



# Hastings District Council

Civic Administration Building  
Lyndon Road East, Hastings

Phone: (06) 871 5000

Fax: (06) 871 5100

[WWW.hastingsdc.govt.nz](http://WWW.hastingsdc.govt.nz)

---

## OPEN AGENDA

---

### TENDERS SUBCOMMITTEE MEETING

Meeting Date: **Thursday, 19 April 2018**

Time: **9.00am**

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

<b>Subcommittee Members</b>	Chair: Councillor Travers Mayor Hazlehurst ( <i>Ex Officio</i> ) Councillors Lyons, Nixon, Redstone and Watkins (Deputy Chair) Chief Executive and Group Manager: Asset Management
<b>Officer Responsible</b>	Group Manager: Economic Growth & Organisation Improvement – Craig Cameron ( <i>Quorum = 4</i> )
<b>Committee Secretary</b>	Carolyn Hunt (Extn 5634)

## Tenders Subcommittee – Terms of Reference

A Subcommittee of the Works and Services 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 \$8,000,000

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 Works and Services Committee

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

**THURSDAY, 19 APRIL 2018**

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

**TIME:** 9.00am

**A G E N D A**

**1. Apologies**

An apology from Councillor Redstone has 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 Executive Advisor/Manager: Office of the Chief Executive (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 Thursday 5 April 2018.  
*(Previously circulated)*

4. **CON2018011 Urban Minor Safety Programme 2017/18** **5**
5. **Additional Business Items**
6. **Extraordinary Business Items**

**REPORT TO:** TENDERS SUBCOMMITTEE

**MEETING DATE:** THURSDAY 19 APRIL 2018

**FROM:** ACTING TRAFFIC ENGINEER  
KIRSTY HORRIDGE

**SUBJECT:** CON2018011 URBAN MINOR SAFETY PROGRAMME  
2017/18

---

## **1.0 SUMMARY**

- 1.1 The purpose of this report is to provide supporting information for the Acting Road Safety Engineer to gain the Subcommittee's approval to award CON2018011 – Urban Minor Safety Programme 2017-18.
- 1.2 Tenders were called under the Hastings District Council's prequalification system. The work was classified as Class 1, with a work category of Road Construction Complex A, Stormwater Simple B and Waste Water Simple B.
- 1.3 Tenders were invited under the "Lowest Price Conforming" method. One tender was received.
- 1.4 This report concludes by recommending that CON2018011 – Urban Minor Safety Programme 2017-18 be awarded to Russell Roads Ltd at the price of \$743,547.75 (excl. GST).

## **2.0 BACKGROUND AND SCOPE OF WORK**

- 2.1 This project involves the construction of a roundabout at Nelson St/Eastbourne St, a pedestrian refuge in Maraekakaho Rd (immediately south of Lowe St) and a pedestrian refuge in Karamu Rd (outside Karamu Holden).
- 2.2 Work activities include earth works, pavement construction, Asphaltic Concrete (AC) paving, chipseal surfacing, kerb and channel and footpath works, roundabout and traffic island construction, pedestrian refuge island and kerb returns construction, gravity sewer construction, watermain renewal and minor storm water works.
- 2.3 The work is included in the Hasting District Council's (HDC) annual plan.
- 2.4 The Maraekakaho Rd and Karamu Rd sites were tendered as provisional, subject to funding.
- 2.5 Construction of the works are programmed to start on 7 May 2018.

## **3.0 TENDERS RECEIVED**

- 3.1 This type of work has been categorised as Class Rooding Construction Work Complexity A for works as specified in Council's Pre-Qualification Manual. Tenders were sent to the appropriate pre-qualified contractors via GETS with

three sets of documents being uplifted. One tenders were received by the closing date of Wednesday 4 April 2018. These are summarised in Table 1 below:

3.2 The table below shows the Prices received for the contract:

Name of Tenderer	Tendered Price	TAGS Yes / No
1. Russell Roads Ltd	\$779,255.50	No

Table 1 - Summary of Tender Prices

#### 4.0 TAGS, ERRORS OR OMISSIONS

4.1 There are no tags, errors or omissions in this tender.

#### 5.0 TENDER EVALUATION

5.1 In accordance with the conditions of tendering, tenders were evaluated in line with the Lowest Price Conforming Method in accordance with the Hastings District Council Procurement Manual.

5.2 The tenderer passed all non-price attributes. The Tender Evaluation is attached.

5.3 Scores for the non-price attributes were determined on the basis of information provided in the tender and the information gathered from referees nominated by the tenderers.

5.4 The evaluation was carried out by Des Parkinson (Certified Evaluator - Stantec), Steve Ward (Stantec), and Derek Bensemann (Stantec).

5.5 The Tender Evaluation Team (T.E.T.) confirm that none of them have personal relationships with any owners, directors or employees of the companies listed above, or any financial or commercial interest in any of the companies that would create a conflict of interest with respect to this tender evaluation process

5.6 Russell Roads Ltd have undertaken several projects of a similar nature to the tendered works, including Maraekakaho Road and Windsor Area Wide Pavement Treatment Programme and The Village Exchange Project. They have extensive experience in Water and Roading activities and are prequalified to carry out this work.

5.7 The results of the tender evaluation as shown that the tender submitted by Russell Roads Ltd are the only tender. This tender price is the lowest priced tender and is 1% above the pre-tender contract estimate.

5.8 Reference checks on Russell Roads Ltd indicate that they are an experienced, highly skilled and well-resourced contractor able to meet the challenges of this project.

## **6.0 VALUE ENGINEERING AND NEGOTIATIONS**

- 6.1 Council's tender documents provide for the opportunity to enter into discussion with the highest scoring tenderer or tenderer submitting the lowest price to explore possible value engineering opportunities, which could benefit the Council.
- 6.2 In this instance, the following issues have been explored and discussed in detail with Russell Roads Ltd:
- 6.3 An additional item for service investigations (item 110) was issued as a notice to tenderers (NTT-01). Russell Roads Ltd did not allow for this item in their tender submission but confirmed that the work will be undertaken as part of the tendered sum.
- 6.4 The rate for item 401.1 Supply and lay 150mm diameter Polyvinyl chloride (PVCU) sewer main has been reduced from \$971.75/m to \$885/m. This reduction has removed \$4,597.75 from the tender price.
- 6.5 All sewer works are to become provisional items to provide Council with the flexibility to negotiate further savings as there is the opportunity to amend the scope of work.
- 6.6 Maraekakaho Road and Karamu Road sites are removed from the tender. The value of the works tendered by Russell Roads Ltd for the Maraekakaho Rd site was \$22,475.98 and for the Karamu Road site was \$8,634.02.
- 6.7 With the removal of the Maraekakaho Road and Karamu Road sites, the price is reduced to \$748,145.50, and with the reduction in price for the sewer the revised tender price is \$743,547.75.

## **7.0 BUDGET**

- 7.1 The works identified in this contract are to be funded from Council's budget allocations for roading, wastewater and water.
- 7.2 The table below shows project costs for the 2017/18 financial year and compares the costs anticipated as a result of this tender to the allocated funds. The allocated funds are based on officers' preliminary estimates for the individual projects to develop the renewals budgets plus any adjustments made by the Asset Managers to the project budgets in the interim as the work programme is delivered.
- 7.3 The funds Officers assigned for this Project for the Nelson St/Eastbourne St site is shown below:

Budget	Tender Price	Material Costs	Ancillary Costs	Total Project Cost	Funds Allocated	Variance
Roading Minor Safety	\$663,103.90		\$129,074.00	\$792,177.90	\$795,000.00	\$2,822.10
Roading Minor Improvements – Street lighting			\$21,815.20	\$21,815.20	\$22,000.00	\$184.80
Wastewater	\$74,043.85		\$7,886.00	\$81,929.85	\$82,000.00	\$70.15
Water Supply	\$6,400.00			\$6,400.00	\$7,000.00	\$600.00
Total	\$743,547.75	\$0.00	\$158,775.20	\$902,322.95	\$906,000.00	\$3,677.05

Table 2 – summary of budget streams

**Note:** Other Costs include: Fees, Auxiliary Works, and Site Investigation Works etc.

- 7.4 Council supplied materials for this project are valued at \$0 (excl. GST).
- 7.5 NOTE: that NZS 3910:2013 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 \$75,000.00.

## 8.0 RISK MANGEMENT

- 8.1 The project team have highlighted that there is a risk that adverse weather conditions could potentially affect the construction of the roundabout.
- 8.2 The Request for Tender included a risk register which identified the key health and safety risks for the tenderers to consider when preparing their tender submission.
- 8.3 The Contractor will be required to provide a Site Specific Health and Safety Plan upon contract award which addresses all aspects of health and safety related to the contract works.
- 8.4 The Contractor will need to prepare and submit a temporary traffic management plan (TTMP) that will be reviewed and if found acceptable will be approved by Council. The TTMP will consider vehicle as well as pedestrian access, including access to private properties during construction. The Contractor will then be required to comply with the requirements of the approved TTMP.

## 9.0 COMMUNICATION

- 9.1 Local businesses have been consulted and informed through every stage of this project.
- 9.2 This project will require a road closure which has already been discussed with affected parties.
- 9.3 There has been overwhelming support for the project with 96% in favor through the council through the councils 'My Voice My Choice'.



- 9.4 A letter drop is planned once the contract has been signed for inform all business and stakeholders in the area that work will commence on the 7<sup>th</sup> May.
- 9.5 Council and the Contractor will work closely with local business to make sure they are not adversely affected during construction.

## **0.0 RECOMMENDATION**

- A) That the report of the Acting Traffic Engineer titled “CON2018011 Urban Minor Safety Programme 2017/18 ” dated 19/04/2018 be received.**
- B) That the tender from Russell Roads Ltd for Contract No. 2018011 – Urban Minor Safety Programme 2017/18 be accepted.**
- C) That the Maraekakaho Road and Karamu Road sites, with a combined value of \$31,110.00 (excl. GST), be removed from the scope of works of Contract CON2018011 – Urban Minor Safety Programme 2017-18.**
- D) That delegated authority be given to the Wastewater Asset Manager to further negotiate the scope and price of the sewer works.**
- E) That Contract CON2018011 – Urban Minor Safety Programme 2017-18, as amended by the removal of the Maraekakaho Rd and Karamu Rd sites and the negotiated rate for item 401.1 Supply and lay 150mm diameter Polyvinyl chloride (PVCU) sewer main, be awarded to Russell Roads Limited at the negotiated price of \$743,547.75 (excl. GST) including a contingency sum of \$75,000.**

### **Attachments:**

- 1 CON2018011 Urban Minor Safety Programme PRJ18-10-0063  
2017/18 tender evaluation russell roads Ltd


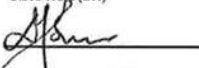

TENDER EVALUATION - LOWEST PRICE CONFORMING

CON2018011  
 Contract Name: Urban Minor Safety Programme 2017-18  
 Engineers Estimate: \$ 737,617.50

HDC. PREQUALIFICATION PROCEDURE  
 CLASS 1 TENDER  
 CLASSIFIED ROAD CONSTRUCTION COMPLEX A

Tenderer's NAME	RUSSELL ROADS					
Tender VALUE	\$779,255.50					
Schedule Item Total (Arithmetic Check)	Correct					
	SW	DB	DP			
<b>Forms</b>	✓	✓	✓	✓	✓	✓
a Tender Form	✓	✓	✓			
b Statement of Attributes	✓	✓	✓			
c Schedule of Compliance and Departures	✓	✓	✓			
d Schedule of Current Commitments	✓	✓	✓			
e Schedule of Sub-contractors and Suppliers	✓	✓	✓			
f Indicative programme of work	✓	✓	✓			
g Schedule of Occupational Health and Safety Management Information	✓	✓	✓			
h Schedule of Prices	✓	✓	✓			
PASS / FAIL	P	P	P			

✓ Received information Pass Tender meets requirements  
 X None or inadequate Fail Tender fails requirements

Signed:  Date: 5/4/18  
 Steve Ward (SW)  
 Signed:  Date: 5/4/18  
 Derek Bensenmann (DB)  
 (Certified Assessor) Signed:  Date: 5/4/18  
 Des Parkinson (DP)