



# Hastings District Council

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## OPEN AGENDA

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### TENDERS SUBCOMMITTEE MEETING

Meeting Date: **Thursday, 31 May 2012**

Time: **8.30am**

Venue: **Landmarks Room  
Ground Floor  
Civic Administration Building  
Lyndon Road East  
Hastings**

<b>Subcommittee Members</b>	Chair: Councillor Kerr Mayor Yule Councillors Henderson, Lester, Nixon and Twigg (Deputy Chair) Chief Executive, Ross McLeod and Group Manager: Asset Management, David Fraser
<b>Officer Responsible</b>	Group Manager: Corporate and Customer Services – Mr Mike Maguire
<b>Committee Secretary</b>	Carolyn Hunt (Ext 5634)

## **Tenders Subcommittee – Terms of Reference**

A Subcommittee of the Finance and Operations Committee

### **Fields of Activity**

The Tenders Subcommittee is responsible for assisting council in its general overview of procurement and tender activity by accepting tenders which exceed the Chief Executive's delegated authority to approve, for projects previously approved by Council or a Standing Committee within the delegated authority.

### **Membership**

Chairman appointed by the Council  
4 members appointed by the Council  
Chief Executive  
Group Manager Asset Management

For the avoidance of doubt the references in this delegation to the 'Chief Executive' and 'Group Manager: Asset Management' extends to include any persons from time to time appointed in writing to those roles in an acting capacity.

**Quorum** – Any four members.

### **Delegated Powers**

Authority to accept tenders for individual projects previously approved by the council or a standing committee of the council up to a value of \$7,000,000

Responsibility to provide oversight and direction on tendering processes in general and/or specific issues relating to a particular project

The Committee reports to the Finance and Operations Committee

**HASTINGS DISTRICT COUNCIL**  
**TENDERS SUBCOMMITTEE MEETING**

**THURSDAY, 31 MAY 2012**

**VENUE:** Landmarks Room  
Ground Floor  
Civic Administration Building  
Lyndon Road East  
Hastings

**TIME:** 8.30am

**A G E N D A**

**1. Apologies**

At the close of the agenda no apologies had been received.

At the close of the agenda no requests for leave of absence had been received.

**2. Conflict of Interest**

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 scan the agenda and assess their own private interests and identify where they may have a pecuniary or other conflict of interest, or where there may be perceptions of conflict of interest.

If a Member feels they do have a conflict of interest, they should publicly declare that at the start of the relevant item of business and withdraw from participating in the meeting. If a Member thinks they may have a conflict of interest, they can seek advice from the Chief Executive or Group Manager Corporate & Customer Services (preferably before the meeting).

It is noted that while Members can seek advice and discuss these matters, the final decision as to whether a conflict exists rests with the member.

**3. Confirmation of Minutes**

Minutes of the Tenders Subcommittee Meeting held 5 April 2012.  
*(Previously circulated)*

4. **CON2012029 Havelock North Pool Upgrade** **1**
5. **Additional Business Items**
6. **Extraordinary Business Items**

**REPORT TO: TENDERS SUBCOMMITTEE**

**MEETING DATE: THURSDAY 31 MAY 2012**

**FROM: GROUP MANAGER: COMMUNITY FACILITIES AND PROGRAMMES  
TANYA WINTER  
PROJECT MANAGER  
ANSONICA BOTHA**

**SUBJECT: CON2012029 HAVELOCK NORTH POOL UPGRADE**

Item 4

## 1.0 SUMMARY

- 1.1 The purpose of this report is to gain the Subcommittee's approval to award contract CON2012029 – Havelock North Pool Upgrade.
- 1.2 Tenders were invited from five (5) nominated local construction companies, under the Lowest Price Conforming Method. Five tenders were received.
- 1.3 This report concludes by recommending that contract **CON2012029 – Havelock North Pool Upgrade** be awarded to **Pro-Structure**, at the tendered price of \$811,903.06 (excl. GST) and that the positive variance be retained within the Aquatic Strategy allocation.

## 2.0 BACKGROUND

- 2.1 In March 2011 Council adopted the Hastings District Council Aquatic Facilities Strategy. The Aquatic Facilities Strategy focuses on four of the six aquatic facilities owned by Council, namely Waterworld, Havelock North Village Pool, Clive War Memorial Pool and Frimley Aquatic Centre.
- 2.2 The purpose of this contract is the installation of new pool reticulation and filtration systems, as well as site and changing room improvements at Havelock North Village Pools.

## 3.0 TENDER PROCESS

- 3.1 The Aquatic Strategy Physical Works – Procurement Strategy was approved by the Tenders Subcommittee on 5 April 2012. The Procurement Strategy stipulated that five (5) nominated local construction companies would be invited to tender for the works, along with a combination of Direct Engagement and Invited Sub-Contractors for the supply and installation of specialist plant and equipment.

## 4.0 TENDERS RECEIVED

- 4.1 Tenders for the above contract closed at 4pm on Wednesday 16 May 2012 and opened at that time in the presence of Robyn Comrie and Jude Pani.
- 4.2 Tenders were received from the following Companies:

Name of Tenderer	Tendered Price	Tags Yes/No
1. Pro-Structure	\$811,903.06	Yes
2. Morgan Builders Limited	\$936,365.00	Yes
3. Stead Construction Ltd	\$949,724.00	Yes

4. Gemco Construction Ltd	\$817,308.54	Yes
5. Mackersey Construction Ltd	\$830,955.00	Yes

## Item 4

4.3 The Engineer's estimate for the tendered works was \$951,200.00.

4.4 The tag contained within the tender submission from Pro-Structure, relating to tile supply, was withdrawn after discussion with the tenderer. This is considered to be acceptable.

### 5.0 TENDER EVALUATION PROCESS

5.1 The Request for Tender indicated that the successful tenderer would be determined by identifying the Lowest Conforming Tender.

5.2 The evaluation was carried out by Tanya Winter (HDC), Ansonica Botha (HDC), Des Parkinson (HDC) and Tony Loughnan (LHT).

5.3 The Request for Tender required Tenderers to complete a list of forms and cautions that omission of any of the above forms from the tender submission may render the tender invalid.

5.4 The tender submission from Pro-Structure did not contain all the completed forms as requested; this was also the case (to varying degrees) for the other tender submissions. Although the forms were not completed, the tender evaluation team deemed the information to have been supplied sufficiently in other formats within the tender submission. Please refer to the attached memorandum for details.

5.5 The Project Manager confirms that the evaluation team have no personal relationships with any owners, directors or employees of the companies listed below, or any financial or commercial interest in any of the companies listed below, that would create a conflict of interest with respect to this tender evaluation process.

5.6 A copy of the evaluation information is appended to this report.

### 6.0 FINANCIAL IMPLICATIONS

6.1 The works are to be funded from within the Council's financial allocations for the Hastings District Council Aquatic Facilities Strategy.

6.2 The original allocation for the Aquatic Strategy implementation was \$5,752,000.00.

6.3 At the Policy and Strategy Committee Meeting on 26 April 2012, this allocation was reduced by \$358,000 to \$5,394,000 to support the remedial works required to the Waterworld roof structure.

6.4 The remedial works required at Waterworld is outside of the scope of the Hastings District Council Aquatic Facilities Strategy.

6.5 The table below shows the project allocation and compares the costs anticipated as a result of this tender to the allocated funds. The design was carried out in the 2011/2012 financial year and the construction is programmed for the 2011/2012 and 2012/2013 financial years.

6.6 The allocated funds are based on the sum of the Engineer's estimate and other costs relating to the works at Havelock North Village Pools.

6.7 The funds officers assigned for this project are shown below:

Budget Area	Tender Cost	Other Costs	Total Project Cost	Funds Allocated	Variance
Havelock North Pool	\$811,903.06	\$125,518.34	\$937,421.40	\$1,076,000.00	\$138,578.60
<b>Total</b>	<b>\$811,903.06</b>	<b>\$125,518.34</b>	<b>\$937,421.40</b>	<b>\$1,076,000.00</b>	<b>\$138,578.60</b>

**NOTE:** Other Costs include: Professional Services Fees and Building Consent Fees.

6.8 The analysis above indicates a positive variance from Council's Havelock North Pool project allocation of \$138,578.60. It is recommended that the positive variance remains in the overall financial allocation for the Hastings District Council Aquatic Facilities Strategy as the remaining three pools are still to be tendered.

**NOTE:** that NZS 3910:2003 provides for certain events and circumstances to be treated as variations, resulting in additional costs and time extensions. The price includes a Contingency Allowance of \$50,000.00.

## 7.0 RECOMMENDATION

- A) That the report of the Group Manager: Community Facilities and Programmes titled "CON2012029 Havelock North Pool Upgrade" dated be received.
- B) That Contract CON2012029 – Havelock North Pool Upgrade be awarded to Pro-Structure at the tendered price of \$811,903.06 (excl GST).
- C) That the positive variance be retained within the Hastings District Council Aquatic Facilities Strategy allocation.

### Attachments:

- |   |  |                |
|---|--|----------------|
| 1 | Appendix 1 - File Note - Havelock North Pool Upgrade | CG-10-3-15-011 |
| 2 | Appendix 2 - Evaluation Form                         | CG-10-3-15-009 |

## FILE NOTE



HASTINGS  
DISTRICT  
COUNCIL

HASTINGS, THE LIFESTYLE OF CHOICE,  
A PLACE OF OPPORTUNITIES

File Ref: PRJ11-7-0109

**Date:** 22 May 2012

**Subject:** CON2012029 - Havelock North Pool Upgrade - Notes in Regards to Incomplete Forms Submitted Within Tender Submissions

The following tender forms were required:

- a. Tender Form
- b. Acknowledgement of Notices to tenderer
- c. Schedule of Tenderer's Current Commitments
- d. Schedule of Sub-Contractors and Suppliers
- e. Indicative Programme of Work
- f. Confirmation of the Contractor's Health and Safety Checklist in accordance with the "Health and Safety in Employment Act 1992."
- g. Schedule of Prices

The following notes only relate to the tender submission of the lowest tender price received, that of Pro-Structure.

- a. **Tender Form:** The company details, price and signature was supplied in the tender submission as a signed quotation.
- b. **Acknowledgement of Notices to Tenderer:** Acknowledgements of the two Notices to Tenderer were received via e-mail prior to the tender closing and confirmed within the tender submission.
- c. **Schedule of Tenderer's Current Commitments:** No details submitted on current commitments, but this was deemed not to affect the compliance of the tender.
- d. **Schedule of Sub-Contractors and Suppliers:** Supplied within the Pricing Breakdown.
- e. **Indicative Programme of Work:** Tender submission states a commitment by the tenderer to meet the completion dates.
- f. **Confirmation of the Contractor's Health and Safety Checklist in accordance with the "Health and Safety in Employment Act 1992.":** Checklist was not filled in, but tenderer submitted the company's comprehensive Health and Safety Policy and Procedures manual.
- g. **Schedule of Prices:** Was submitted.

Note: **Plant and Machinery schedule:** Shown on the evaluation sheet, but the supply of this form was not required.

Ansonica Botha  
**Project Manager**  
ansonicab@hdc.govt.nz



TENDER EVALUATION - LOWEST PRICE CONFORMING

CON2012029  
Havelock North Pool Upgrade

Open Tender

Tenderer's NAME		Tender VALUE		Gemco Group Holdings		Mackersey Construction		Morgan Builders Limited		Stead Construction			
		\$811,903.06		\$817,308.54		\$830,855.00		\$636,365.00		\$948,724.00			
Schedule Item Total (Arithmetic Check)													
Forms		TW	DP	AB	TL	TW	DP	AB	TL	TW	DP	AB	TL
a	Tender Form	✓	✓	✓	✓								
b	Acknowledgement of Notices to Tenders	✓	✓	✓	✓								
c	Schedule of Tenderer's Current Commitments	X	X	X	X								
d	Schedule of Sub-Contractors and Suppliers	✓	✓	✓	✓								
e	Plant and Machinery Schedule: <i>Not required</i>	✓	✓	✓	✓								
f	Indicative Programme of work	✓	✓	✓	✓								
g	Confirmation of Contractors Health and Safety Checklist: <i>HS Policy &amp; Procedures</i>	✓	✓	✓	✓								
h	Schedule of Prices: <i>Prices supplied</i>	✓	✓	✓	✓								
PASS / FAIL		Pass	Pass	Pass	Pass								

- Tenderer's NAME
- Tender VALUE
- Schedule Item Total (Arithmetic Check)
- Forms
  - a Tender Form
  - b Acknowledgement of Notices to Tenders
  - c Schedule of Tenderer's Current Commitments
  - d Schedule of Sub-Contractors and Suppliers
  - e Plant and Machinery Schedule: *Not required*
  - f Indicative Programme of work
  - g Confirmation of Contractors Health and Safety Checklist: *HS Policy & Procedures*
  - h Schedule of Prices: *Prices supplied*
- PASS / FAIL

Received information  
None or inadequate

Pass  
Fail

✓  
✗

Tender meets requirements  
Tender fails requirements

Signed: *Tanya Winter* Date: 17/05/2012

Signed: *Des Parkinson* Date: 17/05/2012

Signed: *Ansonica Bottha* Date: 17/05/2012

Signed: *Tony Loughnan* Date: 17/5/12

Tanya Winter  
Group Manager, Community Facilities and Programmes

Des Parkinson  
Alliance Manager

Ansonica Bottha  
Project Manager

Tony Loughnan  
Director LRT Design