

7. CONTRACT NO 2000/01-281 – STREET SIGN MAINTENANCE: TRAFFIC AND STREET NAME PLATES

Officer responsible City Streets Manager	Author Richard Bailey, DDI 371-1589
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The purpose of this report is to obtain Committee approval for acceptance of a tender above the \$300,000 authority delegated to Council officers.

The contract is for the maintenance of traffic regulatory signs and street name plates within the Christchurch City Council area. This work is being tendered in accordance with the requirements of the Transit New Zealand Amendment Act (1995).

The tenders have been evaluated by the weighted attribute method as set out in the Transfund New Zealand "Competitive Pricing Procedures Manual" and specified in the contract documents clause 107.1 of the "Conditions of Tendering". This method takes into account the tenderers abilities in relation to this project in such things as experience, track record, methodology, management skills as well as price.

The results of the evaluation of the tenders is as follows:

	Weighted Attribute Score	Tender Price
Fulton Hogan	89	\$1,261,512.84
WG & TD Muir	84	\$1,273,583.15
Spraymarks	86	\$1,289,341.00
All Signs	77	\$1,484,174.80
Sicon	57	\$1,861,815.00
City Care	53	\$1,953,838.95
High Pressure Services	Not scored	-

All prices exclude GST.

These prices include a contingency sum of \$150,000 and the work is the three years with a possible extension for a further two years based on the Contractor's performance.

The tender price is above the Council's projected budget for 2001/02, 2002/03 and 2003/04. Therefore negotiations have been carried out with Fulton Hogan and agreement has been reached that the accepted tender price is \$900,000.

The tender schedule contains a large number of items to cover the wide range of sign combinations we have in the city. Many of these are infrequently used, but have been included to provide a rate for the job. The historical spend on this contract has been of the order of \$900,000 and the output requirements can be achieved with the rates provided in Fulton Hogan's tender. Agreement has been reached with Fulton Hogan to limit the contract to \$900,000 (\$300,000 per year) by adjusting the quantities in the tender document.

The estimate for this work is \$950,000 based on rates from the previous contracts.

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 only enter into a contract for the tender which scores the highest overall index.

Recommendation: That the tenderer with the highest weighted attribute score and the lowest tender price, Fulton Hogan with an adjusted tender price of \$900,000 be accepted.

Chairman's

Recommendation: That the above recommendation be adopted.