



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 19 December 2008 **TIME:** 9.00 am

MEETING ROOM: Waitemata Room

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.

12 December 2008

Carmen Fernandes
COMMITTEE SECRETARY

Telephone (09) 836 8000 extn 8887

MEMBERSHIP:

Councillors RI Clow (Chairman)
 JM Clews, QSO, JP (Deputy Chairman)
 WW Flaunty, QSM, JP

Chief Executive Officer
Director: City Services
Director: Corporate and Business Services
Director: Community Wellbeing
Director: Strategic Planning
Director: Public Affairs
Director: Finance

Mayor RA Harvey, QSO, JP (ex officio)
Deputy Mayor PA Hulse (ex officio)

(Quorum 3 members - one of whom must be a Councillor)

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(Meeting Room could be subject to change)

(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 IN THE
WAITEMATA ROOM AT WAITAKERE CENTRAL, 6 HENDERSON VALLEY ROAD,
HENDERSON, WAITAKERE, ON FRIDAY, 19 DECEMBER 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 - 28 November 2008

RECOMMENDATION

It is recommended that the Tenders Subcommittee resolve to:

Receive the minutes of the meeting of the Tenders Subcommittee held on Friday, 28 November 2008, as circulated, and that they be taken as read and now be confirmed.



5 CONTRACT NO. PY07001C - CITYWIDE CLEANING

EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. PY07001C - Citywide Cleaning.

RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. PY07001C - Citywide Cleaning report.
2. **Approve** that the tender from Professional Property and Cleaning Services Limited for Contract No. PY07001C - Citywide Cleaning, in the sum of \$1,392,880.28 plus \$174,110.04 GST, totalling \$1,566,990.32 be accepted.
3. **Approve** the commitment of \$469,311.82 excluding GST against the draft Annual Plan 2009/2010 for Contract No. PY07001C - Citywide Cleaning.
4. **Approve** the commitment of \$496,570.81 excluding GST against the draft Annual Plan 2010/2011 for Contract No. PY07001C - Citywide Cleaning.
5. **Approve** the commitment of \$213,498.65 excluding GST against the draft Annual Plan 2011/2012 for Contract No. PY07001C - Citywide Cleaning.
6. **Approve** that authority to enter into Contract No. PY07001C - Citywide Cleaning on behalf of Council be delegated to the Deputy Director: City Services.

BACKGROUND

1. At its meeting held on Friday, 20 July 2007 the Tenders Subcommittee resolved as follows:

“2. *That approval be given to publicly call for tenders for Contract No. PY07001C - Citywide cleaning for a three year term, with reporting back to the Tenders Subcommittee for acceptance of tenders.*”

3092/2007

2. The contract covers scheduled and response cleaning for the following buildings:
 - Community Centres;
 - Libraries and Library Learning Centres;
 - Council Offices; and
 - Direct Service Units.

SCOPE OF WORK

3. The works included in the contract are as follows:
 - Nightly scheduled cleaning;
 - Annual spring cleaning;
 - Carpet cleaning;
 - Window cleaning; and
 - Response cleaning.

4. The contract is to be awarded for a 36 month period from 1 January 2009 to 31 December 2011.

TENDERS RECEIVED

5. Tenders were publicly advertised with 13 sets of documents being uplifted. Six tenders were received by the closing date of Tuesday 3 June 2008. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl.GST)
Professional Property and Cleaning Services Limited	123A Apirana Avenue, Glen Innes, Auckland.	\$1,392,880.28
Spotless Services Limited	600 Great South Road, Ellerslie, Auckland.	\$1,605,143.12
ISS Facility Services Limited	2 Arthur Brown Place, Mt Wellington, Auckland.	\$1,733,835.28
OCS Limited	26 Virginia Avenue, Eden Terrace, Auckland.	\$1,913,960.95
City Cleaning Services Limited	1 st Floor, 26 Crummer Road, Grey Lynn, Auckland.	\$1,927,834.17
Alamo Cleaning Services Limited	293 Lincoln Road, Henderson, Auckland.	\$3,543,247.85
Pre-tender contract estimate		\$1,250,000.00

Table 1 - Summary of Tender Prices

TAGS, ERRORS OR OMISSIONS

6. Spotless Services Limited tagged various clauses in NZS3910, including the suitability of some of the insurances. Spotless suggested that negotiation would be required before proceeding further, however this did not affect the evaluation results.
7. ISS Facility Services Limited tagged the frequency and timing of spring and window cleans, this did not affect the evaluation results.

TENDER EVALUATION

8. In accordance with the conditions of tendering, tenders were evaluated in line with the Weighted Attribute Method contained in the New Zealand Transport Agency's "Competitive Pricing Procedures Manual".
9. The results of the tender evaluation as summarised in Table 2 shows that the tender submitted by Professional Property and Cleaning Services Ltd achieved the highest index of 65. This tender is also the lowest priced tender.

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

Tender Evaluation	Attributes	Exper.	Track	Tech.	Resour.	Manag.	Method.	Price	Contract Number PY07001C
			Record	Skill		Skill			Total Weights
Weights		10	10	5	10	10	5	50	100
Tenderer	Tender Sum	Grades							INDEX
Professional Property and Cleaning Services Limited	\$1,392,880.28	60	49	58	60	53	53	74	65
Spotless Services (NZ) Limited	\$1,605,143.12	62	57	65	67	67	68	62	63
ISS Facility Services Limited	\$1,733,835.28	70	57	63	67	64	65	55	60
OCS Limited	\$1,913,960.95	63	64	69	67	68	72	45	56
City Cleaning Services Limited	\$1,927,834.17	62	67	65	62	63	65	44	54
Alamo Cleaning Services Limited	\$3,543,247.85	50	53	47	45	45	45	-44	2
Med.n Tender Price	\$1,823,898.12								

Table 2 - Summary of Tender Evaluation

11. Professional Property and Cleaning Services Limited is a company with good resources and a good track record. They have significant experience in the type and magnitude of work involved in this contract. They are the current Council citywide cleaning contractor and have worked for Council for the past six years, performing to a good standard.
12. The lowest priced tender was approximately \$150,000 greater than the estimate for the work for the three year term of the contract. The estimate was based upon the previous contract with an allowance for an increase in the specified works, based on the median tender price, it appears that the original estimate was significantly lower than the market rate.

CREDIT CHECK

13. A credit check dated 3 November 2008 on Professional Property and Cleaning Services Limited revealed no adverse information.

JOB COSTS

14.		excl. GST
	Tender sum	
	Professional Property and Cleaning Services Limited	\$1,392,880.28

	Total Contract Value	\$1,392,880.28

SOURCE OF FUNDING

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

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
01/01/09 - 30/06/09 Cleaning	78080 - Various	\$645,000.00	\$411,501.00	\$213,499.00	\$20,000.00
01/07/09 - 30/06/10 Cleaning	78080 - Various	\$645,000.00	\$155,688.18	\$469,311.82	\$20,000.00
01/07/10 - 30/06/11 Cleaning	78080 - Various	\$645,000.00	\$128,429.19	\$496,570.81	\$20,000.00
01/07/11 - 31/12/11 Cleaning	78080 - Various	\$645,000.00	\$411,501.35	\$213,498.65	\$20,000.00
Total		\$2,580,000.00	\$1,107,119.72	\$1,392,880.28	\$80,000.00

Table 3 - Source of Funding

16. The Cleaning budget is the amalgamation of Cleaning budgets from the various business units that Property Assets carries out work for.

IMPLEMENTATION ISSUES

17. As part of Council's contracting process "Quality and Health and Safety and Environmental Compliance 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.

Report prepared by: Rory Chacko, Facilities Manager – Property Assets.



6 CONTRACT NO. TA08010B - NEW FOOTPATHS 2008/2009 - STAGE 1

EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. TA08010B - New Footpaths 2008/2009 - Stage 1.

RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. TA08010B - New Footpaths 2008/2009 - Stage 1 report.
2. **Approve** that the tender from Adams Landscapes Limited for Contract No. TA08010B - New Footpaths 2008/2009 - Stage 1 in the sum of \$345,319.79 plus \$43,164.97 GST, totalling \$388,484.76 be accepted.
3. **Approve** that authority to enter into Contract No. TA08010B - New Footpaths 2008/2009 - Stage 1 on behalf of Council be delegated to the Group Manager: Project Services.

BACKGROUND

1. Waitakere City Council has an ongoing programme for construction of new footpaths within the City.
2. This programme, approved by the local Community Boards, assists in achieving the Sustainable and Integrated Transport community outcome of providing services that reduce car dependency and develop walking opportunities.
3. Funding was approved by Council in the Annual Plan 2008/2009 for this work.

SCOPE OF WORK

4. This contract includes the construction of new footpaths at three sites within Waitakere.
5. On Colwill Road, Massey, the works include the construction of 350 metres of new concrete footpath, kerb and channel and storm water drainage located on the south side of Colwill Road between number 155 and number 173 Colwill Road.
6. On Henderson Valley Road, Henderson, the works include the construction of 330 metres of new footpath located on the south east side of Henderson Valley Road between number 76 and number 108 Henderson Valley Road.
7. On Seymour Road, Sunnyvale, the works include the construction of 76 metres of new footpath located on the south east side of Seymour Road outside number 33 Seymour Road.

TENDERS RECEIVED

8. Tenders were publicly advertised on Tenderlink with 44 sets of documents being uplifted. Thirteen tenders were received by the closing date of 18 November 2008. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl.GST)
Adams Landscapes Limited	Panmure	\$345,319.79
HEB Construction Limited	Drury	\$354,478.32
Smith and Davies Civil Limited	Northcote	\$363,680.79
Winston Jacob Limited	Newmarket	\$370,000.00
H & H Contractors Limited	New Lynn	\$393,697.00
Infrastructure NZ Limited	North Harbour	\$398,488.00
Nayler Contractors Limited	Royal Heights	\$405,546.40
Traffic Systems Limited	Mission Bay	\$409,121.53
Auckland Civil Limited	North Shore	\$433,637.00
JW Neil Contractors Limited	Albany	\$437,343.33
John Fillmore Contracting Limited	Mangere	\$441,219.60
March Construction Limited	Kelston	\$458,166.00
KB Contracting Limited	Papatoetoe	\$713,777.69
Pre-tender contract estimate		\$395,304.25

Table 1 - Summary of Tender Prices

TAGS, ERRORS OR OMISSIONS

9. Winston Jacob Limited did not supply any information regarding the methodology and was subsequently disqualified.

TENDER EVALUATION

10. In accordance with the conditions of tendering, tenders were evaluated in line with the Weighted Attribute Method contained in New Zealand Transport Agency's "Competitive Pricing Procedures Manual".
11. 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.
12. In this contract the value of Provisional Sums is \$8,000.
13. A summary of the evaluation results is shown in Table 2:

Tender Evaluation	Attributes	Exper.	Track Record	Tech Skills	Resource	Management	Method	Price	Total Weight
Tenderer	Weight	8	8	4	3	4	3	70	100
	Tender Sum	Grades							Index
Adams Landscapes Limited	\$337,319.79	73	70	75	75	73	65	66	67
HEB Construction Limited	\$346,478.32	78	78	80	75	78	73	63	67
Smith and Davies Civil Limited	\$355,680.79	70	68	70	70	70	73	61	64
H & H Contractors Limited	\$385,697.00	75	73	75	68	70	70	53	59
Infrastructure NZ	\$390,488.00	73	65	65	65	68	60	52	57
Traffic Systems Limited	\$401,121.53	78	73	73	70	70	70	50	57
Nayler Contractors Limited	\$397,546.40	63	65	63	55	65	50	50	54
Auckland Civil Limited	\$425,637.00	73	70	60	70	73	68	43	51
John Fillmore Contracting Limited	\$433,219.60	68	65	65	58	65	55	42	48
JW Neil Contractors Limited	\$429,343.33	65	58	58	55	55	53	42	47
March Construction	\$450,166.00	65	55	70	73	55	75	37	45
KB Contracting Limited	\$705,777.69	50	45	60	58	55	53	-27	-3
Winston Jacob Limited	\$0.00	55	45	50	45	45	35	0	Disqualified
Median Tender Price	\$399,333.97								

Table 2 - Summary of Tender Evaluation

14. The tender submitted by Winston Jacob Limited was disqualified as their submitted tender failed to include any information regarding the methodology in regards to the works. Therefore, this tender could not be considered further.
15. The results of the tender evaluation as summarised in Table 2 shows that the tenders submitted by Adams Landscapes Limited and HEB Construction Limited both achieved the highest index of 67. Where more than one tender shares the top overall index, the contract is to be awarded to the one with the lowest price. This is Adams Landscapes Limited.
16. Adams Landscapes Limited has successfully undertaken several similar contracts in the last few years with other local authorities in the Auckland Region, as well as for private commercial projects.
17. Reference checks made on a selection of clients indicated that Adams Landscapes Limited is a well-resourced, well-managed and capable contractor.
18. The lowest tender is 13% below the pre-tender contract estimate.
19. As part of Council's contracting process "Quality and Health and Safety and Environmental compliance 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

20. A credit check on Adams Landscapes Limited dated 11 November 2008 revealed no adverse information.

JOB COSTS

21. Excl. GST		
Tender sum - Adams Landscapes Limited		\$345,319.79
Contingency		\$ 45,000.00
Engineering & Supervision		\$ 45,000.00

Total Job Cost		\$435,319.79

SOURCE OF FUNDING

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

Budget Description (from Annual Budget line item) 2008/2009 Annual Plan	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance
New Footpaths	8AMTA-07-164/02	\$344,054	\$0.00	\$335,054	\$9,000.00
New Footpaths	8AMTA-07-164/01	\$55,945	\$10,945	\$45,000	\$0.00
Storm water Upgrades	8AMEW-07-163/40	\$3,500,000	\$3,444,650	\$55,350	\$0.00
	Total			\$435,404	

Table 3 – Source of Funding

IMPLEMENTATION ISSUES

23. There are no expected implementation issues with this contract.

Report prepared by: Vicki Daley, Roading Engineer.



7 CONTRACT NO. EW08003H - DOROTHY RESERVE ACCESSWAY

EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. EW08003H - Dorothy Reserve Accessway.

RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. EW08003H - Dorothy Reserve Accessway report.
2. **Approve** that the tender from Jesmond Construction Limited for Contract No. EW08003H - Dorothy Reserve Accessway in the sum of \$315,190.80 plus \$39,398.85 GST, totalling \$354,589.65 be accepted.

3. **Approve** that authority to enter into Contract No. EW08003H - Dorothy Reserve Accessway on behalf of Council be delegated to the Group Manager: Project Services.

BACKGROUND

1. No vehicular access to the Dorothy Reserve sewer pump station was constructed during the initial construction phase. This has led to an increased environmental risk due to frequent sewer overflows. The access will provide safe access and a higher level of maintenance, thus improving health and safety and reducing risks associated with this pump station.

SCOPE OF WORK

2. Dorothy Reserve is a very narrow strip of land, located to the east of Laingholm Drive, which currently provides foot access only between Laingholm Drive, the adjoining private properties, the wastewater pumping station and the foreshore.
3. The existing foot access track is to be upgraded as part of the contract works to provide vehicular access for Council's maintenance contractor to respond to and attend emergency pump failures and to conduct regular and planned maintenance work at the sewage pumping station.

TENDERS RECEIVED

4. Tenders were publicly advertised on Tenderlink with 29 sets of documents being uplifted. Eight (8) tenders were received by the closing date of 2 December 2008. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)	CORRECTED TENDER PRICE (excl. GST)
Jesmond Construction Limited	5 Norrie Road, Drury, Auckland	\$315,190.80	\$315,190.80
Nasey Contractors Limited	6, Tait Place, Albany, Auckland 1311	\$338,955.00	\$338,955.00
Infrastructure NZ Limited	16, Saturn Place, North Harbour, Auckland	\$351,908.00	\$351,908.00
HEB Construction Limited	55 Watea Road, Torbay, Auckland	\$396,526.00	\$429,226.60
H&H Contractors Limited	12A Culperry Road, Glendene, Auckland	\$407,864.00	\$407,864.00
J W Neil Contractors Limited	133 Postman Road, RD4, Albany, Auckland	\$511,145.00	\$511,145.00
March Construction Limited	1220 Main North Road, Belfast, Christchurch 8009	\$544,405.00	\$544,405.00
KOTR Limited	377 Paeroa-Tahuna Road, Springdale, R.D, Waitoa	\$548,235.00	\$548,235.00
Pre-tender contract estimate			\$587,472.00

Table 1 - Summary of Tender Prices

TAGS, ERRORS OR OMISSIONS

5. There was an arithmetical error in the tender submitted by HEB Construction Limited which has been corrected in Table 1 above.
6. The tender received from Jesmond Construction Limited contained a tag which indicated that they have submitted their price for 100 millimetres thick Gobi blocks due to the unavailability of 150 millimetres thick blocks. They have also included a price for a 45 millimetres thick Sure Pave and not 100 millimetres as specified in the Schedule of Prices. These two tags are acceptable to Council. Another tag for the construction of 1.0 metre high timber fence has been removed and they have agreed to construct as specified for price submitted.
7. There were no tags, errors or omissions in any of the other tenderers.

TENDER EVALUATION

8. 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".
9. A summary of the evaluation results is shown in Table 2 below:

Tender Evaluation	Attributes	Exper	Track Record	Tech Skills	Resour	Manag Skills	Method	Price	Total Weights
	Weights	10	5	5	5	5	10	60	100
Tenderer	Tender Sum	Grades							INDEX
Jesmond Construction Limited	\$315,190.80	78	80	80	80	80	82	75	77
Nasey Contractors Limited	\$338,955.00	80	78	85	75	82	80	69	74
Infrastructure NZ Limited	\$351,908.00	80	70	75	70	70	60	66	68
H&H Contractors Limited	\$407,864.00	85	70	75	75	65	75	53	62
HEB Construction Limited	\$429,226.60	85	70	75	75	60	70	47	58
J W Neil Contractors Limited	\$511,145.00	75	70	72	75	65	70	28	45
March Contraction Limited	\$544,405.00	80	75	80	70	80	65	20	42
KOTR Limited	\$548,235.00	75	70	75	70	75	70	19	40
Med.n Tender Price	\$418,545.30								

Table 2 - Summary of Tender Evaluation

10. The results of the tender evaluation as summarised in Table 2 show that the tender submitted by Jesmond Construction Limited achieved the highest overall index of 77. This tender is also the lowest priced tender.
11. The lowest tender is 46% below the pre-tender contract estimate.

12. As part of Council's contracting process "Quality, Health and Safety and Environmental compliance 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

13. A credit check on Jesmond Construction Limited dated 4 December 2008 revealed no adverse information.

JOB COSTS

14. Excl. GST	
Tender sum – Jesmond Construction Limited	\$315,190.80
Contingency	\$ 31,519.08
Engineering and Supervision	\$ 10,000.00
Other (Arborist Monitoring)	\$ 3,000.00

Total Job Cost	\$359,709.88

SOURCE OF FUNDING

15. 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
Wastewater Pump Station Upgrades	8AMEW-07-082	\$755,000.00	\$148,428.00	\$359,709.88	\$246,862.12

Table 3 – Source of Funding

IMPLEMENTATION ISSUES

16. There are no expected implementation issues with this contract.

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



8 CONTRACT NO. TA07015C - SCHOOL TRAVEL PLAN - TE ATATU SOUTH CLUSTER

GLOSSARY

High Skid Resistance Surface (HSRS)
Auckland Regional Transport Agency (ARTA)

EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. TA07015C - School Travel Plan - Te Atatu South Cluster.

RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. TA07015C – School Travel Plan - Te Atatu South Cluster report.
2. **Approve** that the Contract No. TA07015C – School Travel Plan - Te Atatu South Cluster be awarded to Traffic Systems Limited in the sum of \$469,083.37 plus \$58,635.42 GST.
3. **Approve** that authority to enter into Contract No. TA07015C – School Travel Plan - Te Atatu South Cluster on behalf of Council be delegated to the Deputy Director: City Services.

BACKGROUND

1. The Te Atatu South Cluster School Travel Plan was developed through the guidance of a Working Group that comprises representatives from the schools, Auckland Regional Transport Authority (ARTA), Council and the Henderson Community Board. The Working Group also sought the advice of the New Zealand Police and Waitemata District Health Board.
2. The following schools are involved in the development of the plan:
 - (a) Flanshaw Road School;
 - (b) Freyberg Community School;
 - (c) Tirimoana Primary School;
 - (d) Arohanui Special School; and
 - (e) Rangeview Intermediate School.
3. New road infrastructures have been identified to support the programme. These consist of new pedestrian crossings, pedestrian refuge islands, high skid resistance surfacing, traffic priority controls, footpaths, bus stops, bus bays and No Stopping At All Times parking restrictions.

SCOPE OF WORK

4. The scope of works includes the provision of labour, materials, site management, liaison and other engineering services necessary for the construction and commissioning of all proposed traffic schemes and/or modifications as detailed in the table below:

Location	Road Infrastructures
Cornwall Street	Pedestrian islands on Cornwall Street / Roberts Road
Flanshaw Road	Upgrade zebra crossing with traffic islands outside school and with High Skid Resistance Surface (HSRS)
Flanshaw Road	Pedestrian islands and flush median on Flanshaw Road
Glendene Roundabout	Pedestrian islands and pram crossings at Glendene roundabout
Glynnbrooke Street	Pedestrian islands Glynnbrooke Street / Roberts Road intersection
Grainger Road	Pedestrian islands at Grainger Road / Vera Road intersection
Keru Place	New footpath on Keru Place
Nui Mana Place	Kerb extension and bus stand on Nui Mana Place
Roberts Road	Kea crossing on Roberts Road outside school
Roberts Road	Zebra crossing outside shops near Te Atatu Road / Roberts Road
Roberts Road	Mini roundabout at Ayrton Street / Roberts Road intersection

Location	Road Infrastructures
Strid Road	Raised kea crossing on Strid Road near Essex Street
Strid Road	Bus stand with half recessed bay on Strid Road
Strid Road	Widening of footpath and road on Strid Road / Te Atatu Road intersection
Te Atatu Road	Upgrade zebra crossing near Kokiri Street with traffic islands with HSRS
Te Atatu Road	Upgrade zebra crossing near Tiroroa Street with HSRS
Tirimoana Road	Raised kea crossing outside Arohanui School / Tirimoana Primary School
Vera Road	Kea crossing on Vera Road near school's rear entrance

TENDERS RECEIVED

5. Tenders were publicly advertised with 11 sets of documents being uplifted. Five tenders were received by the closing date of 18 November 2008. These are summarised in the table below:

Tenderer	Reg Office	Tender Prices (GST)
Traffic Systems Limited	PO Box 55052, Mission Bay, Auckland	\$469,083.37
Nayler Contractors Limited	5 Corban Avenue, Henderson	\$529,145.40
H & H Contractors Limited	12A Culperry Road, Glendene, Auckland	\$557,927.50
John Fillmore Contracting Limited	P O Box 43243, Mangere	\$591,521.65
Auckland Civil Limited	75 Ellice Road, Glenfield, North Shore	\$596,341.98
Pre-tender contract estimate		\$577,606.10

Table 1 - Summary of Tender Prices

TAGS, ERRORS OR OMISSIONS

6. There were no tags, errors or omissions.

TENDER EVALUATION

7. In accordance with the conditions of tendering, tenders were evaluated in line with the Weighted Attribute Method contained in the New Zealand Transport Agency's "Competitive Pricing Procedures Manual".
8. 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.
9. A summary of the evaluation results is shown in Table 2:

Tender Evaluation	Attributes	Exper	Track	Tech	Resour	Manag	Method	Price	Contract TA07015C Total Weights
		Record	Skill		Skill				
	Weights	8	8	4	3	4	3	70	100
Tenderer	Tender Sum	Grades							INDEX
Traffic Systems Limited	\$469,083.37	88	75	78	70	75	70	66	69
Nayler Contractors Limited	\$529,145.40	70	65	68	68	73	68	55	59
H & H Contractors Limited	\$557,927.50	70	75	78	68	68	68	50	56

Tender Evaluation	Attributes	Exper	Track Record	Tech Skill	Resour	Manag Skill	Method	Price	Contract TA07015C
									Total Weights
	Weights	8	8	4	3	4	3	70	100
Tenderer	Tender Sum	Grades							INDEX
John Filmore Contracting Limited	\$591,521.65	70	65	75	75	85	70	44	52
Auckland Civil Limited	\$596,341.98	75	70	75	75	75	68	43	52
Med.n Tender Price	\$557,927.50								

Table 2 - Summary of Ranking

10. Traffic Systems Limited scored the highest in the evaluation and also has the lowest price.

CREDIT CHECK

11. A credit check on Traffic Systems Limited dated 26 November 2008 revealed no adverse information.

JOB COSTS

12. Excl. GST	
Tender sum -Traffic Systems Limited	\$ 469,083.37
Contingency	\$ 46,908.34

Total Job Cost	\$ 515,991.71

SOURCE OF FUNDING

13. Source of funding is shown in the table below

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
School Travel Plan	8AMTA-07-087	\$840,000	\$175,000	\$516,000	\$149,000

Table 3 - Source of Funding

IMPLEMENTATION ISSUES

14. As part of Council's contracting process "Quality and Health and Safety and Environmental Compliance 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.
15. There are no implementation issues arising from this report.

Report prepared by: Kong Jin Png, Senior Transport Engineer.



9 **CONTRACT NO. EW05061A - WATER SUPPLY, WASTEWATER AND STORMWATER DRAINAGE TERM MAINTENANCE CONTRACT: VARIATIONS FOR APPLICATION OF COST FLUCTUATIONS AND WATER SUPPLY PROGRAMMES**

EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee for variations to Contract No. EW05061A – Water Supply, Wastewater and Stormwater Drainage Term Maintenance Contract, held by Bilfinger Berger Services Limited to provide for the following:

- payment of escalated annual costs to the contract value of the Water Supply, Wastewater And Stormwater Drainage Term Maintenance Contract.
- additional water supply programmed works comprising Water Supply Asset Assessment and Repair, Water Quality Improvement Work, and compliance with the Health (Drinking Water) Amendment Act 2007.

RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. EW05061A - Water Supply, Wastewater And Stormwater Drainage Term Maintenance Contract; Variation for Application of Cost Fluctuations and Water Supply Programmes report.
2. **Approve** a variation to Contract No. EW05061A - Water Supply, Wastewater And Stormwater Drainage Term Maintenance Contract for payment of escalated annual costs to the contract value totalling \$259,973 excluding GST.
3. **Approve** a variation to Contract No. EW05061A - Water Supply, Wastewater And Stormwater Drainage Term Maintenance Contract for water supply programme works comprising Water Supply Asset Assessment and Repair, Water Quality Improvement Work, and compliance with the Health (Drinking Water) Amendment Act 2007 for \$950,000 excluding GST.
4. **Approve** that authority to issue the Variation Orders to Contract No. EW05061A - Water Supply, Wastewater And Stormwater Drainage Term Maintenance Contract for payment of escalated annual costs to the contract value, and for water supply programme works comprising Water Supply Asset Assessment and Repair, Water Quality Improvement Work, and review of compliance with the Health (Drinking Water) Amendment Act 2007 be delegated to the Deputy Director: City Services.

BACKGROUND

1. Council awarded a five year term maintenance contract to Bilfinger Berger Services Limited for water supply, wastewater and stormwater drainage, commencing 1 July 2007.
2. The contract was awarded at an annual contract sum of \$5,859,211.72 per year for Year 1 to Year 5, with an escalation clause included in the contract.
3. The cost fluctuation percentage to be applied is based on an annual adjustment to the contract rates in accordance with the clause 12.8.2 of the contract documents with the annual adjustment to the contract rates for 2008/2009 calculated at 4.437%.
4. The total annual cost fluctuation of 4.437% applied to the contract sum of \$5,859,211.72 is calculated as \$259,974 (excludes GST).

5. There are no contingency sum(s) included in the contract sum of \$5,859,211.72.
6. The water supply asset assessment and repair work, and water quality improvement works were not included in the Term Maintenance Contract, the main reason being that the extent and expenditure of these programmes will vary over the contract period, and it was not considered prudent to include such a significant, potentially variable programme of work within the Term Maintenance Contract. A variation to the Term Maintenance Contract was approved by the Tenders Subcommittee on 7 December 2007 for these water supply programmes for the Annual Plan 2007/2008. The Subcommittee resolved as follows:
 1. *That the Contract No. EW05061A - Variation for Water Supply Asset Assessment and Repair, Water Quality Improvement Work, and Wastewater Overflow Reduction Programme report be received.*
 2. *That a variation to Contract No. EW05061A - Water Supply, Wastewater and Stormwater Drainage Term Maintenance Contract for Water Supply Asset Assessment, Repair and Water Quality Improvement work totalling \$817,000 excluding GST, be approved.*
 3. *That a variation to Contract No. EW05061A - Water Supply, Wastewater and Stormwater Drainage Term Maintenance Contract for Wastewater Overflow Reduction Programme work totalling \$280,000 excluding GST, be approved.*
 4. *That authority to issue the Variation Orders Contract No. EW05061A, be delegated to the Group Manager: Asset Management.*

3875/2007

7. In addition to the ongoing asset assessment and repair, and water quality improvement programmes, the introduction of the Health (Drinking Water) Amendment Act 2007 has introduced new requirements which necessitate increased scope of work for maintenance of the water supply network.

DECISION MAKING

Water Supply Asset Assessment and Repair Programme and Water Quality Improvement Work

8. Over half of Council's water supply assets are more than 25 years old. Council has a watermain renewal programme in place to replace aging and faulty watermains, however, faults occur in the water network on a relatively random basis right across the City, and for every watermain fault, valves and hydrants must be operated in order to effect the repair and to reinstate the water supply to an acceptable standard.
9. Of the 2,365 fittings (valves and hydrants) inspected in 2007/2008, 13.9% of the fittings were unable to be operated and 6% were a condition rating of 5, needing replacement. This highlights the importance of this programme, which needs to be continued in order to complete the first round for the entire city.
10. The main reasons that Bilfinger Berger Services Limited should continue this work are that:
 - It is problematic to have another contractor working on the water supply network on such a scale as there can be confusion over who is responsible for any water supply quality or supply issues which may arise. By using the term maintenance contractor there is sole accountability for the work;
 - There are benefits to Council if Bilfinger Berger Services Limited staff carry out this work, as these staff are available to deal with work overload when multiple water main bursts occur during the peak summer months, and this results in ensuring that level of service to customers is maintained;

- The staff involved have a proven track record in carrying out this work; and
 - It is beneficial to Council that Bilfinger Berger Services Limited maintenance staff increase their knowledge of the network, as this assists in an emergency response situation.
11. The water supply maintenance staff who have been involved in the asset inspection and repair work, and water quality improvement work over the past five years have developed expertise in water supply asset assessment, valve and hydrant repair work and water quality improvement work. In order to fully utilise this capability, and to address the issues raised above, it is proposed that this programme be continued, utilising Bilfinger Berger Services Limited's available resources.

SCOPE OF WORK

Water Supply Asset Assessment and Repair Programme, Water Quality Improvement Work and Review of Compliance with the Health (Drinking Water) Amendment Act 2007

12. The scope of the work is to include the following:
- site validation of Geographical Information System plans;
 - additional valve and hydrant maintenance, as for many years routine maintenance has been limited to minor cleaning and painting work, and many of the valves and hydrants have not been exercised;
 - condition rating of assets to optimise future upgrading requirements, including minor repairs to extend the life of the assets;
 - addressing water quality issues, at the interfaces of pressure zone boundaries; and
 - The Health (Drinking Water) Amendment Act 2007 has introduced new requirements which necessitate a review of all water supply network procedures.
13. Accordingly, Bilfinger Berger Services Limited has submitted a proposal to include water supply asset assessment work, flushing point installation work, and valve and hydrant repair work. It is proposed that the work be carried out as a variation to the Term Maintenance Contract, Contract No. EW05061A. A detailed schedule of quantities and rates for the work (comprising 105 items) has been developed based on the cost of work over the past years. These rates are competitive when compared to rates in currently tendered contracts, and those included in the Term Maintenance Contract.
14. The works programme for 2008/2009 comprises the operation and condition rating of valves and hydrants, including checking and updating the Geographical Information System as-built records of the assets, in approximately one quarter of the reticulated area of the city. The repair work is to carry out repairs (or replacement) of an estimated 1,100 valves and 700 hydrants. The flushing point installation work is a staged programme to improve water quality near the boundaries of the water supply zones.

CONTRACTOR'S PERFORMANCE

15. An Asset Inspection and Repair programme was commenced in 2003 and since then a team of trained and experienced staff has been developed, and the programme has been very successful. The asset condition assessment has been completed in nine of seventeen water supply pressure zones, and repairs have been completed in seven zones. In 2007/2008 the following was achieved for a total cost of \$558,950 (excluding GST):

- 2,365 valves and hydrants were inspected (13% of the 18,507 total fittings in the city);
- 369 hydrants were repaired;
- 78 hydrants were replaced;
- 459 sluice valves were repaired;
- 348 peet valves were repaired; and
- 8 peet valves were replaced.

CREDIT CHECK

16. A credit check on Bilfinger Berger Services Limited is not considered necessary as Council already has other major contracts with Bilfinger Berger Services Limited including the Term Maintenance Contract for water supply, wastewater and stormwater drainage.

JOB COSTS

17. The total value of the water supply programmes proposed for 2008/2009 is as follows:
- water supply asset assessment work, \$157,500;
 - flushing point installation work, \$170,000;
 - valve and hydrant repair work, \$502,000; and
 - review compliance with Health (Drinking Water) Amendment Act 2007, \$120,000.

SOURCE OF FUNDING

18. The funds necessary for payment of the cost fluctuations are outlined below:

Budget description (from Annual Plan line item)	SAP Code	Budget Amount	Committed to other projects	Allocation to this project	Unallocated balance
Water Programme Works					
Network Inspection Programme (Asset Condition Assessment)	7490	165,000	7,500	157,500	Nil
Valves and Hydrant Replacement	8AMEW-07-249	310,000	0	310,000	Nil
Valve and Hydrant Routine Maintenance	7450	270,000	78,000	192,000	Nil
Drinking Water Quality Improvements	8AMEW-07-269	250,000	80,000	170,000	Nil
Review of Drinking Water Act	7771	500,000	20,000	120,000	360,000
	TOTAL	1,495,000	185,500	949,500	360,000
Escalation Costs for 2008/2009					
<u>Wastewater</u>					
WW Techscape	6450	1,427,000	1,363,821	63,179	Nil
Video Programme	8AMEW-07-026	328,000	45,000	10,805	272,195

Budget description (from Annual Plan line item)	SAP Code	Budget Amount	Committed to other projects	Allocation to this project	Unallocated balance
Upgrade Pump Stations	8AMEW-07-082	755,000	743,000	12,000	Nil
<u>Stormwater</u>					
SW Techscape	6840	958,000	909,255	48,745	Nil
Stormwater Treatment Facilities	8AMEW-07-150	145,000	50,000	4,000	91,000
Video Inspection Programme	8AMEW-07-110	120,000	60,000	4,000	56,000
Stormwater Network Upgrade Programme	8AMEW-07-163	2,638,000	2,537,691	3,755	96,554
<u>Water supply</u>					
WS Techscape	7430	97,000	0	97,000	Nil
Water Supply Recoverable Works	7290	133,000	30,789	16,489	85,722
Total		6,601,000	5,739,556	259,973	601,471

19. There is no provision for contingency expenditure in the above figures.

IMPLEMENTATION ISSUES

20. There are no expected implementation issues with this report.

Report prepared by: Richard Taylor, Assets & Network Manager.



10 CONTRACT NO. EW08020C - PROJECT TWIN STREAMS - COMMUNITY CONTRACT - RANUI-MASSEY 2009 - 2012

GLOSSARY

Project Twin Streams (PTS)
Te Ukaipo Mercy Initiatives for Rangatahi Limited (Te Ukaipo)

EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. EW08020C - Project Twin Streams - Community Contract - Ranui-Massey 2009 - 2012.

Approval for a three year and six month contract (renewable each year on a 1+1+1 basis) is being sought.

The contract period starts 1 January 2009 and ends 30 June 2012.

This tender is for engaging the local community in the rehabilitation of the riparian margin along the Swanson Stream and part of the Paremuka Stream between Xena Lake and the Auckland Health Club while at the same time raising community awareness of the wider vision of Project Twin Streams (PTS).

RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. EW08020C - Project Twin Streams - Community Contract - Ranui-Massey 2009 - 2012 report.
2. **Approve** the tender from Te Ukaipo Mercy Initiatives for Rangatahi Limited (Te Ukaipo) for Contract No. EW08020C - Project Twin Streams - Community Contract - Ranui-Massey 2009 - 2012 in the sum of \$400,000 excluding GST for the period 1 January 2009 to 30 June 2012.
3. **Approve** the commitment of \$120,000 excluding GST against the Annual Plan 2009/2010 for Contract No. EW08020C - Project Twin Streams - Community Contract - Ranui-Massey 2009 - 2012.
4. **Approve** the commitment of \$120,000 excluding GST against the Annual Plan 2010/2011 for Contract No. EW08020C - Project Twin Streams - Community Contract - Ranui-Massey 2009 - 2012.
5. **Approve** the commitment of \$100,000 excluding GST against the Annual Plan 2011/2012 for Contract No. EW08020C - Project Twin Streams - Community Contract - Ranui-Massey 2009 - 2012.
6. **Approve** that authority to enter into Contract No. EW08020C - Project Twin Streams - Community Contract - Ranui-Massey 2009 - 2012 for the period 1 January 2009 to 30 June 2012 on behalf of Council be delegated to the Deputy Director: City Services.
7. **Approve** that the authority to extend Contract No. EW08020C - Project Twin Streams - Community Contract - Ranui-Massey 2009 - 2012 for the periods 1 July 2009 to 30 June 2010, 1 July 2010 to 30 June 2011 and 1 July 2011 to 30 June 2012 (renewable each year) on behalf of Council be brought back to the Tenders Subcommittee.

BACKGROUND

1. PTS aims to restore five streams in the Huruuru Creek and Henderson Creek catchments through stormwater management and rehabilitation of the stream riparian margins.
2. Key to the success and sustainability of this project is the public involvement and participation in the revegetation programme organised through community contract organisations.
3. Te Ukaipo Mercy Initiatives for Rangatahi Limited (Te Ukaipo) was the first community contract to be awarded by PTS. The contract was initially for a one year period, followed by a three year period which ends on 30 December 2008.
4. As a PTS contract organisation Te Ukaipo has made outstanding progress in organising public planting events in the Swanson Stream area, and engaging with local residents, schools, groups and businesses in this work.

5. On 31 October 2008 the following was resolved:

The Tenders Subcommittee resolved to:

1. **Receive** the Contract No. EW08020C - Project Twin Streams - Community Contract - Ranui-Massey 2009 - 2012 report.
2. **Approve** that the Group Manager: Asset Management invite Te Ukaipo Mercy Initiatives for Rangatahi Limited to tender for Contract No. EW08020C - Project Twin Streams - Community Contract - Ranui-Massey 2009 - 2012 for a total period of three (3) years and six (6) months from 1 January 2009 to 30 June 2012.
3. **Agree** that the results of the tender evaluation process for Contract No. EW08020C - Project Twin Streams – Community Contract – Ranui-Massey 2009 – 2012 be reported back to the Tenders Subcommittee for approval.”

1790/2008

SCOPE OF WORK

6. Using a community development approach Te Ukaipo will provide the following works:
- Undertake weeding, planting and maintenance of the Swanson Stream area as outlined in the Swanson Stream rehabilitation planting plan.
 - Undertake weeding, planting and maintenance of the Paremuka Stream from Xena Lake to the Auckland Health Club as outlined in the Paremuka Stream planting plan.
 - Plan and organise at least 2 public community events per year to engage the wider community in weeding, planting and maintenance.
 - Build the capacity of the local residents and groups in the Swanson and Paremuka Stream areas including the business sector to participate in PTS and take guardianship of parts of these streams.
 - Identify and develop opportunities, methods and resources to increase community understanding of the causes and effects of riparian degradation and ways to change behaviour to mitigate the effects.
 - Assist with monitoring and evaluation of the environmental, social, cultural and economic aspects of the project.
 - Establish a sustainable structure for the long term implementation of this project in the Swanson and Paremuka Stream areas.
7. The contract includes tangible project deliverable timeframes and key performance indicators to be measured under the contract.

TENDERS RECEIVED

8. Accordingly, Te Ukaipo was invited to tender for Contract No. EW08020C - Project Twin Streams - Community Contract – Ranui-Massey 2009 – 2012 for a three year and six month period as shown in Table 1.

TENDERER	REG OFFICE	TENDER PRICE (excl.GST)
Te Ukaipo Mercy Initiatives for Rangatahi Limited	396 Don Buck Road, Massey	\$400,000
Pre-tender contract estimate		\$360,000

Table 1 - Summary of Tender Prices

9. The tender price submitted by Te Ukaipo is for the sum of \$400,000.

10. This sum consists of:
- \$60,000 plus GST for the 2008/2009 financial year.
 - \$120,000 plus GST for the 2009/2010 financial year.
 - \$120,000 plus GST for the 2010/2011 financial year.
 - \$100,000 plus GST for the 2011/2012 financial year.

TAGS, ERRORS OR OMISSIONS

11. No tags, errors or omissions were included in the tender.

TENDER EVALUATION

12. The approved procurement option of a sole invited tender from Te Ukaipo was benchmarked against similar works. The price submitted by Te Ukaipo is above the pre-tender estimate, but this estimate was for the Swanson Stream only and did not include the Paremuka Stream area. Paremuka Stream was not in the original scope as it was part of a development project at that time. The tender price of \$400,000 is therefore deemed acceptable given the increased scope of work and is within budget.

CREDIT CHECK

13. A credit check on Te Ukaipo dated 15 October 2008 revealed no adverse information.

JOB COSTS

14. Excl. GST
- | | |
|--|---------------------|
| Tender sum - Te Ukaipo Mercy Initiatives for Rangatahi Limited | \$400,000.00 |
| Contingency | \$ 40,000.00 |
| Engineering and Supervision | Nil |
| | ----- |
| TOTAL JOB COST | \$440,000.00 |

SOURCE OF FUNDING

15. Source of funding is shown in Table 2 below:

Budget Description (from Annual Budget line item) Annual Plan 2008/2009	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance
Project Twin Streams	8AMEW- 07/191/02/01/03	\$6,507,000	\$2,427,000	\$70,000	\$401,000.00
	Total	\$6,507,000	\$2,427,000	\$70,000	\$401,000.00

Table 2.1 – Funding source for the 2008/2009 financial year.

Budget Description (from Annual Budget line item) Annual Plan 2009/2010	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance
Project Twin Streams	8AMEW- 07/191/02/01/03	\$4,235,000		\$130,000	-
	Total	\$4,235,000		\$130,000	-

Table 2.2 - Funding source to be committed for the 2009/2010 financial year.

Budget Description (from Annual Budget line item) Annual Plan 2010/2011	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance
Project Twin Streams	8AMEW- 07/191/02/01/03	\$2,740,000		\$130,000	-
	Total	\$2,740,000		\$130,000	-

Table 2.3 – Funding source to be committed for the 2010/2011 financial year.

Budget Description (from Annual Budget line item) Annual Plan 2011/2012	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance
Project Twin Streams	8AMEW- 07/191/02/01/03	\$1,365,000		\$110,000	-
	Total	\$1,365,000		\$110,000	-

Table 2.4 – Funding source to be committed for the 2011/2012 financial year.

16. The engagement of community organisations to achieve the outcomes and deliverables of PTS is a direct cost associated to the project and as such is fully recoverable from the Auckland Regional Holdings (formerly Infrastructure Auckland) grant.
17. Funding of \$6.507 million for this project has been provided in the 2008/2009 year.

IMPLEMENTATION ISSUES

18. No implementation issues are anticipated from this contract.

Report prepared by: Meredith Youngson, Social Programme Coordinator, Project Twin Streams.



11 CONTRACT NO. EW08015A – WASTEWATER UPGRADES IN GLEN EDEN MINI CATCHMENT 5 AREA 2

GLOSSARY

Mini Catchment	(MC)
Kerry Drainage Limited	(KDL)
Horizontal Earth Drilling Limited	(HEDL)
JB Contractors Limited	(JBCL)
New Zealand Transport Agency's Competitive Pricing Procedures Manual	(NZTACPPM)

EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. EW08015A - Wastewater Upgrades in Glen Eden Mini Catchment (MC) 5 Area 2.

RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. EW08015A - Wastewater Upgrades In Glen Eden Mini Catchment 5 Area 2 report.
2. **Approve** that the alternative tender from JB Contractors Limited for Contract No. EW08015A - Wastewater Upgrades In Glen Eden Mini Catchment 5 Area 2 for a discounted price of \$1,030,000.00 plus \$128,750.00 GST, totalling \$1,158,750.00 be accepted.
3. **Approve** that authority to enter into Contract No. EW08015A - Wastewater Upgrades In Glen Eden Mini Catchment 5 Area 2 on behalf of Council be delegated to the Group Manager: Project Services.

BACKGROUND

1. Council has an objective to reduce flows in the wastewater network by 25% through the Infiltration and Inflow Control Programme. Rehabilitation work has already been completed in many areas of the New Lynn wastewater catchment. The Glen Eden wastewater catchment is the next catchment to be assessed under this programme and the rehabilitation of Glen Eden MC5 is the next project on the priority list as the existing manholes and public sewer pipes in the area are in poor condition.

SCOPE OF WORK

2. The scope of work includes the rehabilitation and construction of 1,550 metres of wastewater pipe line, rehabilitation and construction of 31 manholes, excavation and replacement of 71 service connections, video inspection of 448 private drains and flushing and video inspection of the completed lines.

TENDERS RECEIVED

3. Tenders were publicly advertised in Tenderlink with 35 sets of documents being uplifted.
4. Six tenders were received by the closing date of 2 December 2008. One of the tenders was an alternative tender. The tenders are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)	
		Conforming	Alternative
Kerry Drainage Limited	Level 1, 36 Williamson Ave, Ponsonby, Auckland	\$974,715.00	
Horizontal Earth Drilling Limited	55 Watea Road, Torbay, North Shore	\$980,740.00	
H&H Contractors Limited	12A Culperry Road, Glen Eden, Waitakere	\$1,127,315.00	
JB Contractors Limited	26 Glasgow Avenue, Papatoetoe, Manukau City	\$1,132,360.00	\$1,069,960.00
PipeWorks Rehabilitation Solutions Limited	18 Gabador Place, Mt Wellington, Auckland	\$1,456,334.88	
Pre-tender contract estimate		\$1,087,000.00	

TAGS, ERRORS OR OMISSIONS

5. The tender from Kerry Drainage Limited (KDL) had 2 tags and several omissions. KDL were requested to provide clarification and price or remove the tags. They failed to remove the tag related to methodology and therefore their tender was deemed non-conforming and considered no further.
6. The tender from Horizontal Earth Drilling Limited (HEDL) had a tag and a minor omission. HEDL withdrew the tag and provided satisfactory clarification of their omission.
7. There were no tags, errors or omissions in the tender submitted by H&H Contractors Limited.
8. The conforming and alternative tenders from JB Contractors Limited (JBCL) had several minor arithmetic extension errors. When advised of the errors the tenderer confirmed their tender price.
9. The tender from PipeWorks Rehabilitation Solutions Limited had tags that were not pursued as they would not have affected the tender outcome.

TENDER EVALUATION

10. In accordance with the conditions of tendering, tenders were evaluated in line with the Weighted Attribute Method contained in New Zealand Transport Agency's Competitive Pricing Procedures Manual (NZTACPPM).
11. A summary of the evaluation results for the conforming tenders is shown in Table 2 below:

Tender Evaluation	Attributes	Exper	Track Record	Tech Skill	Resour	Manag Skill	Method	Price	Contract No EW08015A
									Total Weights
Weights		10	10	5	10	10	5	50	100
Tenderer	Tender Sum	Grades							INDEX
Horizontal Earth Drilling Limited	\$980,740.00	78	70	75	65	60	75	63	66
H&H Contractors Limited	\$1,127,315.00	75	70	75	70	60	80	50	60
JB Contractors Limited - Conforming	\$1,132,360.00	90	85	80	90	80	90	50	68
PipeWorks Rehabilitation Solutions Limited	\$1,456,334.88	75	80	65	75	85	80	21	49
Median Tender Price	\$1,129,837.50								

Table 2 – Summary of Tender Evaluation

12. A summary of the evaluation result of the alternative tender is shown in Table 3 below which evaluates the highest scoring conforming tender against the alternative tender:

Tender Evaluation	Attributes	Exper	Track Record	Tech Skill	Resour	Manag Skill	Method	Price	Contract No EW08015A
									Total Weights
	Weights	10	10	5	10	10	5	50	100
Tenderer	Tender Sum	Grades							INDEX
JB Contractors Limited - Conforming	\$1,132,360.00	90	85	80	90	80	90	50	68
JB Contractors Limited - Alternative	\$1,069,960.00	90	85	80	90	80	85	55	70
Median Tender Price	\$1,129,837.50								

Table 3 - Summary of Tender Evaluation – Alternative Tender with the Highest Index Conforming Tender

13. Scores for the non-price attributes were determined on the basis of information provided in each tender, on the information gathered from the referees nominated by the tenderers and on any recent Council experience with the tenderers.
14. JBCL submitted an alternative tender that was evaluated in accordance with Section 2.8 of the NZTACPPM. The tender is alternative primarily in the methodology that is proposed. “Cured in Place Pipe” structural lining is proposed on the pipe bursting and slip lining sections. Their proposal has been carefully evaluated and the sections identified for structural lining deemed suitable. The proposal was also reviewed and accepted by EcoWater.
15. The results of the tender evaluation as summarised in Table 3 show that the alternative tender by JBCL has scored the highest overall index of 70.
16. In their alternative tender JBCL indicated that a further saving of \$19,350.00 was possible. In accordance with the provisions in the Standard Conditions of Tendering and Tender Process (WCT6.1) staff from Project Services met with the highest ranking tenderer, JBCL, to clarify where these savings would be achieved. At the meeting JBCL clarified where the savings would be achieved and agreed to provide a further discount of \$20,610.00, thus bringing the total discount to \$39,960.00 and the discounted price to \$1,030,000.00. The discounted price was confirmed in writing. This negotiated discounted price is approximately 5% lower than the pre-tender contract estimate.
17. The alternative tender from JBCL is considered to give the best value outcome. JBCL has the necessary expertise and resources to satisfactorily carry out the works.
18. As part of Council’s contracting process “Quality, Health and Safety and Environmental compliance 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

19. A credit check dated 8 December 2008 on JBCL revealed no adverse information.

JOB COSTS

20.	Excl. GST	
	Discounted tender price - JBCL - alternative tender	\$1,030,000.00
	Contingency	\$103,000.00
	Engineering and Supervision	<u>\$103,000.00</u>
	Total Job Cost	\$1,236,000.00

SOURCE OF FUNDING

21. Source of funding is shown in Table 4 below:

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
WW Renewals I/ Programme	8AMEW-08-027	\$3,700,000.00	\$2,433,234.00	\$1,236,000.00	\$30,766.00

Table 4 - Source of Funding

IMPLEMENTATION ISSUES

22. There are no expected implementation issues with this contract.

Report prepared by: Neville Colling, Contracts Engineer: Water Projects.



12 CONTRACT NO. SW08004A - LANDFILL LOADING & TRANSPORTATION - PUBLICLY TENDER

EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to publicly call for tenders for Contract No. SW08004A - Landfill Loading & Transportation for a total period of five (5) years from 1 July 2009 to 30 June 2014.

RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. SW08004A - Landfill Loading & Transportation - Publicly Tender report.
2. **Approve** to publicly call for tenders for Contract No. SW08004A - Landfill Loading & Transportation for a total period of five years from 1 July 2009 to 30 June 2014.
3. **Agree** that the results of the tender evaluation process for Contract No. SW08004A - Landfill Loading & Transportation be reported back to the Tenders Subcommittee.

BACKGROUND

1. The existing contract for refuse loading and transportation with a further two months' extension is due to expire on 30 June 2009

SCOPE OF WORK

2. The contract is for the non-exclusive right to load and transport refuse from the Council's Refuse and Recycling Transfer Station at The Concourse, Henderson to the Waste Management Limited owned landfill site at Redvale or to any other landfill site nominated by the Council. A five year term comprising an initial term of 3 years with the right of renewal for a further 1+1 gives the contractor ability to gain a return on the specialised equipment purchased for the waste industry. The existing contractor spent over \$1.4 million (excluding the trucks) on this type of equipment 5 years ago.

PROPOSAL

3. To publicly seek tenders from waste companies who have the expertise and resources in handling and transport of waste.

SOURCE OF FUNDING

4. The cost of refuse loading and transportation is funded through 'user charges'.
5. The budgetary allocation for refuse loading and transportation is included as a separate budget line item in the Long Term Council Community Plan with an allocation of \$1.65 million per annum.

IMPLEMENTATION ISSUES

6. There are no known implementation issues with this contract.

Report prepared by: Ben Somaratne, Solid Waste Engineer.



13 CONTRACT NO. SW04001 - LANDFILL LOADING & TRANSPORTATION - APPROVAL TO EXTEND

EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to extend Contract No. SW04001 - Landfill Loading & Transportation for 2 months, to 30 June 2009.

RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. SW04001 – Landfill Loading & Transportation - Approval To Extend report.
2. **Approve** that the Contract No. SW04001 - Landfill Loading & Transportation awarded on the 12 December 2003 to Smith & Davies Limited be extended for the period 7 May 2009 to 30 June 2009 on the current terms and conditions.
3. **Approve** that authority to extend Contract No. SW04001 - Landfill Loading & Transportation for the period 7 May 2009 to 30 June 2009 on behalf of the Council be delegated to the Group Manager: Service Management.

BACKGROUND

1. The scope of work includes loading and transporting residual waste from the Council's Refuse Transfer Station at The Concourse, Henderson to the Waste Management Limited owned landfill site at Redvale. The existing contract is due to expire on 6 May 2009
2. Council approved the award of Contract No. SW04001 - Landfill Loading & Transportation to Smith & Davies Limited at the Tenders Subcommittee meeting held on Friday, 12 December 2003 as follows:
 1. *That the information be received.*
 2. *That subject to a satisfactory credit check and the awarding of a Landfill Disposal Contract at Redvale with Waste Management, the tender from Smith & Davies Limited for Contract SW04001 - Landfill Loading and Cartage in the sum of \$11.17 per tonne plus \$1.39 GST, totalling \$12.56 per tonne be accepted.*
 3. *That the commitment to the 2004/2005 financial year for Contract SW04001 - Landfill Loading and Cartage totalling \$1,139,100 plus GST be approved.*
 4. *That subject to the awarding of a Landfill Disposal Contract at Redvale with Waste Management the authority to enter into Contract SW04001 - Landfill Loading and Cartage on behalf of Council be delegated to the Director: City Services.*

4371/2003

DECISION MAKING

3. Contract No. SW04001 – Landfill Loading & Transportation is a five year contract with an expiry date of 6 May 2009. Extending the current contract up to 30 June 2009 will keep in line with the Financial / Annual Plan year.
4. The five year term comprises of an initial three year term with the right of renewal for a further one plus one totalling five. This gives the contractor ability to gain a return on the specialised equipment purchased for the waste industry. The existing contractor spent over 1.4 metres (excluding the trucks) on this type of equipment 5 years ago.
5. It also allows for the contract to fall in line with the Landfill Contract which has an expiry date of May 2014. The impact of a contract with a lesser term will result in going back to tender for a further two year term on completion.
6. It will also allow more time to advertise and evaluate prospective tenders to enter into a new landfill loading and transportation contract.
7. Smith & Davies Limited has confirmed in writing that they are willing to carry out the contract for a further two months.

CONTRACTOR'S PERFORMANCE

8. An evaluation of Smith & Davies Limited 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; and
 - Their performance over the past 4 ½ years has been excellent.

CREDIT CHECK

9. A credit check on the company is not required as the contract is being extended.

JOB COSTS

10. Excl. GST		
Estimated contract cost (2 months)		\$250,000

Total Job Cost (estimated)		\$250,000

SOURCE OF FUNDING

11. Refuse loading and transportation is funded through 'user charges'. 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
Refuse Cartage	3530 / 74180	\$1,650,000	Nil	\$1,650,000	Nil
	Total			\$1,650,000	

Table 1 – Source of Funding

IMPLEMENTATION ISSUES

12. There are no expected implementation issues with this contract.

Report prepared by: Ben Somaratne, Solid Waste Engineer.



14 CONTRACT NO. PK05004A - LANDSCAPE PROGRAMMED MAINTENANCE - APPROVAL TO EXTEND

GLOSSARY

Bilfinger Berger Services Limited

(BBS)

EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to extend Contract No. PK05004A - Landscape Programmed Maintenance for six months, from 1 January 2009 to 30 June 2009.

RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. PK05004A - Landscape Programmed Maintenance - Approval To Extend report.

2. **Approve** that the Contract No. PK05004A - Landscape Programmed Maintenance as awarded to Bilfinger Berger Services Limited be extended in the sum of \$1,840,925.50 excluding GST for the period 1 January 2009 to 30 June 2009.
3. **Agree** that the extension to Contract No. PK05004A - Landscape Programmed Maintenance for a further six months be brought back to the Tenders Subcommittee during June 2009 period for approval subject to funding availability and the results of the contractor's performance.
4. **Approve** that the authority to enter into Contract No. PK05004A - Landscape Programmed Maintenance for the period 1 January 2009 to 30 June 2009 on behalf of Council be delegated to the Deputy Director: City Services.

BACKGROUND

1. The scope of works of the current Contract No. PK05004A – Landscape Programmed Maintenance is to carry out quality landscape maintenance within the City's passive and neighbourhood parks and includes:
 - Flail mowing;
 - Litter collection;
 - Turf maintenance;
 - Garden and hedge maintenance;
 - Toilet cleaning;
 - Fixtures and fittings maintenance; and
 - Path, carpark and driveway sweeping.
2. All other response and non programmed work is undertaken by a separate response contractor.
3. Council approved the award of Contract No. PK05004A - Landscape Programmed Maintenance to Techscape Limited at a Tenders Subcommittee meeting held on 29 April 2005 for one year with the right of two extensions of two years up to 30 June 2010 subject to the satisfactory performance by the contractor. They were awarded the contract based on their competitive contract rates established through a public tendering process. The Tenders Subcommittee resolved that:

- “1. That the Contract No. PK05004A - Park Landscape Programmed Maintenance report be received.*
- 2. That the tender from Techscape Limited for Contract No. PK 05004A – Park Landscape Programmed Maintenance for the period 2005/2006 - 2007/2008 in the sum of \$7,435,712.04 plus \$929,464.01 GST, totalling \$8,365,176.05 be accepted.*
- 3. That the commitment to the financial year 2005/2006 for Contract No. PK05004A - Park Landscape Programmed Maintenance totalling \$2,668,249 plus GST be approved.*
- 4. That the commitment to the financial year 2006/2007 for Contract No. PK05004A - Park Landscape Programmed Maintenance totalling \$2,668,249 plus GST be approved.*
- 5. That the commitment to the financial year 2007/2008 for Contract No. PK05004A - Park Landscape Programmed Maintenance totalling \$2,668,249 plus GST be approved.*

6. *That authority to enter into Contract No. PK05004A - Park Landscape Programmed Maintenance on behalf of Council be delegated to Group Manager: Asset Management."*

676/2005

4. Council approved the extension of PK05004A - Landscape Programmed Maintenance to Techscape Limited at a Tenders Subcommittee meeting held on 8 June 2007. The Subcommittee resolved that:

1. *That the Contract No. PK05004A - Landscape Programmed Maintenance - Extension to Contract Sum report be received.*
2. *That the contract sum for Contract No. PK05004A - Landscape Programmed Maintenance to Eco City Services (Techscape Limited) be increased to \$3,097,496.62 plus \$387,187.08 totalling \$3,484,683.69 for 2007/2008.*
3. *That the commitment to the 2007/2008 financial year for Contract No. PK05004A - Landscape Programmed Maintenance in the sum of \$3,271,500.00 plus \$408,937.50 GST totalling \$3,680,437.50 be approved.*
4. *That the authority to extend Contract No. PK05004A - Landscape Programmed Maintenance, as in recommendation 2 above, be delegated to the Group Manager: Asset Management."*

1014/2007

5. Council approved the award of Contract No. PK05004A – Landscape Programmed Maintenance to Techscape Limited at a Tenders Subcommittee meeting held on 30 June 2008 for one (1) year with the right of two extensions of two years up to 30 June 2010 subject to the satisfactory performance by the contractor. They were awarded the contract based on their competitive contract rates established through a public tendering process. The Tenders Subcommittee resolved that:

1. **Receive** the Contract No. PK05004A – Landscape Programmed Maintenance -Approval to Extend report.
2. **Approve** that the Contract No. PK05004A – Landscape Programmed Maintenance as awarded to Bilfinger Berger Services Limited be extended in the sum of \$1,840,925.50 excluding GST for the period 1 January 2009 to 30 June 2009.
3. **Approve** the commitment of \$1,840,925.50 to the 2008/2009 draft Annual Plan for Contract No. PK05004A - Landscape Programmed Maintenance.
4. **Agree** that the Contract No. PK05004A - Landscape Programmed Maintenance as awarded to Bilfinger Berger Services - Limited be extended for the period 1 January 2009 to 30 June 2009.
5. **Agree** that the extension to Contract No. PK05004A – Landscape Programmed Maintenance for a further six (6) months be brought back to Tenders Subcommittee during June 2009 period for approval subject to funding availability and the results of the contractor's performance.

6. *Approve that the authority to enter into Contract No. PK05004A - Landscape Programmed Maintenance for the period 1 January 2009 to 30 June 2009 on behalf of Council be delegated to the Deputy Director: City Services.*"

994/2008

6. Techscape Limited was sold to Bilfinger Berger Services Limited (BBS) during September 2006.

DECISION MAKING

7. Contract No. PK05004A - Landscape Programmed Maintenance was a five year contract with an expiry date of 30 June 2010. The contract allowed for two extensions of two years up to 30 June 2010, negotiations have been undertaken with BBS to extend the contract sum and scope for a further six months to 30 June 2009.
8. During November 2007 performance issues arose with two contracts undertaken by BBS, Contract No. PK05004A - Landscape Programmed Maintenance and Contract No. PK05003B - Sports Park Programmed Maintenance. Several areas of concern in implementation of contract works were raised with BBS. As a result a business improvement plan was requested. At this time internal redesign took place within BBS and systems were introduced to address deficiencies within the organisation. Subsequent audits have highlighted that there are still areas to be addressed but has also shown that improvements have been achieved.
9. By mutual agreement Contract No PK05003B Sports Park Programmed Maintenance was terminated on 31 October 2008.
10. Council has given BBS a period of six months to implement their new business improvement plan within Contract No PK05004A to ensure standards are being consistently met citywide. The continuation of the Contract with BBS will ensure that there is a continuing service throughout this period. Performance will be measured on audits carried out by Council's auditor and Parks staff.
11. Under Contract No PK05004A – Landscape Programmed Maintenance BBS has been competent in carrying out their contractual obligations over the past three years.
12. A contract extension to BBS will reduce the risk and cost of engaging and establishing a new contractor.
13. It is therefore recommended that BBS be granted an extension to Contract No. PK05004A Landscape Programmed Maintenance for the period 1 January 2009 to 30 June 2009, be brought back to the Tenders Subcommittee during April 2009 for approval subject to funding availability and a full review of the Contractors performance.

CONTRACTOR'S PERFORMANCE

14. An evaluation of BBS's performance to date under Contract No. PK05004A Landscape Programmed Maintenance contains the following features:
- A familiarity with Waitakere Parks and community;
 - The ability to provide innovative ideas and solutions;
 - They have developed a working relationship with relevant Council staff;
 - They have a strong focus on health and safety; and
 - Contract key performance indicators are being achieved.

JOB COSTS

15. The job costs associated with the 1 January 2009 to 30 June 2009 Contract No PK05004A Landscape Programmed Maintenance contract period are as follows:

16. Excl. GST

1 January 2009 to 30 June 2009 tender sum	\$1,840,925

Total job cost for 1 January 2009 to 30 June 2009	\$1,840,925

16. The source of funding is shown in the table below:

Budget Description (from draft Annual budget)	Budget (12 Months)	Committed to Other Projects (12 Months)	Allocation to This Project (12 Months)	Unallocated Balance
Sports Facilities Maintenance	\$341,000	\$338,000	\$1,500	\$0
Fixtures and Furniture Maintenance	\$528,000	\$423,000	\$52,500	\$0
Litter Control	\$628,000	\$378,000	\$125,000	\$0
Passive Grass Maintenance	\$1,511,000	\$244,000	\$633,500	\$0
Planting Maintenance	\$1,287,000	\$346,000	\$470,500	\$0
Structure Maintenance	\$162,000	\$136,000	\$13,000	\$0
Building Maintenance	\$831,000	\$538,000	\$146,500	\$0
Carpark and Driveways Maintenance	\$196,000	\$116,000	\$40,000	\$0
Services Maintenance	\$377,000	\$317,000	\$30,000	\$0
Paths Tracks and Walkway Maintenance	\$210,000	\$198,000	\$6,000	\$0
Flail Mowing (Subsidied)	\$164,000	\$0	\$82,000	\$0
Plantings Parks Renewals	\$240,000	\$73,450	\$83,275	\$0
Approved Annual; Plan Increases	\$314,301	\$0	\$157,150	\$0
Totals For Period 1 January 2009 - 30 June 2009	\$6,790,851	\$3,107,450	\$3,681,851	\$0
Funding for 6 Month Period 1 July 2008 to 31 December 2008			\$1,840,925	\$0

IMPLEMENTATION ISSUES

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

Report prepared by: Mike Simpson: Parks Assets Manager Contracts



15 **CONTRACT NO. IM06186A - ADCORP - RFP ADVERTISING SERVICES - APPROVAL TO EXTEND**

EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to extend Contract No. IM06186A - Adcorp - RFP Advertising Services for 12 Months, to 31 December 2009, with an option to extend for a further 12 months to 31 December 2010. The original agreed Service Commitment with Adcorp commenced 01 April 2008 until 31 December 2008 with an option to extend a further 12 months without going to competitive tender. It is recommended that the commitment is extended for 12 months with an option to extend for a further 12 months.

RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. IM06186A - Adcorp - RFP Advertising Services - Approval To Extend report.
2. **Approve** that authority to extend Contract No. IM06186A - Adcorp - RFP Advertising Services be extended in the sum of \$180,000.00 excluding GST for the period 31 December 2008 to 31 December 2009.
3. **Approve** that authority to extend Contract No. IM06186A - Adcorp - RFP Advertising Services for a further period of 12 months on behalf of Council be delegated to the Director: Corporate and Business Services subject to contractor's performance.

BACKGROUND

1. Council's existing contract with Adcorp is for the purchase and placement of media space for recruitment and public notice advertising; this includes creative design and development of associated branding and graphics.
2. The original agreed Service Commitment with Adcorp commenced on 1 April 2008 until 31 December 2008 with an option to extend a further 12 months without going to competitive tender.
3. Given the level of service received to date and the opportunity for Adcorp to continue to add value to our brand and assist Council with finding ongoing economies, such as brokering reduced print media rates in the Western Leader and package rate deals for Seek and TradeMe online Job Search, it is recommended that the commitment is extended for 12 months without going to competitive tender.
4. The review sought is based on the understanding that the costs identified are indicative only and do not constitute a commitment to pay the full amount. Waitakere City Council will only pay for services rendered.
5. It is also noted that Council is seeking ways of finding economies. Commitment has been made to assist this by finding savings in the area of recruitment advertising, as evidenced in part by the business case process required to approve recruitment until July 2009, as endorsed by Director's Group 4 December 2008.

DECISION MAKING

6. Adcorp has confirmed in writing that they are willing to carry out the contract for a further 24 months.

CONTRACTOR'S PERFORMANCE

7. An evaluation of Adcorp's performance to date contains the following features whereby they:
 - have developed a good working relationship with relevant Council staff;
 - are a well resourced company;
 - respond quickly to customer requests; and
 - have a clear understanding of the needs and issues facing our organisation.
8. Adcorp has:
 - Designed and developed successful recruitment branding and campaigns;
 - Provided access to \$25,000 of free creative design work as part of the initial service contract;
 - Brokered cost savings with different media; and
 - Identified options for better advertising exposure and cost effective mediums.
9. Whilst the tender is for similar amounts ongoing over the next year then have been previously spent, the allocation of the expenditure will be different.
10. The focus is on shifting from print to online advertising; thus gaining greater coverage (more advertisements for less money) for less spend, as well as utilising Adcorp to provide additional advertising services in areas beyond Recruitment and Public Notice Advertising.

CREDIT CHECK

11. A credit check on Adcorp NZ Limited dated 4 December 2008 revealed no adverse information.

JOB COSTS

12. Excl. GST	
Contract sum 2008/2009	\$90,000.00
Contract sum 2009/2010	\$90,000.00

Total Job Cost	\$180,000.00

SOURCE OF FUNDING

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

Budget Description	Cost Elements	Budget
Advertising Services - Annual Plan 2008/2009	60100 65000	\$90,000.00
Advertising Services - Draft Annual Plan 2009/2010	60100 65000	\$90,000.00
Total		\$180,000.00

Table 1 – Source of Funding

14. The cost elements which fund advertising costs also service other costs; therefore the requested tender is for a proportion of the budget of each of the above cost elements. The intention is to see broader allocation of the advertising spend with Adcorp.

IMPLEMENTATION ISSUES

15. There are no expected implementation issues with this contract.

Report prepared by: Rebecca Buffett, Recruitment Advisor: Human Resources.



16 CONTRACT NO. SP06002Q – PROJECT TWIN STREAMS – UPPER WAIKUMETE STREAM WALKWAY AND CYCLEWAY

EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. SP06002Q - Project Twin Streams - Upper Waikumete Stream Walkway and Cycleway.

RECOMMENDATIONS:

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. SP06002Q – Project Twin Streams – Upper Waikumete Stream Walkway and Cycleway report.
2. **Approve** that the tender from Nasey Contractors Limited for Contract No. SP06002Q – Project Twin Streams – Upper Waikumete Stream Walkway and Cycleway in the sum of \$503,467.00 plus \$62,933.38 GST, totalling \$566,400.38 be accepted.
3. **Approve** that authority to enter into Contract No. SP06002Q – Project Twin Streams – Upper Waikumete Stream Walkway and Cycleway on behalf of the Council be delegated to the Group Manager: Project Services.

BACKGROUND

1. Contract No. SP06002Q forms part of the Council's programme of construction of walkways and cycleways as part of Project Twin Streams. This contract is the sixth stage in the construction of these walkways and cycleways. This stage is new work approved through the Annual Plan 2008/2009 and partially funded through grants from New Zealand Transport Agency and Infrastructure Auckland (administered by Auckland Regional Holdings).

SCOPE OF WORK

2. The scope of work includes the construction of a 2.5m wide walkway and cycleway between Savoy Road and Ceramco Park, adjacent to the Waikumete Stream, Glen Eden. The path will be predominately constructed of cast in-situ concrete, with two timber boardwalks. Some minor drainage works and slope stabilisation will be required. Signage and path transition work will also be required where the path intersects with the local streets.

TENDERS RECEIVED

3. Tenders were publicly advertised on Tenderlink, with fifty-two (52) sets of documents being uplifted. Ten (10) tenders were received by the closing date of 4 November 2008. These are summarised in Table 1.

TENDERER	REG. OFFICE	TENDER PRICE (excl. GST)
Rogers Civil Limited	79 Patiki Road, Avondale	\$475,365.00
Nasey Contractors Limited	6 Tait Place, Albany	\$503,467.00
Traffic Systems Limited	681E Rosebank Road, Avondale	\$505,949.68
Infrastructure NZ Limited	16 Saturn Place, North Harbour	\$548,896.20
North Harbour Paving & Construction Limited	102 Beach Haven Road, Beach Haven	\$572,975.00
P & M Paving and Construction Limited	15 Mamari Road, Whenuapai	\$592,947.65
McLaren King Limited	Unit 2, 23 Bute Road, Browns Bay	\$679,656.75
H & H Contractors Limited	12A Culperry Road, Glendene	\$694,973.00
John Fillmore Contracting Limited	Corner of Kirkbride Road and Creamery Road, Mangere	Not opened
GK Civil Limited	339 Lincoln Road, Henderson	Not opened
Pre-tender Contract Estimate		\$665,000.00

Table 1 - Summary of Tender Prices

TAGS, ERRORS OR OMISSIONS

4. The tenders from Nasey Contractors Limited and Infrastructure NZ Limited did not provide sufficient detail on the required quality assurance system. Following requests for clarification, the tenderers confirmed compliance with the tender quality assurance system requirements.
5. The tender from P & M Paving and Construction Limited was tagged to commence the contract on a mutually agreeable date, to exclude any allowance for vandalism or damage during the contract and to construct a cast in-situ culvert rather than the required pre-cast pipe. The tenderer withdrew the tags and confirmed the original tender price.
6. The tender from Infrastructure NZ Limited was tagged to exclude any allowance for works beyond Auckland Regional Council's earthworks season and to exclude any allowance for wet weather. The tenderer withdrew the tags and confirmed the original tender price.
7. The tender from H & H Contractors Limited was tagged to commence the contract at a later start date and to limit the location of utilities to those specifically provided for on the plans and in the schedule. The tenderer withdrew the tags and confirmed the original tender price.
8. Rogers Civil Limited tagged three items in the Schedule of Prices. These tags did not affect the evaluation results and so were not investigated further.
9. P & M Paving and Construction Limited omitted to price an item in the Schedule of Prices. This omission did not affect the evaluation results and so was not investigated further.
10. There were no other tags, errors or omissions.

TENDER EVALUATION

11. In accordance with the conditions of tendering, tenders were evaluated in line with the Weighted Attribute Method contained in New Zealand Transport Agency's 'Competitive Pricing Procedures Manual'.
12. 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.
13. In this contract the value of Provisional Sums is \$30,000.
14. 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 are then duly included in the evaluation.
15. A summary of the evaluation results is shown in Table 2.

Tender Evaluation	Attributes	Exper.	Track Record	Tech. Skills	Resour.	Manag. Skills	Method.	Price	Contract Number SP06002Q
									Total Weights
	Weights	5	5	5	5	5	5	70	100
Tenderer	Tender Sum	Grades							INDEX
Nasey Contractors Limited	\$473,467.00	93	93	65	60	53	60	61	64
Traffic Systems Limited	\$475,949.68	88	48	50	60	63	70	60	61
Rogers Civil Limited	\$445,365.00	50	40	50	50	40	40	66	60
Infrastructure NZ Limited	\$518,896.20	60	43	73	60	43	75	52	54
North Harbour Paving & Construction Limited	\$542,975.00	60	70	75	70	65	55	48	53
P & M Paving and Construction Limited	\$562,947.65	50	65	50	60	50	50	44	47
McLaren King Limited	\$649,656.75	50	75	75	48	63	75	28	39
H & H Contractors Limited	\$664,973.00	58	48	68	60	58	53	25	34
John Fillmore Contracting Limited	Not opened	60	53	63	60	70	35		Disqualified
GK Civil Limited	Not opened	45	35	40	50	40	35		Disqualified
Median Tender Price	\$530,935.60								

Table 2 - Summary of Tender Evaluation

16. Nasey Contractors Limited has previously completed two walkway and cycleway contracts for the Council to a very high standard, thus scoring 93% in the Relevant Experience and Track Record sections.
17. The tender from John Fillmore Contracting Limited did not provide a sufficiently detailed methodology, thus scoring 35% (unacceptable) in the Methodology section.

18. GK Civil Limited received very poor feedback from referees and did not provide a sufficiently detailed methodology, thus scoring 35% (unacceptable) in the Track Record and Methodology sections.
19. The results of the tender evaluation as summarised in Table 2 shows that the tender submitted by Nasey Contractors Limited achieved the highest index of sixty-four (64). This tender is also the second lowest priced tender.
20. The lowest tender is 24% below the pre-tender contract estimate.
21. As part of the Council's contracting process, "Quality, Health and Safety and Environmental compliance 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

22. A credit check on Nasey Contractors Limited dated 12 November 2008 revealed no adverse information.

JOB COSTS

23.		Excl. GST
	Tender sum – (Nasey Contractors Limited)	\$503,467.00
	Contingency	\$50,500.00
	Engineering and Supervision	\$50,500.00

	Total Job Cost	\$604,467.00

SOURCE OF FUNDING

24. The source of funding is shown in Table 3.

Budget Description (from Annual Budget line item) 2008/2009 Annual Plan	Codes	Budget	Committed to other Projects	Allocation to this Project	Unallocated Balance
Upper Opanuku Walkway & Cycleway	8AMTA-07-100/01	\$800,000.00	\$0.00	\$604,467.00	\$195,533.00
	Total			\$604,467.00	

Table 3 – Source of Funding

IMPLEMENTATION ISSUES

25. There are no expected implementation issues with this contract.

Report prepared by: Jacqui Robson, Principal Engineer, Special Projects.



17 **CONTRACT NO. EW08030A - PRIVATE WASTEWATER DRAINAGE CLOSED CIRCUIT TELEVISION PROJECT**

GLOSSARY

Closed Circuit Television	(CCTV)
Advanced Pipeline Services Limited	(ADPSL)
HydroTech Drainage & Plumbing Limited	(HTDPL)
Drain Surgeons Limited	(DSL)

EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. EW08030A - Private Wastewater Drainage Closed Circuit Television Project.

RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. EW08030A - Private Wastewater Drainage Closed Circuit Television Project report.
2. **Approve** that the tender from Advanced Pipeline Services Limited for Contract No. EW08030A – Private Wastewater Drainage Closed Circuit Television Project in the sum of \$293,250.00 plus \$36,656.25 GST, totalling \$329,906.25 be accepted.
3. **Approve** that authority to enter into Contract No. EW08030A - Private Wastewater Drainage Closed Circuit Television Project on behalf of Council be delegated to the Group Manager: Project Services.

BACKGROUND

1. Council has an objective to reduce flows in the wastewater network by 25% through the Infiltration and Inflow Control Programme. The flow monitoring studies carried out by EcoWater has confirmed that nearly 50% of inflow and infiltration is caused by defective gully traps, illegal stormwater connections and defective private drains.
2. EcoWater's Peak Flow Reduction Programme which commenced in 2005 is systematically addressing inflow to the wastewater network through private property gully traps. A similar programme for infiltration control through private wastewater drains has now been planned for the next 10 years.
3. It has been estimated that nearly 50% of Waitakere's wastewater pipe network consists of private laterals. Under the new programme private laterals will be investigated using closed circuit television (CCTV) cameras to identify the defective drains. Property owners will be notified of the defects and Council will guide the owners on how best to fix the defects. Based on the experience gained from the Peak Flow Reduction Programme (70%-80% repair rate after first fault notice) and similar private drainage programmes carried out by other councils in New Zealand, the expectation of gaining success in this programme is very high.

SCOPE OF WORK

4. The scope of work includes the following:
 - Video inspection of private drains;
 - Loading the inspection video to digital video disc;

- Prepare and submit the inspection report based on New Zealand Pipe Inspection Manual private drainage coding; and
- Prepare and submit the as-built drawings of the private drains in AutoCAD format.

TENDERS RECEIVED

5. Approval was sought by the Director and Group Managers of City Services to invite three (3) contractors to tender for this project. Invitation to tender was decided upon as private drainage video inspection, coding inspections using New Zealand Pipe Inspection manual, private drainage coding and preparing as-builts in AutoCAD format requires specialist skills and resources. There are only a few contractors in New Zealand that possess these skills.
6. As the project involves a high degree of liaison with property owners it was felt that a contractor with excellent customer skills was essential for the project and that they would be able to complete the work within the given timeframe.
7. Approval was given by the Director and Group Managers; City Services on 21 November to invite three (3) contractors to tender for this project; Advanced Pipeline Services Limited (ADPSL), HydroTech Drainage & Plumbing Limited (HTDPL) and Drain Surgeons Limited (DSL).
8. Three (3) tenders were received by the closing date of 2 December 2008. The tenders are summarised in Table 1 below:

TENDER	REG OFFICE	TENDER PRICE (excl. GST)
Advanced Pipeline Services Limited	146 Nielsen Street, Onehunga, Auckland	\$293,250.00
HydroTech Drainage & Plumbing Limited	10 Bancroft Crescent, Glendene, Waitakere	\$297,315.00
Drain Surgeons Limited	7F Douglas Parade, Albany	\$489,725.00
Pre-tender contract estimate		\$291,125.00

Table 1 - Summary of Tender Prices

TAGS, ERRORS OR OMISSIONS

9. The tender from DSL contained one omission. This was not addressed as resolution would not have affected the tender outcome.
10. There were no tags, errors or omissions in either of the tenders received from ADPSL or HTDPL.

TENDER EVALUATION

11. In accordance with the conditions of tendering, tenders were evaluated in line with the Weighted Attribute Method contained in New Zealand Transport Agency's Competitive Pricing Procedures Manual.

12. A summary of the evaluation results for the conforming tenders is shown in Table 2 below:

Tender Evaluation	Attributes	Exper.	Track Record	Tech Skill	Resour	Manag Skill	Method	Price	Contract No EW08030A
		Weights	25	15	5	10	10	15	20
Tenderer	Tender Sum	Grades							INDEX
Advanced Pipeline Services Limited	\$293,250.00	90	90	80	90	90	85	51	81
HydroTech Drainage & Plumbing Limited	\$297,315.00	65	80	85	60	80	60	60	66
Drain Surgeons Limited	\$489,725.00	65	90	75	75	90	70	-15	58
Median Tender Price	\$297,315.00								

Table 2 – Summary of Tender Evaluation

13. Scores for the non-price attributes were determined on the basis of information provided in each tender, on the information gathered from the referees nominated by the tenderers and on any recent Council experience with the tenderers.
14. As part of Council's contracting process "Quality, Health and Safety and Environmental compliance 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

15. A credit check dated 13 October 2008 on ADPSL revealed no adverse information.

JOB COSTS

16. Excl GST	
Tender sum – ADPSL	\$ 293,250.00
Contingency	\$ 29,325.00
Engineering and Supervision	<u>\$ 23,460.00</u>
Total Job Cost	\$ 346,035.00

SOURCE OF FUNDING

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

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Field Investigations for Infiltration	8AMEW-07-025	\$260,000.00	\$0.00	\$260,000.00	\$0.00
Infiltration and Inflow Programme	6590	\$90,000.00	\$0.00	\$86,035.00	\$3,965.00

Table 3 - Source of Funding

IMPLEMENTATION ISSUES

18. There are no expected implementation issues with this contract.

Report prepared by: Sharon James, Project Manager: Water Projects.

