

**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, 2 OCTOBER 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, 18 September 2009

RECOMMENDATION

It is recommended that the Tenders Subcommittee resolve to:

Receive the minutes of the meeting of the Tenders Subcommittee held on Friday, 18 September 2009, as circulated, and that they be taken as read and now be confirmed.



5 **REGISTRATION OF INTEREST FOR CONTRACT NO. SP07014C - NEW COMMUNITY FACILITY FOR THE MCLAREN PARK HENDERSON SOUTH AREA DESIGN AND BUILD SERVICES**

GLOSSARY

McLaren Park Henderson South	MPHS
Long Term Council Community Plan and Annual Plan Committee	LTCCP
Registration of Interest	ROI

EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to shortlist three pre-approved contractors to tender for Contract No. SP07014C - New Community Facility for the McLaren Park Henderson South Area Design and Build Services.

RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Registration of Interest for Contract No. SP07014C - New Community Facility for the McLaren Park Henderson South Area Design and Build Services report.
2. **Approve** that authority to invite tenders from the following three contractors for Contract No. SP07014C - New Community Facility for the McLaren Park Henderson South Area Design and Build Services be delegated to the Group Manager, Project Services:
 - Canam Construction Limited;
 - Econobuilt Design Build Limited; and
 - Williams Architects Limited.

BACKGROUND

1. The McLaren Park Henderson South (MPHS) area is a blend of residential, commercial and industrial properties with a diverse population of approximately 7,000 residents. This area has been identified as one of the most disadvantaged communities in the City with regards to both socio-economic status and access to recreation and social services.
2. Following an independent community consultation project in the MPHS community over a five month period from August 2007 to December 2007, the Culture and Community Committee resolved that a concept design and site selection exercise should be undertaken. The Culture and Community Committee resolved:
 - “1. **That** the Community Facility Feasibility Study for the McLaren Park Henderson South Area report be received.
 2. **That**, subject to any changes added to at the meeting, the draft Community Facility Feasibility Study for the McLaren Park Henderson South Area report submitted to Council in February 2008 by Aluka Services Inc. be finalised and made publicly available.
 3. **That** the following requirements be included in the specification for the new McLaren Park Henderson South community facility preliminary concept design:
 - a) A room specific for children’s out-of-school care and youth programme provision;

- b) *A covered indoor/outdoor flow area to accommodate community markets and large community events;*
 - c) *A large hall space where small team indoor sports (such as basketball and volleyball, and badminton, etc.) can be played as well as accommodate large cultural dance performances;*
 - d) *A designated arts and crafts room;*
 - e) *Sufficient access to public computers (especially by youth);*
 - f) *A shared community services office space with private interview room available;*
 - g) *Any design and building incorporate principles of sustainability in both the architecture and materials.*
4. ***That the Site Options Analysis project undertaken by Council's Parks Planning unit regarding the possible locations for the new McLaren Park Henderson South community facility be reported back to Council's Works and Infrastructure Committee's May 2008 meeting if the recommended location for the new facility is a park or reserve. If the recommended location from the Site Option Analysis is not a park or reserve, a report will be brought back to the May 2008 Culture and Community Committee meeting.***

314/2008

3. After a robust site options analysis, Corban Green, a Council owned site situated at 27 Corban Avenue, Henderson was identified as the best possible location for the building of a new community facility in the MPHS area. The selection of the site at 27 Corban Avenue, Henderson was subsequently endorsed by the Infrastructure and Works Committee and the Henderson Community Board.

The Infrastructure and Works Committee resolved to:

Agree in principle, subject to approval by the Henderson Community Board, that the preferred option for the location of the new McLaren Park Henderson South Community Facility be Corban Green on 27 Corban Avenue, Henderson.

701/2008

The Henderson Community Board resolved to:

Agree that the preferred option for the location of the new McLaren Park Henderson South Community Facility be Corban Green on 27 Corban Avenue, Henderson.

734/2008

4. Following the completion of a concept design exercise in January 2009, three options were presented to the Long Term Council Community Plan and Annual Plan Committee (LTCCP). The budget estimates of the three options presented ranged from \$1.65 million to \$3.3 million against an existing budget of \$943,000.00

5. On 23 February 2009 the LTCCP Committee resolved to:

The Long Term Community Council Plan and Annual Plan Committee resolved to:

“Approve that the existing budget for the new community facility for McLaren Park Henderson South area remain in the budget, and the costing of the facility be re-examined to ensure maximum delivery on the Community’s need for a hall and office space.”

151/2009

6. Due to the restricted budget available, it was decided to invite tenders using a two stage process together with a design and build method of procurement. The first stage of the tender process was the public invitation of formal Registrations of Interest (ROI) on 21 April 2009.

7. Further to the resolution on 23 February 2009, the LTCCP Committee further resolved on 16 June 2009 to:

The Long Term Community Council Plan and Annual Plan Committee resolved to:

“Agree that following consideration of the community workshops and submissions made to the Long Term Council Community Plan 2009-2019 that an additional \$1 million be added to the budget for this project, giving a total of \$1,943,000 for the McLaren Park Henderson South Community Facility.”

1065/2009

SCOPE OF WORK

8. The scope of work that will be required under the proposed design and build contract includes:
- Development of detailed design and specification in accordance with the Council’s requirements;
 - Obtaining resource consent and building consent to undertake the works, including production of all supporting information;
 - Liaison with Council officers to ensure the completed design meets all requirements with the allocated budget;
 - Construction of one building consisting of a hall, meeting rooms, kitchen, toilets and storage;
 - Construction of a second building consisting of a community group room, arts and crafts room, play group room, meeting room, toilets, foyer and storage; and
 - Construction of a car park, access roads and landscaping.

REGISTRATIONS OF INTEREST RECEIVED

9. Invitations to submit an ROI were publicly advertised on Tenderlink and in the New Zealand Herald with 49 sets of documents being uplifted. Seven ROIs were received by the closing date of 5 May 2009. While registrations have generally been submitted under the name of a building contractor, in most cases they have nominated a design firm as a subcontractor. These are summarised in Table 1 below:

REGISTRANT	REGISTERED OFFICE
Williams Architects Limited with MacRennie Construction Limited	P O Box 91401, Auckland 1142
Watts and Hughes Construction Limited with Opus International Consultants Limited	P O Box 68 113, Newton, Auckland
Aragon Construction Limited with Chow Hill Architects Limited	P O Box 51 172, Pakuranga
Canam Construction Limited with Creative Spaces Limited	Private Bag 93116, Henderson, Waitakere City
Johansen Henwood Limited with DJ Wood Building Contractors Limited	P O Box 21094, Henderson, Waitakere City
Econobuilt Design Limited with Alan S Dobbs Architects Limited	P O Box 72 220, Papakura
NZ Strong Limited	108 Mt Eden Road, Mt Eden, Auckland

Table 1 - Summary of Registrant Names

TAGS, ERRORS OR OMISSIONS

10. There were no tags or errors from any of the ROI received. However, a number of ROI omitted to provide some of the information requested in the ROI invitation. Details of these omissions are given in the following section of this report.

REGISTRATION OF INTEREST EVALUATION

11. The conditions of the ROI required prospective bidders to submit detailed submissions on the basis of seven key attributes, namely Relevant Experience, Consultation Experience, Track Record, Technical Skills, Resources, Management Skills and Methodology, relevant to the specific works of the project. There was no requirement to submit priced bids as this forms part of the second stage of the tender process.
12. In accordance with the conditions of registration, submissions were evaluated in line with the Weighted Attribute Method contained, in the New Zealand Transport Agency's 'Competitive Pricing Procedures Manual', suitably modified to a Price score.
13. A summary of the evaluation results is shown in Table 2:

REGISTRATION OF INTEREST EVALUATION								
Registration of Interest	Exper	Consul.	Track	Tech.	Resour.	Manag.	Method	Rol No. SP07014C
Weights	20	10	20	10	10	10	20	100
Registrants	Grades							INDEX
Canam Construction Ltd & Creative Spaces Ltd	60	70	80	70	65	70	75	71
Econobuilt Design Ltd & Alan S Dobbs	70	70	70	50	70	50	55	63

REGISTRATION OF INTEREST EVALUATION								
Architects Ltd								
Williams Architects Ltd & MacRennie Construction Ltd	60	55	60	70	40	55	70	60
NZ Strong Ltd	55	55	60	60	60	60	55	58
Aragon Construction Ltd & Chow Hill Architects Ltd	55	60	60	60	40	50	55	55
Watts and Hughes Construction Ltd & Opus International Consultants Ltd	55	55	50	65	60	60	50	55
Johansen Henwood Ltd & DJ Wood Building Contractors Ltd	55	45	45	50	40	40	45	47

Table 2 - Summary of Registration of Interest Evaluation

14. Scores for the attributes were determined on the basis of information provided in each ROI relevant to this project, on the information gathered from the referees nominated by the registrants and on any recent Council experience with the registrants.
15. The results of the ROI evaluation as summarised in Table 2 shows that the ROI submitted by Canam Construction Limited and Creative Spaces Limited achieved the highest indices of 71. These contractors have performed well on a number of past projects that are similar to the planned works.
16. The next two highest scoring registrants, being Econobuilt Design Limited and Alan S Dobbs Architects Limited and Williams Architects Limited and MacRennie Construction Limited, all have the ability to undertake the works successfully, scoring attributes of 63 and 60 respectively.
17. NZ Strong Limited scored the fourth highest index of 58. Their submission referenced projects that were larger than the MPHS project and no detail was provided about their consultation experience. Their methodology proposed using environmentally sustainable principles during construction but did not mention how this would be incorporated into the design phase of the project, which is the most effective time to introduce such principles.
18. Aragon Construction Limited and Chow Hill Architects Limited failed to provide details of the construction plant that would be made available for the contract and their resources attribute score were marked down accordingly. They also did not provide information about the operation of their Quality Assurance systems and did not provide an assessment of the budget requirements of the project.
19. Watts and Hughes Construction Limited and Opus International Consultants Limited submitted information on experience of larger projects but lacked any information on projects of comparable size to the MPHS project. They also failed to provide details of consultation experience and an assessment of the budget requirements of the project.

20. Johansen Henwood Limited and DJ Wood Contractors Limited received the lowest overall score. They failed to provide in their submission details of consultation experience, information on the resources available for the MPHS project, staff management structure, health and safety information, and their design and construction methodology.
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.

PROPOSAL

22. The registrants with the three highest index scores will be invited to tender on the basis of a fixed price lump sum for all services required to design and build the new MPHS community facilities.
23. This approach has the advantage of providing the Council with a single point of responsibility for delivering the project and allows early involvement of the builder in the design process which will help to enhance the buildability and cost control aspects of the project.
24. Design and build tenders will be invited on the basis of the approved concept plans, a comprehensive performance specification and a schedule of the trades required to construct the community facility. While it is expected that the design and build process will achieve significant value savings through early involvement of the contractor in the design phase, additional contingency will be identified to cover risk during the design phase. The level of contingency will be reassessed after design has been completed and consents obtained. A 5% contingency allowance will be identified for the design stage of the project in addition to the normal 10% construction contingency allowance. Ongoing value engineering exercises will be held with the contractor's design team to ensure a best value outcome.
25. It is proposed to issue tender documents during mid October 2009 with a tender period of approximately 6 weeks to allow adequate time for tenderers to investigate and develop their concept design and tender submission. Tender evaluation is scheduled for December 2009 with award of the contract in January 2010.

SOURCE OF FUNDING

26. Funding of \$1,943,000.00 has been provided in the Annual Plan 2009/2010 for the design and construction of the new MPHS community facility.

IMPLEMENTATION ISSUES

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

AUCKLAND COUNCIL TRANSITION ISSUES

28. The decision making proposed in this report is not constrained by section 31 of the Local Government (Tamaki Makaurau Reorganisation) Act 2009, as it does not directly or because of its consequences: significantly prejudice the reorganisation, significantly constrain the powers or capacity of the Auckland Council or any subsidiary of the Auckland Council following the reorganisation, or have a significant negative impact on the assets or liabilities that are transferred to the Auckland Council as a result of the reorganisation.

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