IM03087C - Telecommunications Contract - Mobile Services from 1 June 2007 to 31 May 2010 be approved.
4. That the Director: Corporate and Civic Services be delegated authority to enter into Contract No. IM03087C - Telecommunications Contract - Mobile Services with Vodafone New Zealand Ltd on behalf of Council.

Report prepared by: Steve McIntosh, IT Manager, Information Management.



10 CONTRACT NO. PK05016A - CIVIL WORKS - APPROVAL TO EXTEND

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to extend Contract No. PK05016A - Civil Works (Parks) for a further period of one (1) year from 1 July 2007 to 30 June 2008.

BACKGROUND

In September 2005 Field Drainage Specialists Ltd was awarded Contract No. PK05016A - Civil Works for a contract period of one (1) year for 2005/2006. This contract was awarded with a right of renewal period of one (1) plus one (1) years, subject to satisfactory performance by the contractor and availability of funding. Field Drainage Specialists Ltd was awarded Contract No. PK05016A - Civil Works based upon their competitive contract rates established through a public tendering process. This contract is currently in the first renewal period of one (1) year for the 2006/2007 financial year (Year 2).

At the Tenders Subcommittee meeting on 14 July 2006 it was resolved:

- “1. That the Contract No. PK05016A - Civil Works - Extension to Contract Sum and Period report be received.
2. That the contract sum for Contract No. PK05016A - Civil Works for 2006/2007 be extended to \$1,208,216.40 plus \$151,027.05 GST totalling \$1,359,243.45.
3. That the commitment to the 2006/2007 financial year for Contract No. PK05016A - Civil Works for the sum of \$1,291,147.93 plus \$161,393.48 GST totalling \$1,452,541.41 be approved.
4. That authority to extend Contract No. PK05016A - Civil Works on behalf of Council be delegated to the Group Manager: Asset Management.”

1390/2006

SCOPE OF WORK

The contract work includes the supply of all material, labour, cartage, tools, plant and appliances necessary for the installation and renewal of assets within Waitakere's Parks and Open Space infrastructure. The contract has been divided into separable portions as outlined below:

- Coring and sand carpeting and sand slitting of sportsfields;
- Drainage video inspection and flushing of drains;
- Removing and replacing concrete wickets and astro-turfs;
- Irrigation installation and renewal;
- Supply and installation of lateral, subsoil, and swale drains;
- Planting and establishment of turf cover;
- Construction of concrete walkways and boardwalks;
- Car park renewal works and repairs.

ISSUES

Throughout the duration of the contract period, Field Drainage Specialists Ltd have worked extremely well with very good results and have consistently demonstrated:

- Performance in service delivery;
- Improvements in the quality of work;
- A familiarity with Waitakere's parks and community;
- A close working relationship with Council;
- The ability to provide innovative ideas and solutions.

It is proposed to extend the contract period for a further year of renewal in 2007/2008. This is due to the highly competitive rates of the contractor; the familiarity with the requirements of the contract by the contractor; and the excellent track record that has been displayed in the first two years of the contract period. It is considered that extending the contract for a further year for 2007/2008 will provide significant benefits and cost savings to Council.

This contract is a measure and value contract based on a schedule of quantities. The contract fixed rates will remain the same for the next one (1) year with a provision for cost fluctuations for an increase in materials and petrol charges.

JOB COSTS

	excl. GST
2007/2008 (Year 3)	
Tender Sum - Field Drainage Specialists Ltd	\$1,208,216.40
Contingency	<u>\$ 82,931.53</u>
Total Job Cost for 2007/2008	\$1,291,147.93

SOURCE OF FUNDING

2007/2008 (12 months)

Account	Budget	Committed to Other Projects	Allocated to This Project	Unallocated Balance
Asset Improvements - Fixtures, Furniture and Pathways	\$310,000.00	\$167,820.00	\$142,180.00	0
Building Renewals (Toilet & Changing Rooms Renewals)	\$570,000.00	\$560,000.00	\$10,000.00	0
Car park and Driveways Maintenance	\$117,000.00	\$102,032.07	\$14,967.93	0
Car parks Renewals	\$456,000.00	\$396,000.00	\$60,000.00	0
Parks Stormwater Drainage Programme	\$111,000.00	\$11,000.00	\$100,000.00	0
Paths Tracks and Walkways Renewals	\$481,000.00	\$456,000.00	\$25,000.00	0
Planting Renewals	\$247,000.00	\$227,000.00	\$20,000.00	0
Services Renewals	\$206,000.00	\$26,000.00	\$180,000.00	0
Sports Facilities Renewals	\$71,000.00	\$0	\$71,000.00	0
Sports Field Renewals	\$628,000.00	\$0	\$628,000.00	0
Structures Renewals	\$847,000.00	\$807,000.00	\$40,000.00	0
Totals	\$4,044,000.00	\$2,752,852.07	\$ 1,291,147.93	0

SUMMARY

Field Drainage Specialists Ltd has performed extremely well and quality standards have been met in the delivery of service to Contract No. PK05016A - Civil Works in the 2005/2006 and 2006/2007 financial years.

There would be significant benefits and cost efficiencies to Council by extending the contract a further one (1) year for the 2007/2008 financial year.

RECOMMENDATIONS

1. That the Contract No. PK05016A - Civil Works - Approval to Extend report be received.
2. That Contract No. PK05016A - Civil Works be extended for a further period of one (1) year from 1 July 2007 to 30 June 2008.

3. That the commitment to the 2007/2008 financial year for Contract No. PK05016A - Civil Works in the sum of \$1,291,147.93 plus \$161,393.48 GST, totalling \$1,452,541.41 be approved.
4. That authority to extend Contract No. PK05016A - Civil Works for a further one (1) year for 2007/2008 be delegated to the Group Manager: Asset Management.

Report prepared by: Andreas Lilley, Parks Project Development Officer.



11 CONTRACT NO. PK06018D - MT ATKINSON RETAINING WALL

PURPOSE OF THE REPORT

The purpose of this report is to notify the Tenders Subcommittee that Contract No. PK06018D - Mt Atkinson Retaining Wall has been awarded to other than the lowest tenderer.

BACKGROUND

As part of Waitakere City Council's Structures Renewal Programme, the retaining wall at Mt Atkinson Reserve requires replacement. The work is to be carried out because the existing wall does not meet the current public health and safety requirements.

The new retaining wall will reduce the risk to the public from a car park, which has no safety barriers, and has a surface which is starting to decay at the top of the existing retaining wall.

Under this contract, the contractor will be responsible for the supply and construction of the new wall.

SCOPE OF WORK

This contract is to replace the existing obsolete retaining wall at Mt Atkinson Reserve with a timber retaining wall. The length of timber retaining wall is 35 metres and the height is various between 0.4 metres and 2.1 metres. New safety, low impact barriers with 14 car stoppers will be installed as well.

TENDERS RECEIVED

Tenders were publicly advertised with five (5) sets of documents being uplifted. Four (4) tenders were received by the closing date of 10 April 2007. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
P & M Paving and Construction Ltd	PO Box 47 840, Ponsonby, Auckland	\$32,111.00
Gibbons Contractors Ltd	PO Box 40-323, Glenfield, Auckland	\$ 35,845.00
Eastbay Civil & Construction Ltd	60 Munroe St, Napier (Penrose: 269A Mt Smart Rd, Auckland)	\$ 52,495.00
Hughes Civil Ltd	22 Waikaukau Rd, Glen Eden, Auckland	\$ 59,302.00
Pre-tender contract estimate		\$ 56,835.00

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. Skills & Resources	Manag. Skill	Method	Price	Contract No. PK06018D
								Total Weights
	Weights	10	10	10	10	10	50	100
Tenderer	Tender Sum							INDEX
P & M Paving and Construction Ltd	\$32,111.00	66.25	67.50	66.00	63.35	55.00	94	79
Gibbons Contractors Ltd	\$35,845.00	83.75	82.50	79.00	56.65	73.50	87	81
Eastbay Civil & Construction Ltd	\$52,495.00	71.25	72.50	62.50	61.65	64.50	58	62
Hughes Civil Ltd	\$59,302.00	77.50	67.50	78.50	70.00	74.00	46	60
Engineer's Estimate	\$56,835.00							

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

Table 2 - Summary of Tender Evaluation

The five non-price attributes clearly show that Gibbons Contractors Ltd has the most experience with regard to similar works to those requested as part of this contract, a very good track record and submitted a comprehensive methodology.

The methodology submitted by P & M Paving and Construction Ltd lacked sufficient information on how the specific works are to be undertaken.

TAGS, ERRORS OR OMISSIONS

There are no any significant tags, errors or omissions from the tenderers.

CREDIT CHECK

A credit check on Gibbons Contractors Ltd dated 24 April 2007, revealed no adverse information.

JOB COSTS

excl. GST

Tender sum - Gibbons Contractors Ltd	\$35,845.00
Contingency	\$ 3,500.00
Engineering & Supervision	\$ 0.00

Total Job Cost	\$39,345.00

Engineering and supervision will be provided by an external consultant through an existing contract.

SOURCE OF FUNDING

Budget Description	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Structures Renewals	75-9823-47980	\$511,000	\$471,355.00	\$39,645.00	Nil

SUMMARY

The results of the tender evaluation as summarised in Table 2 shows that the tender submitted by Gibbons Contractors Ltd achieved the highest index of 81. This tender is also the second lowest priced tender.

Gibbons Contractors Ltd has extensive experience and a good track record for works of this nature.

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.

RECOMMENDATION

That the Contract No. PK06018D - Mt Atkinson Retaining Wall report be received.

Report prepared by: Debbie Chapman, Parks Project Development Officer.



12 CONTRACT NO. TA06030B - GREAT NORTH ROAD/ARCHIBALD ROAD/WEST COAST ROAD INTERSECTIONS IMPROVEMENTS

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. TA06030B - Great North Road/Archibald Road/West Coast Road Intersections Improvements.

BACKGROUND

Safety and capacity issues have been identified at both the Great North Road/Archibald Road and Great North Road/West Coast Road intersections. The issues were identified in the recent Waitakere Crash Reduction Study and the Great North Road Corridor Study.

From the above studies, the proposed works at the two intersections were approved by the New Lynn Community Board on 2 April 2007 meeting for implementation.

SCOPE OF WORK

This contract is for the removal of the existing pedestrian signalised crossing on Great North Road between Archibald Road and West Coast Road, and installation of new traffic signals at the Great North Road/Archibald Road intersection.

At the same time, the existing traffic signals at the Great North Road/West Coast intersection will be upgraded to provide a second right turn lane from West Coast Road and a bus advance lane on Great North Road westbound approach. The scope of work includes the following:

- Traffic control;
- Earthworks;
- Carriageway construction;
- Kerb and channel;
- Traffic signals;
- Pavement marking.

TENDERS RECEIVED

Tenders were publicly advertised with 6 sets of documents being uplifted. Two tenders were received by the closing date of 24 April 2007. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
Traffic Systems Ltd	Avondale	\$517,604.10
HEB Smithbridge Ltd	Drury	\$522,799.10
Pre-tender contract estimate		\$529,723.00

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 \$30,000.

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.

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

Tender Evaluation	Attributes	Exper.	Track Record	Tech Skills	Re-source	Man-agement	Method	Price	Total Weight
Tenderer	Weight	5	5	5	5	5	5	70	100
	Tender Sum	Grades							Index
Traffic Systems Ltd	\$487,604.10	87	78	79	70	74	75	51	59
HEB Smithbridge Ltd	\$492,799.10	73	70	70	73	74	63	49	56
Median Tender Price	\$490,201.60								

Table 2 - Summary of Tender Evaluation

TAGS, ERRORS OR OMISSIONS

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

CREDIT CHECK

A credit check on Traffic Systems Ltd dated 13 April 2007 revealed no adverse information.

JOB COSTS

	excl. GST
Tender sum - Traffic Systems Ltd	\$517,604.10
Contingency	\$ 51,000.90
Engineering & Supervision	\$125,000.00

Total Job Cost	\$693,605.00

The engineering and supervision fees were tendered and evaluated in line with the Weighted Attribute Method contained in Transfund New Zealand's "Competitive Pricing Procedures Manual". The contract was awarded to Maunsell Ltd, which was the lowest priced tender.

SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
AIS Safety Physical Works	75-9874- 30390	\$638,281	\$28,751	\$609,530	Nil
School Travel Plans	75-9071- 50870	\$800,000	\$715,925	\$84,075	Nil
Total				\$693,605	

SUMMARY

The results of the tender evaluation as summarised in Table 2 shows that the tender submitted by Traffic Systems Ltd achieved the highest index of 59. This tender is also the lowest priced tender.

Traffic Systems Ltd has successfully completed many contracts of similar nature of work for Waitakere City Council. The contracts were carried out to a very good standard and the company is well regarded by Council staff for work quality and management skills.

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. TA06030B - Great North Road/Archibald Road/West Coast Road Intersections Improvements report be received.
2. That the tender from Traffic Systems Ltd for Contract No. TA06030B - Great North Road/Archibald Road/West Coast Road Intersections Improvements in the sum of \$517,604.10 plus \$64,700.51 GST, totalling \$582,304.61 be approved.
3. That authority to enter into Contract No. TA06030B - Great North Road/Archibald Road/West Coast Road Intersections Improvements on behalf of Council be delegated to the Group Manager: Asset Management.

Report prepared by: Vinh Bui, Senior Transport Engineer: Transport Assets.



13 **CONTRACT NO. EW07005A - DRINKING WATER QUALITY TESTING 2007-2010**

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No: EW07005A - Drinking Water Quality Testing 2007-2010.

BACKGROUND

The Ministry of Health requires drinking water supplied by Waitakere City Council's water distribution system to be regularly tested in order to:

- demonstrate the Council's compliance with the Drinking Water Standards for New Zealand 2005 (DWSNZ); and
- maintain an "a" grading for the water distribution system.

The testing programme also assists Council in the operation of the water distribution system and to provide assurance regarding the quality of the water supply. The information is required to be entered into WINZ (Water Information New Zealand) a drinking water quality database developed by the Ministry of Health.

The present contract commenced on 1 July 2004, and is due to expire on 30 June 2007. A new contract is required to be in place before then in order to maintain the continuity of testing. The work is a high risk item for Council in that failure to carry out the required testing will result in a downgrading of the water supply distribution system from "a" to "c". Because of this high risk a bond and strict penalty provisions are part of these contract documents.

It is proposed to let a contract for three years in order to reduce this risk. The approval to tender for a contract with duration of three years was given by the Tenders Subcommittee on 26 January 2007 as follows:

"That approval be given to publicly call for tenders for Contract No. EW07005A - Drinking Water Quality Testing for a period of three (3) years, to cover the period from 1 July 2007 to 30 June 2010."

6/2007

SCOPE OF WORK

This contract involves the taking of water samples at intervals determined by the Drinking Water Standards 2005, and involves approximately 28 samples per week, throughout the year, for bacteriological, pH, free available chlorine, and turbidity testing. It also includes less frequent sampling and testing for chemical parameters, on an ongoing basis. Samples are taken from 90 sampling stations especially installed on water mains around the city by the Council as well as from other designated sites. The test result information is recorded on a national drinking water quality result database called WINZ, and the contract includes entering all test information on this database.

The contract includes drinking water calibration testing for Council's drinking water telemetry monitoring system and chlorination of reservoirs, when required.

TENDERS RECEIVED

Tenders were publicly advertised on Tenderlink with three sets of documents being uplifted.

Two tenders were received by the closing date of Tuesday 1 May 2007. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
Aqualab (NZ) Ltd	4B McWhirter Place New Lynn	\$459,004.80
NZ Laboratory Services Ltd	35 O'Rourke Road Penrose	\$601,505.00
Pre-tender contract estimate		\$468,042.00

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.

There are no provisional sums in this contract as the contract has strict descriptions of the work requirements to meet statutory obligations, with associated penalties for non performance, there was no scope for alternative tenders.

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

Tender Evaluation	Attributes	Exper.	Track Record	Tech Skills	Resource	Management	Method	Price	Total Weight
Tenderer	Weight	15	10	5	5	15	10	40	100
	Tender Sum	Grades							Index
Aqualab (N.Z.) Ltd.	\$459,004.80	85	75	70	70	80	85	52	69
N.Z Laboratory Services Ltd.	\$601,505.00	80	70	75	75	70	85	21	54
Median Tender Price	\$530,254.90								

Table 2 - Summary of Tender Evaluation

NZ Laboratory Services Ltd scored less for Management Skills as they provided no information as to their use of the WINZ database which the Health Department require all results to be entered into.

There is no significant difference between the Pre-tender contract estimate and the tender price received from Aqualab (NZ) Ltd.

As Aqualab (NZ) Ltd have been doing this work satisfactorily for the last eight years, no referee comments were required.

TAGS, ERRORS OR OMISSIONS

A minor typographical error was made in the schedule where in years two and three the quantity under item 1.8 was entered as 2.5 rather than 2. Aqualab noticed the error, corrected it, and priced accordingly. NZ Laboratory Services Ltd priced in accordance with the schedule, however, the amount involved is only \$5 for each year i.e. total \$10 and this matter is therefore of no consequence.

Neither tender had any tags.

CREDIT CHECK

A credit check on Aqualab (NZ) Ltd dated 4 May 2007 revealed no adverse information.

JOB COSTS

excl. GST

Tender sum - Aqualab (NZ) Ltd	\$459,004.80
Contingency	Nil
Engineering & Supervision	Nil
Other	Nil
Total Job Cost	<u>\$459,004.80</u>

SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Water Quality Testing 2007/2008	85 - 7555 - 25840	\$182,000	nil	\$149,770.80	\$32,229.20
Water Quality Testing 2008/2009	85 - 7555 - 25840	\$190,000	nil	\$153,065.50	\$36,934.50
Water Quality Testing 2009/2010	85 - 7555 - 25840	\$197,000	nil	\$156,168.50	\$40,831.50

SUMMARY

The results of the tender evaluation as summarised in Table 2 shows that the tender submitted by Aqualab (NZ) Ltd achieved the highest index of 69. 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.

RECOMMENDATIONS

1. That the Contract No. EW07005A - Drinking Water Quality Testing 2007-2010 report be received.
2. That the tender from Aqualab (NZ) Ltd for Contract No. EW07005A - Drinking Water Quality Testing 2007-2010 in the sum of \$459,004.80 plus \$57,375.60 GST, totalling \$516,380.40 be accepted.
3. That the commitment to the 2007/2008 financial year for Contract No. EW07005A - Drinking Water Quality Testing 2007-2010 of \$149,770.80 plus GST be approved.
4. That the commitment to the 2008/2009 financial year for Contract No. EW07005A - Drinking Water Quality Testing 2007-2010 of \$153,065.50 plus GST be approved.

5. That the commitment to the 2009/2010 financial year for Contract No. EW07005A - Drinking Water Quality Testing 2007-2010 of \$156,168.50 plus GST be approved.
6. That authority to enter into Contract No. EW07005A - Drinking Water Quality Testing 2007-2010 on behalf of Council be delegated to the Group Manager: Asset Management.

Report prepared by: Richard Taylor, Assets & Network Manager, Ecowater.



14 **CONTRACT NO. EW07006A - SERVICE CONNECTIONS FOR WATER SUPPLY, WASTEWATER AND STORMWATER**

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. EW07006A - Service Connections for Water Supply, Wastewater and Stormwater for a term of two years, with an option for extension for a further two (2) years and to seek funding approval for the relevant financial years.

BACKGROUND

The existing Contract No. EW02674C - Service Connections for Water Supply, Wastewater and Stormwater will expire on 30 June 2007. A new contract is required in order to facilitate new service connections for the three waters in Waitakere and to ensure that new consumers are billed for their water consumption.

At the Tenders Subcommittee meeting, 26 January 2007, it was resolved:

“That approval be given to publicly call for tenders for Contract No EW07006A - Service Connections for Water Supply, Wastewater and Stormwater for a period of two (2) years, with an option for extension for a further two (2) years subject to satisfactory performance.”

7/2007

SCOPE OF WORK

New construction activities in the City result in applications from developers and individuals to Council to provide new service connections for water supply and drainage. Annually, these applications number approximately 1,200 for water supply, 135 for wastewater, and 70 for stormwater. Council provides this service through a term contract with a reputable contractor. The current contract for service connections commenced in November 2002 and is due to expire on 30 June 2007.

The Commerce Commission's determination on service connections requires Council to tender the work.

TENDERS RECEIVED

Tenders were publicly advertised through Tenderlink and daily newspapers, seventeen (17) sets of documents being downloaded. Two (2) tenders were received by the closing date of 1 May 2007. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
Techscape Ltd	Private Bag 302 909, North Harbour, Auckland	\$2,080,767.34
Excell Corporation Ltd	PO Box 58 -740, Greenmount, Auckland	\$1,885,511.10
Pre-tender contract estimate		\$1,134,928.24

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 \$42,000.

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

Tender Evaluation	Attributes	Exper.	Track Record	Tech Skill.	OSH & QA Checklist	Manag Skill.	Method.	Price	Contract Number EW07006A
									Total Weights
	Weights	10	5	5	10	5	5	60	100
Tenderer	Tender Sum	Grades							INDEX
Techscape Ltd	\$2,080,767.34	75	70	70	70	65	65	45	55
Excell Corporation Ltd	\$1,885,511.10	70	70	75	75	70	60	55	61
Median Tender Price	\$1,983,139.22								

Table 2 - Summary of Tender Evaluation

Tenders were evaluated on the basis of the information submitted. In general the tender submitted by Excell Corporation Ltd was clearly and professionally presented. In particular, Excell Corporation Ltd presented a clear and concise Occupational Safety and Health and Quality Assurance checklist. Excell Corporation Ltd's Technical Skills attributes and Management Skills attributes were well presented. Other non-price attributes of the Techscape Ltd and Excell Corporation Ltd tenders were more or less similar.

The lowest tender price is well in excess of the pre-tender contract estimate. The reasons given by the incumbent for this contract work, Techscape Ltd, for the significant increase in schedule rates is that the prices of construction materials, labour and fuel have increased significantly over the past two years. Moreover the administration cost and equipment maintenance costs are currently under funded.

TAGS, ERRORS OR OMISSIONS

There were no tags, errors or omissions in the tender from Excell Corporation Ltd.

CREDIT CHECK

A credit check on Excell Corporation Ltd dated 9 May 2007 revealed no adverse information.

JOB COSTS

	excl. GST
Tender sum - Excell Corporation Ltd	\$1,885,511.10
Contingency (not required)	Nil
Engineering & Supervision (in-house)	Nil
Provision for maximum allowable at risk profit (7.5%)	\$ 141,413.34
Other (Estimated value of rate only items)	\$ 40,000.00
Total Job Cost	<u>\$2,066,924.44</u>

The contract allows for a profit payment of 5% and a risk profit of 2.5% (if the key performance indicators are met), which amounts to a total of \$141,413.34. This amount was not included in the contract sum.

FINANCIAL YEARS	2007/2008 (excl. GST)	2008/2009 (excl. GST)
Excell Corporation Ltd	\$942,755.55	\$942,755.55
Provision for maximum allowable at risk profit (7.5%)	\$70,706.67	\$70,706.67
Other (Estimated value of rate only items)	\$20,000.00	\$20,000.00
Total Cost	\$1,033,462.22	\$1,033,462.22

Table 3 - Summary of Budget Requirements

SOURCE OF FUNDING

The draft Annual Plan 2007/2008 budget for this contract work was based on current contract rates. The significantly increased contract rates will require additional budget as outlined in Table 3 above. It is proposed that these new budget requirements be included in the final Annual Plan 2007/2008. All connection costs are fully recovered by connection charges which will be reviewed and implemented as soon as possible, allowing for the statutory notification process.

Budget Description	Codes	Budget	Committed to Other Projects (Current Contract)	Allocation to This Project	Budget Required
2007/2008 Wastewater Connections	85-7325-25910	\$158,000.00	-	\$255,243.85	(\$97,243.85)
2007/2008 Stormwater Connections	85-7425-24990	\$80,000.00	-	\$159,636.75	(\$79,636.75)
2007/2008 Water Supply Connections	85-7525-25910	\$435,000.00	-	\$618,581.62	(\$183,581.62)
1. Total 2007/2008 (draft Annual Plan)		\$673,000.00	-	\$1,033,462.22	(\$360,462.22)
2. Total 2008/2009 LTCCP Year - 3		\$714,000.00	-	\$1,033,462.22	(\$319,462.22)

A report will be submitted to the Finance and Operational Performance Committee meeting, 11 June 2007, to recommend new connection fees to take into account of increased contract rates.

SUMMARY

The results of the tender evaluation as summarised in Table 2 show that the tender submitted by Excell Corporation Ltd achieved the highest overall index of 61. This tender is also the lowest priced conforming tender.

Excell Corporation Ltd is considered to have the necessary capability and experience to undertake this contract.

RECOMMENDATIONS

1. That the Contract No. EW07006A - Service Connections for Water Supply, Wastewater and Stormwater report be received
2. That it be recommended to the Long Term Council Community and Annual Plan Special Committee that the budgets for the service connections be increased for 2007/2008 and 2008/2009 to be committed for Contract No. EW07006A - Service Connections for Water Supply, Wastewater and Stormwater as follows:

Expenditure

Wastewater \$ 255,300

Stormwater \$ 159,700

Water Supply \$ 618,600

\$1,033,600

Revenue \$1,033,600

3. That the tender from Excell Corporation Ltd for Contract No. EW07006A - Service Connections for Water Supply, Wastewater and Stormwater in the sum of \$1,885,511.10 plus \$235,688.88 GST, totalling \$2,121,199.98 be approved subject to budget being increased in recommendation 2.
4. That authority to enter into Contract No. EW07006A - Service Connections for Water Supply, Wastewater and Stormwater on behalf of Council be delegated to the Group Manager: Asset Management.
5. That a report be submitted to the Finance and Operational Performance Committee on 11 June 2007, to recommend new connection fees for water supply, wastewater and stormwater, for public notification.

Report prepared by: Richard Taylor, Assets and Network Manager.

