



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** **13 June 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.

6 June 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, 13 JUNE 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 - 30 May 2008

RECOMMENDATION

It is recommended that the minutes of the meeting of the Tenders Subcommittee held on Friday, 30 May 2008, as circulated, and that they be taken as read and now be confirmed.



5 **CONTRACT NO. TA05001B – CITY CLEANING AND ROAD SWEEPING 2005/2006 - APPROVAL TO EXTEND**

EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to extend Contract No. TA05001B - City Cleaning and Road Sweeping 2005/2006 for 12 months, to 30 June 2009.

RECOMMENDATIONS:

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. TA05001B – City Cleaning and Road Sweeping 2005/2006 - Approval to Extend report.
2. **Approve** that the Contract No. TA05001B – City Cleaning and Road Sweeping 2005/2006 as awarded to Civic Contractors Limited and Transpacific Industrial Solutions Limited be extended in the sum of \$570,000 excluding GST for the period 1 July 2008 to 30 June 2009.
3. **Approve** the commitment of \$617,500 excluding GST to the draft Annual Plan 2008/2009 for Contract No. TA05001B – City Cleaning and Road Sweeping 2005/2006.
4. **Approve** that authority to extend Contract No. TA05001 – City Cleaning and Road Sweeping 2005/2006 for the period 1 July 2008 to 30 June 2009 on behalf of the Council be delegated to the Group Manager: Project Services.

BACKGROUND

1. The scope of work includes the routine sweeping of roads, car parks, nominated pedestrian areas and the cleaning of nominated commercial centres and bus shelters within Waitakere City. The existing contract is due to expire on 30 June 2008.
2. Council approved the award of Contract No. TA05001B - City Cleaning and Road Sweeping 2005/2006 to Civic Contractors Limited and Onyx Group Limited at a Tenders Subcommittee meeting held on 10 June 2005 with the following recommendation:

“5. *That authority to extend Contract TA05001B - City Cleaning and Road Sweeping 2005/2006 for an additional 12 month period to end 30 June 2009 and a further extension of a 12 month period to end 30 June 2010 based on the satisfactory performance by the Contractor be delegated to the Group Manager: Asset Management.*”

1057/2005

3. Transpacific Industrial Solutions Limited subsequently bought out the industrial section of Onyx Group Limited in October 2005. With the purchase of the company, Transpacific Industrial Solutions Limited also purchased the joint venture contract with Civic Contractors Limited for the city cleaning and road sweeping for Waitakere City Council.

DECISION MAKING

4. Contract No. TA05001B - City Cleaning and Road Sweeping 2005/2006 is a three year contract with an expiry date of 30 June 2008. The contract also has provision for up to two annual extensions. The first 12 month extension period is 1 July 2008 to 30 June 2009 and the final 12 month extension period is 1 July 2009 to 30 June 2010. Each extension period is to be reviewed annually and is based on the satisfactory performance by the Contractor and subject to Council's approval.
5. Civic Contractors Limited and Transpacific Industrial Solutions Limited have confirmed in writing that they are willing to carry out the contract for a further 12 months.

CONTRACTOR'S PERFORMANCE

6. An evaluation of Civic Contractors Limited and Transpacific Industrial Solutions Limited performance to date contains the following features:
 - They have developed a good working relationship with relevant Council officers;
 - 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;
 - By combining the resources of both companies, they are well resourced to carry out the contract works;
 - 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

7. This project is being administered by Council officers within Project Services.
8. Financial resources are from the draft Annual Plan 2008/2009.

JOB COSTS

9. Excl. GST	
Contract Sum for 12 months	\$570,000.00
Engineering and Supervision	\$ 47,500.00

Total Job Cost	\$617,500.00

SOURCE OF FUNDING

10. 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
Street Cleaning / Subsidised Maintenance	74000 / 5870	\$140,000	\$40,000	\$100,000	Nil
Street Cleaning / Non- Subsidised Maintenance	74000 / 6220	\$400,000	\$70,000	\$234,000	\$96,000
Intersection Sweeping / Non-Subsidised Maintenance	74000 / 6230	\$50,000	Nil	\$50,000	Nil
Commercial Centre Road Sweeping / Non- Subsidised Maintenance	74000 / 6240	\$200,000	\$14,000	\$186,000	Nil

Rural (Professional Services)	63000 / 5860	\$125,000	\$117,500	\$7,500	Nil
Street Cleaning (Professional Services)	63000 / 5880	\$12,000	\$5,000	\$7,000	Nil
Environmental (Professional Services)	63000 / 6210	\$45,000	\$26,000	\$18,000	\$1,000
Amenities (Professional Services)	63000 / 6160	\$85,000	\$66,000	\$15,000	\$4,000
	Total			\$617,500	

Table 1 – Source of Funding

IMPLEMENTATION ISSUES

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

Report prepared by: Vicki Daley, Roading Engineer: Project Services.



6 CONTRACT NO. TA07003B – ROAD REMARKING AND RAISED PAVEMENT MARKERS 2007/2008 - APPROVAL TO EXTEND

EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to extend Contract No. TA07003B – Road Remarking and Raised Pavement Markers 2007/2008 for 12 months, to 30 June 2009.

RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. TA07003B – Road Remarking and Raised Pavement Markers 2007/2008 - Approval to Extend report.
2. **Approve** that the Contract No. TA07003B – Road Remarking and Raised Pavement Markers 2007/2008 as awarded to Coastline Markers Limited be extended in the sum of \$725,000 excluding GST for the period 1 July 2008 to 30 June 2009.
3. **Approve** the commitment of \$767,000 excluding GST to the draft Annual Plan 2008/2009 for Contract No. TA07003B – Road Remarking and Raised Pavement Markers 2007/2008.
4. **Approve** that authority to extend Contract No. TA07003B – Road Remarking and Raised Pavement Markers 2007/2008 for the period 1 July 2008 to 30 June 2009 on behalf of the Council be delegated to the Group Manager: Project Services.

BACKGROUND

1. The scope of work includes the annual remarking of existing road markings (945,000 metres) and installation of new road markings (28,000 metres) where required within Waitakere City. The existing contract is due to expire on 30 June 2008.
2. Council approved the award of Contract No. TA07003B – Road Remarking and Raised Pavement Markers 2007/2008 to Coastline Markers Limited at a Tenders Subcommittee meeting held on 22 June 2007 with the following recommendation:

- “4. That authority to extend Contract TA07003B - Road Remarking and Raised Pavement Markers 2007/2008 beyond 30 June 2008 on an annual basis until 30 June 2010 is reported back to Tenders Subcommittee for approval.”

1103/2007

DECISION MAKING

3. Contract No. TA07003B – Road Remarking and Raised Pavement Markers 2007/2008 is a one year contract with an expiry date of 30 June 2008. The contract also has provision for up to two annual extensions. The first 12 month extension period is 1 July 2008 to 30 June 2009 and the final 12 month extension period is 1 July 2009 to 30 June 2010. Each extension period is to be reviewed annually and is based on the satisfactory performance by the Contractor and subject to Council's approval.
4. Coastline Markers Limited has confirmed in writing that they are willing to carry out the contract for a further 12 months.

CONTRACTOR'S PERFORMANCE

5. An evaluation of Coastline Markers Limited's performance to date contains the following features:
- They have developed a good working relationship with relevant Council officers;
 - 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 from the draft Annual Plan 2008/2009.

JOB COSTS

8. Excl. GST	
Contract Sum 12 Months	\$725,000.00
Engineering and Supervision	\$ 42,000.00

Total Job Cost	\$767,000.00

SOURCE OF FUNDING

9. Source of funding is shown in the following Table 1:

Budget Description (from Annual Budget line item) draft 2008/2009 Annual Plan	Codes	Budget	Committed to Other Projects	Allocation to this Project	Unallocated Balance
Road Remarking	74000 / 5970	\$700,000	Nil	\$700,000	Nil
EcoWater – Valve and Hydrant Maintenance	74000 / 7440	\$247,083	\$222,083	\$25,000	Nil
Traffic Facilities (Professional Services)	6300 / 5940	\$300,000	\$237,000	\$42,000	\$21,000
	Total			\$767,000	

Table 1 – Source of Funding

IMPLEMENTATION ISSUES

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

Report prepared by: Vicki Daley, Roading Engineer: Project Services.



7 CONTRACT NO. TA06005B - STREETLIGHT MAINTENANCE AND RENEWAL 2006/2007- APPROVAL TO EXTEND

EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to extend Contract No. TA06005B - Streetlight Maintenance and Renewal 2006/2007 for 12 months, to 30 June 2009.

RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. TA06005B – Streetlight Maintenance and Renewal 2006/2007 - Approval to Extend report.
2. **Approve** that the Contract No. TA06005B – Streetlight Maintenance and Renewal 2006/2007 as awarded to Electrix Limited be extended in the sum of \$850,000 excluding GST for the period 1 July 2008 to 30 June 2009.
3. **Approve** the commitment of \$903,000 excluding GST to the draft Annual Plan 2008/2009 for Contract No. TA06005B – Streetlight Maintenance and Renewal 2006/2007.
4. **Approve** that authority to extend Contract No. TA06005B – Streetlight Maintenance and Renewal 2006/2007 for the period 1 July 2008 to 30 June 2009 on behalf of the Council be delegated to the Group Manager: Project Services.

BACKGROUND

1. Waitakere City Council currently has approximately 12,500 streetlights and 30 Belisha beacon pedestrian crossings. This contract provides maintenance of these assets, renewal of ageing products and installation of new streetlights following accident damage.

2. Council approved the award of Contract No. TA06005B – Streetlight Maintenance and Renewal 2006/2007 to Electrix Limited at a Tenders Subcommittee meeting held on 22 September 2006 with the following recommendation:

“2. *That any extension for Contract No. TA06005B - Streetlight Maintenance and Renewal 2006/2007 be reported back to the Tenders Subcommittee for approval.*”

1796/2006

3. The Tenders Subcommittee approved the first annual extension to the contract for the period of 1 July 2007 to 30 June 2008 at a Tenders Subcommittee meeting held on 8 June 2007 with the following recommendation:

“4 *That authority to extend the Contract No. TA06005B - Streetlight Maintenance and Renewal 2006/2007 for the period of 1 July 2007 to 30 June 2008, be delegated to the Group Manager: Project Services.*”

1010/2007

DECISION MAKING

4. Contract No. TA06005B - Streetlight Maintenance and Renewal 2006/2007 is a nine month contract with an expiry date of 30 June 2007. The contract also has provision for up to two annual extensions. The first 12 month extension period was 1 July 2007 to 30 June 2008 and was approved. The final 12 month extension period is 1 July 2008 to 30 June 2009. The extension periods are reviewed annually and are based on the satisfactory performance by the Contractor and subject to Council's approval.
5. Electrix Limited has confirmed in writing that they are willing to carry out the contract for a further 12 months.

CONTRACTOR'S PERFORMANCE

6. An evaluation of Electrix Limited's performance to date contains the following features:
- Their response times to work requests are up to our expectations;
 - They have developed good working relationships with the relevant Council officers, Vector staff and Vector's sub contractor;
 - They are quick to react to urgent requests and have adequate level of resources for the works;
 - Their workmanship is to a good standard;
 - There have been no complaints relevant to health and safety or environmental issues;
 - They are being proactive on service improvements;
 - They have assisted the Council on several technical issues.

RESOURCES

7. This project is being administered by Council officers within Project Services.
8. Financial resources are from the draft Annual Plan 2008/2009.

JOB COSTS

9.	Excl. GST	
	Contract Sum for 12 Months	\$850,000
	Engineering and Supervision	\$ 53,000

	Total Job Cost	\$903,000

SOURCE OF FUNDING

10. 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
Streetlight Maintenance- Subsidised Maintenance	6130 / 74000	\$1,048,000	Nil	\$850,000	\$198,000
Traffic Facilities (Professional Fees)	5940 / 63000	\$300,000	\$278,000	\$1,000	\$21,000
Street Lighting (Professional Fees)	6120 / 63000	\$52,000	Nil	\$52,000	Nil
	Total			\$903,000	

Table 1 – Source of Funding

IMPLEMENTATION ISSUES

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

Report prepared by: Jayantha Rajasooriya, Roading Engineer: Project Services.



8 CONTRACT NO. TA04501B - SIGNS MAINTENANCE CONTRACT 2004/2005 - APPROVAL TO EXTEND

EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to extend Contract No. TA04501B - Signs Maintenance Contract 2004/2005 for 12 months, to 30 June 2009.

RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. TA04501B - Signs Maintenance Contract 2004/2005 - Approval to Extend report.
2. **Approve** that the Contract No. TA04501B - Signs Maintenance Contract 2004/2005 as awarded to Directions Limited be extended in the sum of \$440,000 excluding GST for the period 1 July 2008 to 30 June 2009.

3. **Approve** the commitment of \$487,000 excluding GST to the draft Annual Plan 2008/2009 for Contract No. TA04501B - Signs Maintenance Contract 2004/2005.
4. **Approve** that authority to extend Contract No. TA04501B - Signs Maintenance Contract 2004/2005 for the period 1 July 2008 to 30 June 2009 on behalf of the Council be delegated to the Group Manager: Project Services.

BACKGROUND

1. Waitakere City Council currently has approximately 14,500 road signs. This contract provides maintenance of these assets and renewal of fading, damaged or outdated signs and installation of new signs as required.
2. Council approved the award of Contract No. TA04501B - Signs Maintenance Contract 2004/2005 to Directions Limited at a Tenders Subcommittee meeting held on 25 June 2004 with the following recommendation:

“5. *That authority to extend Contract TA04501B – Signs Maintenance Contract 2004 beyond 30 June 2007 on an annual basis until 30 June 2009 based on the satisfactory performance by the contractor be delegated to the Director of City Services.*”

1032/2004

3. Since that time Audit New Zealand has commented that for contracts of significant sums, a preferred practice is that the relevant Council committee approves any extensions. This is considered to be such a contract and hence Tenders Subcommittee approval was requested.
4. The Tenders Subcommittee approved the first annual extension to the contract for the period of 1 July 2007 to 30 June 2008 at a meeting held on 8 June 2007 with the following recommendation:

“4 *That authority to extend the Contract No. TA04501B - Signs Maintenance Contract 2004/2005 for the period of 1 July 2007 to 30 June 2008, be delegated to the Group Manager: Project Services.*”

1009/2007

DECISION MAKING

5. Contract No. TA04501B - Signs Maintenance Contract 2004/2005 is a three year contract with an expiry date of 30 June 2007. The contract also has provision for up to two annual extensions. The first 12 month extension period was 1 July 2007 to 30 June 2008 and was approved. The final 12 month extension period is 1 July 2008 to 30 June 2009. The extension periods are reviewed annually and are based on the satisfactory performance by the Contractor and subjected to Council's approval.
6. Directions Limited has confirmed in writing that they are willing to carry out the contract for a further 12 months.

CONTRACTOR'S PERFORMANCE

7. An evaluation of Directions Limited's performance to date contains the following features:
 - Their response times to work requests are up to our expectations;
 - They have developed good working relationships with the relevant Council officers, public and other contractors over the past nine years;

- They are quick to react to urgent requests and have adequate level of resources for the works;
- Their workmanship is to a good standard;
- There have been no complaints regarding workmanship received from public;
- There have been no complaints relevant to health and safety or environmental issues;
- They are being proactive on service improvements.

RESOURCES

8. This project is being administered by Council officers within Project Services.
9. Financial resources are from the draft Annual Plan 2008/2009.

JOB COSTS

10. Excl. GST	
Contract Sum for 12 Months	\$440,000
Engineering and Supervision	\$ 47,000

Total Job Cost	\$487,000

SOURCE OF FUNDING

11. 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
Sign Maintenance- Subsidised Maintenance	5980 / 74000	\$440,000	\$26,000	\$414,000	Nil
Bus Stop-Subsidised Renewals	74000 / 8AMTA-07- 013	\$26,000	Nil	\$26,000	Nil
Traffic Facilities (Professional Fees)	5940 / 63000	\$300,000	\$232,000	\$47,000	\$21,000
	Total			\$487,000	

Table 1 – Source of Funding

IMPLEMENTATION ISSUES

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

Report prepared by: Jayantha Rajasooriya, Roading Engineer: Project Services.



9 **CONTRACT NO. TA07004B – BUS SHELTER AND GUARDRAIL MAINTENANCE 2007/2008 - APPROVAL TO EXTEND**

EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to extend Contract No. TA07004B - Bus Shelter and Guardrail Maintenance 2007/2008 for 12 months, to 30 June 2009.

RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. TA07004B - Bus Shelter and Guardrail Maintenance 2007/2008 - Approval to Extend report.
2. **Approve** that the Contract No. TA07004B - Bus Shelter and Guardrail Maintenance 2007/2008 as awarded to Community Assets Management Limited be extended in the sum of \$215,000 excluding GST for the period 1 July 2008 to 30 June 2009.
3. **Approve** the commitment of \$255,000 excluding GST to the draft Annual Plan 2008/2009 for Contract No. TA07004B - Bus Shelter and Guardrail Maintenance 2007/2008.
4. **Approve** that authority to extend Contract No. TA07004B - Bus Shelter and Guardrail Maintenance 2007/2008 for the period 1 July 2008 to 30 June 2009 on behalf of the Council be delegated to the Group Manager: Project Services.

BACKGROUND

1. This contract forms part of Council's asset maintenance and renewal programmes as provided for in the draft 2008/2009 Annual Plan and specifically the maintenance of guardrails, bus shelters and other miscellaneous street furniture throughout the city.
2. The Director: City Services approved the award of Contract No. TA07004B - Bus Shelter and Guardrail Maintenance 2007/2008 on behalf of Council to Community Assets Management Limited on 10 July 2007 with the following recommendation:
 - “3. *That authority to extend Contract TA07004B – Bus Shelter and Guardrail Maintenance 2007/2008 for an additional twelve month period ending on 30 June 2009 and further twelve month period ending on 30 June 2010 based on the satisfactory performance by the contractor be reported back to Tenders Subcommittee for approval.*”

DECISION MAKING

3. Contract No. TA07004B - Bus Shelter and Guardrail Maintenance 2007/2008 is a one year contract with an expiry date of 30 June 2008. The contract also has provision for up to two annual extensions. The first 12 months extension period is 1 July 2008 to 30 June 2009. The extension periods are reviewed annually and are based on the satisfactory performance by the Contractor and subject to Council's approval.
4. Community Assets Management 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 Community Assets Management Limited's performance to date contains the following features:
- Their response times to work requests are up to our expectations;
 - They have developed good working relationships with the relevant Council officers and public over the past nine years;
 - They are quick to react to urgent requests and have adequate level of resources for the works;
 - Their workmanship is to a good standard;
 - There have been no complaints regarding workmanship received from public;
 - There have been no complaints relevant to health and safety or environmental issues;
 - They are being proactive on service improvements.

RESOURCES

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

JOB COSTS

8. Excl. GST	
Contract Sum for 12 Months	\$215,000
Engineering and Supervision	\$ 40,000

Total Job Cost	\$255,000

SOURCE OF FUNDING

9. Source of funding is shown in Table 1 below:

Budget Description (from Budget line item) draft 2008/2009 Annual Plan	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Bus Shelter Maintenance	6050 / 74000	\$85,000	Nil	\$ 85,000	Nil
Guardrails-Subsidised Maintenance	5950 / 74000	\$75,000	Nil	\$75,000	Nil
Traffic Facility Renewal- Subsidised Renewals	74000 / 8AMTA-07-009	\$585,000	\$482,000	\$55,000	\$48,000
Rural (Professional Fees)	5860 / 63000	\$125,000	\$115,000	\$10,000	Nil
Bridge Maintenance (Professional Fees)	5920 / 63000	\$29,000	\$24,000	\$5,000	Nil
Traffic Facilities (Professional Fees)	5940 / 63000	\$ 300,000	\$265,000	\$14,000	\$21,000
Bus Shelter (Professional Fees)	6040 / 63000	\$13,000	Nil	\$11,000	\$2,000
	Total			\$255,000	

Table 1 – Source of Funding

IMPLEMENTATION ISSUES

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

Report prepared by: Jayantha Rajasooriya, Roding Engineer: Project Services.



10 CONTRACT NO. EW08021A – CONSULTANT SUPPORT FOR INFILTRATION AND INFLOW AND PEAK FLOW REDUCTION PROGRAMMES 2008/2009

GLOSSARY

Gillespie Consultants Limited	(GCL)
Closed Circuit Television	(CCTV)

EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. EW080021A – Consultant Support for Infiltration and Inflow and Peak Flow Reduction Programmes 2008/2009.

RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. EW08021A – Consultant Support for Infiltration and Inflow and Peak Flow Reduction Programmes 2008/2009 report.
2. **Approve** that the tender from Gillespie Consultants Limited for Contract No. EW08021A – Consultant Support for Infiltration and Inflow and Peak Flow Reduction Programmes 2008/2009 in the sum of \$520,600 plus \$65,075 GST, totalling \$585,675 be accepted.
3. **Approve** the commitment of \$520,600 plus \$65,075 GST, totalling \$585,675 to the draft Annual Plan 2008/2009 for Contract No. EW08021A – Consultant Support for Infiltration and Inflow and Peak Flow Reduction Programmes 2008/2009.
4. **Approve** that authority to enter into Contract No. EW080021A – Consultant Support for Infiltration and Inflow and Peak Flow Reduction Programmes 2008/2009 on behalf of the Council be delegated to the Group Manager: Project Services.
5. **Agree** that authority to extend Contract No. EW08021A – Consultant Support for Infiltration and Inflow and Peak Flow Reduction Programmes beyond June 2009 on an annual basis until 30 June 2011 be reported back to Tenders Subcommittee for approval.

BACKGROUND

1. A report was presented to the Tenders Subcommittee on 16 May 2008 recommending that Council negotiate with Gillespie Consultants Limited (GCL) as a preferred supplier based on the previous contract for 2007/2008.

2. The Tenders Subcommittee at its meeting dated 16 May 2008, resolved:
- “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 – Consultant 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 Flow 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.”

773/2008

SCOPE OF WORK

3. The scope of the work includes the following:
- Gully Trap Inspections programme:
 - Delivery of letters and inspection of approximately 10,000 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 (CCTV) contractor with inspections of approximately 6,500 private drains yearly;
 - Liaison with and advice to customers with 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 Projects Engineers in feasibility studies, detailed design and physical works supervision;
 - Assisting in the property owner consent process;
 - Quality Control Audits on site.
4. The contract is for an initial period of 12 months commencing 1 July 2008 with the provision to extend beyond 30 June 2009 on an annual basis until 30 June 2011.

DECISION MAKING

Negotiation Process

5. Project Services staff negotiated with GCL on the basis of the work to be performed and benchmarked against rates used in the contract awarded for the 2007/2008 year and market rates. The value of the 2007/2008 contract was \$391,200.
6. The final negotiated price for this contract is \$520,600. The amount of supervision work within the contract has increased this financial year due to the introduction of the Private Drains CCTV programme initiated by Ecowater. GCL will supervise and assist the appointed CCTV contractor with inspections of approximately 6,500 private drains yearly and liaise with and provide advice to customers with faulty private drainage systems. Supervision of the CCTV contractor will ensure that the work is completed to the standard required by Ecowater's brief. GCL will also provide assistance in the supervision of private drainlayers completing repairs as well as quality control and data entry associated with this programme. The supervision of private drainlayers ensures that any repair work on faulty private drainage systems will be consistent throughout the City. There is also additional work required due to the increased design component of the Infiltration and Inflow programme received from Ecowater. Using the new rates the same volume of work as last financial year would now cost \$429,600 (an increase of \$38,400).
7. In the proposed contract there are 21 existing contract items, one deleted item and five new items. One of the five new line items covers the increase of supervision, assistance and public liaison associated with the CCTV Private Drains programme. The second new line item is for the introduction of a specific Health and Safe Plan to account for the increased numbers of employees with GCL. The last three new line items do not change the scope from previous years but enable a split for charging purposes based on the level of experience of GCL staff.
8. The work associated with the deleted line item is now completed by Project Services.
9. GCL agreed to continue with the previous contract prices for 8 of the 19 items. The total sum increase across the contract was 8.13%.
10. The rates are considered to be well within the market prices for this type of work.
11. The negotiated price is within the available allocated budget.

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

CREDIT CHECK

13. A credit check on GCL dated 27 May 2008 revealed no adverse information.

JOB COSTS

14. Excl. GST		
Contract Price – negotiated with GCL		\$520,600
Contingency		\$ 52,060
Engineering & Supervision		\$ 52,060

Total Job Cost		\$624,720

SOURCE OF FUNDING

15. Source of funding is shown in Table 1 below:

Budget Description (from Annual Budget line item) 2008/2009 Annual Plan	Codes	Budget	Committed to other Projects	Allocation to this Project	Unallocated Balance
Peak Flow Capacity Programme	8AMEW-09-073	271,000	0.00	265,920	5,080
Wastewater Renewals I & I Programme	8AMEW-09-027	4,600,000	0.00	207,000	4,393,000
Wastewater Manhole Renewals	8AMEW-09-035	135,000	0.00	13,200	121,800
Structural Repairs from Videos	8AMEW-09-041	144,000	0.00	13,200	130,800
Network Upgrade	8AMEW-09-065	460,000	0.00	92,400	367,600
Detailed Design for I&I Programme	8AMEW-09-025	260,000	0.00	33,000	227,000
TOTAL		5,870,000	0.00	624,720	5,245,280

Table 1 – Source of Funding

IMPLEMENTATION ISSUES

16. As part of the 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.

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



11 **CONTRACT NO. SD07009R - IDENTIFICATION OF ECONOMIC DEVELOPMENT OPTIONS FOR HENDERSON AND LINCOLN CORRIDOR**

EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. SD07009R - Identification of Economic Development Options for Henderson and Lincoln Corridor. This contract is to identify options for the economic development of Henderson and the adjacent Lincoln Corridor.

RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. SD07009R - Identification of Economic Development Options for Henderson and Lincoln Corridor report.
2. **Approve** that the tender from SGS Economics and Planning Ltd for Contract No. SD07009R – Identification of Economic Development Options for Henderson and Lincoln Corridor in the sum of \$84,537.00 excluding GST be accepted.
3. **Approve** that authority to enter into Contract No. SD07009R - Identification of Economic Development Options for Henderson and Lincoln Corridor on behalf of Council be delegated to the Group Manager: Long Term Urban and Environmental Strategy.

BACKGROUND

1. Council needs a better understanding of the options for economic development of the Henderson and Lincoln areas as a basis for land use and transport investments.
2. This project has been developed jointly between Strategy (Urban Design and Development, Economic Development Strategy) and the Strategic Projects team. Waitakere Enterprise have also been consulted, supports the project, and have been part of the tender evaluation.
3. This is a significant piece of work and is intended to inform Council and private sector land use and transport investment decisions.

SCOPE OF WORK

4. **Strategic Vision.** Respond to Council's strategic vision for the City and for Henderson and the Lincoln Corridor, including the Council's population and employment projections, and commitments to building a high quality, sustainable urban environment.
5. **Economic Geography.** Should "stretch" Council if necessary and should be soundly based in an understanding of the economic geography of the place.
6. **Whole Study Area and Precincts.** Should respond to the study area as a whole and treat the study area as an integrated unit, however, as relevant the consultant may identify area based precincts within the study area. If the consultant thinks that precincts of activity within the area should be developed then the nature of the precincts should be explained.
7. **Clusters and Key Businesses.** As relevant the options should identify clusters of business activity and/or specify specific business activities that Council should pursue.

8. **Economic trends and Step Change.** Should take into account a continuation of existing economic trends and the possibility of a step change in economic activity as a result of greater population, transport accessibility, or other circumstance identified by the consultant.
9. As part of this study the consultant will:
 - **Regional Context.** Consider the study area in its regional context, taking account of the Regional Growth Strategy, regional economic and business growth planning and analysis, regional commitments to Centres and Corridors, and regional transport commitments. Comment should be made on the relationship and integration necessary between Centre, Business Area, and Corridor as defined in regional classification work (to be supplied by client). This should include a review of the Regional Business Land and Economy Group's work led by the Auckland Regional Council as it affects Waitakere City (client to supply documents);
 - **Economic Function.** Clarify the economic function and role of the study area, including retail spend, and how that relates to other areas in the wider city/region, plus worker origin. This is likely to include considering the study area as precincts as well as a whole;
 - **SWOT.** Identify the strengths, weaknesses, opportunities and threats facing the study area and use this understanding to inform the analysis and report;
 - **Targets.** Identify particular business types and/or clusters that Council should target. It is important that the consultant clearly state why particular business types or clusters are proposed and show the analysis that led to this conclusion. This should include an analysis of any existing economic precincts and their function. As part of this identify and examine:
 - The extent to which office employment is likely to develop and where in the study area this might occur. Note that Council's current employment density goals for Henderson imply a heavy reliance on office development and Council needs to understand the extent to which this is likely to occur and the factors underlying the consultant's view;
 - The pressure for greater retail provision in Lincoln Road, and identify how this could complement/undermine the City's centres-based retail strategy;
 - The role of manufacturing in the Henderson South and Lincoln Road areas and identify how that might evolve in the future;
 - The extent to which economic activity associated with tertiary education and the hospital can be developed;
 - The opportunities for brownfields redevelopment.
 - **Interventions.** Identify opportunities and interventions that could catalyze economic growth in individual areas. These will include infrastructure development, cluster development, leveraging off locational attributes etc;
 - **Next Steps.** Identify the next steps that should be taken by Council or other parties to promote the economic activity recommended by the consultant for the study area, including highlighting and suggesting solutions to resolve competing objectives in identified areas.
10. This work will be used to define priorities for Council planning and further place-based work which will provide concept plans for the development of defined areas within the study area. Essentially Council needs to understand what type of land use, transport and social infrastructure investments it should be planning for and how these will support growth, to do this Council wants to understand the type of growth it should be targeting.

11. In terms of economic development, Council wants to understand what types of economic activity the study area lends itself too and what interventions Council could make to secure those opportunities. The consultant should consider the whole area in its regional context and should also consider how different parts of the study area could be developed differently.
12. Also, Council wants to understand what education, skill sets and community facilities might be needed to help deliver population and employment intensification goals within the economic activity scenarios mooted by the consultant. For example, if the consultant considers there is considerable scope for expansion of the film industry cluster currently located in Henderson, what then follows in terms of people and community investments to support that sector?

TENDERS RECEIVED

13. Tenders were publicly advertised with five (5) sets of documents being uplifted. These are summarised in Table 1 below:

Tender Evaluation	Attributes	Exper.	Track Record	Manag. Skill	Method.	Price	Contract Number SD 07009 R	
							Total Weights	
Weights		25	25	10	25	15	100	
Tenderer	Tender Sum						INDEX	
Ascari & Pricewater Coopers	\$79,294.00	70	80	80	70	37	69	
SGS (without stage 5)	\$84,537.00	90	70	90	80	29	73	
SGS (with stage 5)	\$98,828.00	90	70	90	80	9	70	
CBRE	\$57,000.00	60	80	50	65	69	67	
Property Economics	\$89,000.00	80	70	60	65	23	63	
Property Economics	\$67,500.00	80	70	60	65	54	68	
Market Economics	\$83,600.00	50	50	40	50	31	46	
General Estimate	\$70,000.00							

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

TENDER EVALUATION

14. SGS Economics and Planning Ltd have provided an offer of service with and without econometrics modelling. Council's Manager: Economic Development Strategy advises that Council already has suitable econometrics modelling to support this work and therefore the lower price offer is suitable.

TAGS, ERRORS OR OMISSIONS

15. There were no tags, errors or omissions.

CREDIT CHECK

16. Council is familiar with the consultant. Council carries no credit risk as it will be known if the work is satisfactory on receipt of the report and payment will not be made for unsatisfactory work.

JOB COSTS

17. This work is budgeted in the existing Annual Plan and will be paid for from the following budget codes:

2CDUR-08-002 (Henderson Town Centre Coordination)	\$59,537.00
7UEES-08-011 (Future Strategy/Policy Projects)	<u>\$25,000.00</u>
	\$84,537.00

IMPLEMENTATION ISSUES

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

Report prepared by: Jeff Murray, Acting Manager Urban Design and Development.

