



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 31 August 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.

Ngareta Delamere
COMMITTEE SECRETARY

Telephone (09) 836 8000 extn 8552

24 August 2007

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, 31 AUGUST 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

Meeting Minutes - 17 August 2007

RECOMMENDATION

That the minutes of the Meeting of the Tenders Subcommittee held on Friday, 17 August 2007, as circulated, be taken as read and now be confirmed.



5 CONTRACT NO. IM07220A - COMPUTER HARDWARE REFRESH PROJECT 2007

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. IM07220A - Computer Hardware Refresh Project 2007.

BACKGROUND

Council leases all of its PC's, Monitors and Laptops with PC's and monitors having a useful life of three years and laptops a useful life of two years. A replacement program is run on an annual basis and includes a selection of equipment that falls into the category of hardware reaching the end of its lease and useful life as described above.

The computer hardware refresh project for 2007 will commence Council's migration from its PC desktop computers to a thin client desktop environment (a 'dumb' terminal solution where the processing and data storage is done on centralised servers). As these devices have an anticipated life span of up to seven years they will not be leased.

SCOPE OF WORK

A tender was advertised to resellers for the supply of computer hardware (thin client devices, monitors and laptops) as manufacturers only market through resellers. The monitors and laptops will continue to be leased and the thin client devices will be owned by Council. It is also necessary to provide ongoing maintenance and provision of any one-off purchases of computer equipment and related consumables until the next annual hardware refresh project is undertaken.

TENDERS RECEIVED

Tenders were publicly advertised and four (4) tenders were received by the closing date of 5 July 2007. These are summarised in Table 1 below:

TENDERER	MANUFACTURER	REG OFFICE
Datacom Systems	HP	Vincent Street Auckland City
Soft Source Limited	HP/Toshiba	42 Tawa Drive Albany
Eagle Technology	HP	Alexandra Park, Greenlane West, Epsom
Infinity Solutions Limited	HP	Khyber Pass Road, Auckland

Table 1 - Summary of RFP Responses

TENDER EVALUATION

A summary of the evaluation results for the proposals is shown in Table 2.

Tender Evaluation	Attributes	Delivery Options	Packaging Removal	Ability to Meet Deadline	Company Profile	Total Cost	Total Weight	
Tenderer	Weights	9	12	9	10	60	100	
	Tender Sum	Grade					Index	
Soft Source Limited	\$537,784	80	70	80	77	82.7	80.1	
Eagle Technology	\$541,770	80	73	80	77	81.8	79.9	
Datacom	\$538,013	73	56	80	67	82.4	76.7	
Infinity Systems	\$602,959	73	83	80	60	73.1%	73.7	
Median Tender Price	\$570,371							

Table 2 - Summary of Proposal Evaluation

Datacom, Soft Source Limited and Eagle Technology put forward strong cost effective responses, and it is believed all of the suppliers would be able to meet Council's computer hardware supply requirements for the 2007 Technology Refresh.

TAGS, ERRORS OR OMISSIONS

There were no tags, errors or omissions.

CREDIT CHECK

A credit check dated 9 August 2007 on Soft Source Limited revealed no adverse information.

JOB COSTS

	excl. GST
Tender sum – Soft Source Limited	\$537,784.00
Contingency	\$ 53,778.00

	\$591,562.00
Internal Labour (Estimated)	\$119,040.00

Total Job Cost	\$710,602.00

SOURCE OF FUNDING

The value of this contract is \$537,784 plus GST and the total job costs funding is allowed for in the Annual Plan 2007/2008 and in the Long Term Council Community Plan 2006-2016.

SUMMARY

The results of the tender evaluation as summarised in Table 2 above shows that the tender submitted by Soft Source Limited achieved the highest index of 80.1. This tender is also the lowest priced tender.

RECOMMENDATIONS

1. That the Contract No. IM07220A - Computer Hardware Refresh Project 2007 report be received.
2. That the tender from Soft Source Limited for Contract No. IM07220A - Computer Hardware Refresh Project 2007 in the sum of \$537,784.00 plus \$67,223.00 GST, totally \$605,007.00 be accepted.
3. That authority be given for Soft Source Limited to be Council's preferred supplier for the provision of computer hardware, associated consumables and maintenance until the next annual hardware refresh project.
4. That authority to enter into Contract No. IM07220A - Computer Hardware Refresh Project 2007 on behalf of Council be delegated to the Director: Corporate & Civic Services.

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



6 CONTRACT NO. IM07221A - CITRIX THIN CLIENT APPLICATION PACKAGING

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. IM07221A - Citrix Thin Client Application Packaging.

BACKGROUND

Council is migrating to a Citrix Thin Client Desktop environment for its desktop computing needs. This environment comprises of a 'dumb terminal' solution on the user's desk, with all the computer processing and data storage done on Council's back office central computer environment. The exceptions to this will be where PCs are required for specific business purposes. As reported to Council through the Annual Plan process, there are significant savings associated with this approach.

SCOPE OF WORK

This approach requires that all Council's approved software applications that are currently installed on Council's PC environment be installed onto the centralised computer environment. This process requires that these applications be packaged (setup) for the Citrix server environment. The successful completion of this task is a prerequisite to the physical deployment of the desktop thin client devices throughout Council.

TENDERS RECEIVED

Tenders were publicly advertised and two (2) tenders were received by the closing date of 05 July 2007. These are summarised in Table 1 below:

TENDERER	REG OFFICE
Datacom Systems	Vincent Street Auckland City
Soft Source Limited	42 Tawa Drive Albany

Table 1 - Summary of Tender Responses

TENDER EVALUATION

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

Tender Evaluation	Attributes	Relevant Experience in Application Packaging	Relevant Experience in Citrix Solutions	Methodology	Company Profile	Familiarisation with Council Infrastructure	Price	Total Weight
Tenderer	Weights	10	8	10	8	4	60	100
	Tender Sum	Grades						Index
Soft Source Limited	\$113,700	80	60	80	80	83	76.3	76.3
Datacom	\$103,740	80	73	FAILED	FAILED	60	83.7	FAILED
Median Tender Price	\$108,720							

Table 2 - Summary of Tender Evaluation

Upon review of the response from Datacom and after subsequent confirmation meetings, it was confirmed that Datacom could not comply with the timeframes or the resource requirements of the tender specification.

TAGS, ERRORS OR OMISSIONS

There are no tags, errors or omissions in the tender from Soft Source Limited.

CREDIT CHECK

A credit check dated 9 August 2007 on Soft Source Limited contained no adverse information.

JOB COSTS

	excl. GST
Tender sum - Soft Source Limited	\$113,700.00
Contingency	\$ 11,370.00

	\$125,070.00
Internal Labour (Estimated)	\$ 43,410.00

Total Job Cost	\$168,480.00

SOURCE OF FUNDING

The value of this contract is \$113,700.00 plus GST and the total job cost funding is allowed for in the IM Capex 2007/2008 Annual Plan.

SUMMARY

The results of the tender evaluation as summarised in Table 2 show that the tender submitted by Soft Source Limited achieved the highest index of 76.3, and is the only complying tender.

RECOMMENDATIONS

1. That the Contract No. IM07221A - Citrix Thin Client Application Packaging report be received.
2. That the tender from Soft Source Limited for Contract No. IM07221A - Citrix Thin Client Application Packaging in the sum of \$113,700.00 plus \$14,212.50 GST, totally \$127,912.50 be accepted.
3. That authority to enter into Contract No. IM07221A - Citrix Thin Client Application Packaging on behalf of Council be delegated to the Director: Corporate & Civic Services.

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



7 **CONTRACT NO. EW06061C - BIRDWOOD CATCHMENT WASTEWATER SERVICING - STAGE 2**

GLOSSARY

JB Pipeline Services Limited	(JBPL)
Excell Corporation Limited	(ECL)
Horizontal Earth Drilling Limited	(HEDL)
Watercare Services Limited	(WSL)

PURPOSE OF THE REPORT

The purpose of this report is to seek approval to award Contract No. EW06061C - Birdwood Catchment Wastewater Servicing - Stage 2.

BACKGROUND

The Birdwood Structure Plan Area is largely a green field area in Massey that has been identified by Council for future development. The catchment comprises approximately 100 hectares of steeply sloping land. An estimated 423 lots are to be created in the Structure Plan Area. The existing properties (12) are served by septic tanks at present, but Watercare Services Limited (WSL) has approved in principle the servicing of these properties via their bulk wastewater network. Council has given an undertaking to the developers in the catchment to provide public wastewater infrastructure to these sites.

Council has carried out a feasibility study for servicing the Birdwood Structure Plan Area and a gravity wastewater line discharging into the WSL Swanson Branch sewer at 87 Glen Road was recommended. A detailed design of the trunk wastewater line has now been completed and construction is required by 30 November 2007.

SCOPE OF WORK

The works required under this Contract entail the construction of a new wastewater gravity main servicing a section of the Birdwood development, which is a site contained within the larger area of Chamberlain Reserve, 41-49 Chamberlain Road and 8 Chamberlain Road.

This Contract is for construction of 560 metres of 150 millimetre diameter public sewer main, eight manholes, one pipe bridge and five stub connections for future lot or sub-catchment connection together with ancillary works described within these documents.

TENDERS RECEIVED

Tenders were publicly advertised on Tenderlink with twenty six (26) sets of documents being electronically uplifted. Three (3) tenders were received by the closing date of 21 August 2007. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
JB Pipeline Services Limited (JBP)	PO Box 76 885, Manukau City	\$265,969.00
Excell Corporation Limited (ECL)	PO Box 58 740, Greenmount	\$241,774.07
Horizontal Earth Drilling Limited (HEDL)	PO Box 65, Mairangi Bay	\$334,901.00

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 tender, there are various Provisional Items which require "Rates Only" from the tenderers. None of the tenderers have included these amounts in their tendered sums. All the rates for the Provisional Items were compared and considered to be fair prior to the removal for evaluation.

A small number of extension errors were found on all three tenders submitted and these have been corrected and confirmed with each tenderer.

The adjusted tender summary for evaluation is as follows:-

Tenderer	Tender Price (excl. GST)	Adjustments (excl. GST)	Adjusted Tender Price (excl. GST)
ECL	\$241,774.07	\$2,521.28	\$244,295.35
JBPL	\$265,969.00	\$112.00	\$266,081.00
HEDL	\$334,901.00	Rate only correction	\$334,961.00
Pre-tender contract estimate			

Table 2 – Adjusted Summary of Tender Prices

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

Tender Evaluation	Attributes	Exper.	Track Record	Tech. Skill	Resour.	Manag. Skill	Method	Price	Total Weights
	Weights	5	10	5	5	5	20	50	100
Tenderer	Tender Sum				Grades				INDEX
JBPL	\$266,081.00	60	75	75	75	70	85	50	64
ECL	\$244,295.35	60	75	60	50	60	50	58	58
HEDL	\$334,961.00	55	70	60	60	60	40	24	39
Med.n Tender Price	\$266,081.00								

Table 3 - Summary of Tender Evaluation

TAGS, ERRORS OR OMISSIONS

Subsequent to the tender closing date all tenderers were requested to confirm their ability to complete the works by 30 November 2007. JBPL and ECL confirmed via email that this date could be met. HEDL could not confirm this date due to other commitments and that they could not mobilise on site for five (5) months.

The tender submitted by JBPL did not contain any tags but did omit the Tender Form which they duly completed and submitted via email.

The tender submitted by ECL contained a tag which did not allow for reinstatements and dewatering with a cost implication of \$2,500.00. ECL were asked to remove this tag which they did. They also omitted information in their statement of attributes which were requested and submitted via email.

The tender submitted by HEDL contained a tag that they could not mobilise for a five month period.

CREDIT CHECK

A credit check on JBPL dated 14 August 2007 revealed no adverse information.

JOB COSTS

excl. GST

JB Pipeline Services Limited	\$266,081.00
Contingency	\$ 26,608.00
Engineering & Supervision	\$ 23,506.00
Other- Arborist & Consents	\$ 5,000.00

Total Job Cost	\$321,195.00

SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Babich/Birdwood Growth Areas Structure Plan Project	8AMEW-07-061	\$639,000.00	\$462,899.00	\$176,101.00	\$0.00
Wastewater Network Upgrade Programme	8AMEW-07-081	\$3,114,000.00	\$28,405.00	\$145,094.00	\$2,940,501.00

SUMMARY

The results of the tender evaluation as summarised in Table 3 show that the tender submitted by JBPL achieved the highest overall index of 64. This tender is also the second lowest priced tender received. They have confirmed that they have the required resources available to complete the project on time and have delivered a revised program to supplement their methodology detailing their ability to meet the required timeline.

ECL, although being the lowest priced tender did not achieve the highest score, due to a poor methodology and unconfirmed subcontractor resources to carry out the directional drilling portion of the works.

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 Contract No. EW06061C - Birdwood Catchment Wastewater Servicing - Stage 2 report be received.
2. That the tender from JB Pipeline Services Limited for Contract No. EW06061C - Birdwood Catchment Wastewater Servicing - Stage 2 in the sum of \$266,081.00 plus \$33,260.13 GST, totalling \$299,341.13 be accepted.

3. That the tender for Contract No. EW06061C - Birdwood Catchment Wastewater Servicing - Stage 2 be awarded to other than the lowest priced tender, because the weighted attributes tender evaluation method requires the tendering authority to enter into a contract only with the tender that scores the highest overall index.
4. That authority to enter into Contract No. EW06061C - Birdwood Catchment Wastewater Servicing - Stage 2 on behalf of Council be delegated to the Group Manager, Asset Management.

Report prepared by: Jeanette England, Contracts Co-ordinator, Project Services.



8 CONTRACT NO. EW07032A - CONSULTANT SUPPORT FOR INFILTRATION AND INFLOW PEAK FLOW REDUCTION PROGRAMME

GLOSSARY

Gillespie Consultants Limited (GCL)

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. EW07032A - Consultant Support for Infiltration and Inflow Peak Flow Reduction Programme.

BACKGROUND

A report was presented to the Tenders Subcommittee on 20 July 2007 recommending that Council negotiate with Gillespie Consultants Limited (GCL) as a sole supplier, based on previous contracts.

The Tenders Subcommittee at its meeting dated 20 July 2007, resolved:

- “1 That the Consultant Support for Infiltration and Inflow Peak Flow Reduction Programme report be received.
2. That authority be given to deviate from the Council procurement policy in respect of not publicly tendering for this contract and to enter into negotiation with Gillespie Consultants Limited on the basis of a preferred supplier for work identical to Contract No. EW06027A - Property Inspections for Peak Flow Reduction, and Contract No. EW06028A - Assistance to Water Projects, subject to a formal negotiation process being undertaken prior to any contract award.
3. That Gillespie Consultants Limited be informed that an award of a contract Consultant Support for Infiltration and Inflow Peak Flow Reduction Programme is not guaranteed.
4. That the outcome of the negotiation process with Gillespie Consultants Limited for the Consultant Support for Infiltration and Inflow Peak Flow Reduction Programme be reported back to the Tenders Subcommittee for approval to award a contract.”

3086/2007

NEGOTIATION PROCESS

Project Services staff negotiated with GCL on the basis of the work to be performed and benchmarked against rates used in two contracts awarded last financial year. The combined value of these contracts was \$339,150.

The final negotiated price for this contract is \$391,200. Budget increases have resulted in the provision of an increased volume of work but the scope has remained the same. Using the revised rates the same volume of work as last financial year would now cost \$354,250 (an increase of \$15,100). The remaining \$36,950 increase is due to the increase in work volume.

In the proposed contract there are 19 existing contract items and two new items. The two new items do not change the scope from previous years but enable a split for charging purposes based in the level of experience of GCL staff. Whereas previously there was one scheduled rate for GCL staff assisting with design, for staff with over 15 years of experience, there are now two additional scheduled rates (both lower) for staff with 10 - 15 and 5 - 10 years experience.

GCL agreed to continue with the previous contract prices for nine of the 21 items. These items total \$79,700. For another nine items, rate increases ranged from 3% - 6% which were all considered fair and reasonable. There was one item which increased by 12.5% (\$7,500) for air and water testing. This is also considered fair and reasonable.

The prices are considered to be well within the market prices for this type of work. The negotiated price for the contract is \$1,200 (0.31%) above the estimated cost for this contract.

RESOURCES

GCL has proposed a team with necessary resources and expertise to manage and undertake the work.

CREDIT CHECK

A credit check on GCL dated 1 August 2007 revealed no adverse information.

JOB COSTS Excl. GST

Contract Price - Negotiated with GCL	\$ 391,200.00
Contingency	\$ 39,120.00
Engineering & Supervision	\$ 39,120.00
Total Job Cost	\$ 469,440.00

SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Cost Centre/WBS	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Peak Flow Capacity Programme	6750/8AMEW-07-027	\$261,000.00	\$0.00	\$237,480.00	\$23,520.00
Wastewater Renewals I&I Programme	67408/AMEW-07-027	\$4,200,000.00	\$0.00	\$92,520.00	\$4,107,480.00
Infiltration and Inflow Programme	6590/N/A	\$94,000.00	\$0.00	\$34,800.00	\$59,200.00
Detailed Design for Infiltration	6740/8AMEW-07-025	\$215,000.00	\$0.00	\$104,640.00	\$110,360.00

SUMMARY

The negotiated price of the contract of \$391,200 is considered a fair price and good value for money for the work to be performed under the contract. The negotiated price is \$1,200 (0.31%) above the estimated price for this contract and is considered fair and reasonable in light of actual and potential cost increases, beyond the control of GCL.

The Consultant's credentials, experience, team approach, site specific knowledge and public relations record are of the highest standard and were previously reported to the Tenders Subcommittee in order to support not going to public tender and will therefore not be repeated in this report.

As part of Council's contracting process "Quality and Health and Safety is not negotiable" - the contractor has 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. EW07032A - Consultant Support for Infiltration and Inflow Peak Flow Reduction Programme report be received.
2. That the negotiated contract price from Gilliespie Consultants Limited for Contract No. EW07032A - Consultant Support for Infiltration and Inflow Peak Flow Reduction Programme in the sum of \$391,200.00 plus \$48,900.00 GST, totalling \$440,100.00 be approved.
3. That authority to enter into Contract No. EW07032A - Consultant Support for Infiltration and Inflow Peak Flow Reduction Programme on behalf of Council be delegated to the Group Manager: Project Services.

Report prepared by: David Nelson: Water Projects Manager; Project Services.



9 CONTRACT NO. SP06006B - WAITAKERE PUBLIC ALERTING SIREN SYSTEM DESIGN AND CONSTRUCTION

GLOSSARY

Vector Power Company Limited	(Vector)
Meerkat Alert Systems Limited	(Meerkat)
Rider Levett Bucknall Auckland Limited	(RLB)

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. SP06006B - Waitakere Public Alerting Siren System Design and Construction.

BACKGROUND

In February 2007, a tender was publicly advertised for the development of a concept design and report to Council for the implementation of a public alerting siren system in the Waitakere City coastal regions. This concept report was submitted to the Emergency Services Special Committee at its meeting held on Friday, 12 June 2007 with the following resolutions:

1. *That the Emergency Services Special Committee endorses the use of the Meerkat Alert Siren System for use in Waitakere coastal regions.*
2. *That approval be given to enter into agreements with Vector Power Company Limited for mounting equipment onto Vector's power poles and use of the Ripple control system, and with Maritime New Zealand for the rights to erect a repeater station on their asset.*

3. *That it be recommended to the Long Term Council Community Plan and Annual Plan Special Committee that an additional \$180,000 capital funding be provided in the 2007/2008 Annual Plan to implement a full Tsunami Response Emergency Warning System."*

1037/2007

The Long Term Council Community Plan and Annual Plan Special Committee, at its meeting held on 25 June 2007, approved additional funding as follows:

*"Emergency Services
Warning System \$180,000 Loan"
1183/2007*

SCOPE OF WORK

This contract is a 'turnkey' style contract for the detailed design, manufacture and installation of a public alerting siren system by Meerkat Alert Systems Limited (Meerkat), to be installed at nominated locations within the Waitakere coastal regions.

The work includes the supply of all labour and materials including tools, transportation services, supervision, co-ordination etc. necessary to complete the design, manufacture and installation of the system, as described in the Public Alerting Siren System concept report provided by Meerkat in May 2007.

Works include:

- Preparation of all documentation required for lodgement of consent applications;
- Detailed design;
- Manufacture of components;
- Installation in accordance with applicable code requirements;
- Commissioning tests, adjustments, and documentation as appropriate;
- Operation and maintenance manuals;
- Manufacturer guarantees on individual items.

The tender called for two options, one with Ripple signal transmission technology and one without. The purpose of requesting two options was to evaluate the cost of optional Ripple signal transmission technology, which permits signals to be transmitted through Vector Power Company Limited's (Vector) existing power line network. This technology allows signals to be received directly into buildings and houses, wherever Vector's Ripple network exists. An existing example of this technology is where Ripple signals are used to remotely control hot water cylinders in houses in some areas. It is envisaged that the optional Ripple signal would be provided as a back up signal to the proposed radio network signal.

Small portable Ripple siren units that can plug directly into domestic power points are commercially available. It is envisaged that if Ripple signal technology is provided, then these portable indoor sirens could be installed in public facilities and residents could purchase these units directly for use in private houses. Provision of these portable siren units is not included in the scope of this contract. However, it has been suggested that these units could be purchased by residents. It may be that this is a project that may interest the Licensing Trusts. Costs for such units purchased in bulk is estimated at approximately \$50-\$100 each.

The Ripple controlled indoor sirens have been trialled in the Far North and found to be very effective in alerting people while in their homes, where they may not hear outdoor sirens over background noise such as television or music. The indoor sirens are particularly effective for the hearing impaired.

TENDERS RECEIVED

A tender was invited from Meerkat for design services and physical works for the two options outlined above. The tender received was evaluated against the Public Alerting Siren System concept report received in May 2007 and both the tender and the report were independently reviewed by Rider Levett Bucknall Auckland Limited (RLB) quantity surveyors.

The tender received and the Public Alerting Siren System concept report cost estimate are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST) Without Ripple	TENDER PRICE (excl. GST) Option with Ripple
Meerkat Alert Systems Limited	Clevedon, Auckland	\$398,776.00	\$403,576.00
Public Alerting Siren System - Concept Estimate		\$389,000.00	-

Table 1 - Summary of Tender Prices

TENDER EVALUATION

In accordance with the conditions of tendering, tenders were evaluated in line with the Lowest Price Conforming Tender Method contained in Transfund New Zealand's "Competitive Pricing Procedures Manual". The tender was evaluated by a panel comprising Council's Special Projects Manager and Technical Co-ordinator and independently reviewed by RLB quantity surveyors.

The tender received exceeded the cost estimate provided in the concept report by \$9,776. This has been reviewed by RLB and determined as a fair reflection of costs associated with tender conditions for defects liability, insurances and liquidated damages, which were not part of the concept report. An independent review conducted by RLB on both the tender and report concluded that:

We have reviewed the breakdown of the tender price and the costs between the sites seem comparable. This project is unique in New Zealand and in its nature so we have been unable to benchmark costs against similar types of projects. However, we believe the overall tender from Meerkat Alert System represents a fair market cost for the work involved in this project.

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

Tender Evaluation	Attributes	Experi.	Track Record	Technical Skills.	Resources	Management Skills.	Method	Lowest Price Conforming Tender
Tenderer	Tender Sum	Grades						
Meerkat Alert Systems Limited (Without Ripple)	\$398,776.00	Pass	Pass	Pass	Pass	Pass	Pass	Yes
Meerkat Alert Systems Limited (With Ripple)	\$403,576.00	Pass	Pass	Pass	Pass	Pass	Pass	Yes

Table 2 - Summary of Tender Evaluation

The cost of including optional Ripple technology as a back up signal transmission system amounts to \$4,800.00 which is an insignificant cost in comparison to the far reaching benefits to the community and therefore the Ripple technology option is considered by far the preferred of the two options. Aside from providing increased coverage through indoor sirens, Ripple acts as a back up signal system for the external pole mounted sirens. For this reason, the Ripple system has been selected by the Civil Defence Manager as the preferred option.

TAGS, ERRORS OR OMISSIONS

The tender from Meerkat contained only one significant tag and no errors or omissions. The tender is based on the assumption that the low power requirements for siren units will be covered under a blanket agreement with Vector and will not necessitate individual metering of siren installations. This will be confirmed once the detailed design has been completed and an agreement has been entered into with Vector. Preliminary liaison with Vector indicates that individual power metering will not be required.

PROJECT RISKS

This project requires cooperation between a number of organisations, namely Vector for consent to install equipment on Vector's power poles and use of their Ripple system and Maritime New Zealand for consent to install a radio repeater at the Log Race Road lighthouse. Preliminary liaison between Meerkat and these organisations have shown willingness for cooperation on this project. However, final consent will not be obtained until the detailed design has been completed and submitted to both organisations.

CREDIT CHECK

A credit check dated 2 August 2007 revealed no adverse information.

JOB COSTS (including Ripple control)

	excl. GST
Tender sum - Meerkat Alert Systems Limited	\$403,576.00
Contingency	\$ 34,424.00
Project and Contract Management	\$ 10,000.00
Engineering & Supervision	\$ Included
Consent and legal fees	\$ 30,000.00
Radio frequency application fee	\$ 2,000.00

Total Job Cost	\$480,000.00

SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Public Alerting Siren System	75-9210-52580 3SEC-07-027-1750	\$300,000.00	Nil	\$300,000.00	Nil
Emergency Services Warning System	75-9210-52580 3SEC-07-027-1750	\$180,000	Nil	\$180,000.00	Nil
			Total:	\$480,000.00	

SUMMARY

A tender was invited and received from Meerkat. This tender has achieved a pass in all the non-price attributes for both options (without Ripple and with Ripple).

It is recommended that an award be made for the option that includes Ripple on the basis of the significant benefits versus the minimal cost difference (\$4,800).

As part of Council's contracting process "Quality and Health and Safety is not negotiable" - the contractor has 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. SP06006B - Waitakere Public Alerting Siren System Design and Construction report be received
2. That the tender from Meerkat Alert Systems Limited for Contract No. SP06006B - Waitakere Public Alerting Siren System Design and Construction in the sum of \$403,576.00 plus \$50,447.00 GST, totalling \$454,023.00 be accepted
3. That authority to enter into Contract No. SP06006B - Waitakere Public Alerting Siren System Design and Construction on behalf of Council be delegated to the Director: Corporate and Civic Services.

Report prepared by: John Schermbrucker, Special Projects Manager.

