

**AGENDA FOR A MEETING OF THE TENDERS SUBCOMMITTEE TO BE HELD IN THE
MANUKAU ROOM AT WAITAKERE CENTRAL, 6 HENDERSON VALLEY ROAD,
HENDERSON, WAITAKERE, ON FRIDAY, 13 MARCH 2009,
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 - Friday, 27 February 2009

RECOMMENDATION

It is recommended that the Tenders Subcommittee resolve to:

Receive the minutes of the meeting of the Tenders Subcommittee held on Friday, 27 February 2009, as circulated, and that they be taken as read and now be confirmed.



5 **CONTRACT NO. TA09001A - ROAD ASSESSMENT MAINTENANCE MANAGEMENT (RAMM) PROFESSIONAL SERVICES - APPROVAL TO PROCEED TO TENDER**

GLOSSARY

Road Assessment Maintenance Management (RAMM)
New Zealand Transport Agency (NZTA)

EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to publicly call for tenders for Contract No. TA09001A - Road Assessment Maintenance Management (RAMM) Professional Services for a period of three (3) years from 1 July 2009 to 30 June 2012 on the basis of thirty six (36) months with further extensions of one (1) year plus one (1) year subject to the performance of the contractor, and the availability of funding and at the sole discretion of Council.

RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. TA09001A - Road Assessment Maintenance Management (RAMM) Professional Services - Approval To Proceed To Tender report.
2. **Approve** to publicly call for tenders for Contract No. TA09001A - Road Assessment Maintenance Management (RAMM) Professional Services for a five (5) year period from 1 July 2009 to 30 June 2012, on the basis of thirty six (36) months with extensions of one (1) year plus one (1) year subject to the performance of the contractor, and the availability of funding and at the sole discretion of Council.
3. **Agree** that the results of the tender evaluation process for Contract No. TA09001A - Road Assessment Maintenance Management (RAMM) Professional Service be reported back to the Tenders Subcommittee for approval prior to awarding.

BACKGROUND

1. The existing Contract No. TA07001A Road Assessment and Maintenance Management (RAMM) Professional Services contract period two years will terminate on 30 June 2009.
2. The RAMM database is an integral part of the Council's asset management function. RAMM stores the construction and maintenance history of the road network, including data for reseals, seal extensions, carriageway characteristics, hierarchy, ownership, signs, pedestrian crossings, footpaths, kerbs and channels, safety improvements, traffic counts, and condition ratings.
3. RAMM has analytical capability for verification of the data, and for prioritisation of maintenance works, in particular for Council's resealing and road rehabilitation program.
4. Several of Council's maintenance and capital works contracts are planned and managed using RAMM. RAMM is the database required by the New Zealand Transport Agency (NZTA) and is linked to the advanced Road Deterioration modelling software also required by NZTA. NZTA subsidises work proposed on the basis of RAMM data and analyses, and subsidises the development and maintenance of the RAMM database itself.

5. A recent audit by NZTA acknowledges that the Council's RAMM database is in relatively good condition, but recommends further surveys, condition ratings and reviews of data tables to improve the database. Failure to maintain and upgrade the database would compromise the integrity of the database and hence the reliability of decisions based on the data.
6. Council is currently updating RAMM to the latest RAMM 2008 version. The new functions such as RAMM contractor and Pocket RAMM included in the new version will be utilised to assist Council in managing the long term area wide maintenance contract.
7. The nature of the work suits a long-term contract. Familiarity with data management protocols and reporting tends to ensure accuracy and efficiency in dealing with Council's extensive system. Failure to provide for continuity could compromise decisions based on the data with adverse financial consequences, and any need to correct data and rerun analyses could incur additional high costs.

SCOPE OF WORK

8. The work, to be undertaken by a well-qualified, skilled and experienced contractor, is the ongoing management of the RAMM Database. This includes:
 - Auditing the road maintenance data entered into RAMM by the road maintenance contractors;
 - Performing data entry for works associated with assets created through development works by Council and other developers;
 - Conducting annual condition surveys for carriageway and footpath;
 - Verify and enter of data for transport assets not currently included in the database; and
 - Production of Treatment Selection Algorithm report.

PROPOSAL

9. It is proposed to publicly seek tenders from consulting companies who have the expertise and resources in RAMM condition rating survey and database management to undertake the scope of work outlined in paragraph 8 above.

DECISION MAKING

10. The outcomes of the tenders will be evaluated and reported back to the Tenders Subcommittee for approval prior to awarding.

SOURCE OF FUNDING

11. Funding has been provided in the draft Long Term Council Community Plan 2009-2019 for Transport Assets.

IMPLEMENTATION ISSUES

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

Report prepared by: Jinjiang Zhong, Transport Engineer.



6 **CONTRACT NO. TA08019D - SLIP REPAIRS 2008/2009: 326 STURGES ROAD AND 275 SCENIC DRIVE**

EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. TA08019D - Slip Repairs 2008/2009: 326 Sturges Road and 275 Scenic Drive.

RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. TA08019D - Slip Repairs 2008/2009: 326 Sturges Road And 275 Scenic Drive report.
2. **Approve** that the tender from HEB Construction Limited for Contract No. TA08019D - Slip Repairs 2008/2009: 326 Sturges Road and 275 Scenic Drive in the sum of \$268,182.27 plus \$33,522.78 GST, totalling \$301,705.05 be accepted.
3. **Approve** that authority to enter into Contract No. TA08019D - Slip Repairs 2008/2009: 326 Sturges Road and 275 Scenic Drive on behalf of the Council be delegated to the Group Manager: Project Services.

BACKGROUND

1. A slip at No. 326 Sturges Road and slumping in the carriageway at No. 275 Scenic Drive have been assessed as presenting significant risk to the stability of each road.
2. After evaluating possible options to remedy the situation a preferred option for each site was identified and developed for construction within Contract No. TA08019D - Slip Repairs 2008/2009: 326 Sturges Road and 275 Scenic Drive.
3. Contract No. TA08019D - Slip Repairs 2008/2009: 326 Sturges Road and 275 Scenic Drive forms part of Council's slip repairs programme as provided for in the Annual Plan 2008/2009.

SCOPE OF WORK

4. This contract is for the construction of a buttress drain system and associated drainage and civil works at both 326 Sturges Road and 275 Scenic Drive in Waitakere City.
5. The works include the following:
 - Earthworks;
 - Installation of buttress drains and associated drainage items;
 - Storm water drainage;
 - Kerb and channel works;
 - Pavement reconstruction and shape correction;
 - Protection and support of utilities during construction; and
 - Site reinstatement.

TENDERS RECEIVED

6. Tenders were publicly advertised on Tenderlink with 44 sets of documents being uplifted. Five tenders were received by the closing date of 27 January 2009. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
HEB Construction Limited	Drury, Papakura	\$268,182.27
H & H Contractors Limited	Glendene, Auckland	\$298,635.10
Contract Landscapes Limited	Kumeu, Rodney	\$329,600.00
McKenzie and Parma Limited	Newmarket, Auckland	\$427,858.00
Infrastructure & Civil Works Limited	North Harbour, North Shore	Disqualified
Pre-tender contract estimate		\$320,681.00

Table 1 - Summary of Tender Prices

TAGS, ERRORS OR OMISSIONS

7. Infrastructure & Civil Works Limited are not listed on the Companies Register held by New Zealand Companies Office.
8. Mr Paul Claydon (Mr Claydon signed the tender documents on behalf of Infrastructure & Civil Works Limited) was advised of this oversight during tender evaluation for a previous tender (also submitted on behalf of Infrastructure & Civil Works Limited) on or about the week beginning 2 February 2009. At the time of writing the issue has not been remedied.
9. Infrastructure & Civil Works Limited are not a legal entity and, as such, Council cannot enter into a contract with them. They have been disqualified.
10. There was one omission in the tender submitted by McKenzie and Parma Limited whereby one rate was not correctly multiplied across. This was not addressed as it did not affect the outcome of the tender evaluation process.
11. There were no other errors or omissions in the other tenders.

TENDER EVALUATION

12. 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".
13. 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.
14. In this contract the value of Provisional Sums is \$13,300.00
15. 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.

16. As Infrastructure & Civil Works Limited has been disqualified their tender has not been included in the evaluations.
17. A summary of the evaluation results is shown in Table 2:

Tender Evaluation	Attributes	Exp	Track Record	Tech. Skill	Resour.	Manag Skill	Method	Price	Contract Number TA08019D
	Weights	8	8	4	3	4	3	70	Total Weights
Tenderer	Tender Sum	Grades							INDEX
HEB Construction Limited	\$254,882.27	63	55	64	73	60	73	65	64
H & H Contractors Limited	\$285,335.10	75	75	70	70	70	68	55	60
Contract Landscapes Limited	\$316,300.00	63	72	63	67	70	53	45	51
McKenzie and Parma Limited	\$414,558.00	80	75	73	73	68	60	12	31
Med.n Tender Price	\$300,817.55								

Table 2 - Summary of Tender Evaluation

18. 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.
19. The results of the tender evaluation as summarised in Table 2 shows that the tender submitted by HEB Construction Limited achieved the highest index of 64. This tender is also the lowest priced tender.
20. HEB Construction Limited was founded in 2005 and is a member of the HEB Group. It is a privately owned company and specialises in civil contracting, roading and bridge construction, subdivisions, landscaping, infrastructure maintenance, drainage, precast and pre-stressed concrete, wharves and marinas, piling and foundations. Current and past clients include Transit, New Zealand Transport Agency, Western Bay of Plenty District Council and Waitakere City Council.
21. HEB Construction Limited has carried out a significant number of projects for Council to a generally satisfactory level of quality, budget and time objectives. A recent project within Henderson mainstreet has encountered delays. This is reflected in the scores given for Track Record and Management Skills within the non-price attributes and is currently being addressed by Council and the Contractor.
22. The lowest tender is 16.4% below the pre-tender contract estimate.
23. 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

24. A credit check on HEB Construction Limited dated 10 February 2009 revealed no adverse information.

JOB COSTS

25.		excl. GST
	Tender sum - HEB Construction Limited	\$268,182.27
	Contingency	\$ 30,000.00
	Engineering and Supervision	\$ 36,000.00

	Total Job Cost	\$334,182.27

SOURCE OF FUNDING

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

Budget Description (from annual budget line item) Annual Plan 2008/2009	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance
Flood Damage	8AMTA-07-124	\$2,655,000.00	\$2,268,319.00	\$334,182.27	\$52,498.73
Total				\$334,182.27	

Table 3 - Source of Funding

IMPLEMENTATION ISSUES

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

Report prepared by: Phil Bull, Project Manager.



7 CONTRACT NO. TA08043 - STREETLIGHT MAINTENANCE - APPROVAL TO PROCEED TO TENDER

EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to publicly call for tenders for Contract No.TA08043 - Streetlight Maintenance for a period of five (5) years from 1 July 2009 to 31 June 2014 on the basis of twenty four (24) months with extensions of one (1) year plus one (1) year plus one (1) year subject to the performance of the contractor, and the availability of funding and at the sole discretion of Council.

RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. TA08043 - Streetlight Maintenance, Approval To Proceed To Tender report.
2. **Approve** to publicly call for tenders for Contract No. TA08043 - Streetlight Maintenance for a period of five (5) years from 1 July 2009 to 31 June 2014 on the basis of twenty four (24) months with extensions of one (1) year plus one (1) year plus one (1) year subject to the performance of the contractor, and the availability of funding and at the sole discretion of Council.

3. **Agree** that the results of the tender evaluation process for Contract No. TA08043 - Streetlight Maintenance be reported back to the Tenders Subcommittee.

BACKGROUND

1. Council carries out maintenance of Transport Assets through a number of contracts that are due to expire on 30 June 2009 which includes existing Streetlight Maintenance contract.
2. The new contact is to be awarded no later than 31 May 2009. To enable the smooth transition from the current streetlight maintenance contact into this new maintenance contract.

SCOPE OF WORK

3. This contract is for providing maintenance works on streetlight facilities within Waitakere. This contract will include site investigation on request, repairing street light to satisfaction of Manager - Transport Asset Operations, reporting cable faults to Vector Ltd and updating council's database accordingly (i.e. Pathway & SLIM). This contract will also include engaging Project Services to administer the contract.
4. Council's Long Term Council Community Plan considers Streetlight Maintenance to be carried out each year as an essential service to the city.
5. Due to possible budgetary constraints, this contract will be to repair / reinstate street lighting to a level that is no worse than previous working status. Minor improvement work will be carried out as budget allows, but not necessarily all request from residents. Capital works programme is carried out in a separate contract.

PROPOSAL

6. To publicly seek tenders from contracting companies who have the expertise and resources in Streetlight Maintenance.
7. The contract term will likely be 2+1+1+1 (i.e. up to 5 years).

DECISION MAKING

8. The outcomes of the tenders will be evaluated and reported back to the Tenders Subcommittee for approval prior to awarding.

SOURCE OF FUNDING

9. Funding has been provided in the draft Long Term Council Community Plan 2009-2019 for Transport Assets maintenance.

IMPLEMENTATION ISSUES

10. No issues are expected in this maintenance contract.

Report prepared by: Alex Deng, Transport Assets.

