

**AGENDA FOR A MEETING OF THE TENDERS SUBCOMMITTEE TO BE HELD AT
WAITAKERE CENTRAL, 6 HENDERSON VALLEY ROAD, HENDERSON,
WAITAKERE, ON FRIDAY, 16 MAY 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 - 2 May 2008

RECOMMENDATION

It is recommended that the Tenders Subcommittee resolve to:

Receive the minutes of the meeting of the Tenders Subcommittee held on Friday, 2 May 2008, as circulated, and that they be taken as read and now be confirmed.



5 **CONSULTANT SUPPORT - INFILTRATION AND INFLOW AND PEAK FLOW REDUCTION PROGRAMMES 2008/2009**

GLOSSARY

Gillespie Consultants Limited (GCL)

EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to enter into negotiations with Gillespie Consultants Limited (GCL) as a preferred supplier to provide consultant support for Council's Infiltration and Inflow and Peak Flow Reduction programmes 2008/2009 for work similar to that undertaken during the 2007/2008 financial year and to extend the contract beyond 30 June 2009 on an annual basis until 30 June 2011.

RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Consultant Support - Infiltration and Inflow and Peak Flow Reduction Programmes 2008/2009 report.
2. **Approve** the Group Manager: Project Services be given authority to enter into negotiations with Gillespie Consultants Limited on the basis of a preferred supplier for Consultant Support - Infiltration and Inflow and Peak Flow Reduction Programmes 2008/2009 similar to Contract No. EW07032A - Consultation Support - Infiltration and Inflow Peak Reduction Programme 2007/2008.
3. **Approve** that the Group Manager: Project Services inform Gillespie Consultants Limited that an award of the contract for Consultant Support - Infiltration and Inflow and Peak Reduction Programmes 2008/2009 is not guaranteed.
4. **Approve** that the outcome of the negotiations process with Gillespie Consultants Limited for the Consultant Support - Infiltration and Inflow and Peak Flow Reduction Programmes 2008/2009 contract be reported back to the Tenders Subcommittee for approval to award a contract for 2008/2009 with the provision to extend beyond 30 June 2009 on an annual basis until 30 June 2011.

BACKGROUND

1. Council has an objective to reduce flows in the wastewater network by 25% through the Infiltration and Inflow Control Programme. The inflow of rainwater into the sewer pipeline can occur as a result of low and broken gully traps, illegal stormwater connections to the wastewater system, damaged and aging private drainage infrastructure. This results in overloading of the wastewater network and the Mangere wastewater treatment plant during wet periods and becomes a public health and environmental hazard due to overflows at wastewater manholes.
2. In order to address this, Council is systematically analysing the various wastewater catchments. Most recently, second inspections (done after 60 days of the fault notices) revealed that nearly 80% of the properties with faulty gully traps have, of their own accord, fixed them successfully. Council then follows up on any remaining faults.
3. GCL are currently involved with the Infiltration and Inflow Control Programme providing quality control audits for sewer renewal physical works, visual inspections of gully traps and assistance in designs for sewer renewal projects. The 2007/2008 contract is scheduled to expire on 30 June 2008.

4. GCL was awarded Contract No. EW07032A - Consultant Support for Infiltration and Inflow Peak Flow Reduction Programme after being invited as the sole preferred supplier. A report was presented to the Tenders Subcommittee on 20 July 2007 recommending that Council negotiate with GCL as a sole supplier, based on previous contracts. At that meeting it was 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

Value for Money

5. During the 2006/2007 financial year the outcome of an invited tender process resulted in GCL (then JAG Consultants Limited) being awarded Contract No. EW06027A - Property Inspections for Peak Flow Reduction in the sum of \$223,000. They were also the lowest priced tenderer.
6. The work done by GCL is invariably right first time and rates were very competitive for Contract No. EW06028A - Assistance to Water Projects.
7. During the 2003/2004 financial year, the successful contractor undertook property inspections in New Lynn. The quality of the work was high but when compared to the GCL 2007/2008 rate per property, which is significantly lower than the 2003/2004 contractor's rate, it shows that GCL provide very good value for money especially when inflation or the Construction Index which has traditionally been double the value of inflation, is taken into account.

Quality Comparison

8. During the 2004/2005 financial year, property inspections in New Lynn were contracted to different contractor after they were awarded the contract following a public tender process. Subsequent audits revealed that nearly 50% of inspections reports were incorrect with many defective gully traps being misidentified as 'good'. This meant that all of the inspections had to be repeated and although this was at the Contractor's expense, it caused great disruption to residents to have another contractor return to re-inspect as well as extra contract management costs for Council.
9. The quality of work done by GCL is invariably high and re-inspections are not needed.

Other Suppliers

10. JB Pipeline Services Limited and Bilfinger Berger Services New Zealand Ltd (formerly Techscape Limited) both have good track records in identification of gully trap faults, but neither company are as good as GCL in answering customer queries. GCL's superior performance in this area has resulted in a heightened public understanding of the issues and lead to greater public satisfaction.
11. GCL also surpass expectation in post-inspection service as residents and ratepayers have been contacting John Gillespie for guidance on how to remedy their faults and he is happy to meet the public after hours or on weekends if required. This high level of customer service, which goes beyond normal contractual requirements, has not been seen in the other suppliers.

SCOPE OF WORK

12. The scope of the work includes the following:
 - Gully Trap Inspections programme:
 - Delivery of letters and inspection of approximately 12,000 properties yearly in identified catchments for defective gully traps including all non residential properties. A photograph is to be taken showing the defective gully traps (direct suspected stormwater connections, broken or cracked, gully traps, low gully traps, etc);
 - Submit a report for each property inspected;
 - Submit electronic copies of the photographs, with labels of the property address and a very brief note on the fault identified;
 - Data entry into Inflow Database;
 - Customer service and liaison;
 - Re-inspection of properties with defective gully traps; and
 - Submission of follow up report.
 - Private Drains Upgrade programme:
 - Supervision of and assisting the Closed Circuit Television contractor with inspections of approximately 6,500 private drains yearly;
 - Liaison with and advise customers of faulty private drainage systems;
 - Assistance in the supervision of the private drainlayers completing repairs;
 - Quality control; and
 - Data entry.
 - Witnessing the air and water testing of new pipelines, related to stormwater and wastewater physical works contracts with a budget of approximately \$8m on behalf of Project Services;
 - Water testing of properties for physical works contracts on behalf of Project Services;
 - Carrying out investigation works such as dye testing stormwater down pipes and monitoring the wastewater night flow after rain events;
 - Providing engineering and technical assistance to Water Project Engineers in feasibility studies, detailed design and physical works supervision;
 - Assisting in the property owner consent process;
 - Quality Control Audits on site.

CONTRACTORS PERFORMANCE

13. GCL has excellent relevant experience for this contract having successfully undertaken this type of work in the past for Council. They have long term, first hand knowledge of Waitakere City and of Council's wastewater system. They also have an excellent rapport with residents which is critical for this work.
14. GCL has a proven track record with Council. The contract execution undertaken during the 2007/2008 financial year has again been exceptional. There have been numerous compliments from residents which reflects the calibre of GCL's customer service focus.
15. The technical skills of GCL staff are excellent, particularly those of their owner, John Gillespie, who is a registered drain layer with over 40 years of experience. The 'hands on' approach by John Gillespie ensures that the management of such work by GCL is first rate.
16. GCL has demonstrated through the delivery of similar work that they have the necessary resources to successfully deliver the same work again during the 2008/2009 financial year.
17. In delivering the 2007/2008 contract, GCL have demonstrated a willingness and ability to work as part of the Water Projects team in a proactive and efficient way. Their approach is one of partnership.
18. The fact that GCL and more specifically their owner John Gillespie already have a good working relationship with other members of the design/project team is a major advantage. This relationship is built upon mutual trust, respect, compatible values, credibility, capability, capacity and collaboration.
19. It is proposed to negotiate with the current contractor GCL, and report back on the outcome of these discussions.

TENDER EVALUATION

20. It is Council's policy when procuring goods, works or services to:
 - Achieve the right outcomes and best value for money for its ratepayers and citizens;
 - Manage risk while allowing staff to exercise business judgement and be innovative;
 - Be able to demonstrate fairness;
 - Reflect best management practice which includes:
 - Value for money, competitive prices and cost controls;
 - Timeliness;
 - Technical standards of workmanship, physical quality and performance;
 - Increase staff effectiveness and efficiency in the management of tenders and contracts;
 - Avoidance of legal actions or disputes; and
 - Meeting all corporate, political, legal and other obligations (e.g. Health and Safety).
21. Any procurement option adopted must be consistent with these principles and it is considered that these principles have been met.

22. Council have benchmarked the current contract rates against the market and the review supported that the rates represented value for money and competitive pricing. Evidence also suggests that other councils are paying substantially more for this type of work.
23. It is considered extremely unlikely that a public tender process will result in a better outcome.

CREDIT CHECK

24. A credit check on GCL will be undertaken as part of the negotiation process.

JOB COSTS

25. It is proposed to enter into negotiations with GCL for work similar to the work carried out by them since 2005/2006. The negotiations over cost will be benchmarked against the rates used in the current contract.

SOURCE OF FUNDING

26. Funding of \$480,000 will be sourced from the Inflow and Infiltration Control programme budget for the 2008/2009 financial year and from this programme's budget for subsequent years if the contract is extended beyond 2008/2009.

IMPLEMENTATION ISSUES

27. The reasons for not publicly tendering this proposed contract are as follows:
 - In the current market there is a critical shortage of companies who can complete this work to the desired level and value for money and it is unlikely a better outcome could be achieved for either cost or quality by publicly tendering the work. It is hoped that this shortage will be resolved in future years as new contractors enter the market;
 - The proposed negotiation process will demonstrate value for money.
28. In terms of Council's Procurement Policy the procurement option recommended is consistent with the principles.

Report prepared by: Sharon James, Technical Co-ordinator, Water Projects, Project Services.



6 CONTRACT NO. EW07001V - STORMWATER UPGRADE 88 TO 61 KAMARA ROAD

EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. EW07001V - Stormwater Upgrade 88 to 61 Kamara Road.

RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. EW07001V - Stormwater Upgrade 88 to 61 Kamara Road report.

2. **Approve** that the tender from March Construction Limited for Contract No. EW07001V - Stormwater Upgrade 88 to 61 Kamara Road in the sum of \$330,788.23 plus \$41,348.53 GST, totalling \$372,136.76 be accepted.
3. **Approve** that authority to enter into Contract No. EW07001V - Stormwater Upgrade 88 to 61 Kamara Road on behalf of the Council be delegated to the Group Manager: Project Services.

BACKGROUND

1. Surface flooding is currently experienced on several properties near the Kamara Road and Capricorn Place intersection and further downstream in low lying areas that have been filled during development. An assessment of the catchment identified reticulation capacity and local topographical restrictions to secondary flow paths as the cause to these flooding problems.

SCOPE OF WORK

2. The scope of work includes the construction of 170 metres of new concrete pipe using open cut method, construction of seven reinforced concrete manholes and extension of an existing outfall structure.

TENDERS RECEIVED

3. Tenders were publicly advertised on Tenderlink with twenty-six (26) sets of documents being uplifted. Five (5) tenders were received by the closing date of 15 April 2008. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)	CORRECTED TENDER PRICE (excl. GST)
March Construction Limited	1220 Main North Road, Belfast, Christchurch 8009	\$330,773.83	\$330,788.23
Rockhard Civil and Drainage	14E Vega Place, Rosedale, North Shore	\$384,121.00	\$384,121.00
Rixon Construction Limited	33 Alfred Street, Onehunga, Auckland	\$415,215.20	\$415,215.20
Network Construction Limited	2 The Knoll, Greenhithe, Auckland	\$446,913.89	\$446,918.28
Infrastructure NZ Limited	William Pickering Drive, North Harbour, Auckland 1330	\$460,468.80	\$460,477.75
Pre-tender contract estimate		\$449,761.50	\$449,761.50

Table 1 - Summary of Tender Prices

TAGS, ERRORS OR OMISSIONS

4. There were minor extension errors in the tenders submitted by March Construction Limited, Network Construction Limited and Infrastructure New Zealand. These errors were corrected and are shown in Table 1 - Summary of Tender prices. March Construction Limited confirmed in writing the acceptance of the corrected tender price.
5. The tender submitted by Rockhard Civil and Drainage contained two tags. Rockhard Civil and Drainage were requested in writing to withdraw these tags as they were unacceptable to Council. Rockhard Civil and Drainage confirmed the removal of these tags.

TENDER EVALUATION

6. 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'.
7. A summary of the evaluation results is shown in Table 2:

Tender Evaluation	Attributes	Exper.	Track Record	Tech. Skills	Resour.	Manag. Skills	Method.	Price	Total Weights
	Weights	5	10	5	5	5	10	60	100
Tenderer	Tender Sum	Grades							INDEX
March Construction Limited	\$330,788.23	80	75	80	70	80	65	70	72
Rockhard Civil and Drainage	\$384,121.00	70	85	70	70	70	60	57	63
Rixon Construction Limited	\$415,215.20	70	60	70	60	65	40	50	53
Network Construction Limited	\$446,918.28	80	75	80	75	75	60	42	54
Infrastructure NZ Limited	\$460,477.75	70	65	65	65	70	60	39	49
Med.n Tender Price	\$415,215.20								

Table 2 - Summary of Tender Evaluation

8. Scores for the six non-price attributes were based on information provided in each of the tenders received, information gathered from the referees and recent Council experience with the tenderers.
9. Referees contacted for March Construction Limited confirmed that they have the necessary experience, resources and technical skills to undertake contracts of this nature.
10. The results of the tender evaluation, as summarised in Table 2 show that the tender submitted by March Construction Limited achieved the highest overall index of 72. This is also the lowest priced tender received.
11. As part of Council's contracting process 'Quality, Health and Safety and Environmental are 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.

CREDIT CHECK

12. A credit check on March Construction Limited, dated 16 April 2008, revealed no adverse information.

JOB COSTS

13. **excl. GST**
- | | |
|---|--------------|
| Tender sum - March Construction Limited | \$330,788.23 |
| Contingency | \$ 33,078.83 |
| Engineering and Supervision | \$ 11,100.00 |
| | ----- |
| Total Job Cost | \$374,967.06 |

SOURCE OF FUNDING

14. Source of funding is shown in Table 3 below:

Budget Description (from Annual Budget line item) 2007/2008 Annual Plan	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance
Stormwater Upgrades	8AMEW-07- 163	\$2,812,824	\$1,762,441	\$374,967.06	\$675,415.94

Table 3 - Source of funding

IMPLEMENTATION ISSUES

15. There were no implementation issues arising from this report.

Report prepared by: Vijay Mungro, Contracts Engineer, Project Services.



7 CONTRACT NO. FS07005A - AFTER HOURS NOISE CONTROL 2008/2009

EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. FS07005A - After Hours Noise Control 2008/2009.

RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolves to:

Receive the Contract No. FS07005A - After Hours Noise Control 2008/2009 report.

2. **Approve** that the tender from Icon Group Security Limited for Contract No. FS07005A - After Hours Noise Control 2008/2009 in the sum of \$329,672.50 plus \$41,209.06 GST, totalling \$370,881.56 be accepted.
3. **Approve** a commitment of \$329,672.50 excluding GST to the draft Annual Plan 2008/2009 for Contract No. FS07005A - After Hours Noise Control 2008/2009.
4. **Approve** that authority to enter into Contract No. FS07005A - After Hours Noise Control 2008/2009 on behalf of the Council be delegated to the Director: City Services.
5. **Agree** that authority be given to the Director: City Services to extend the contract for a further 12 months, subject to the satisfactory performance of the contractor and mutual agreement on the rates to apply for the extended term of contract.

BACKGROUND

1. The 25 January 2008 meeting of the Tenders Subcommittee resolved:

- “2. *That authority be given to deviate from the Council's Procurement Policy and enter into negotiation with Icon Security Group Limited on the basis of a preferred supplier for work identical to Contract No. FS06002A - After Hours Noise Control 2006/2007, subject to a formal negotiation process being undertaken prior to any contract being awarded.*

3. *That Icon Group Security Limited be informed that an award of the contract for After Hours Noise Control 2008/2009 is not guaranteed.*
4. *That the outcome of the negotiation process with Icon Group Security Limited for the After Hours Noise Control Contract 2008/2009 contract be reported back to the Tenders Subcommittee for approval to award a contract.”*

5/2008

SCOPE OF WORK

2. The scope of work includes providing licensed security guards able to be warranted by the Council as enforcement officers to respond to after hours noise complaints received by the Council's Call Centre, and includes responsibility to issue excessive noise directions, the seizure and storage of noise generating equipment, and the gathering of information to enable the Council to issue infringement notices with respect to excessive noise. The contract is for an initial period of twelve months commencing 1 July 2008. The contract allows for the term to be extended by a further twelve month period (to 30 June 2010) solely at the Council's discretion based on the satisfactory performance of the Contractor and mutual agreement on the rates for the extended term.

TENDERS RECEIVED

3. Negotiation was entered into with Icon Group Security Limited as the preferred supplier. Their tender is summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
Icon Group Security Limited	Albany	\$329,672.50
Pre-tender contract estimate		\$356,980.00

Table 1 - Summary of Tender Prices

4. The pre-tender contract estimate had allowed for a 20% increase in costs since the previous contract was advertised in 2006. The tendered sum is still within the available allocated budget.

TENDER EVALUATION

5. In accordance with the conditions of tendering, the tender was evaluated in line with the weighted attribute method for professional services contained in Transfund New Zealand's Competitive Pricing Procedures Manual.
6. A summary of the evaluation result is shown in Table 2:

Tender Evaluation	Attributes	Exper.	Track Record	Tech. Skill	Manag. Skill	Method.	Price	Contract Number FS07005A
								Total Weights
	Weights	20	20	15	10	5	30	100
Tenderer	Tender Sum	Grades						INDEX
Icon Group Security Ltd	\$329,672.50	80	85	75	75	80	58	73
Engineer's Estimate	\$ 356,980.00							

Table 2 - Summary of Tender Evaluation

7. For the purpose of comparison, and in accordance with the tender document, the tender prices are based on an estimated quantity of 6350 noise complaints attended, 36 seizures of equipment, and 20 alarm disconnections (including 10 disconnections involving the use of a locksmith) per annum. These estimated quantities are based on current trends in complaints received. However there is no way of accurately forecasting how many noise related call-outs will actually occur.
8. Icon Security Group Limited is the incumbent noise control contractor and has a highly satisfactory and proven track record with Council over the past four years that they have held this contract.
9. Icon Security Group Limited also provides identical noise control services to the North Shore City Council. The North Shore City Council has advised that they are extremely satisfied with the performance of Icon Group Security in this work.
10. In order to determine customer satisfaction in respect of the after hours noise control contractor, the Council has regularly undertaken a survey, involving contacting 100 randomly selected residents who had recently requested noise control services from the Council. Icon Group Security Limited has consistently scored highly in this survey. For the last six (6) years (2003 to 2008) the results of this survey have been as follows:

	ADT		ICON GROUP SECURITY LIMITED			
	2003 %	2004 %	2005 %	2006 %	2007 %	2008 %
Very satisfied	45	31	43	37	45	50
Reasonably satisfied	25	24	33	37	24	23
Somewhat dissatisfied	11	15	14	17	16	18
Very dissatisfied	19	30	11	9	15	8
	100	100	100	100	100	100
Very/ Reasonably satisfied	70	55	76	74	70	73

Note: figures may not add due to decimal rounding

TAGS, ERRORS OR OMISSIONS

11. The tender from Icon Group Security Limited, contained no tags, errors or omissions.

CREDIT CHECK

12. A credit check on Icon Group Security Limited dated 23 April 2008 revealed no adverse information.

JOB COSTS

13.		excl. GST
	Tender sum - Icon Group Security Limited	\$329,672.50
	Contingency	\$ 0.00

	Total Job Cost	\$329,672.50

SOURCE OF FUNDING

14. Source of funding is shown in Table 3 below:

Budget Description (from Annual Budget line item) Draft 2008/2009 Annual Plan	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance
Noise Control	7400-3610	\$384,000	\$0	\$329,672	\$54,328

IMPLEMENTATION ISSUES

16. There are no implementation issues action arising from this report.

Report prepared by: Alan Ahmu, Team Manager, Environmental Compliance.



8 CONTRACT NO. PK08007A - REVEGETATION PROGRAMME

GLOSSARY

Bilfinger Berger Services Limited (BBS)

EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. PK08007A - Revegetation Programme, which requires Council to commit finances over three (3) years.

RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. PK08007A - Revegetation Programme tender evaluation report.
2. **Approve** that the tender from Rahopara Parks & Garden Limited for Contract No. PK08007A - Revegetation Programme in the sum of \$109,894.20 plus \$13,736.77 GST, totalling \$123,630.97 be accepted.
3. **Approve** committing \$75,344.20 plus GST against the 2008/2009 Annual Plan for Contract No. PK08007A - Revegetation Programme.
4. **Approve** committing \$4,550.00 plus GST against the 2009/2010 Annual Plan for Contract No. PK08007A - Revegetation Programme.
5. **Approve** that authority to enter into Contract No. PK08007A - Revegetation Programme on behalf of Council be delegated to the Group Manager: Asset Management.

BACKGROUND

1. Funding was allocated through the Annual Plan 2007/2008 . It has been requested through the draft Annual Plan 2008/2009 to purchase and plant pre-ordered ecosourced native plants. All sites have been selected based on their ecological value and the potential impact of not planting.
2. All plants required as part of this project were pre-ordered and grown by Bilfinger Berger Services Limited (BBS) during 2007/2008 as part of Contract No. PK06011A - Supply of Ecosourced Plants. All plants supplied for this contract are grown in accordance with best horticultural practices and Waitakere City Council's Ecosourcing Code of Practice and Ethics. Audits of ecosourcing records and plant stock health checks are carried out to confirm this.
3. A report was presented to Tender Subcommittee on 22 February 2008 to seek approval to span the contract period for three years. It was resolved.

- “1. That the PK08007A - Revegetation Programme report be received.
2. That approval be given to publicly call for tenders for Contract No. PK08007A - Revegetation Programme for a contract period spanning three (3) years from 1 May 2008 to 30 September 2010.
3. That the results of the tender evaluation process for Contract No. PK08007A - Revegetation Programme be reported back to the Tenders Subcommittee for approval.”

237/2008

SCOPE OF WORK

4. The scope of work outlined in this contract involves weed control, preparation of planting sites, collection and planting of plant stock (supplied by BBS) and aftercare maintenance in designated parks and reserves throughout the City.

TENDERS RECEIVED

5. Tenders were publicly advertised with thirteen (13) sets of documents being uplifted. Four (4) tenders were received by the closing date of 15 April 2008. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
Rahopara Parks & Gardens Limited	21A Graham Bell Ave Mt Roskill Auckland	\$109,894.20
HEB Contractors Limited	PO Box 226 Drury Auckland	\$110,283.40
Treefrog Nurseries	PO Box 123 Silverdale Hibiscus Coast	\$218,118.79
Rural Design Limited	300 Mangawhai Road Kaiwaka	\$239,084.00
Pre-tender estimate	contract	\$ 98,951.95

Table 1 - Summary of Tender Prices

TENDER EVALUATION

6. 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'.
7. 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. PK08007A	
									Total Weights	
	Weights	8	8	8	10	8	8	50	100	
Tenderer	Tender Sum	Grades							INDEX	
Rahopara Parks & Gardens Limited	\$109,894.20	90	87	85	85	87	89	83	85	
HEB Construction Limited	\$110,283.40	88	87	87	84	84	85	83	84	
Treefrog Nurseries	\$218,118.79	85	85	80	85	82	85	17	50	
Rural Design Limited	\$239,084.00	85	80	80	80	82	80	4	43	
Med.n Tender Price	\$164,201.10									

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

Table 2 - Summary of Tender Evaluation

8. Tenders submitted by Rahopara Parks & Gardens Limited and HEB Contractors Limited differed by \$398.20. Both Contractors were recommended by current and previous clients and were evenly positioned against all weighted attributes.

TAGS, ERRORS OR OMISSIONS

9. No errors or omissions were found in any of the tender documents.
10. Rahopara Parks & Garden Limited submitted six (6) tags with their tender. All tags were discussed with the tenderer and subsequently withdrawn. No other tenderer submitted tags.

CREDIT CHECK

11. A credit check on Rahopara Parks & Gardens Limited dated 22 April 2008 revealed no adverse information.

JOB COSTS

	excl. GST
2007/2008 (Year 1)	
Tender sum - Rahopara Parks & Garden Limited	\$30,000.00
Contingency	\$ 3,000.00
Engineering & Supervision	\$ 0.00

Total Job Cost	\$33,000.00
2008/2009 (Year 2)	
Tender sum - Rahopara Parks & Garden Limited	\$75,344.20
Contingency	\$ 7,500.00
Engineering & Supervision	\$ 0.00

Total Job Cost	\$82,844.20

2009/20010 (Year 3)

Tender sum - Rahopara Parks & Garden Limited	\$4,550.00
Contingency	\$ 450.00
Engineering & Supervision	\$ 0.00

Total Job Cost	\$5,000.00

SOURCE OF FUNDING

13. Source of Funding is shown in Table 3 below:

2007/2008 (Year 1)

Budget Description (from Annual Budget line item)	Budget	Committed to Other Projects	Allocation to This Project	Unallocate d Balance
Revegetation Programme	\$310,000.00	\$277,000.00	\$33,000.00	\$0

2008/2009 (Year 2)

Budget Description (from Annual Budget line item)	Budget	Committed to Other Projects	Allocation to This Project	Unallocate d Balance
Revegetation Programme	\$214,000.00	\$131,155.80	\$82,844.20	\$0

2009/2010 (Year 3)

Budget Description (from Annual Budget line item)	Budget	Committed to Other Projects	Allocation to This Project	Unallocate d Balance
Revegetation Programme	\$219,000.00	\$214,000.00	\$5,000.00	\$0

IMPLEMENTATION ISSUES

14. There are no implementation issues arising from this report.

Report prepared by: Helen Biffin, Parks Contract Officer, Environmental.



9 CONTRACT NO. TA06007B - UNSEALED ROADS MAINTENANCE 2006 - APPROVAL TO EXTEND

EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to extend Contract No. TA06007B - Unsealed Roads Maintenance 2006 for 12 months, to 30 June 2009.

RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. TA06007B - Unsealed Roads Maintenance 2006 - Approval to Extend report.

2. **Approve** that the Contract No. TA06007B - Unsealed Roads Maintenance 2006 as awarded to Fulton Hogan Limited be extended in the sum of \$480,000.00 excluding GST for the period 1 July 2008 to 30 June 2009.
3. **Approve** the commitment of \$480,000.00 excluding GST to the draft Annual Plan 2008/2009 for Contract No. TA06007B - Unsealed Roads Maintenance 2006.
4. **Approve** that the authority to extend Contract No. TA06007B - Unsealed Roads Maintenance 2006 for the period 1 July 2008 to 30 June 2009 on behalf of Council be delegated to the Group Manager: Project Services.

BACKGROUND

1. Waitakere City Council currently has approximately 33.4km of unsealed roads that require routine maintenance. The existing contract is due to expire on 30 June 2008.
2. Council approved the award of Contract No. TA06007B - Unsealed Roads Maintenance 2006 to Fulton Hogan Limited at a Tenders Subcommittee meeting held on 16 June 2006 with the following recommendation:

“5. *That authority to extend Contract TA06007B- Unsealed Roads Maintenance 2006 for an additional one year to end on 30 June 2009 based on the satisfactory performance by the Contractor be reported back to Tenders Subcommittee for approval.*”

1033/2006

DECISION MAKING

Issues

3. Contract No. TA06007B - Unsealed Roads Maintenance 2006 is a two year contract with an expiry date of 30 June 2008. The contract also has provision for one annual extension up to 30 June 2009, based on the satisfactory performance by the Contractor and subject to Council's approval.
4. Fulton Hogan Limited has confirmed in writing that they are willing to carry out the contract for a further twelve months.

CONTRACTOR'S PERFORMANCE

5. An evaluation of Fulton Hogan Limited's performance to date contains the following features:
 - They have developed a good working relationship with relevant Council staff;
 - They have developed a good working knowledge of Council's roading asset and its needs thereby enabling better programming of works as they take 'ownership' of the network;
 - They are a well resourced company;
 - They respond quickly to customer complaints;
 - They have a strong focus on health and safety;
 - Their workmanship is generally to a very good standard.

RESOURCES

6. This project is being administered by Council officers within Project Services.
7. Financial resources are budgeted for in the draft Annual Plan 2008/2009.

SOURCE OF FUNDING

8. Source of funding is shown in table 1 below:

Budget Description (from Annual Budget line item) draft 2008/2009 Annual Plan	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Rural Maintenance General	5850	\$850,000	\$370,000	\$480,000	-
	Total			\$480,000	

Table 1 - Source of Funding

IMPLEMENTATION ISSUES

9. There are no implementation issues arising from this report.

Report prepared by: David Jiggins, Principal Engineer: Project Services.



10 CONTRACT NO. TA07010E - SLIP REPAIRS 2008: 213 KAREKARE ROAD AND 696 SOUTH TITIRANGI ROAD

EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. TA07010E - Slip Repairs 2008: 213 Karekare Road and 696 South Titirangi Road.

RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. TA07010E - Slip Repairs 2008: 213 Karekare Road and 696 South Titirangi Road report.
2. **Approve** that the tender from Gibbons Contractors Limited for Contract No. TA07010E - Slip Repairs 2008: 213 Karekare Road and 696 South Titirangi Road in the sum of \$219,778.00 plus \$27,472.25 GST, totalling \$247,250.25 be accepted.
3. **Approve** that the tender for Contract No. TA07010E - Slip Repairs 2008: 213 Karekare Road and 696 South Titirangi Road 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. **Approve** a commitment of \$158,249.00 excluding GST to the draft Annual Plan 2008/2009 for Contract No. TA07010E - Slip Repairs 2008: 213 Karekare Road and 696 South Titirangi Road.
5. **Approve** that authority to enter into Contract No. TA07010E - Slip Repairs 2008: 213 Karekare Road and 696 South Titirangi Road on behalf of the Council be delegated to the Group Manager: Project Services.

BACKGROUND

1. Contract No. TA07010E Slip Repairs 2008: 213 Karekare Road and 696 South Titirangi Road forms a part of the Council's annual slip repair programme as provided for in the 2007/2008 Annual Plan specifically in the area of slip remediation.
2. Within Waitakere there are currently a total of 14 slip sites identified where road integrity has been compromised. Several of these sites have been identified as priority repairs for the 2007/2008 programme. These two projects have been given a high priority status due to limiting road and footpath widths.

SCOPE OF WORK

3. This contract is for the construction of tie-back timber pole retaining walls at two sites and associated works. The new Karekare Road slip retaining wall will be in the order of 14 metres long and the 696 South Titirangi Road retaining wall will be in the order of 26 metres long.
4. Some minor stormwater works are also included in this contract which include the construction of a new cesspit and manhole along with 70 metres of new kerb and channel at 786 South Titirangi Road.

TENDERS RECEIVED

5. Tenders were publicly advertised on Tenderlink with 22 sets of documents being uplifted. Seven (7) tenders were received by the closing date of Tuesday, 15 April 2008. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
Infrastructure New Zealand Limited	North Harbour	\$217,984
Gibbons Contractors Limited	North Harbour	\$219,774
Nasey Contractors Limited	Albany	\$230,793
Contract Landscapes Limited	Kumeu	\$243,964
Rixon Contracting Limited	Glen Innes	\$327,384
HEB Construction Limited	Drury	\$337,874
Sibley Soil Retention Limited	Massey	\$372,074
Pre-tender contract estimate		\$249,093

Table 1 - Summary of Tender Prices

6. The lowest tender is 12% below the pre-tender contract estimate.

TENDER EVALUATION

7. 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'.
8. 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.
9. In this contract the value of Provisional Sums is \$4,500.
10. 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.

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

Tender Evaluation	Attributes	Experience	Track Record	Tech. Skill	Res	Manag. Skill	Method	Price	Contract Number TA07010E
									Total Weights
									100
Tenderer	Tender Sum	Grades							INDEX
Gibbons Contractors Limited	\$215,278.00	85	85	85	80	80	73	60	67
Nasey Contractors Limited	\$226,293.00	85	85	80	80	55	63	55	62
Infrastructure New Zealand Limited	\$213,488.88	58	63	60	60	60	75	61	61
Contract Landscapes Limited	\$239,461.00	64	63	53	73	63	55	50	54
Rixon Contracting Limited	\$322,884.50	55	60	58	60	60	45	15	28
HEB Construction Limited	\$333,371.94	60	70	65	70	73	73	11	28
Sibley Soil Retention Limited	\$367,578.00	43	50	53	48	43	60	-4	12
Median Tender Price	\$239,461.00								

Table 2 - Summary of Tender Evaluation

12. The tenders were assessed by the evaluation team based on the tender submission, information from referees and recent experiences with Council where appropriate.
13. Infrastructure New Zealand Limited were the lowest Tenderer but their lesser experience and only average performance on recent contracts for Council resulted in lower scores on a number of attributes.
14. Gibbons Contractors Limited has done a large number of projects with the Council to a high standard and has proven themselves in this type of work. The verbal referees for Gibbons Contractors Limited indicated that they were a good contractor to work with and that they would recommend using them to others.
15. Gibbons Contractors Limited have at least two other similar projects active with the Council. We have discussed the programming of these projects with Gibbons Contractors Limited and Council officers are satisfied that Gibbons Contractors Limited have sufficient resources to undertake this project.

TAGS, ERRORS OR OMISSIONS

16. The tender from Infrastructure New Zealand Limited contained two tags that were subsequently removed prior to completing the evaluation process. The tender from Nasey Contractors Limited also contained two tags which were also removed prior to completing the evaluation process.
17. Two tenders contained arithmetic errors. They were both of a minor nature and the Tenderers, when contacted, chose to confirm their original tender prices.

CREDIT CHECK

18 A credit check on Gibbons Contractors Limited 28 March 2008 revealed no adverse information.

JOB COSTS

19.		excl. GST
	Tender sum - Gibbons Contractors Limited	\$219,778.00
	Contingency	\$ 22,000.00
	Engineering and Supervision	\$ 33,000.00

	Total Job Cost	\$274,778.00

SOURCE OF FUNDING

20. Source of funding is shown in Table 3 below:

Budget Description (from Annual Budget line item) 2007/2008 Annual Plan and Draft 2008/2009 Annual Plan	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance
Storm Event September	8AMTA-08-018	\$950,000	\$833,471	\$116,529	\$0
Flood Damage Slip Repairs 2008/2009	8AMTA-07-124	\$850,000	\$0	\$158,249	\$691,751
	Total			\$274,778	

IMPLEMENTATION ISSUES

21. There are no implementation issues arising from this report.

Report prepared by: James Howie, Roading Project Engineer.

