



# Hastings District Council

Civic Administration Building  
Lyndon Road East, Hastings

Phone: (06) 871 5000

Fax: (06) 871 5100

WWW.hastingsdc.govt.nz

---

## OPEN AGENDA

---

### TENDERS SUBCOMMITTEE MEETING

Meeting Date: **Thursday, 13 December 2018**

Time: **9.00am**

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

<b>Subcommittee Members</b>	Chair: Councillor Travers <i>Ex Officio: Mayor Hazlehurst</i> Councillors Lawson, Nixon, Redstone and Watkins (Deputy Chair) Acting Chief Executive Group Manager: Asset Management
<b>Officer Responsible</b>	Group Manager: Economic Growth & Organisation Improvement – Craig Cameron <i>(Quorum = 4)</i>
<b>Committee Secretary</b>	Christine Hilton (Extn 5633)

## 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 or for which funds are allocated to the Council by the Provincial Growth Fund (and related parties).

### **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 \$10,000,000

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, 13 DECEMBER 2018**

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

**TIME:** 9.00am

**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 General Counsel or the Democratic Support Manager (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 15 November 2018.  
*(Previously circulated)*

<b>4.</b>	<b>CON2018101 Maraekakaho Road Stormwater Upgrade Extension</b>	<b>5</b>
<b>5.</b>	<b>Additional Business Items</b>	
<b>6.</b>	<b>Extraordinary Business Items</b>	
<b>7.</b>	<b>Recommendation to Exclude the Public from Item 8</b>	<b>11</b>
<b>8.</b>	<b>CON2018050 CCTV and Trenchless Repair</b>	

**REPORT TO: TENDERS SUBCOMMITTEE**

**MEETING DATE: THURSDAY 13 DECEMBER 2018**

**FROM: PROJECT MANAGER  
ANSONICA BOTHA**

**SUBJECT: CON2018101 MARAEKAKAHO ROAD STORMWATER  
UPGRADE EXTENSION**

---

## **1.0 SUMMARY**

- 1.1 The purpose of this report is to seek approval from the Tenders Subcommittee to award CON2018101 – Maraekakaho Road Stormwater Upgrade Extension.
- 1.2 Tenders were invited under the Lowest Price Conforming tender method. Three tenders were received.
- 1.3 The contract is expected to run for 10 weeks.
- 1.4 This report concludes by recommending that:
  - 1.4.1 The tender from Fulton Hogan Limited for CON2018101 - Maraekakaho Road Stormwater Upgrade Extension in the sum of \$484,888.19 plus \$72,733.13 GST, totaling \$557,620.69 be approved.

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

- 2.1 Flooding occurs on Maraekakaho Road during storm events on a regular basis. Recent investigations, including hydraulic modelling, has identified that the existing stormwater drainage network along Maraekakaho Road does not meet the Council's stormwater Level of Service (LOS) requirement for pipe capacity of a 5-year recurrence interval (ARI) rain event.
- 2.2 Network upgrades have been identified to achieve the required level of service that includes 380m of 300/375 mm diameter main connecting into an existing stormwater main in Kaiapo Road.
- 2.3 The contract period is 10 weeks, from 21 January 2019 to 1 April 2019. The objective is to reduce flooding issues and improve the level of service for stormwater conveyance/management, while minimising disruption during construction.
- 2.4 Maraekakaho Road is a busy urban road that will require careful traffic management. Existing underground services will need to be located and protected as part of the works.

### 3.0 TENDERS RECEIVED

- 3.1 This type of work has been categorised as Class 1, Complex A Stormwater works as specified in Council's Pre-Qualification Manual. Tenders were sent to the appropriate pre-qualified contractors via GETS. Three tenders were received by the closing date of Wednesday 28<sup>th</sup> November 2018. These are summarised in Table 1 below:

Name of Tenderer	Tendered Price	TAGS Yes / No
1. Fulton Hogan Limited	\$484,888.19	No
2. Drainways Contractors Limited	\$517,716.97	No
3. Higgins Contractors Limited	\$582,600.71	No

Table 1 - Summary of Tender Prices

### 4.0 TENDER SUBMISSION

- 4.1 Two of the tenders included errors in the Schedule of Prices, with quantities not in accordance with Notice to Tenderers numbers 2 and 3. Also one of the tenders had a small arithmetic error in the Schedule of Prices. None of these errors had a material impact on the tender evaluation.

### 5.0 HEALTH & SAFETY AND RISK MANAGEMENT

- 5.1 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.
- 5.2 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.
- 5.3 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.
- 5.4 Additional Contract risks were identified in the Request for Tender and adequately addressed as part of the Tenderer's proposed methodology including managing risks around working in close proximity to underground services, potential excavation collapse and management of rain events during the works.
- 5.5 A communication plan is being developed but Council is not expecting significant effects on traffic as generally two lanes of traffic will still be available.

## 6.0 TENDER EVALUATION

- 6.1 In accordance with the conditions of tendering, tenders were evaluated in line with the lowest price conforming method. These procedures require that the lowest price tender is assessed for conformance to tender requirements. Other tenders are not assessed unless the lowest price is non-conforming.
- 6.2 The tender requirements to be met included a conforming statement of attributes, detailing the proposed methodology for construction of the works. The results of the tender evaluation were that the tender submitted by Fulton Hogan Ltd was conforming and is therefore the lowest price conforming tender.
- 6.3 The Tender Evaluation is attached as **Attachment 1**.
- 6.4 The tender submitted by Fulton Hogan Limited is 6.5% below the pre-tender contract estimate of \$518,894.00. A review of the schedule of prices did not identify any significant low rates or price amounts and the overall tender price received is assessed as reasonable.
- 6.5 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.

## 7.0 BUDGET

- 7.1 Council's Budget Allocation for this Project is as follows:

Budget Area	Tender Cost	Material Cost	Other Costs	Total Project Cost	Budget	Variance
720.6651.202996.00	\$484,888.19	\$-	\$175,000	\$659,888.19	<b>\$693,000</b>	<b>\$33,111.81</b>
<b>Total</b>	<b>\$484,888.19</b>	<b>\$-</b>	<b>\$175,000</b>	<b>\$659,888.19</b>	<b>\$693,000</b>	<b>\$33,111.81</b>

Table 3

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

- 7.2 NOTE: that NZS 3910:2013 provides for certain events and circumstances to be treated as variations, resulting in additional costs and time extensions. The total project cost includes a Contingency Allowance of \$50,000, additional to the Tender cost.

## **8.0 IMPLEMENTATION ISSUES**

8.1 There are no expected implementation issues with this contract.

## **9.0 RECOMMENDATION**

- A) That the report of the Project Manager titled “CON2018101 Maraekakaho Road Stormwater Upgrade Extension” dated 13/12/2018 be received.**
- B) That the tender from Fulton Hogan Limited for CON2018101 - Maraekakaho Road Stormwater Upgrade Extension in the sum of \$484,888.19 plus \$72,733.13 GST, totaling \$557,620.69 be approved.**
- C) That authority to enter into CON2018101 - Maraekakaho Road Stormwater Upgrade Extension on behalf of Council be delegated to the Group Manager: Asset Management.**
- D) That delegated authority be granted, on behalf of the Council, to the Group Manager: Asset Management or Alliance Team Manager to award cumulative contract variations to CON2018101 - Maraekakaho Road Stormwater Upgrade Extension up to the value of the contingency budget allowance of \$50,000 plus GST.**

### **Attachments:**

- |   |   |               |
|---|---|---------------|
| 1 | CON2018101 Maraekakaho Road Stormwater Upgrade Extension - Tender Evaluation Form | PRJ18-93-0023 |
|---|---|---------------|



TENDER EVALUATION - LOWEST PRICE CONFORMING

CON2018101

Maraekakaho Road Stormwater Upgrade Extension  
 Engineers Estimate: \$518,894

Invited Tender - Stormwater Complex A

Tenderer's NAME	Fulton Hogan					
Tender VALUE	\$484,888.19.					
	WH	WB	SP			
Firms	✓	✓	✓	✓	✓	✓
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 Management Information	✓	✓	✓			
h Schedule of Prices	✓	✓	✓			
i List of qualified staff	✓	✓	✓			
PASS / FAIL						

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

Signed: [Signature] Date: 29-1-18

Signed: [Signature] Date: 29-1-18

Signed: ABosha Date: 29/1/18

Contract No CON2018101 for Maraekakaho Road Stormwater Upgrade Extension

Tender being assessed

*Fulker Hogan*

**Tenderer's Attributes**

**Methodology**

- Public relations and comms with local residents
- Under Services location and design confirmation
- Traffic, pedestrian and cyclist management
- Management of key hazards and risks
- List of qualified services personnel

✓	pass / fail
✓	Pass
✓	Pass
✓	Pass
✓	Pass
✓	Pass

**Resources**

- Compliance or departures
- Current commitments
- Subcontractors and suppliers

✓	pass / fail
✓	
✓	
✓	

Note regarding reason for failure

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

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

HB Office

Evaluation team:

Confidential

Evaluation date: 29 / 11 / 2018

**HASTINGS DISTRICT COUNCIL  
TENDERS SUBCOMMITTEE MEETING  
THURSDAY, 13 DECEMBER 2018**

**RECOMMENDATION TO EXCLUDE THE PUBLIC**

**SECTION 48, LOCAL GOVERNMENT OFFICIAL INFORMATION AND MEETINGS ACT 1987**

THAT the public now be excluded from the following part of the meeting, namely:

**8 CON2018050 CCTV and Trenchless Repair**

The general subject of the matter to be considered while the public is excluded, the reason for passing this Resolution in relation to the matter and the specific grounds under Section 48 (1) of the Local Government Official Information and Meetings Act 1987 for the passing of this Resolution is as follows:

<i><b>GENERAL SUBJECT OF EACH MATTER TO BE CONSIDERED</b></i>	<i><b>REASON FOR PASSING THIS RESOLUTION IN RELATION TO EACH MATTER, AND PARTICULAR INTERESTS PROTECTED</b></i>	<i><b>GROUND(S) UNDER SECTION 48(1) FOR THE PASSING OF EACH RESOLUTION</b></i>
<b>8 CON2018050 CCTV and Trenchless Repair</b>	<b>Section 7 (2) (b) (ii)</b> The withholding of the information is necessary to protect information where the making available of the information would be likely to unreasonably prejudice the commercial position of the person who supplied or who is the subject of the information. The reports contains sensitive information.	<b>Section 48(1)(a)(i)</b> Where the Local Authority is named or specified in the First Schedule to this Act under Section 6 or 7 (except Section 7(2)(f)(i)) of this Act.