



HASTINGS  
DISTRICT  
COUNCIL

# PREQUALIFICATION FOR PHYSICAL WORKS

**PROCEDURE MANUAL  
(VOLUME 1)**

## Change History

Version	Date	Author	Updates
10	original	BP	
11	March 2009	OM	Various minor, now TRIM doc PRJ7-21-0063
12	6 May 2009	OM	Removed trenchless technology as category
13	19 May 2009	OM	Removed references to ISO 9002:1994 since now obsolete, added ISO 9001:2008
14	25 May 2009	OM	Minor formatting changes
15	2 September 2009	OM	Clarification to TQS.2 requirements, Clarification to conforming letters needed for Coop
16	8 December 2009	OM	Clarification of National Cert in Water Reticulation requirement. Clarification of conforming letter requirements
17	7 September 2011	AB	Replaced references to OM as contact person with AB. Minor formatting fixes. Tender box location updated Removed requirement to supply financial standing information Reference to vehicle crossing manual added
18	26 July 2016	AB	Removed Unit Standards Matrix and replaced with requirement for full qualifications. Changed addressee on reference template to Ansonica Botha. Other minor changes

# INDEX

<b>About this Manual .....</b>	<b>4</b>
<b>Glossary of Terms.....</b>	<b>5</b>
<b>Part A – Initial Registration for Prequalification .....</b>	<b>7</b>
Section 1 – Classification of Projects .....	8
Section 2 – Definition of Performance Criteria .....	12
Section 3 – Applying for Registration .....	13
Section 4 – Assessment of Registration Application .....	15
Section 5 – Assessment Appeal Procedure .....	17
<b>Part B – Tendering Procedures for Physical Works Contracts.....</b>	<b>18</b>
Section 6 – Request for Tender .....	19
Section 7 – Evaluation of Tenders .....	21
<b>Part C – Ongoing Monitoring of Performance &amp; Maintenance of Registration .....</b>	<b>23</b>
Section 8 – Prequalification Database .....	24
Section 9 – Review of Contractor Performance .....	25
Section 10 – Renewal of Prequalification Registration .....	27
<b>Part D - Application Pack.....</b>	<b>28</b>
Section 11 – Application guidelines .....	29
Form 1 – Prequalification Application Form.....	33
Form 2 – Quality Compliance Checklist Input Requirements .....	34
Form 3 – Contractor's Occupational Health and Safety Management Information Form .....	38
Form 4 – Insurance details .....	39
Form 5 – Template for Environmental Management Confirming Letter in QCC.....	41
Form 6 – Template for Quantum or Size of Work Confirming Letter in QCC .....	42
Form 7 – Template for Co-operation and Pro-active Partnering Confirming Letter in QCC .....	43

---

## About this Manual

---

**Purpose** This manual introduces a Prequalification Registration system for contractors wishing to be eligible to tender for Hastings District Council (HDC) Physical Works contracts.

Once implemented the system will ensure that contractors who have demonstrated the ability to perform to predetermine standards can tender for Hastings District Council's (HDC's) Physical Works contracts using a short form tender. Note that all maintenance work is handled through separate contracts within Hastings District Council.

---

**Objective of the System** In introducing the Prequalification Registration system, HDC is seeking to:

- Improve quality of performance
- simplify and provide consistency in the tendering procedure
- reduce tendering costs

---

**The Information in this Manual** **This is volume 1 of the manual, for use by contractors.**

**Parts A, B and C** describe the initial registration procedures for contractors, the tendering process under prequalification and the maintenance of prequalification registration.

**Part D** gives more detail of the application process and defines the forms that need to be used in the application.

---

**Who this Manual is for** Volume 1 of this manual is for use by contractors wishing to prequalify to tender for HDC's Physical Works contracts.

---

**Manual Availability** The Prequalification Procedure Manual is available in hard copy from HDC by emailing [ansoncab@hdc.govt.nz](mailto:ansoncab@hdc.govt.nz)

The application pack templates are available in MS word by emailing [ansoncab@hdc.govt.nz](mailto:ansoncab@hdc.govt.nz)

---

**Monetary Values** Monetary value is quoted in New Zealand dollars and excludes GST.

---

## Glossary of Terms

---

**Classification Level** The Prequalification system includes 2 classification levels: Simple and Complex. The Performance Criteria required for each classification level is contained in the Quality Compliance Checklist (QCC, *see Form 2*)

---

**Prequalification Certificate** The certificate issued to contractors who have successfully completed prequalification registration. Production of the certificate allows a contractor to tender for particular HDC Physical Works contracts using a short form response.

---

**Performance Criteria** These define the quality standards required to achieve Prequalification. There are nine Performance Criteria:

- Quality Assurance
  - Traffic Management
  - Environmental Management
  - Health and Safety
  - Quantum or Size of Work
  - Project Management
  - Co-operation and Pro-active Partnering
  - Unit standards qualifications
- 

**Prequalification Evaluation Team (PET)** The PET recommends the acceptance, or otherwise, of contractors' applications. The team will also monitor performance of the prequalified contractors.

---

**Tenders Review Committee (TRC)** This committee has the ultimate responsibility for deciding a contractor's prequalification classification. TRC also makes the final decisions in the appeals process.

---

**Quality Compliance Checklist (QCC)** The checklist details the Performance Criteria required for each classification level. Contractors must complete these as part of the Prequalification registration application.

---

**Registration** The process of seeking prequalification by submitting an application.

---

**Work Category** HDC Physical Works contracts are divided into eight work categories:

1. Surfacing
2. Bridge Construction
3. Road Construction
4. Minor Safety Works
5. Guard Rails
6. Water
7. Sewer
8. Stormwater

For vehicle crossings: see Prequalification for Vehicle Crossings manual

---

<b>Past Performance Attribute (PPA)</b>	PPA is derived by averaging the scoring achieved for three nominated projects after being weighted for relevancy, currency and scale.
<b>Project Manager</b>	Is the person appointed by HDC who is accountable for the successful delivery of the project from planning through execution to completion.
<b>Policy Manager</b>	Is the person appointed by HDC to rule on adopting variances to HDC contract policy.
<b>Engineer</b>	The Engineer has the same definition as defined in NZS 3910:2003
<b>Engineer's Representative</b>	The Engineer's Representative has the same definition as defined in NZS 3910:2003
<b>Principal</b>	The Principal in this case will be Hastings District Council or HDC
<b>Contractor</b>	The Contractor has the same definition as defined in NZS 3910:2003
<b>Sub-Contractor</b>	Is a supplier that the Contractor employs to provide services required under the Contract

# **Part A – Initial Registration for Prequalification**

## Section 1 – Classification of Projects

**Quality is the Basis for Classification**

Prequalification is aimed at simplifying the tendering process and reducing tendering costs. It is an alternative procedure for HDC physical works contracts that would normally be let under the lowest price conforming or price quality methods.

The prequalification process will consist of contractors being assessed over a range of quality criteria and then being registered for specific types and sizes of work. HDC tenders will specify a minimum prequalification level and only contractors who are prequalified to at least the specified level will be able to submit a tender

Under Prequalification, HDC has eight work categories for physical works projects. The prequalification system classifies contractors according to their ability to meet specified quality levels within each work category

<b>1</b>	<b>Surfacing</b>
<b>Reseals/Seal Extension</b>	<ul style="list-style-type: none"> <li>• Conventional chip reseals including second coat seals</li> <li>• Void filling seal coats</li> <li>• Texturing seals</li> <li>• Other approved special purpose chip seals</li> <li>• Asphaltic surfacing</li> </ul>
<b>As Built Information</b>	<ul style="list-style-type: none"> <li>• Delivery of as built information</li> <li>• RAMM Updates</li> <li>• Delivery of Quality Assurance information</li> </ul>
<b>2</b>	<b>Bridge Construction</b>
<b>Bridge Construction</b>	<ul style="list-style-type: none"> <li>• Replacing bridge structure</li> <li>• Widening an existing bridge</li> <li>• Structural Strengthening</li> <li>• New bridge</li> </ul>
<b>As Built Information</b>	<ul style="list-style-type: none"> <li>• Delivery of as built information</li> <li>• RAMM Updates</li> <li>• Delivery of Quality Assurance information</li> </ul>
<b>3</b>	<b>Road Construction</b>
<b>Rehabilitation/Pavement Treatment</b>	<ul style="list-style-type: none"> <li>• Removal and replacement of the existing pavement material</li> <li>• Rip and relay</li> <li>• Chemical stabilisation</li> <li>• Unbound granular overlays not exceeding 70mm over high spots</li> </ul>

	<ul style="list-style-type: none"> <li>• Treatments involving ripping and/or reshaping, including stabilisation of the existing pavement material</li> </ul>
<b>Drainage Improvements</b>	<ul style="list-style-type: none"> <li>• Repair and replacement of kerb and channel</li> <li>• Installation of water channels, sub-soil drainage</li> <li>• Renewal or installation of culverts with a diameter greater than 600mm</li> <li>• Routine maintenance and repair of surface water channel and subsoil drainage</li> <li>• Stream clearing and debris removal; to maintain water courses through culverts</li> </ul>
<b>Road Construction</b>	<ul style="list-style-type: none"> <li>• New road realignments</li> <li>• Regrading</li> <li>• Widening</li> <li>• Intersection improvements</li> <li>• Approaches to bridge renewals</li> <li>• New retaining structures</li> <li>• Tunnels</li> </ul>
<b>As Built Information</b>	<ul style="list-style-type: none"> <li>• Delivery of as built information</li> <li>• RAMM Updates</li> <li>• Delivery of Quality Assurance information</li> </ul>
<b>4</b>	<b>Minor Safety Works</b>
<b>Safety</b>	<ul style="list-style-type: none"> <li>• Small isolated geometric improvements</li> <li>• Intersection improvements</li> <li>• Traffic calming measures</li> <li>• Sight benching to improve visibility</li> <li>• Pedestrian crossings</li> <li>• Stock underpasses</li> </ul>
<b>As Built Information</b>	<ul style="list-style-type: none"> <li>• Delivery of as built information</li> <li>• RAMM Updates</li> <li>• Delivery of Quality Assurance information</li> </ul>
<b>5</b>	<b>Guard Rails</b>
<b>Safety</b>	<ul style="list-style-type: none"> <li>• Repair of Guardrails</li> <li>• Guard Rail Installation</li> </ul>
<b>As Built Information</b>	<ul style="list-style-type: none"> <li>• Delivery of as built information</li> <li>• RAMM Updates</li> <li>• Delivery of Quality Assurance information</li> </ul>
<b>6</b>	<b>Water Works</b>
<b>Location of Services</b>	<ul style="list-style-type: none"> <li>• Locate and identify services on sites</li> </ul>
<b>Traffic Management</b>	<ul style="list-style-type: none"> <li>• Provision and operation of local area traffic management schemes</li> </ul>
<b>Construction</b>	<ul style="list-style-type: none"> <li>• Construction of water mains</li> <li>• Installation of gate valves</li> </ul>

	<ul style="list-style-type: none"> <li>• Installation of fire hydrants</li> <li>• Installation of connections</li> <li>• Recovery of fittings</li> <li>• Testing and sterilisation of water mains</li> </ul>
<b>As Built Information</b>	<ul style="list-style-type: none"> <li>• Delivery of as built information</li> <li>• Delivery of Quality Assurance information</li> </ul>
<b>7</b>	<b>Wastewater Works</b>
<b>Location of Services</b>	<ul style="list-style-type: none"> <li>• Locate and identify services on site</li> </ul>
<b>Traffic Management</b>	Provision and operation of local area traffic management schemes
<b>Construction</b>	<ul style="list-style-type: none"> <li>• Testing of new and live sewer connections</li> <li>• Construct live sewer connections</li> <li>• Construction of sewer mains</li> <li>• Construction of sewer manholes</li> <li>• Testing of sewer mains and laterals</li> <li>• Replace failed sewer connections</li> <li>• Supply and install PVC rodding eye fittings and access boxes</li> <li>• Install liner and grouting</li> </ul>
<b>Inspection</b>	<ul style="list-style-type: none"> <li>• CCTV inspection</li> <li>• Smoke testing</li> </ul>
<b>As Built Information</b>	<ul style="list-style-type: none"> <li>• Delivery of as built information</li> <li>• Delivery of Quality Assurance information</li> </ul>
<b>8</b>	<b>Stormwater Works</b>
<b>Location of Services</b>	<ul style="list-style-type: none"> <li>• Locate and identify services on site</li> </ul>
<b>Traffic Management</b>	<ul style="list-style-type: none"> <li>• Provision and operation of local area traffic management services</li> </ul>
<b>Construction</b>	<ul style="list-style-type: none"> <li>• Construction of stormwater mains</li> <li>• Construction of stormwater manholes</li> <li>• Construction of stormwater sump leads</li> <li>• Construction of stormwater sumps</li> <li>• Disconnection of existing stormwater mains</li> <li>• Stormwater connections from boundary to kerb and boundary to main</li> </ul>
<b>Inspection</b>	<ul style="list-style-type: none"> <li>• CCTV inspection</li> </ul>
<b>As Built Information</b>	<ul style="list-style-type: none"> <li>• Delivery of as built information</li> <li>• Delivery of Quality Assurance information</li> </ul>

---

**Classification Levels**

Each work category has two possible quality levels, with additional unit standard requirements for water services:

---

**Complex Works**

Complex is the highest classification. Typically, projects:

- are technically complex requiring specialist appreciation and understanding
  - involve full Partnering and co-operation with all parties
  - are considered high risk
  - are usually over \$500,000.00
  - can involve sensitive environmental issues
  - require the highest level of Temporary Traffic Management control
  - need, dependent on Level applied for, to have either the highest quality management system to ISO 9000 or have evidence of progressing towards ISO 9000 from TNZ:TQS1
  - require specialist design or geotechnical advice
  - may require additional qualifications/unit standards above those specified
- 

**Simple Works**

Simple is the lowest classification and applies to those projects that:

- are technically simple, routine or repetitive
  - require surveillance and support
  - are considered low risk
  - are usually less than \$500,000.00
  - do not involve sensitive environmental issues
  - require lowest level of Temporary Traffic Management control
  - need, dependent on Level applied for, either TNZ: TQS2 or TNZ: TQS1
  - requires attainment of specified unit standards
-

## Section 2 – Definition of Performance Criteria

---

**Performance Determines Classification** HDC has set levels of quality that it requires contractors to meet for physical works contracts. These are HDC's specified Performance Criteria. The level of quality a contractor attains will determine the classification they are awarded for prequalification.

---

**Performance Criteria** So that the PET can determine their classification levels, contractors need to supply information with their application under the following Performance Criteria:

- Quality Assurance
- Traffic Management
- Environment Management
- Health and Safety
- Project Management
- Quantum or Size of Work
- Co-operation and Pro-active Partnering
- Unit standard qualification

The Quality Compliance Checklist included in Part D describes the information contractors need to submit with their prequalification registration application.

---

## Section 3 – Applying for Registration

---

<b>Registration Process</b>	<p>This section outlines the steps contractors need to take to apply for prequalification registration.</p>
<b>Invitation to Register</b>	<p>HDC will invite contractors who have previously tendered for Work with HDC to apply for prequalification registration. This application will detail where contractors can obtain the application forms and the closing date for applications.</p> <p>Those contractors who have been invited and opt not to complete the process for registration will not be considered for participation in the prequalification tender process until they have completed the necessary application procedures.</p> <p>It is HDC intention to allow new contractors to apply through the initial registration period (Year 1) who have not received an invitation to become registered.</p>
<b>Tenderlink</b>	<p>Every quarter HDC will advertise on Local Government Online Limited website <a href="http://www.lgtenders.co.nz">www.lgtenders.co.nz</a> stating that;</p> <ul style="list-style-type: none"> <li>• HDC operate a Prequalification Procurement system.</li> <li>• Invite contractors not already on the list to apply to join</li> <li>• Advise prospective suppliers where to obtain registration information.</li> </ul> <p>An advertisement will also be placed in newspapers coincidently with the Tenderlink submission advising where interested parties may find further details on HDC's Prequalification process.</p>
<b>Choosing Work Categories</b>	<p>To apply for registration, contractors first need to identify the Work Category that applies to their type of work and for which they wish to tender.</p> <p>Contractors may apply for registration in more than one Work Category provided that the Work Category submissions can be clearly differentiated from each other.</p> <p>Common support information e.g. Quality Assurance, need only be supplied with one submission with reference in subsequent Work Categories to where the relevant information can be found.</p>
<b>Quality Compliance Checklists</b>	<p>Contractors must then complete the Quality Compliance Checklists (QCC) which describe the Performance Criteria requirements for each classification level (see <i>Part D</i>)</p> <p>A separate QCC is required for each Work Category applied for.</p>
<b>Additional Information Required</b>	<p>Contractors need to include the following additional information with their application:</p> <p><b>Quality Compliance Checklists</b> - include completed QCC together with all input requirements detailed on the QCC (i.e. confirming letters, copies of certificates, Environmental Management Plans, OSH form, Technical and Management Skills, etc.)</p>

---

<b>Organisational Structure</b>	- provide a chart detailing all management and key personnel, together with their locations
<b>Curriculum Vitae of all key personnel</b>	- provide CVs of key management and technical personnel.
<b>Resources</b>	- list all relevant plant (with year of manufacture) and total staff employed.
<b>Unit Standards</b>	- Details of unit standards achieved with the applicant's organisation.

---

<b>Where to Send Registration Applications</b>	Contractors should send the completed Prequalification Application Form (see Part D) and additional information to HDC.
--	---

---

<b>Registration Period</b>	<p>Applications for registration are invited every 3 months, and should be received no more than a month following the initial advertisement. Applications received after this period may be assessed in the following registration period.</p> <p>See <a href="#">Section 10 of Part C</a> for registration cycle details.</p> <p>Year 1 will be a trial period to test the prequalification process. Changes may be made for the subsequent registration period.</p>
----------------------------	--

---

<b>Updating the register of Prequalified Contractors</b>	The register of prequalified contractors will be maintained by HDC Asset Management Group as part of its ISO 9001 process. The register will be made available for review to prequalified contractors upon request.
--	---

---

<b>Re-application</b>	If a contractor fails to gain registration, they may reapply during a subsequent registration period. The contractor will need to re-submit their attributes, highlighting the changes they have made to better match the criteria for the prequalification classification.
-----------------------	---

---

<b>Company Changes</b>	<p>When a contractor's company is dissolved, is taken over, changes their financial or technical capacity, ownership or holding, or changes their prime functions, they must advise HDC immediately.</p> <p>HDC will advise what action the contractor is required to take. This may involve continuing with the present registration or applying for revised registration. In the latter case, the contractor must complete a full submission similar to a new or original application. This can be carried out at the next available registration period.</p>
------------------------	---

---

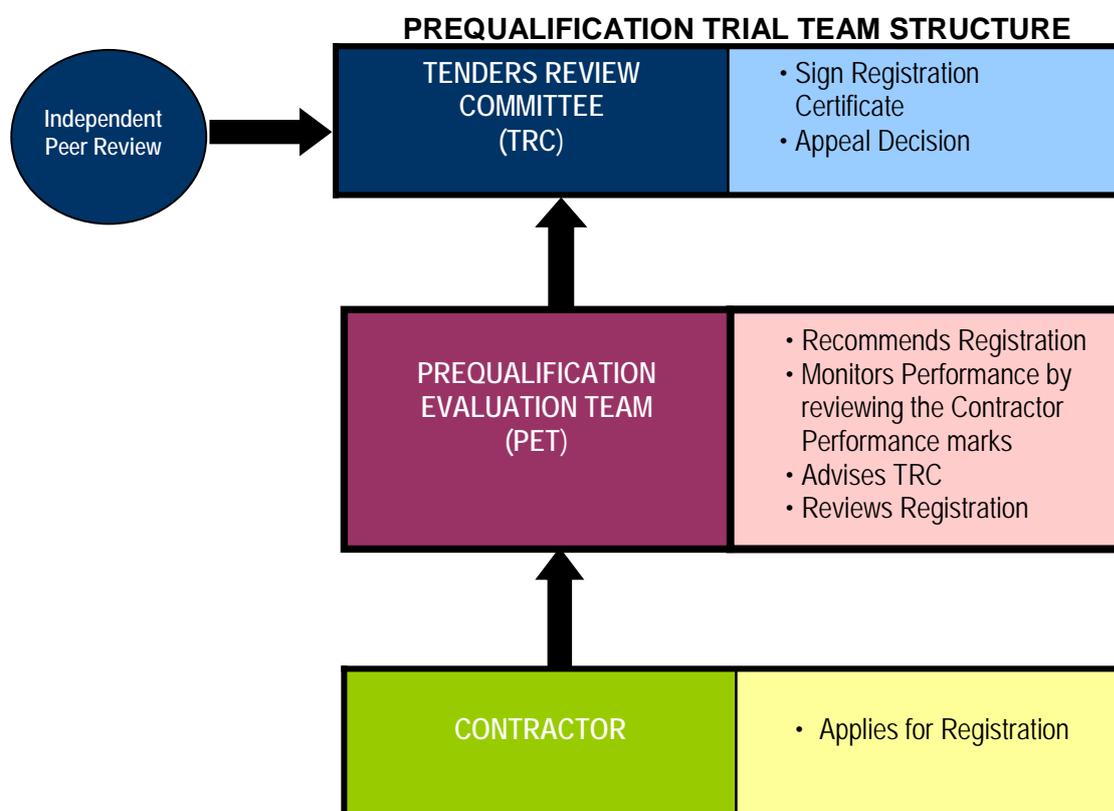
<b>Change to Classification Level</b>	<p>Those contractors who are already prequalified and wish to move to a higher level or to a different work category outside the set registration periods must apply to the PET who will provide a recommendation to the TCR at the next registration period.</p> <p>To move to a higher level, contractors must demonstrate that they have achieved a Performance Evaluation mark greater than 70% for at least three consecutive projects (see Part C) and demonstrate that they have the financial standing suitable for granting the higher level status.</p>
---------------------------------------	---

---

## Section 4 – Assessment of Registration Application

### Process Chart

The assessment process is as follows:



#### Check on completeness of information received

HDC will open each application as soon as it is received, and check that all the required information is supplied. They will check the QCC form and the Application form, and forward to the PET.

If information is missing, HDC will write to the applicant and request that the missing information be supplied as soon as practicable.

#### Late Submissions

HDC may return unopened any application received after the closing date. The contractor can reapply during the next registration period.

#### Prequalification Evaluation Team (PET)

The PET will contact the authors of the confirming letters to check references and seek clarification from the applicant if necessary. The PET may require the applicant to submit further confirming letters.

The PET is responsible for recommending each application and preparing the Registration Certificate for signature by the TRC.

#### Applicant Evaluation

The PET may, as part of the review process, opt to seek assistance from referees to;

- Complete a Performance Review utilising HDC – CE1 for any project used to support the applicant’s submission.

- Discuss with referees applicant's performance on other projects that the applicant has completed for the supervising authority but were not included as part of the applicant's submission.

It should be noted that;

- Any applicant whose score is equal to or less than 35 for any sub-attribute of HDC – CE1 will be excluded from further consideration in the assessment process and will not be added to the Prequalification List.
  - Each applicant's contract work history with HDC will be given priority when assessing applicant's past performance. PET reserves the right to use the marks calculated in determining the Past Performance Attribute (PPA) for HDC projects in place of those derived from those identified by the applicants confirming letters
- 

**Tenders Review Committee (TRC)**

The TRC will, on the PET's recommendation on each applicant, confirm the decision, and sign and forward the Prequalification Registration Certificate to the applicant.

If the application is declined or awarded at a lower classification than the contractor applied for, the TRC will write to the contractor to explain the decision.

The TRC will rule on any appeals.

---

**Time Taken for Assessment**

Where complete information is submitted, the initial registration process will take 8 weeks from the application closing date. Incomplete information will lead to delay in processing the application.

For the second and subsequent Registration Periods, applications should be processed and notified within approximately six weeks.

---

## Section 5 – Assessment Appeal Procedure

<b>Overview</b>	HDC has established a procedure to provide an opportunity for contractors to appeal the PET's classification recommendations.
<b>Appealing the Assessment</b>	<p>If a contractor considers that they have been unfairly assessed or classified, they should send an appeal letter explaining their reasons to:</p> <p>Tender Review Committee  c/o Group Manager: Asset Management  Hastings District Council  PO Box 9002  Hastings 4156</p>
<b>Deadline for Appeal</b>	The contractor must send their appeal letter to reach HDC within 14 days of the date of the TRC's original letter advising of the assessment.
<b>Peer Reviewer</b>	<p>HDC may send to an independent peer reviewer a copy of the contractor's letter of appeal, along with copies of any of the contractor's previous submissions. The peer reviewer chosen will be familiar and knowledgeable in the category of the contractor's stated expertise.</p> <p>The TRC will consider the peer reviewer's conclusions and may meet with the reviewer to reach a consensus ruling.</p>
<b>Outcome of the Appeal</b>	The TRC will write to the contractor to advise of the outcome of the appeal. This decision will be final.

# **Part B – Tendering Procedures for Physical Works Contracts**

## Section 6 – Request for Tender

---

<b>Tendering Process</b>	HDC invites responses from contractors interested in physical works contracts through a formal Request for Tender (RFT) process.
--------------------------	--

---

<b>Tender Classes</b>	<p>The RFT will identify three classes of Tenders. These are defined as;</p> <p>Class 1. For Tenderers who are listed on the HDC Prequalification Register and are eligible to submit a tender for the work. Provide attributes for methodology and price only.</p> <p>Class 2. For Tenderers who are not listed on the HDC Prequalification Register. Provide attributes for Past Performance, Methodology and Price.</p> <p>Class 3. For Tenderers who will be required to provide attributes for Past Performance, Methodology and Price.</p> <p>Attribute classifications will be defined in the RFT</p>
-----------------------	--

---

<b>Classification Level</b>	<p>In developing the Request for Tender (RFT) for a project the Project Manager and the Engineer to the Contract will decide the appropriate work category and classification level. This will involve reference to the QCC for that work category, the Project Manager's knowledge of the project to be tendered, and will include any risk assessment carried out on the project.</p> <p>The Engineer to the Contract may specify a minimum classification level for projects that include more than one work category.</p> <p>In this situation, a contractor who does not have a registration for one work category may include in their tender a contractor who has the appropriate registration as a sub-contractor. A copy of the prequalified contractor list will be provided on request. Contractors are solely responsible for the performance of their Sub-Contractors</p>
-----------------------------	--

---

<b>Restriction of Tenderers</b>	<p>The RFT document will include the statement that contractors who are prequalified to the required classification level or higher may submit a tender in short form i.e. Methodology and Price attributes only as required by the RFT.</p> <p>HDC will only accept tenders from those contractors who continue to meet expectations (60% or above overall performance rating) when working on HDC projects.</p> <p>For contract values under \$100,000.00 HDC may approach three (3) contractors who are currently on the prequalification list and have the necessary Work Category rating to submit a tender. For contracts that exceed \$100,000.00 all contractors who are on the prequalification list and have the necessary Work Category rating will be invited to tender.</p> <p>HDC reserve the right to invite contractors outside the Hawkes Bay District to tender for specific contracts i.e. Class 2 or 3 Tenders. Their Resources, Technical Skills and Management Skills attribute</p>
---------------------------------	---

---

---

information will be judged as either Pass or Fail. Any failed attribute will exclude that tender from further consideration. Invited tenders from prequalified contractors will have already passed this preliminary consideration.

---

**Tender Advertisement**

The tender advertisement will not indicate the classification for prequalification. These details will be included in the tender document.

---

**Alternative Tenders**

Alternative tenders are provided for in the RFT.

---

## Section 7 – Evaluation of Tenders

---

**Tender Evaluation** HDC evaluates tenders according to the requirements of Land Transport New Zealand's (LTNZ) Competitive Pricing Procedures Manual.

The two evaluation methods used are:

- Lowest Price (LP)
- Price Quality Method (PQM)

For both methods Methodology summaries will be required. The minimum requirements will be identified in the Request For Tenders (RFT)

---

**Pre-letting Meeting** HDC reserve the right to be able to call a pre-letting meeting with the Tenderers to discuss their proposed methodologies to ensure that the identified project risks are clearly understood.

---

**Evaluation Methodology** The evaluation methodology used for each tender will be determined from the following:

Council's preferred method is the CPP PQM for physical works contracts, however alternatives can be used at the discretion of the Policy Manager.

- CPP 2 envelope PQM - price and attributes in two envelopes, Non price attributes evaluated prior to opening the price envelope.

Templates have been developed to suit individual contracts. The percentages for each attribute can be adapted to place more emphasis on certain attributes.

HDC funding for their projects is either subsidised or unsubsidised.

For subsidised projects the attribute weighting for price is not less than 70% while for unsubsidised projects the weighting is set at the discretion of the HDC Policy Manager.

For a Cluster Contracts (contracts that are made up from a number of discrete projects) that contain a subsidised component the attribute weighting for Price will not be less than 70%.

---

**Key Project Indicators (KPI)** HDC are currently looking at KPI as an opportunity to track contract monitoring time for each project to determine which contractors are requiring more supervision. The outcome is to develop a robust formula on cost of contract monitoring for each contractor as a % of tender value. This information can then be used to determine additional sums for PQM evaluations. This process will be developed over the next 12 months.

---

**Contractor Resources** The Request for Tenders (RFT) will request that Tenderers provide details of current and future work load.

---

---

Included in the methodology statement Tenderers shall be asked to identify all the resources that will be committed to carry out the work identified in the RFT if successful.

Any tenderer who has submitted a tender that, in the opinion of the Engineer, has insufficient resources to complete the work shall be rejected.

---

# **Part C – Ongoing Monitoring of Performance & Maintenance of Registration**

## Section 8 – Prequalification Database

---

**Prequalification Database**

HDC will establish a database to hold the details of all contractors who successfully register in the prequalification process together with Past Performance Attribute marks achieved. HDC will use this database for administration and monitoring.

---

## Section 9 – Review of Contractor Performance

---

**Performance Review** Successful tenderers will be monitored for compliance against their prequalification level, using the HDC Project Manager's generated Monthly and End of Project reports. Depending on performance, a contractor may retain their existing prequalification level (see below).

If a contractor wishes to move to a higher prequalification classification, then the contractor will be required to wait until the next registration period and submit all required documentation for that level.

To move to a higher level, contractors must demonstrate that they have achieved a Performance Evaluation mark greater than 70% for at least three consecutive projects which have been tendered under the prequalification process and demonstrate that they have the financial standing suitable for granting the higher level status.

---

**Inadequate Performance** HDC require a compulsory Performance Review where a contractor's performance is deemed to be inadequate. Performance is considered inadequate if a contractor receives two monthly reports for any project or projects within in any six month period where the rating on any criteria (Management, Production, Health and Safety and Administration) is 59% or less. The performance review will be undertaken within 5 days of issuing of the second warning. Depending on the outcome of the Performance Review the contractor shall not be considered for current or future work opportunities.

---

**Evaluation Reports** The Engineer's Representative will initiate a performance review in consultation with the HDC Project Manager when the contractor has performed inadequately. The Project Manager will prepare a report for the TRC covering the contractor's performance and the recommendation regarding the continuing prequalification registration status of that contractor.

The Engineer's Representative will discuss the report's findings with the contractor prior to forwarding the recommendation to the Project Manager.

---

**Penalties for Inadequate Performance** Penalties for inadequate performance can involve any of the following:

- **Warning:** This will be issued to a contractor when any monthly performance criteria achieved is in the following range, less than 60 but greater or equal to 55%. Two warnings issued within 6 months for work undertaken for HDC will initiate a review of contractor's performance on all contracts.
- **Downgrading:** The contractor's classification will be downgraded by one complexity category when any monthly performance rating achieved is in the range less than 55% but equal to or greater than 50%. Contractor will be required to submit another application to return to the original classification level. Refer Section 3 Change to Classification Level for reinstatement criteria.
- **Suspension:** Prequalification withdrawn for a set period. E.g. contractors will incur automatic suspension for a period of six months if any monthly performance rating achieved is within the range of less than 50% but equal to or greater than 35%.
- **Rescind Registration:** Prequalification will be withdrawn for the current registration period if any monthly performance rating achieved by the contractor is less than 35%. HDC reserves the right to accept or reject any future application from any contractor that has had their registration rescinded.

---

<b>Penalty</b>	<b>Grade Range – Monthly</b>	<b>Issued by</b>
Warning	Mark ≥ 55% < 60%	Engineer's Representative
Downgrading	Mark ≥ 50% < 55%	Engineer's Representative
Suspension	Mark ≥ 35% < 50%	Engineer's Representative
Removal from List	Mark < 35%	Engineer's Representative
<b>Issue of Tenders</b>	While serving periods of 'Suspension' and 'Rescind Registration' contractors will not receive tenders issued using the Pre-Qualification process	
<b>Review of Penalties and Registration/Classification</b>	If the contractor is dissatisfied with the Engineer's Representative findings it may refer it to the Engineer who after investigation shall confirm, reverse or vary the decision. The Engineer shall inform the Tender Review Committee (TRC) of all penalties imposed on the contractors.	
<b>TRC Review</b>	TRC has the right to review any penalty and registration/classification at any time and for the prequalification process shall be considered as the final Arbiter for any dispute concerning performance review penalties.	

## Section 10 – Renewal of Prequalification Registration

---

**Registration Cycle** The initial registration for prequalification has a one-year life span there after registration will have a two year life span. This means that after the first year contractors are required to renew their registration every two years.

---

**Renewal of Registration** Four weeks before the end of the current registration period, HDC will write to prequalified contractors to invite them to re-register.

Where the prequalification eligibility requirement of the contractor's classification level for any performance criteria has been increased, then the contractor will be advised six months prior to the next registration period to provide time for contractors to meet the new criteria.

Where the eligibility criteria have not materially changed and Contractors need to confirm that their previous registration information has not materially changed.

PET will then forward their recommendation to the Tenders Review Committee (TRC) for confirmation.

---

**Changes to Classification level** If there have been changes or the contractor wishes to register at a different level, or for different work categories, they will need to complete and submit a full new application.

---

# Part D - Application Pack

## Section 11 – Application guidelines

---

**Application** The **application** must be submitted in one envelope and addressed to:

Tender Box  
Hastings District Council  
Ground Floor  
207 Lyndon Road East  
Hastings 4122

Faxed or e-mailed applications will not be accepted.

Each company can make only one application for each work category.

**Note:** *Tender Documents delivered by Courier must be placed in the Tender Box*

---

**Communications** All queries should be addressed to, on behalf of HDC:

Ansonica Botha  
Hastings District Council  
Private Bag 9002  
Hastings 4156  
Email: [ansoncab@hdc.govt.nz](mailto:ansoncab@hdc.govt.nz)

Queries should be raised with HDC as soon as possible, but no later than five working days before the application closing date. HDC will endeavour to respond to all queries within 48 hours of receiving them

---

**Application closing date** The closing date for applications is given in the associated prequalification advertisement for the current registration cycle, and is normally 1 month following the placement of the advertisement. Applications received after this date may be processed in the next quarterly period.

---

### Step 1 - Procedure Manual

Read and become familiar with the prequalification procedures in this manual



### Step 2 - Work Category

Refer to Section 1 of the Procedure Manual.

Identify which of the nine work categories cover the type of HDC work that your company may tender for. The eight work categories are:

1. Surfacing
2. Bridge Construction
3. Road Construction
4. Minor Safety Works
5. Guard Railing
6. Water
7. Sewer
8. Stormwater

If in doubt about any work category contractors should ask questions during the tender application process to ensure that they apply for the correct categories.



### Step 3 - Classification Level

- Refer to [Section 1](#) and Form 2 - Quality Compliance Checklist of the Procedure Manual.
- Decide on the Classification Level (Complex/Simple Roading or Water Services) that you meet and are able to provide the appropriate supporting documentation for.
- You must meet or exceed the Classification Level Input Requirements for all nine performance criteria for the work category you are applying for.

The nine performance criteria are:

1. Quality Assurance
2. Traffic Management
3. Environmental Management
4. Health and Safety
5. Project Management
6. Quantum or Size of Work
7. Co-operative and Pro-active Partnering
8. For Water Services (Categories 6, 7, 8) the relevant unit standards.

For example, if you meet Complex performance criteria for Environmental Management but only Simple criteria for Quality Assurance, you may only apply for the lower classification level (Simple in this case). For water services, the specified unit standards must be held collectively across the applicant's organisation to qualify for categories 6, 7 and 8.

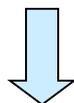
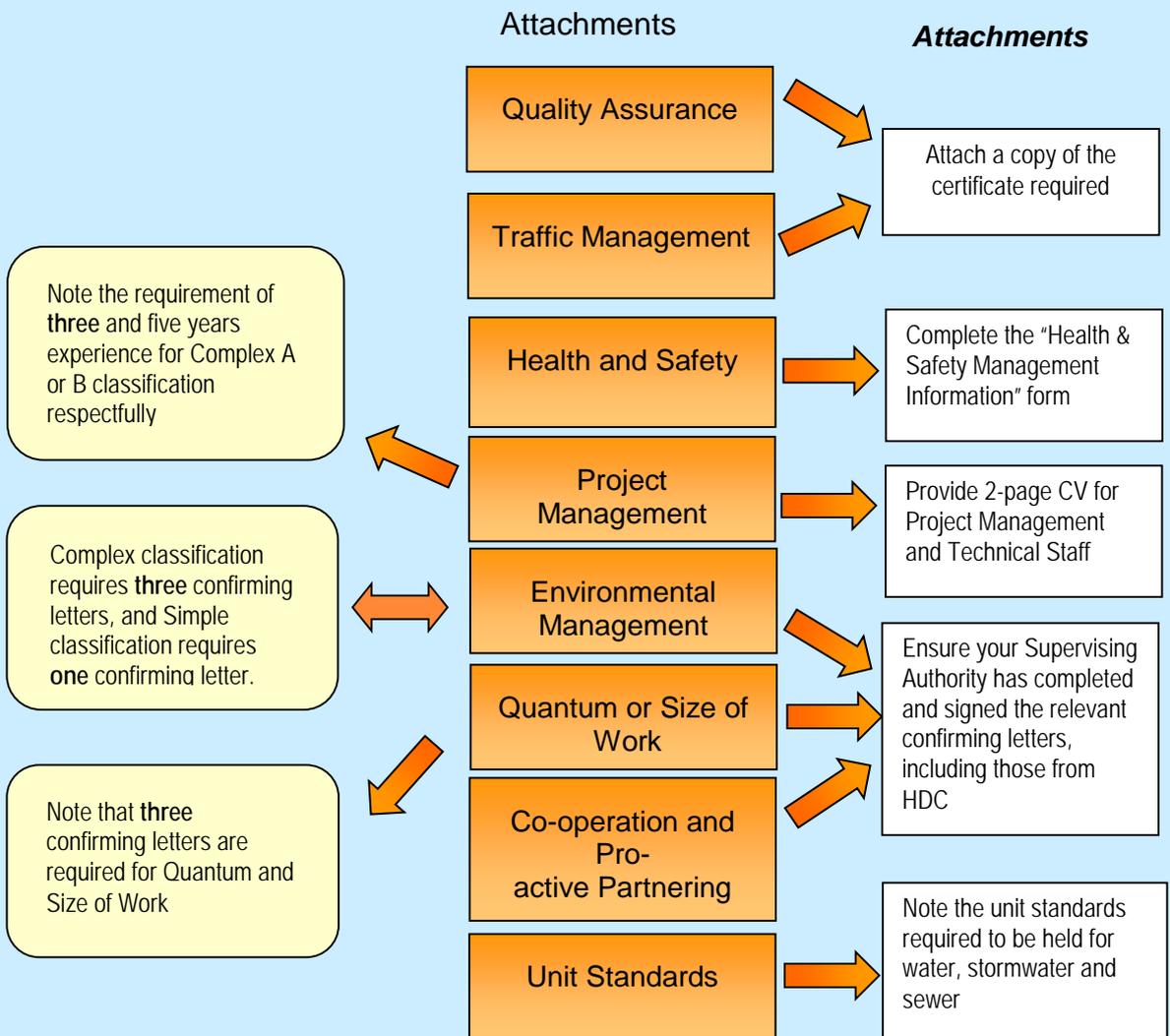


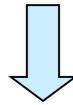
### Step 4 Quality Compliance Checklist Input Requirement

- **For each work category applied for**, complete the Quality Compliance Checklist (Form 2) ; noting the input requirement for the classification level(s) being applied for.

*Complete a separate Quality Compliance Checklist (QCC) for each Work Category applied for. Any common enclosures need not be duplicated but their location should be noted on the QCC so that the assessor can find them.*

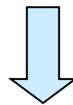
#### Performance Criteria





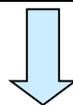
### Step 5 - Application Form

- Complete the application form (Form 1)
- Information which should be attached to the application form includes:
- Completed Quality Compliance Checklist(s).
- All supporting information.
- **Organisational structure** (chart of management and technical personnel, including location at which these personnel are based).
- **Curriculum vitae** of all key Personnel, including unit standards held.
- Resources - list plant and staff as at date of application.
- Information supplied will be held in a database kept on each company.
- In the event of changes to your company a comparison between the old and new company details can be made.
- You are required to notify HDC of company changes at the time of the change.



### Step 6 - Submission of Application

- Forward the completed application form and all attachments before tender close date, as detailed in Section 3.
- Each company can make only one application.
- Faxed or e-mailed submissions will not be accepted.
- A PDF format copy of the application pack is available by emailing [ansoncab@hdc.govt.nz](mailto:ansoncab@hdc.govt.nz)
- Applications will be processed on a first come first served basis.



**You should receive notification of the result of your application within 8 weeks.**

### Form 1 – Prequalification Application Form

Item	Information Required	Complete (Indicate where information attached)	Checked by Tenders Secretary
1	Work Categories / level applied for (eg; Road Construction - Simple B).		
2	Business name of applicant		
3	Main office address		
4	Postal address		
5	Contact person		
6	Contact telephone no., fax and e-mail		
7	Organisational structure (attach)		
8	Curriculum vitae of all key personnel (attach)		
9	Resources including all plant and staff (attach)		
10	QCC - form 2  (attach all information required for the level applied for - 1 form for each work category)		
11	Authorised Signatory – Name (Printed), Position in Company		
12	Signature	Date:	

## Form 2 – Quality Compliance Checklist Input Requirements

**Work Category:** \_\_\_\_\_ **Classification Level:** \_\_\_\_\_

Level	Performance Criteria	Prequalification Classification Input Requirement ( See Note 1 )	Included by Applicant	Checked by Tenders Secretary
<b>Quality Assurance</b>				
Simple A (S-A)	Uses a Quality Control System based on the TNZ: TQS 2 specification.	Provide evidence of a Quality Control System which conforms to TNZ: TQS 2.		
Simple B (S-B)	Uses a Quality Control System that meets the TNZ: TQS 1 specification.	Provide current certification to TNZ: TQS 1.		
Complex A (C-A)	Uses a Quality Management system that meets ISO 9001:2000 or ISO 9001:2008.	Provide current certification to TNZ: TQS 1 and evidence of progress towards ISO 9001 certification, with a commitment to achieving this within one year.		
Complex B (C-B)	Uses quality management system certified to relevant ISO 9000 Standard by an accredited organisation.	Provide current certification to one of (ISO 9001:2000; ISO 9001:2008) by a JAS-ANZ accredited organisation.		
<b>Traffic Management</b>				
All levels (A-L)	Capable of meeting Level 1 of 'COPTTM'. Code of Practice for Temporary Traffic Management.	Provide current Level 1 Basic-Temporary Traffic Management (TTM) certificate for site management staff.		
<b>Environmental Management (Form 5)</b>				
Simple A & B (S-A&B)	Capable of providing simple environmental management.	Provide a confirming letter from a supervising authority on one recently completed project (within the last two years)		
Complex A & B (C-A&B)	Capable of providing complex environmental management.	Provide confirming letters from supervising authorities on three recently completed projects (within the last two years)		
<b>Health and Safety (Form 3)</b>				
All Levels (A-L)	Must fully comply with the relevant sections of the Occupational Safety and Health Act and have a documented Occupational Safety and Health	Complete Contractor's Occupational Health and Safety Management Information form.		

Level	Performance Criteria	Prequalification Classification Input Requirement ( See Note 1 )	Included by Applicant	Checked by Tenders Secretary
	Management System in operation.			
<b>Project Management</b>				
<b>Simple A (S-A)</b>	Work of a routine and repetitive nature. Not technically demanding.	Provide details of experience of project management and technical staff.		
<b>Simple B (S-B)</b>	Some variation requiring technical appreciation and understanding.	Provide details of experience of project management and key supervisory staff.		
<b>Complex A (C-A)</b>	Technically complex requiring technical appreciation and understanding.	Provide details of experience of project management and key supervisory staff, all with at least three years' experience.		
<b>Complex B (C-B)</b>	Technically complex requiring specialist appreciation and understanding.	Provide details of project management and key supervisory staff (one of whom is an Engineer or equivalent), all with at least five years' experience.		
<b>Quantum or Size of Work (Form 6)</b>				
<b>Simple A (S-A)</b>	Has the capability, resources and experience to carry out projects estimated at less than \$ <u>0.2</u> million.	Provide confirming letter from supervising authority on three recently completed projects (within the last two years) Projects must be relevant to the work category.		
<b>Simple B (S-B)</b>	Has the capability, resources and experience to carry out projects estimated at between \$ 0.2_and \$ 0.5_million.	Provide confirming letter from supervising authority on three recently completed projects (within the last two years) Projects must be relevant to the work category.		
<b>Complex A (C-A)</b>	Has the capability, resources and experience to carry out projects estimated at between \$ 0.5_and \$ 1.0_million.	Provide confirming letter from supervising authority for three recently completed projects (within the last two years) Projects must be relevant to the work category.		
<b>Complex B</b>	Has the capability, resources and the experience to carry	Provide confirming letter from supervising authority for three		

Level	Performance Criteria	Prequalification Classification Input Requirement ( See Note 1 )	Included by Applicant	Checked by Tenders Secretary
(C-B)	out projects estimated at more than \$ 1.0_m.	recently completed projects (within the last two years) Projects must be relevant to the work category.		

Co-operation and Pro-active Partnering (Form 7)				
Simple A (S-A)	Surveillance and support required.	Provide details of successful completion of recent project demonstrating co-operation with client/engineer.		
Simple B (S-B)	Some surveillance required, pro-active co-operation with all parties.	Provide confirming letter from supervising authority on recently completed project (within the last two years)		
Complex A (C-A)	Very limited surveillance required, adheres to the principles of partnering.	Provide confirming letter from supervising authority on recently completed project (within the last two years)		
Complex B (C-B)	Experienced in the establishment and practice of a Full Partnering Charter, and co-operates fully with all parties (or demonstrates capability to achieve this).	Provide confirming letter from supervising authority on recently completed project (within the last two years)		

Sewer, Stormwater, Water				
All Levels (A-L)	Attainment of water services qualifications	<p>The following qualifications are acceptable:</p> <ul style="list-style-type: none"> <li>- National Certificate in Water Reticulation (Service Person) Level 3.</li> <li>- National Certificate in Infrastructure works (Infrastructure Pipelaying Technician) (Level 3).</li> </ul> <p>For Water Service Applications the following additional unit standards are required:</p> <ul style="list-style-type: none"> <li>- 24925: Prepare, install fittings and charge up a pipe line and check for leaks and operation.</li> <li>27330: Install a thrust, anti-scour or anchor block.</li> </ul>		

**Note:**

1. Work history with HDC will be given precedent over any projects submitted by the Contractor via confirming letters when determining the Past Performance Attribute (PPA)

Form 3 – Contractor’s Occupational Health and Safety Management Information Form

<b>1</b>	<b>Health and Safety Policy and Management Commitment</b>	
1.1	Do you have a written Health and Safety Management Plan (which will remain in force and not be cancelled during this contract) that meets the general requirements of the Health and Safety in Employment Act?	Yes/No
<b>2</b>	<b>Health and Safety Training</b>	
2.1	Please supply details of the staff that will be responsible for health and safety, and health and safety training on this contract, their responsibilities and formal health and safety qualifications. (Personnel substituted for those nominated will need to have equivalent experience and qualifications.) Include ACC/CTU trained Health and Safety Representatives.	Attached
2.2	Do you have a health and safety manual, including written working practices and health and safety instructions, which are available to all staff?	Yes/No
2.3	Is relevant formal health and safety training given to all employees?	Yes/No
2.4	Do we have procedures for managing the health and safety performance of your own management and staff?	Yes/No
2.5	Do you have procedures for managing the health and safety performance of subcontractors?	Yes/No
<b>3</b>	<b>Hazard Identification and Management</b>	
3.1	Do you have a system to identify, isolate, minimise and, where possible, eliminate significant hazards throughout the duration of this contract?	Yes/No
<b>4</b>	<b>Health and Safety Records</b>	
4.1	Supply your organisation's health and safety record for each of the last five years.	
4.1.1	Lost Time injury accident rate/100,000 man hours.	_____/100,000
4.2	Have you or your company been prosecuted by an enforcement authority (including OSH) and been convicted (found guilty) in the last five years?	Yes/No
<b>5</b>	<b>Accident Investigation</b>	
5.1	Does your organisation maintain a register for recording accidents and/or cases where any employee suffers serious harm?	Yes/No
5.2	Do you conduct an investigation into any accident that results in harm to an employee?	Yes/No
5.3	Do you advise the following parties of the accidents:	
5.3.1	The Principal	Yes/No
5.3.2	The employees?	Yes/No
5.3.3	Where relevant, OSH?	Yes/No
<b>6</b>	<b>Emergency Procedures</b>	
6.1	Do you have an Emergency Plan that identifies responsibilities and procedures to be followed?	Yes/No
6.2	Have all staff received training in emergency procedures within the last 12 months?	Yes/No
<b>Name Printed:</b>		<b>Position:</b>
		<b>Date:</b>

## Form 4 – Insurance details

### A12 Insurance

Please give details of all insurances your business holds and send us a copy of each certificate and schedule.

**Note:** We may not include you on a tender list if you do not provide insurance details.

**A12 (a)** You must fill in this section. You will also need to give us the details again every year when you renew your insurance. (This is compulsory)

<b>Employer's liability</b>					
Insurer					
Policy number					
Value of cover		Excess for each claim		Expiry date	
Maximum liability per claim					
<b>All Risks</b>					
Insurer					
Policy number					
Value of cover		Excess for each claim		Expiry date	
Maximum liability per claim					
<b>Other specialist business - related insurance</b>					
Type					
Insurer					
Policy number					
Value of cover		Excess for each claim		Expiry date	
Maximum liability per claim					
<b>Public Liability</b>					
Insurer					
Policy number					
Value of cover		Excess for each claim		Expiry date	
Maximum liability per claim					

### A12 (b) Extra insurance

We may take account of the following section when awarding tenders.

<b>Professional Indemnity</b>					
Insurer					
Policy number					
Value of cover		Excess for each claim		Expiry date	
Maximum liability per claim					
<b>All Risks</b>					
Insurer					
Policy number					

Value of cover		Excess for each claim		Expiry date	
Maximum liability per claim					
<b>Other specialist business - related insurance</b>					
Type					
Insurer					
Policy number					
Value of cover		Excess for each claim		Expiry date	
Maximum liability per claim					

**A13 Minimum and Maximum contract value**

Please give the values of the **minimum** and **maximum** contract values or commission fees that you would carry out if you were awarded the contract or commission, no matter where the location. These should be the amount of the smallest tender you would be willing to undertake in 'minimum', and the largest tender that you are able to carry out in 'maximum'. **Please do not leave these areas blank.** Please read the guidance notes for more help. Note: the minimum contract value or commission fee will be assumed as .01% of your turnover unless you can provide evidence of providing regular services or products of lower value.

Minimum \$		Maximum \$	
------------	--	------------	--

## Form 5 – Template for Environmental Management Confirming Letter in QCC

Ansonica Botha  
Hastings District Council  
Private Bag 9002  
HASTINGS

.....(Date)

### PREQUALIFICATION FOR PHYSICAL WORKS

#### Environmental Management Performance Criteria

Prequalification Application by .....(Name of contractor)

Further to the HDC Prequalification process, I have been asked to confirm in my opinion that .....(name of contractor) has satisfactorily completed the .....(name of project and value) in .....(year), and in my view is capable of providing

- Simple environmental management
- Complex environmental management

*(strike out the item above which does not apply).*

An adequate Contractor's Environmental Management Plan was provided and compliance with all conditions was achieved *(strike out if not appropriate)*.

I also confirm that I have or have had no financial association with this contractor, and in my opinion no conflict of interest exists.

Yours faithfully

Name

Title *(Supervising Authority)*

Address:

Contact No:

E-Mail:

**Note:** Complex works certification requires **three** confirming letters written by **three** different referees (who should be from the client organisation and/or the client's agent and must have been directly responsible for supervising or overseeing the nominated project) relating to **three** different projects. Simple works certification requires one confirming letter. The confirming letter(s) on the Supervising Authority's letterhead are to be included in the Prequalification application.

### Form 6 – Template for Quantum or Size of Work Confirming Letter in QCC

Ansonica Botha  
Hastings District Council  
Private Bag 9002  
HASTINGS

.....(Date)

#### PREQUALIFICATION FOR PHYSICAL WORKS Quantum or Size of Work Performance Criteria

**Prequalification Application by** .....(Name of contractor) **for**  
**work category** .....(category)

Further to the HDC Prequalification process, I have been asked to confirm in my opinion that  
.....(name of contractor) has satisfactorily completed the .....(name  
of project and value) in .....(year).

In my view .....(name of contractor) has the capability, resources and  
experience to carry out projects in the Work Category:.....for the following value:  
(*strike out all except one*):

Simple A	Less than \$250,000.00
Simple B	Between \$250,000.00 and \$0.5m
<hr/>	
Complex A	Between \$0.5m and \$1.0m
Complex B	More than \$m

I also confirm that I have or have had no financial association with this contractor, and in my  
opinion no conflict of interest exists.

Yours faithfully

Name

Title (Supervising Authority)

Address:

Contact No:

E-mail:

**Note:** **three** confirming letters written by **three** different referees (who should be from the client  
organisation and/or the client’s agent and must have been directly responsible for supervising or  
overseeing the nominated project) relating to **three** different projects are required for Quantum  
and Size of Work. These confirming letters on the Supervising Authority’s letterhead are to be  
included in the Prequalification application.

## Form 7 – Template for Co-operation and Pro-active Partnering Confirming Letter in QCC

Ansonica Botha  
Hastings District Council  
Private Bag 9002  
HASTINGS

.....(Date)

### PREQUALIFICATION FOR PHYSICAL WORKS

#### Co-operation and Pro-active Partnering Performance Criteria

**Prequalification Application by** .....(Name of contractor) **for work category** .....(category)

Further to the HDC Prequalification process, I have been asked to confirm in my opinion that .....(name of contractor) has satisfactorily completed the .....(name of project and value) in .....(year), and in my view has the capability for

- Co-operation and Pro-active Partnering in that they require minimum surveillance and promote pro-active co-operation with all parties (Simple).
- Co-operation and Pro-active Partnering in that they are capable of establishing and practicing under a full Partnering Charter and co-operating fully with all parties (Complex).

*(strike out the items above which do not apply).*

I also confirm that I have or have had no financial association with this contractor, and in my opinion no conflict of interest exists.

Yours faithfully

Name

Title (Supervising Authority)

Address:

Contact No:

E-mail:

**Note:** Complex and Simple B require **one** confirming letter written by a referee (who should be from the client organisation and/or the client's agent and must have been directly responsible for supervising or overseeing the nominated project), Simple A requires **no** confirming letters for Co-operation and Pro-active Partnering. The confirming letter(s) on the Supervising Authority's letterhead are to be included in the Prequalification application.