

1. CONTRACT NO 2001/02-192 CARRIAGEWAY MAINTENANCE AREA 2

Officer responsible
City Streets Manager

Author
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The purpose of this report is to seek Committee approval for the acceptance of the above tender which is above the \$500,000 authority delegated to Council officers.

The contract is for the general carriageway maintenance (potholes, road repairs, kerb repairs etc) and chipsealing of the roading network, for one third of the city (Riccarton/Wigram and Spreydon/Heathcote Board areas).

The incumbent contractor is Works Infrastructure Ltd who were the highest scoring tenderer when the job was last tendered in 1999.

The tenders received were evaluated using Transfund's Competitive Pricing Procedures (CPP) Weighted Attribute method. Transfund subsidy is applicable to this project. Under this method a two-envelope system was used (non-priced attributes in one and price in a second). The non-price attributes were evaluated. The price envelope was then opened. The tender with the highest weighted attribute score is the successful tender.

The tender evaluation team consisted of three Council Officers and they felt that all of the tenderers were more than capable of carrying out the work which reflects in the close range of overall scores (74 - 66). All tenderers proposed a range of innovative solutions and methodologies to improve the cost effectiveness of the maintenance expenditure.

The results of the tender evaluation are as follows:

Tender	Score	Tender Price
Works Infrastructure	74	\$4,148,629.87
City Care	72	\$4,203,810.50
Isaac Construction Co Ltd	70	\$4,267,230.50
Fulton Hogan Ltd	66	\$4,566,169.00

The recommended tenderer is Works Infrastructure Ltd. The tender price is \$4,148,629.87. All prices exclude GST.

The contract is for a period of 3 years with a possible extension for a further 2 years based on the contractor's performance. The tender price is for three years work.

This work will be funded from the carriageway maintenance, and the carriageway sealing and surfacing budgets of 2002/03, 2003/04, 2004/05 years. The recommended tender price is just within the current budget allocation. The estimate for this work was \$4,000,000 based on the existing rates.

As required by clause 2.7.2 "Tender Evaluation – Weighted Attribute Method" of the Transfund New Zealand "Competitive Pricing Procedures Manual", "the tendering authority shall enter into a contract for the tender with the lowest adjusted price".

Note: Councillor Ron Wright declared an interest in respect to this item and retired from voting and discussion.

Recommendation: That the tender from Works Infrastructure Ltd with the highest weighted attribute score and the lowest adjusted price of \$4,148,629.87, be accepted.

In addition the Committee **decided** that an informal briefing session be provided for all interested Councillors on the Council's tender process following the June Council meeting.