



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** **8 February 2008** **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.

4 February 2008

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, 8 FEBRUARY 2008,
COMMENCING AT 9.00 AM**

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**AGENDA FOR A MEETING OF THE TENDERS SUBCOMMITTEE TO BE HELD AT
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1 APOLOGIES



2 URGENT BUSINESS

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

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

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

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



3 CONFLICTS OF INTEREST

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



4 CONFIRMATION OF MINUTES

Meeting Minutes - 25 January 2008

RECOMMENDATION

That the minutes of the Meeting of the Tenders Subcommittee held on Friday, 25 January 2008, as circulated, be taken as read and now be confirmed.



5 **CONTRACT NO. TA07027A - DON BUCK ROAD / RED HILLS ROAD ROUNDABOUT CONSTRUCTION**

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. TA07027A - Don Buck Road / Red Hills Road Roundabout Construction.

BACKGROUND

The Don Buck Road and Red Hills Road intersection forms an important link to a large industrial activity, a school, and the rural areas of Waitakere and Taupaki. The project was requested through public submissions and the 2006/2007 Annual Plan process to address minor congestion issues and safety operation on Red Hills Road at its intersection with Don Buck Road.

The proposed roundabout at the intersection of Don Buck Road and Red Hills Road was approved for construction by the Massey Community Board on 4 April 2007.

SCOPE OF WORK

This contract is for the construction of a roundabout at the intersection of Don Buck Road and Red Hills Road, Massey. The works include but are not limited to the following:

- Traffic control;
- Site clearance;
- Earthworks;
- Stormwater;
- Carriageway construction;
- Kerb and channel;
- Pavement milling and asphalt surfacing;
- Concrete footpaths and driveways;
- Pavement marking and signage.

TENDERS RECEIVED

Tenders were publicly advertised with 16 sets of documents being uplifted. Three tenders were received by the closing date of 15 January 2008. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
HEB Smithbridge Ltd	Drury	\$401,039.29
Traffic Systems Ltd	Avondale	\$411,511.50
D and F Contracting Ltd		Disqualified
Pre-tender contract estimate		\$437,435.00

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 \$24,000.

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
HEB Smithbridge Ltd	\$401,039.29	75	70	74	63	75	82	51	58
Traffic Systems Ltd	\$411,511.50	78	74	73	48	72	65	49	55
D and F Contracting Ltd	-								Disqualified
Median Tender Price	\$406,275.40								

Table 2 - Summary of Tender Evaluation

D and F Contracting Limited were considered to be non-conforming as they did not meet the minimum Quality Assurance Systems and also did not describe the methodology proposed to achieve the specified end result within the required time frame as required by the Conditions of Tendering. They were therefore excluded from further evaluation.

HEB Smithbridge Limited are a large privately owned construction company with good resources and a satisfactory track record. They have significant experience in the type of work involved in this contract and their staff are well known to Council and have proved to be co-operative and competent with minimal quality or management issues related to their work.

TAGS, ERRORS OR OMISSIONS

The tenders from HEB Smithbridge Limited and Traffic Systems Limited contained no tags, errors or omissions.

CREDIT CHECK

A credit check on HEB Smithbridge Limited dated 12 November 2007 revealed no adverse information.

JOB COSTS

	excl. GST
Tender sum - HEB Smithbridge Limited	\$401,039.29
Contingency	\$ 40,000.00
Engineering and Supervision	\$ 38,000.00

Total Job Cost	\$479,039.29

SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Don Buck - Red Hills Roundabout	8AMTA-07-060	\$700,000	\$156,960	\$479,040	\$64,000

SUMMARY

The results of the tender evaluation as summarised in Table 2 shows that the tender submitted by HEB Smithbridge Limited achieved the highest index of 58. This tender is also the lowest priced tender.

HEB Smithbridge Limited have a recent history with Council as being a contractor with a satisfactory standard of workmanship and management. In general their staff have proved to be co-operative and competent with minimal issues related to their work.

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. TA07027A - Don Buck Road / Red Hills Road Roundabout Construction report be received.
2. That the tender from HEB Smithbridge Limited for Contract No. TA07027A - Don Buck Road / Red Hills Road Roundabout Construction in the sum of \$401,039.29 plus \$50,129.91 GST, totalling \$451,169.20 be accepted.
3. That authority to enter into Contract No. TA07027A - Don Buck Road / Red Hills Road Roundabout Construction on behalf of Council be delegated to the Group Manager: Asset Management.

Report prepared by: Vinh Bui, Senior Transport Engineer.



6 CONTRACT NO. TA06056C - TRIANGLE ROAD SLIP RETAINING WALL AND TOE SUPPORT

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. TA06056C - Triangle Road Slip Retaining Wall and Toe Support.

BACKGROUND

Historical filling undertaken within an old watercourse, now part of Triangle Road, has resulted in subsidence along the steep bank above properties in the vicinity of 284 to 288 Triangle Road, undermining the existing retaining wall at the top of the slope, the footpath and road edge.

A geotechnical investigation was carried out of the slip site in November 2006, and as recommended in the geotechnical report, it is proposed to undertake remedial works at this location to stabilise the embankment slope by the construction of retaining walls on the eastern side of Triangle Road at the slip site. Berm reshaping and drainage works will also be undertaken on the western side of the road which will reduce stormwater infiltration into the subsoil and water table levels in the steep bank further reducing the risk of slippage.

SCOPE OF WORK

The scope of work involves the construction of a concrete barrier pile retaining wall of approximately 70 metres in length as well as a smaller timber and concrete pile toe support wall at the base of the slope. The following works are also included in this contract:

- Construction of horizontally bored drains;
- Earthworks to re-contour the existing western berm;
- Construction of kerb and channel;
- Construction of footpaths;
- Construction of residential driveways and vehicle crossings;
- Surface drainage;
- Re-vegetation of the embankment slope;
- Road marking;
- Watermain diversion.

TENDERS RECEIVED

Tenders were publicly advertised on Tenderlink on 28 November 2007 with 25 sets of documents being downloaded. Four (4) tenders were received by the closing date of 18 December 2007. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
H & H Contractors Limited	12A Culperry Road Glendene	\$405,228.00
Gibbons Contractors Limited	15 Cowley Place Albany	\$619,281.00
Infrastructure NZ	16 Saturn Place North Harbour	\$767,388.60
Cloutman Contracting Limited	451 Waitakere Road Taupaki	\$ Not opened
Pre-tender contract estimate		\$705,755.00

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 \$17,500.00

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	8	8	4	4	3	3	70	100
	Tender Sum	Grades							Index
H & H Contractors Ltd	\$387,728.00	60	65	60	55	55	50	86	78
Gibbons Contractors Ltd	\$601,781.00	65	60	70	70	60	55	50	54
Infrastructe NZ	\$749,888.60	50	50	55	40	45	50	25	32
Cloutman Contracting Ltd		35	35	35	45	35	40		Disqualified
Median Tender Price	\$601,781.00								

Table 2 - Summary of Tender Evaluation

The tender evaluation results reflect a wide range of contractors with varying skills and abilities.

Referees who have worked with H & H Contractors Limited in the past have advised that they are a very competent civil engineering company capable of completing the project, however they have on occasions encountered substantial and sometimes unreasonable variations claims, which can lead to additional contract supervision and administration costs.

H & H Contractors Limited has nominated Spiral Drillers Limited as their subcontractor to undertake the pile drilling of the retaining wall. Spiral Drillers is a well established drilling company in the Auckland region and have the equipment and experience to carry out the works.

Cloutman Contracting Limited has received low scores due to their inability to provide the tender attribute information required for the tender. This has resulted in them being disqualified from the tender process.

TAGS, ERRORS OR OMISSIONS

Tags and errors existed in all the tenders, except that of Cloutman Contracting Limited.

Clarification on a variety of issues was sought from all three remaining contractors. H & H Contractors Limited and Gibbons Contractors Limited chose to respond. No response was received from Infrastructure NZ.

Clarification was sought from all three contractors over what they had allowed for in their prices under Item 9, (Retaining Walls) of the Schedule of Prices. Both contractors who responded stated that their rates and prices included the listed items.

Specific issues and tags needed clarification or removal in all three tenders. The responses from the two contractors that responded are summarised below:

H & H Contractors Limited

An error was discovered in the price schedule of H & H Contractors Limited in the order of \$21,000.00. Their tender price was also substantially below the pre-tender contract estimate and so were asked to adjust their Schedule of Prices and confirm their tender price of \$405,228.00, which they did.

H & H Contractors Limited included a tag relating to their outstanding work commitments. It was confirmed that if they were awarded the contract, they would have the capability to commence the works starting the first week of March 2008.

H & H Contractors Limited also confirmed that their tender price was based on another party moving the overhead power lines prior to works commencing and being replaced by another party on the completion of works.

A pre-award meeting was held with H & H Contractors Limited and they were asked to provide further information on several matters:-

- Methodology in regard to drilling machinery placement and potential impact on the stability of the slip site;
- On site traffic management to maintain a single road lane open in each direction;
- Contingency plan should the site be affected by a rain storm;
- Programme of works as it is critical to complete the drilling work before the onset of autumn/winter rains.

The contractor has provided a satisfactory response to the above queries.

Gibbons Contractors Limited

Gibbons Contractors Limited confirmed that their tender price was based on another party moving the overhead power lines prior to works commencing and being replaced by another party on the completion of works.

Gibbons Contractors Limited was not prepared to withdraw their tender tag that Item 9 of the Schedule of Prices excluded temporary or permanent casings for the 750 millimetre diameter piles. The issue was not pursued further as casings were not part of the specification.

CREDIT CHECK

A credit check on H & H Contractors Limited dated 6 December 2007 was satisfactory.

JOB COSTS

	excl. GST
Tender sum (H & H Contractors Limited)	\$405,228.00
Contingency (20%)	\$ 81,045.00
Engineering & Supervision (includes consultant costs)	\$ 20,000.00
Other Costs	
- arborist	\$ 2,000.00
- Vector relocation	\$ 92,505.00

Total Job Cost	\$600,778.00

The contingency sum has been increased from 10% to 20% of the tender sum due to the higher risk associated with drilling to large depths.

SOURCE OF FUNDING

Budget Description	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Slip works - Storm event Sept 2006 Watermain works	8AMTA-08-018	\$950,000	\$29,400	\$569,368	\$351,232
	8AMEW-07-242	\$1,950,000	\$1,263,000	\$31,410	\$655,590

SUMMARY

The results of the tender evaluation as summarised in Table 2 shows that the tender submitted by H & H Contractors Limited achieved the highest index of 78. 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. TA06056C - Triangle Road Slip Retaining Wall and Toe Support report be received.
2. That the tender from H & H Contractors Limited for Contract No. TA06056C Triangle Road Slip Retaining Wall and Toe Support in the sum of \$405,228.00 plus \$50,653.50 GST, totalling \$455,881.50 be accepted.
3. That authority to enter into Contract No. TA06056C Triangle Road Slip Retaining Wall and Toe Support on behalf of Council be delegated to the Group Manager: Project Services.

Report prepared by: Paul McDaid, Project Engineer.



7 CONTRACT NO. CM07002B - WAIKUMETE CEMETERY BURIAL DEVELOPMENTS 2007/2008

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. CM07002B - Waikumete Cemetery Burial Developments 2007/2008.

BACKGROUND

Waitakere City Council has an ongoing programme of improvements to cemetery burial areas within Waikumete Cemetery. Following consultation with Parks Assets, cemetery management and various interest groups internally and externally, a list of sites has been selected for development in the 2007/2008 financial year.

SCOPE OF WORK

This contract includes 11 sites at various locations within the Cemetery.

Generally, works include the following:

- Earthworks;
- Stormwater drainage upgrades;
- Construction of concrete beams for various burial sites;
- Reinstatements and associated works.

TENDERS RECEIVED

Tenders were publicly advertised through Tenderlink, with twenty (20) sets of documents being downloaded. Four (4) tenders were received by the closing date of Tuesday 18 December 2007. These are summarised in Table 1 below:

TENDERER	REG. OFFICE	TENDER PRICE (excl. GST)
D&F Contracting Limited	P.O. Box 51, Takanini	\$162,556.00
H & H Contractors Limited	P.O. Box 15084, New Lynn	\$185,853.20
Eastbay Civil & Construction Limited	P.O. Box 3119, Napier	\$209,959.80
Arrow Civil Engineers Limited	P.O. Box 13116, Onehunga	\$264,349.58
Pre-tender contract estimate		\$197,622.00

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 \$1000.00.

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

Tender Evaluation	Attributes	Exper.	Track Record	Tech. Skill	Res.	Manag-ment	Method	Price	Contract Number CM07002B
									Total Weights
	Weights	10	10	5	5	5	5	60	100
Tenderer	Tender Sum	Grades							INDEX
H&H Contractors Limited	\$184,853.20	77	74	69	70	70	72	56	63
D&F Contracting Limited	\$161,556.00	50	55	50	56	50	55	68	62
Eastbay Civil & Construction Limited	\$208,959.80	57	50	58	59	57	65	44	49
Arrow Civil Engineers Limited	\$263,349.58	72	71	72	67	68	70	16	38
Median Tender Price	\$196,906.50								

Table 2 - Summary of Tender Evaluation

H&H Contractors Limited is predominantly a drainage construction company. They have recently branched out into more general civil construction with the addition of Mike Keoghan, an experienced civil contractor joining the company. They have recently completed a number of similar projects for Council and have performed well on all occasions.

D&F Contracting Limited had the lowest priced tender. However, based on their tender submissions and reference checks carried out, it was evident that D&F Contracting Limited lacked experience in this type of work. Hence, they scored relatively lower compared to other tenderers in all their evaluated attributes.

TAGS, ERRORS OR OMISSIONS

The tender from H&H Contractors Limited had three (3) tags. These tags had no price implications and were subsequently removed by the tenderer.

There were no other tags, errors or omissions.

CREDIT CHECK

A credit check on H&H Contractors Limited dated 6 December 2007, revealed no adverse information.

JOB COSTS

	excl. GST
Tender sum - H&H Contractors Limited	\$185,853.20
Contingency	\$ 20,319.50
Engineering and Supervision	\$ 40,000.00

Total Job Cost	\$246,172.70

SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Cemetery Burial Developments	8 CSCM-08-004	\$300,000.00	\$10,000.00	\$246,172.70	\$43,827.30

SUMMARY

The results of the tender evaluation as summarised in Table 2 shows that the tender submitted by H&H Contractors Limited achieved the highest index of 63. Their tender was the second lowest tender.

The recent history of H&H Contractors Limited is that the company has provided satisfactory workmanship and management skills. They are a well-resourced company, well experienced in this type of contract.

D&F Contracting Limited was the lowest priced tender but had a lower overall index due to the low scores on their attributes.

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. CM07002B - Waikumete Cemetery Burial Developments 2007/2008 report be received.
2. That the tender from H&H Contractors Limited for Contract No. CM07002B - Waikumete Cemetery Burial Developments 2007/2008 in the sum of \$ 185,853.20 plus \$ 23,231.65 GST, totalling \$ 209,084.85 be accepted.
3. That the tender for CM07002B - Waikumete Cemetery Burial Developments 2007/2008 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. CM07002B - Waikumete Cemetery Burial Developments 2007/2008 on behalf of Council be delegated to the Group Manager: Project Services.

Report prepared by: Jagath Rupasinghe, Engineer Rooding.



8 CONTRACT NO. EW07002F - WASTEWATER UPGRADE 137 UNIVERSAL DRIVE TO 23 DAYTONA ROAD

GLOSSARY

Coast Diggers Services Limited	(CDSL)
Excell Corporation Limited	(ECL)
Horizontal Earth Drilling Limited	(HEDL)
H&H Contractors Limited	(HHCL)

PURPOSE OF THE REPORT

The purpose of this report is to seek approval to award Contract No. EW07002F - Wastewater Upgrade 137 Universal Drive to 23 Daytona Road.

BACKGROUND

As part of the EcoWater annual maintenance programme the wastewater pipeline serving the suburb of Lincoln has been identified to be upgraded. The existing line has insufficient capacity to cater for the increased flows due to significant high density housing development in recent times and further development identified for the near future. In addition the line is very old and subject to blockages.

SCOPE OF WORK

This contract involves the installation of 450 metres of 355 mm diameter and 75 metres of 400mm diameter polyethylene pipe from an existing manhole at 139 Universal Drive to an upgraded manhole at 31E Daytona Road. The proposed construction method is by trenchless drilling. A previous contract has been let for 260 metres of pipeline downstream from 31E Daytona Road and this contract will continue that upgrade.

TENDERS RECEIVED

Tenders were publicly advertised through Tenderlink with twenty-seven (27) sets of documents being downloaded. Four (4) tenders were received by the closing date of Tuesday, 15 January 2008, three conforming tenders and one alternative tender from H&H Contractors Limited (HHCL). Subsequently Horizontal Earth Drilling Limited (HEDL) have withdrawn their tender due a lack of resources. These results are summarised below in Table 1:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
Excell Corporation Limited (ECL)	PO Box 58-740, Greenmount ,Auckland	\$618,162.50
Coast Diggers Services Limited (CDSL)	33 Anvil Road, Silverdale	\$991,070.00
H&H Contractors Limited (HHCL)	PO Box 15-084, New Lynn	\$1,067,299.00
Pre-tender contract estimate		\$603,450.00

Table 1 - Summary of Tender Prices

TENDER EVALUATION

In accordance with the conditions of tendering, tenders were evaluated in line with the Weighted Attributes Method contained in Transfund New Zealand's "Competitive Pricing Procedures Manual".

HHCL submitted an alternative tender that was evaluated in accordance with Section 2.8 of the Transfund Manual. This requires all non-alternative tenders to be evaluated first, with the alternative tender being compared against the best of the non-alternative tenders.

The price of the alternative tender is not included in the calculation of the median tender price, although it is evaluated against it.

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

Tender Evaluation	Attributes	Exper	Track Record	Tech Skill	Res.	Manag e-ment Skill	Method	Price	Contract No EW07002F
									Total Weights
	Weights	10	10	5	5	5	15	50	100
Tenderer	Tender Sum	Grades							INDEX
Excell Corporation Limited	\$618,162.50	92	90	87	85	93	85	73	81
Coast Digger Services Limited	\$991,070.00	90	92	88	88	91	93	27	59
Median Tender Price	\$804,616.25								

Table 2 - Tender Evaluation - Conforming Tenders

The lowest priced tender received is the tender from Excell Corporation Limited (ECL) and the price is approximately two and a half percent higher than the pre-tender estimate. The tender contained five tags that have been clarified. The second lowest priced conforming tender was from Coast Diggers Services Limited (CDSL).

Scores for the six non-price attributes were based on information provided in each tender, on the information gathered from the referees nominated by the tenderers and on recent Council experience with the tenderers.

The alternative tender submitted by HHCL was evaluated and assessed against the highest scoring tender from ECL as shown in Table 3:

Tender Evaluation	Attributes	Exper.	Track Record	Tech Skill	Res.	Management Skill	Method	Price	Contract No EW07002F
									Total Weights
	Weights	10	10	5	5	5	15	50	100
Tenderer	Tender Sum	Grades							INDEX
Excell Corporation Limited	\$618,162.50	92	90	87	85	93	85	77	83
H&H Contractors Limited	\$1,067,299.00	95	87	95	93	85	93	23	57
Median Tender Price	\$804,616.25								

Table 3 - Alternative Tender Evaluation

The tender from ECL again gained the highest index. HHCL tendered on the basis of using an alternative material compared to that specified in the tender documents and micro-tunnelling methodology. The price attribute has significantly lowered HHCL's index compared to the other tenderers.

All three companies have favourable references and none scored less than 50% for any attribute. A reference check of all tenderers confirmed that ECL and CDSL have slightly better skills than the other tenderer. The two referees contacted regarding ECL provided positive responses. Both were completely satisfied and would have no hesitation in using ECL again.

TAGS, ERRORS OR OMISSIONS

ECL has five (5) tags in their tender. As per the General Conditions of Tender, Clause 5.2, the Engineer to the Contract on behalf of the Principal requested ECL either withdraw all the tags without adjusting the original tender price or price each tag. Two (2) tags without financial implication were clarified and the other tags were withdrawn.

There were no tags or omissions in the other two tenders.

CREDIT CHECK

A credit check on ECL dated 21 November 2007 revealed no adverse information.

SUMMARY

The results of the tender evaluation as summarised in Table 2 and 3 shows that the tender submitted by ECL achieved the highest index. ECL have successfully undertaken similar works for Waitakere City Council and other Councils for many years and therefore ECL is the preferred tenderer.

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

JOB COSTS

excl. GST

Tender sum - (ECL)	\$618,162.50
Contingency	\$ 61,800.00
Engineering & Supervision	\$ 20,300.00
Other costs - Arborist monitoring	\$ 2,000.00
Total Job Cost	<u>\$702,262.50</u>

SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Wastewater Upgrades Programme	8AMEW-07-081	\$1,764,000.00	\$404,696.00	\$702,262.50	\$657,041.50

RECOMMENDATIONS

1. That the Contract No. EW07002F - Wastewater Upgrade 137 Universal Drive to 23 Daytona Road report be received.
2. That the tender from Excell Corporation Limited for Contract No. EW07002F - Wastewater Upgrade 137 Universal Drive to 23 Daytona Road in the sum of \$618,162.50 plus \$77,270.31 GST, totalling \$695,432.81 be accepted.
3. That authority to enter into Contract No. EW07002F - Wastewater Upgrade 137 Universal Drive to 23 Daytona Road be delegated to Group Manager: Project Services.

Report prepared by: Neville Colling, Contracts Engineer.



9 CONTRACT NO. CCIM06193A - ADVERTISING SERVICES

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. CCIM06193A - Advertising Services to Adcorp New Zealand Limited.

BACKGROUND

The Waitakere City Council has in the past made use of various advertising services, including specialised recruitment advertising solutions and basic classified advertising. Haines New Zealand Limited is the current supplier of specialist advertising solution.

SCOPE OF WORK

This contract is for the provision of a consistent solution for Council's various local, national and international advertising requirements; including recruitment, standard business advertising, market knowledge, media strategy development and planning and professional advice.

TENDERS RECEIVED

Tenders were publicly advertised with three (3) sets of documents being downloaded. Three (3) tenders were received by the closing date of 7 August 2007. These are summarised in Table 1 below:

COMPANY	REG OFFICE
Adcorp New Zealand Limited	Level 1, 21 Allen Street, Wellington
Big Splash Limited	PO Box 90139, Auckland Mail Centre, Auckland
Haines New Zealand Limited	Level1, 14 Blair St., Courtenay Place, Wellington 6140

Table 1 - Summary of Respondents

TENDER EVALUATION

It was evident from an initial review of the response supplied by Big Splash Limited that the company did not have the depth and breadth of experience required by Waitakere City Council and their response was not included in the further detailed evaluation processes.

Summary of Evaluation

Company	Attribute	Requirements	Methodology	Previous Experience	Price	Total Weight
	Weight	30	20	10	40	100
	Estimated Tender Sum (Standard Advertising Service)	Grade				Index
Adcorp New Zealand Limited	\$422,580	84	77	88	100	89.4
Haines New Zealand Limited	\$435,822	79	79	82	100	86.9
Median Price	\$429,202					

Table 2 - Summary of Evaluation

Price

Advertising services are an on demand service with scheduled recruitment campaigns at key times throughout the year. Adcorp New Zealand Limited and Haines New Zealand Limited provided prices per column centimetre for standard business advertising in specified publications together with per advertisement pricing for Local Government and other websites. An estimate based on current usage was used for price comparison.

Hourly rates were also provided for creative services over and above standard business advertising. In the case of Adcorp New Zealand Limited, this included free creative services to the value of \$25,000 per annum.

TAGS, ERRORS OR OMISSIONS

There were no tags, errors or omissions.

CREDIT CHECK

A credit check on Adcorp New Zealand Limited contained no adverse information.

JOB COSTS

	excl GST
Estimated Tender Sum	
- 2007/2008 Annual Plan	\$124,288.00
- 2008/2009 Draft Annual Plan	<u>\$298,292.00</u>
	\$422,580.00

SOURCE OF FUNDING

The cost for Council's advertising services is provided in individual Unit budgets for the 2007/2008 Annual Plan and draft 2008/2009 Annual Plan.

SUMMARY

Adcorp New Zealand Limited ranks the most favourable and has a lower estimated price for standard business advertising services.

Adcorp New Zealand Limited's international presence was also a strong consideration as the Waitakere City Council is increasingly completing in the global market for specialised professionals.

RECOMMENDATIONS

1. That Contract No. CCIM06193A - Advertising Services report be received.
2. That the tender from Adcorp New Zealand Limited for Contract No. CCIM06193A - Advertising Services in the sum of \$422,580.00 plus \$52,822.50 GST totalling \$475,402.50 be accepted.
3. That the commitment to the 2008/2009 financial year for Contract No. CCIM06193A - Advertising Services in the sum of \$298,292 plus \$37,286.50 GST totalling \$335,578.50 be approved.
4. That the Acting Director: Corporate & Civic Services be delegated authority to enter into Contract No. CCIM06193A - Advertising Services on behalf of Council.

Report prepared by: Hugh Smith, Information Manager.

