



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** **28 March 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.

19 March 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, 28 MARCH 2008,
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 - 7 March 2008

RECOMMENDATION

That the minutes of the Meeting of the Tenders Subcommittee held on Friday, 7 March 2008, as circulated, be taken as read and now be confirmed.



5 CONTRACT NO. EW07001U - STORMWATER UPGRADE PROJECTS FOR 13 RIVERVIEW ROAD TO RIMU STREET

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. EW07001U - Stormwater Upgrade Projects for 13 Riverview Road to Rimu Street

BACKGROUND

The existing primary stormwater reticulation in the western end of Riverview Road has insufficient capacity causing stormwater flows to cross the berm on the north side of the road and discharge into properties at 13 and 15 Riverview Road. These properties are well below road level with the potential for flooding.

New infrastructure is proposed to more effectively intercept stormwater runoff in Riverview Road and convey it to the existing downstream stormwater system north of Rimu Street.

SCOPE OF WORK

This work comprises of the installation of approximately 150 metres of new 600mm diameter pipe (high density polyethylene and concrete), five new or upgraded manholes, five new or upgraded catchpits and associated structures.

TENDERS RECEIVED

Tenders were publicly advertised through Tenderlink with 24 sets of documents being downloaded. Seven tenders were received by the closing date of Tuesday 19 February 2008. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
Scot Thrust Limited (alternative)	32 Kewa Road, Albany, Auckland	\$276,423.91
Horizontal Earth Drilling Limited	55 Watea Road, Torbay, Auckland	\$304,595.00
Coast Digger Services Limited	33 Anvil Road, Silverdale, 0932	\$305,132.40
Network Construction Limited (alternative)	2 The Knoll Greenhithe, Auckland	\$309,497.40
Network Construction Limited	2 The Knoll Greenhithe, Auckland	\$323,732.40
March Construction Limited	12 Seddon Street, Pukekohe	\$344,731.00
Pipeworks Rehabilitation Solutions	18 Gabador Place, Mt Wellington, Auckland	\$426,023.24
Pre-tender contract estimate		\$242,445.00

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".

Scot Thrust Limited submitted an alternative tender using directionally drilled pipe for the whole project however the tender failed two of the attributes and was excluded from further consideration. The price tendered by Scott Thrust Limited was not included in the calculation to determine the median tender price.

Network Construction Limited submitted a conforming tender and an alternative tender using micro tunnelling. The alternative tender was evaluated in accordance with Section 2.8 of Transfund New Zealand's "Competitive Pricing Procedures Manual" which 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 evaluation results is shown in Table 2

Tender Evaluation	Attributes	Exper.	Track Record	Tech. Skill	Resour.	Manag. Skill	Method	Price	Contract Number EW07001U
									Total Weights
	Weights	5	10	5	5	5	20	50	100
Tenderer	Tender Sum	Grades							INDEX
Coast Digger Services Ltd	\$305,132.40	75	75	80	70	80	75	56	66
Horizontal Earth Drilling Ltd	\$304,595.00	75	70	75	65	65	50	56	59
Network Construction Ltd	\$323,732.40	80	75	80	75	75	75	50	63
March Construction Ltd	\$344,731.00	80	75	85	70	85	85	44	63
Pipeworks Rehabilitation Solutions	\$392,326.46	75	65	65	65	70	65	29	48
Median Tender Price	\$323,732.40								

Table 2 - Summary of Tender Evaluation

Horizontal Earth Drilling Limited submitted a tender sum \$19,137.40 lower than the median. Attributes submitted with the tender were not of a high standard. In particular the methodology was clearly uplifted from an earlier tender and did not demonstrate understanding of the specific project requirements. The tender was also tagged with a delayed start date of two months.

Coast Digger Services Limited tender sum which contained errors but was confirmed as submitted is \$18,600.00 below the median. The tender submission is of good quality with all attributes well detailed and supported.

Network Construction Limited submitted the median tender sum. The tender submission was of good quality with all attributes well detailed and supported.

March Construction Limited submitted a very high quality tender which is reflected in the assigned scoring. Their tender sum is \$20,998.60 above the median.

Pipeworks Rehabilitation Solutions tender sum, adjusted to correct rate extensions is \$68,594.06 above the median.

Alternative Tender

Network Construction Limited submitted an alternative tender sum \$14,235.00 below the median which has been assessed against the highest scoring non alternative tender submitted by Coast Digger Services Limited.

A summary of the evaluation results is shown in Table 3

Tender Evaluation	Attributes	Exper.	Track Record	Tech. Skill	Resour	Manag. Skill	Method	Price	Contract Number EW07001U
									Total Weights
	Weights	5	10	5	5	5	20	50	100
Tenderer	Tender Sum	Grades							INDEX
Coast Digger Services Ltd	\$305,132.40	75	75	80	70	80	75	56	66
Network Construction Ltd (Alternative)	\$309,497.40	80	75	80	75	75	75	54	65
Median Tender Price	\$323,732.40								

Table 3 - Alternative Tender Evaluation

The alternative tender submitted by Network Construction Limited proposes the use of micro-tunnelling rather than directional drilling. In all other respects the tender aligns with the specification for contract works. Micro-tunnelling is a more precise method of pipe laying and is generally more expensive than directional drilling. In this case, however, the alternative price submitted for micro-tunnelling represents a saving of \$14,235.00

TAGS, ERRORS OR OMISSIONS

The tender submitted by Coast Digger Services Limited contained an arithmetical error of \$8,140.00. When advised of the error Coast Digger Services Limited confirmed their submitted tender price.

The tender submitted by Pipeworks Rehabilitation Solutions also contained arithmetical errors. The tender sum was revised so as not to include the erroneously extended rates which resulted in a reduction to the tender sum of \$33,696.78

The tender submitted by Horizontal Earth Drilling Limited included a tag with a delayed start date of two months.

The tender submitted by Pipeworks Rehabilitation Solutions included tags. The tenderer was not asked to remove or clarify these tags as resolution would not have affected the overall outcome.

CREDIT CHECK

A credit check on Coast Digger Services Limited dated 30 January 2008 revealed no adverse information.

JOB COSTS

	excl. GST
Tender sum - (Coast Digger Services Limited)	\$305,132.40
Contingency	\$ 30,513.00
Engineering & Supervision	\$ 18,380.00
Total Job Cost	\$354,025.40

SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Stormwater Upgrade Projects	8AMEW-07-163	\$2,812,824	\$591,825	\$354,025	\$1,866,974

SUMMARY

The results of the tender evaluation as summarised in Table 2 and Table 3 shows that the tender submitted by Coast Digger Services Limited achieved the highest index of 66. This tender is \$537.40 higher than the lowest priced conforming tender which scored significantly lower on non-price attributes and contained a delayed start date tag .

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. EW07001U - Stormwater Upgrade Projects for 13 Riverview Road to Rimu Street report be received.
2. That the tender from Coast Digger Services Limited for Contract No. EW07001U - Stormwater Upgrade Projects for 13 Riverview Road to Rimu Street in the sum of \$305,132.40 plus \$38,141.55 GST, totalling \$343,273.95 be accepted.
3. That authority to enter into Contract No. EW07001U - Stormwater Upgrade Projects for 13 Riverview Road to Rimu Street on behalf of Council be delegated to the Group Manager: Project Services.

Report prepared by: Stephen Boyle, Manager: Contracts & Quality, Project Services.



6 CONTRACT NO. EW07020A - NORSGA - INFRASTRUCTURE CONCEPT AND ENGINEERING EVALUATION

GLOSSARY

Northern Strategic Growth Area (NorSGA)

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. EW07020A - NorSGA - Infrastructure Concept and Engineering Evaluation.

BACKGROUND

Waitakere City Council is developing implementation scenarios and funding policies for infrastructure development in the Northern Strategic Growth Area (NorSGA) of the City. Funding policies will include Development Contributions and Developer Agreements and there is likely to be a need for Land Designations. In order to determine the requirements there is an urgent need to prepare overview concept plans and preliminary engineering plans for main collector networks and to determine land acquisition requirements and the associated costs.

Detailed analysis is required to determine the nature and capacity of the infrastructure and how it will be developed and staged. The infrastructure will include roads, footpaths and cycleways, information technology infrastructure, water supply, waste water, storm water, and green space for riparian margins, drainage and recreation reserves.

Council has a responsibility to provide clarity on the details of the infrastructure to be provided and how it will be developed and paid for taking the needs of communities, statutory compliance and financial requirements into account. In evaluating the infrastructural requirements Council is obliged to consider alternatives.

SCOPE OF WORK

The scope of the work required to be undertaken by the consultant as part of the contract is as follows:

- a) Development of engineering concept plans for roads (including Park and Ride facilities, Bus Interchange, bridges and culverts, road storm water, street lighting, on street parking, footpaths, kerb and channels and cycle ways), water supply, wastewater, and storm water and information communication technology.
- b) Liaison with developers in order to incorporate their concepts, designs and estimates into the output for this contract.
- c) To work with Council to identify which components of the water supply, wastewater and storm water systems are to be deemed part of the main collector networks.
- d) Preparation of concept plans and cost estimates for an integrated storm water system and riparian planting for the green spaces based on Integrated Catchment Management Plans.
- e) Prepare engineering concept plans and estimates for Open Spaces (park facilities including playgrounds, sports facilities and recreational parks).
- f) Liaison with Council's Social Infrastructure Planner to finalise requirement for Community and Social Infrastructures. Assist with the preparation of estimates for the cost of these facilities based on the footprint areas and costs for similar facilities. Incorporate the concepts for the facilities into the overall concept plans and cost matrix.
- g) Incorporate the following outputs into the concept plans and cost matrix:
 - the storm water ponds designed by URS NZ Limited.
 - the section of the proposed Kedgley Drive being designed by SKM on behalf of Massey North Developer.
- h) Preparation of preliminary engineering plans for parts of the roading, water supply, storm water and wastewater systems forming part of the main collector network.
- i) Working with Council's nominated urban design consultant to finalise concept designs and prepare preliminary engineering plans for the upgrade of the key Hobsonville Road / Wiseley Road / Clark Road intersection considering multiple options with the Council nominated urban designer.
- j) Preparation of detailed engineering estimates for each of the main collectors for roads and water supplies wastewater and storm water, aggregated on the basis of the catchment for each service.
- k) Preparation of plans and a schedule of land acquisitions requirements and costs identified on the basis of each certificate of title affected with subtotals for each asset type (including separate subtotals for green space land identified for stormwater requirements, riparian planting and parks). The valuations shall be based on the land valuation report prepared by Bristow Barbour Walker dated 30 April 2007 (consultant to allow for the report to be updated by Bristow Barbour and Walker) and shall be based on Greenfield or Brownfield valuations as appropriate in each case. The land acquisition schedules shall take into consideration practicalities such as the need to acquire entire properties when the value of the residual land is severely affected.

- i) Preparation of a matrix (based on asset type and catchments) of all of the cost estimates including costs from other designers and include columns showing the associated land acquisition costs and the total costs. A first draft of this schedule based on concept plans for all assets shall be submitted on or before 30 May 2008.
- m) Consideration of alternative solutions and the reasons for rejecting unsuitable alternatives and adopting proposed solutions.
- n) Preparation of a Gantt chart and associated cash flow diagrams showing the proposed timing of the work based on the indicative Growth Model.
- o) Preparation of a design report setting out the design parameters, all assumptions made in the preparation of all plans and estimates, the record relating to alternative solutions and any other matters the consultant may consider relevant to a complete understanding of the work undertaken.
- p) Identification of any resource consent requirements.

TENDERS RECEIVED

Tenders were invited from selected eight (8) tenderers. Two (2) tenders were received by the closing date of 12 February 2008. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
URS NZ Ltd	URS Centre Level 6, 13-15 College Hill, Auckland 1140	\$870,800
GHD Ltd	Level 16 ASB Bank Centre, 135 Albert St. Auckland.	\$2,051,714
Pre-tender contract estimate		\$900,000

Table 1 - Summary of Tender Prices

After the tender closing date Transport Strategy requested to investigate motorway crossing and potential linking Cecil Beatt Place to Oriel Avenue, and from Holmes Drive to Jadewynn Place. As such, at a clarification meeting with the lowest bidder URS NZ Limited Council requested them to provide a price quote for undertaking investigation, concept and preliminary design and costing of the motorway crossing, and concept design for both of the potential links from Cecil Beatt Place to Oriel Avenue, and from Holmes Drive to Jadewynn Place. The price quote for the above work was \$118,300 which is similar to their original bid amount for other roading components.

The total tender price of URS NZ Limited including the above additional work is \$989,100.

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:

Tenderer	Attributes	Exp.	Record	Skill	Mangt	Method	Price	INDEX
	Tender Sum	15	15	15	0	25	30	100
URS NZ Ltd	\$870,800	75	70	80		80	63	73
GHD Ltd	\$2,051,714	85	80	85		90	-55	43
Eng Estimate								

Table 2 - Summary of Tender Evaluation

COMMENTS ON EVALUATION

Both tenderers supplied comprehensive tender attributes and are considered to have covered the requirements in all material respects.

GHD Limited were scored higher on a number of attributes for the following reasons.

Experience, Track Record and Skill - GHD Limited have more in-house experience covering all of the elements of the work including road and traffic. URS NZ Limited intend using Flow Transportation Specialists Limited for this component. Use of a sub consultant is satisfactory, but some advantage is seen in having had the experience and record in house.

Management - No weighting has been given to Management as this tender was based on invited bids from consultants who are known to have good management skills.

Methodology - Both consultants have proposed very good methodologies. GHD Limited have been scored higher on the basis that they:

- Show evidence a careful consideration of the brief.
- Included some “value added” components in respect of a proposal integrating the current development with future growth further to the east.
- Appear (from the price schedule) to be proposing a greater input into the preliminary design concepts.

The price supplied by URS NZ Limited is considerably less than that tendered by GHD Limited. This probably indicates a strong desire to be the successful tenderer particularly as the URS NZ Limited have done a substantial amount of preliminary work on the NorSGA services and have designed the storm water ponds. The current bid by URS NZ Limited is lower than a previous bid by URS NZ Limited tendered previously for similar scope of work – an indication that the company has “sharpened its pencil.”

It is considered that the price of GHD Limited is excessive not withstanding their good methodology.

It would be desirable to have some flexibility in the price and scope of the work specified to enable the investigations of achieving design or cost savings in the physical works. One such example would be a consideration of extensions of provision for later extensions of the services to the east. This may result in the provision of a main size that would make it a Watercare Services Limited asset.

JOB COSTS

	excl. GST
Tender sum - (company name of tenderer)	\$ 989,100
Contingency	\$ 98,910
Engineering & Supervision	\$

Total Job Cost	\$1,088,010

SOURCE OF FUNDING

2007/2008 (Year 1)

Budget Description (from Annual Budget line item)	Codes	Budget 2007-2008	Committed to Other Projects	Allocation to This Project
Parks Planning and Analysis	8PLPK-07-048	\$40,000	\$0	\$40,000
Westgate TC - Road Network	8AMTA-07-081	\$50,000	\$0	\$50,000
Westgate TC - Hobsonville	8AMTA-07-082	\$90,000	\$18,000	\$72,000
Westgate TC - Northside Drive	8AMTA-09-011	\$0	\$0	\$0
NorSGA - Hobsonville Road	8AMTA-09-082	\$0	\$0	\$0
WS NorSGA - Planning	7580-63000	\$83,000	\$0	\$83,000
SW NorSGA - Planning	6950-63000	\$10,000	\$0	\$10,000
	Total	\$273,000		\$255,000

2008/2009 (Year 2)

Budget Description (from Annual Budget line item)	Codes	Budget 2008-2009	Committed to Other Projects	Allocation to This Project
Parks Planning and Analysis	8PLPK-07-048	\$20,000	\$0	\$20,000
Westgate TC - Road Network	8AMTA-07-081	\$0	\$0	\$0
Westgate TC - Hobsonville	8AMTA-07-082	\$346,000	\$0	\$346,000
Westgate TC - Northside Drive	8AMTA-09-011	\$355,000	\$0	\$147,010
NorSGA - Hobsonville Road	8AMTA-09-082	\$210,000	\$0	\$210,000
WS NorSGA - Planning	7580-63000	\$50,000	\$0	\$50,000
SW NorSGA - Planning	6950-63000	\$60,000	\$0	\$60,000
	Total	\$1,041,000		\$833,010

Project Total =	\$1,088,010
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SUMMARY

The results of the tender evaluation as summarised in Table 2 shows that the tender submitted by URS NZ Limited achieved the highest index of 73. 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. EW07020A - NORSGA - Infrastructure Concept and Engineering Evaluation report be received.
2. That the tender from URS NZ Limited (tenderer) for Contract No. EW07020A - NORSGA - Infrastructure Concept and Engineering Evaluation in the sum of \$1,088,010 plus \$136,001 GST, totalling \$1,224,011 be accepted.

3. That the commitment to the 2008/2009 financial year for Contract No. EW07020A - NORSGA - Infrastructure Concept and Engineering Evaluation totalling \$833,010 plus GST be approved.
4. That authority to enter into Contract No. Contract No. EW07020A - NORSGA - Infrastructure Concept and Engineering Evaluation on behalf of Council be delegated to Group Manager: Asset Management.

Report prepared by: Bruce Dobson, Asset Planning Engineer and Nazrul Islam Asset Planning Manager.



7 **CONTRACT NO. EW08009A - NORSGA - INFRASTRUCTURE CONCEPT AND ENGINEERING EVALUATION FOR PLAN CHANGE 13 AREA**

GLOSSARY

Hobsonville Land Company	(HLC)
Northern Strategic Growth Area	(NorSGA)
Plan Change 13	(PC 13)

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. EW08009A - NorSGA – Infrastructure Concept and Engineering Evaluation for Plan Change 13 (PC 13) Area.

BACKGROUND

Waitakere City Council is developing implementation scenarios and funding policies for infrastructure development in the Northern Strategic Growth Area (NorSGA) of the City. Funding policies will include Development Contributions and Developer Agreements. In order to determine the requirements there is an urgent need to prepare overview concept plans and preliminary engineering plans for main collector networks and to determine land acquisition requirements and the associated costs.

Council has a responsibility to provide clarity on the details of the infrastructure to be provided and how it will be developed and paid for taking the needs of communities, statutory compliance and financial requirements into account. In evaluating the infrastructural requirements Council is obliged to consider alternatives.

The Hobsonville Land Company (HLC), who are the sole owner of land in PC 13 area have engaged Connell Wagner Limited to develop the comprehensive development plan for PC 13 area. Required Council infrastructures are integral part of this comprehensive development plan. The scope of work for providing Council infrastructures was discussed and agreed with HLC.

Inline with the Council Procurement Policy (S 3.5) a professional service contract for the Council infrastructure for the PC 13 Area has been negotiated with Connell Wagner Limited because of the synergies and economies to be gained from the work being done by this consultant for HLC. There is an existing partnership between Connell Wagner Limited and HLC which results in extensive knowledge of the work being undertaken by HLC in the PC 13 area. A portion of this cost for the PC 13 contract is also recoverable from the HLC.

The Infrastructure concepts for NorSGA will be covered by two contracts

- PC 13 will be covered by Contract No. EW0809A (to which this report relates);
- PC 14 and 15 will be covered in Contract No. EW07020A (covered by a separate report).

SCOPE OF WORK

The scope of the work required to be undertaken by the consultant as part of the contract is as follows:

Three Waters

Preparation of concept designs for water supply, storm water and wastewater systems based on the optimisation of lifecycle costs. For wastewater this is to include.

- Links to Watercare Services Limited trunk mains and pump stations if applicable;
- Minimisation of the number of pump stations by the use of directional drilling technologies where possible;
- Utilisation of gravity sewers where possible;
- Comparison of design (pipe size, cost etc) using 140 l/h/d with a peaking factor of 3.5 X average dry weather (ADWF) flow with the current WCC Code of Practice design parameters of 250 l/h/d and a peaking factor of 4 x ADWF;
- Quadruple Bottom Line (QBL) assessment including consideration of:
 - Initial capital cost - public and private system components;
 - Long term replacement costs;
 - Risk associated with each option;
 - Maintenance issues - private and public networks;
 - Relationship with Watercare;
 - Reduction in infiltration and inflow both short and long term;
 - Convenience of future connections.
- Liaison with Ecowater/Waitakere City Council, developers and Watercare Services Limited in finalising designs;
- Complete the review and suggested update of the WCC Code of Practice for wastewater including consideration of:
 - North Shore experience using sealed gully traps;
 - Manholes at long intervals;
 - Inspection chambers at house boundaries;
 - Flood level height control at gully traps;
 - Curved sewers.
- Preparation of detailed cost schedules broken down by catchment area and/or precinct;
- Preparation of design report detailing the design parameters, the demand analysis, options considered and reasons for selecting the preferred options.

Roads

All major collector roads in the PC 13 area will be included for scheme design and cost estimation. The scope of the work included in this work package is:

- A complementary topographical survey (if required) including legal boundaries, location of trees and private driveways.

- Storm water assessment of existing storm water infrastructures, participate in meetings with the Auckland Regional Council (ARC), assessment of and recommendations on the most appropriate treatment and discharge devices.
- Concept design and design philosophy statements.

Parks

Review the concept plan for the parks facilities prepared by the HLC (this is a provisional item).

NEGOTIATED PRICE

The price negotiated involved a number of iterations to ensure that all the necessary items were covered and that the synergies and economies of utilising the same consultant as employed by HLC in their PC 13 Area developments are realised.

The prices supplied by Connell Wagner Limited are favourable when compared with the prices received for PC 14 and 15 for similar works which was competitively tendered.

The negotiated prices are as follows:

Item	
Three Waters	\$ 94,000
Roads	\$ 32,250
Parks (Provisional Item).	\$ 7,500
Total	\$133,250

A portion of this cost will be recoverable from the HLC at a later date.

SOURCE OF FUNDING

2007/2008 (Year 1)

Budget Description (from Annual Budget line item)	Codes	Budget 2008-2009	Committed to Other Projects	Allocation to This Project
SW NorSGA SH 16 & 18	8AMEW-07-168	\$156,000	\$0	\$77,229
NorSGA - Hobsonville Road	8AMTA-09-014	\$0	\$0	\$0
Parks Planning and Analysis	8PLPK-07-048	\$177,000	\$0	\$7,771
	Total	\$333,000		\$85,000

2008/2009 (Year 2)

Budget Description (from Annual Budget line item)	Codes	Budget 2008-2009	Committed to Other Projects	Allocation to This Project
WS Future Works Prog	8AMEW-07-268	\$81,000	\$0	\$16,000
NorSGA - Hobsonville Road	8AMTA-09-014	\$281,000	\$0	\$32,250
Parks Planning and Analysis	8PLPK-07-048	\$0	\$0	\$0
	Total	\$362,000		\$48,250

Project Total =	\$133,250
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SUMMARY

A price for the development of concept plans for the main collector networks for the PC 13 area has been negotiated with consultant Connell Wagner Limited who are the consultants for the HLC work in this area.

It is considered that the price is reasonable and includes the benefits of the synergies and economies of using the same consultant as HLC are using for their developments in the PC 13 Area. In addition a portion of the fees for this contract will be reimbursed by HLC.

It is therefore recommended that the price negotiated with Connell Wagner Limited in the sum of \$133,250 be accepted.

RECOMMENDATIONS

1. That the Contract No. EW08009A - NORSGA - Infrastructure Concept and Engineering Evaluation for Plan Change 13 Area report be received.
2. That the tender from Connell Wagner Limited (tenderer) for Contract No. EW08009A - NORSGA - Infrastructure Concept and Engineering Evaluation for Plan Change 13 Area in the sum of \$133,250 plus \$16,656 GST, totalling \$149,906 be accepted.
3. That the commitment to the 2008/2009 financial year for Contract No. EW08009A - NORSGA - Infrastructure Concept and Engineering Evaluation for Plan Change 13 Area totalling \$48,250 plus GST be approved.
4. That authority to enter into Contract No. EW08009A - NORSGA - Infrastructure Concept and Engineering Evaluation for Plan Change 13 Area on behalf of Council be delegated to Group Manager: Asset Management.

Report prepared by: Bruce Dobson, Asset Planning Engineer and Nazrul Islam Asset Planning Manager.



8 CONTRACT NO. TA07023A - PROFESSIONAL SERVICES FOR ALDERMAN DRIVE AND PIONEER PARK DEVELOPMENT

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. TA07023A - Professional Services for Alderman Drive and Pioneer Park Development.

BACKGROUND

Waitakere City Council is undertaking the re-development of Alderman Drive, Henderson. The project consists of three major components as listed below:

- Replacing the existing roundabout at Edmonton Road / Alderman Drive intersection with traffic signals;
- Upgrade the existing Alderman Drive bridge;
- Replacing the existing roundabout at Alderman Drive / Sel Peacock Drive intersection with traffic signals;
- The Trading Place bridge is a Provisional Item.

The detailed design of the above roading component was recently completed, but still requires the completion of other works prior to implementation.

SCOPE OF WORK

The scope of work is as follows:

- Landscape design within the adjoining road reserve and Pioneer Park;
- Cycleway to link the both sides of Alderman Drive under the existing bridge;
- Land designation process and resource consents for the re-development of Alderman Drive;
- Design the upgrade of the existing Alderman Drive / Ratanui Street intersection, so it can be implemented in 2009/2010 financial year;
- Contract management and construction supervision of the re-development of Alderman Drive project.

TENDERS RECEIVED

Tenders were publicly advertised through Tenderlink, with 23 sets of documents being downloaded. There were four tenders received by the closing date of 14 February 2008. These are summarised in Table 1 as follows:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
Resolve Group Limited	Auckland CBD	\$608,740.00
TSE Group Limited	Penrose	\$636,210.00
Thurlow Consulting Engineers Limited	Albany	\$640,983.20
GHD Limited	Auckland CBD	\$737,220.00
Pre-tender contract estimate		\$644,400.00

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 Land Transport 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 \$80,000, thus the tender evaluation price is the tender price less this amount.

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 & Resources	Manag. Skill	Method.	Price	Total Weight
	Weights	20	15	15	15	15	20	100
Tenderer	Tender Sum	Grades						INDEX
GHD Limited	\$657,220.00	79	79	75	77	80	34	69
Resolve Group Limited	\$528,740.00	55	62	58	64	68	56	60
Thurlow Consulting Engineers Limited	\$560,983.00	66	63	67	61	58	51	61
TSE Group Limited	\$556,210.00	43	55	55	62	45	51	51
Engineer's Estimate	\$564,440.00							

Table 2 - Summary of Tender Evaluation

The tender evaluation team concluded that GHD Limited has a greater level of relevant experience and technical skills in roading and bridge works, which are critical components of this project. GHD Limited submitted a very detailed methodology describing individual task of the project and how they are going to achieve the specified end result. GHD Limited is highly regarded by their clients (Transit New Zealand and Manukau City Council) from previous projects of a similar nature; in particularly their technical and management skills and ability to do all works in-house.

Resolve Group Limited and Thurlow Consulting Engineers Limited have lesser roading and bridge works experience compared with GHD Limited. They are small companies with limited technical skills and resources, therefore most of their works under this project were proposed to be carried out by sub-consultants.

TSE Group Limited has lowest weighted scores compared to other tenderers, in particularly their recent relevant experience which is mostly in the areas of cultural heritage assessment, stormwater / wastewater projects. Their described methodology did meet the tender document requirements, but not to the level of detail compared to other tenders.

NEGOTIATION PROCESS

In accordance with the Weighted Attribute Method contained in Land Transport New Zealand's Competitive Pricing Procedures Manual, negotiation with the tenderer with the highest index score is permitted provided that the end result or quantum does not change from the scope of works as defined in the tender document. Discussions were held with GHD Limited where a number of high rates were examined. The consultant agreed to revise their tendered prices in an effort to reduce costs.

The result of this process resulted in GHD Limited submitting the following revised prices:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
GHD Ltd	Auckland CBD	\$671,710.00

Table 3 - Revised Tender Price

TAGS, ERRORS OR OMISSIONS

The tender from GHD Limited contained tags in their methodology. The tags were investigated and the consultant has agreed in writing to withdraw their tags. There were no errors or omissions in GHD's tender.

CREDIT CHECK

A credit check on GHD Limited dated 25 February 2008 revealed no adverse information.

JOB COSTS

excl. GST

Tender sum - GHD Limited	\$671,710.00
Contingency	\$ 67,000.00

Total Job Cost	\$738,710.00

SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Henderson Town Centre - Edmonton / Alderman	8AMTA-07-064	\$2,000,000	\$1,306,290	\$693,710	Nil
Parks & Planning Analysis	8PLPK-07-048	\$177,000	\$132,000	\$45,000	Nil

SUMMARY

The results of the tender evaluation as summarised in Table 2 shows that the tender submitted by GHD Limited achieved the highest index of 69. This tender is the highest priced tender.

GHD Limited has the relevant experience and skills to undertake this project. They have a very good track record from previous projects of similar nature; in particularly their technical and management skills.

GHD Limited has worked with Council's staff for approximately four years on the Traffic Signals Upgrade and Maintenance Contract through the Traffic Management Unit. They have performed well on the contract and their staff have proved to be very 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. TA07023A - Professional Services for Alderman Drive and Pioneer Park Development report be received.
2. That the tender from GHD Limited for Contract No. TA07023A - Professional Services for Alderman Drive and Pioneer Park Development in the sum of \$671,710.00 plus \$83,963.75 GST, totalling \$755,673.75 be accepted.
3. That the tender for Contract No. TA07023A - Professional Services for Alderman Drive and Pioneer Park Development 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 the tender for Contract No. TA07023A - Professional Services for Alderman Drive and Pioneer Park Development be awarded to GHD Limited, because they have the relevant experience from previous projects of similar nature, very good track record, very good technical / management skills and the capacity to carry out all works under this project without using sub-consultants.
5. That authority to enter into Contract No. TA07023A - Professional Services for Alderman Drive and Pioneer Park Development on behalf of Council be delegated to the Group Manager: Asset Management.

Report prepared by: Vinh Bui, Senior Transport Engineer.

