



**AGENDA FOR A MEETING OF THE INFRASTRUCTURE AND WORKS COMMITTEE  
TO BE HELD IN THE COUNCIL CHAMBER AT WAITAKERE CENTRAL,  
6 HENDERSON VALLEY ROAD, HENDERSON, WAITAKERE,  
ON WEDNESDAY, 5 NOVEMBER 2008,  
COMMENCING AT 9.30 AM**

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**1 APOLOGIES**



**2 URGENT BUSINESS**

Section 46A(7) of the Local Government Official Information and Meetings Act 1987 provides that where an item of business is not on the agenda, it may only be dealt with at the meeting if:

- (i) the Committee by resolution so decides; and
- (ii) the Chairman has explained at the beginning of the meeting (when open to the public) that the item will be raised for discussion and decision, why the item is not on the agenda, and why it cannot be delayed until a subsequent meeting.

The Committee may make a decision on a matter determined to be urgent.

**NOTE:** Urgent Business need not be dealt with now and may be delayed until later in the meeting.



**3 CONFLICTS OF INTEREST**

The Council has acknowledged in its Code of Conduct that Elected 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 check that no such conflicts arise in relation to any items on this agenda.



**4 CONFIRMATION OF MINUTES**

Meeting Minutes - Wednesday 1 October 2008.

**RECOMMENDATION**

It is recommended that the Infrastructure and Works Committee resolve to:

**Receive** the minutes of the meeting of the Infrastructure and Works Committee held on Wednesday, 1 October 2008, as circulated, and that they be taken as read and now be confirmed.



**5 NEW LYNN INTEGRATED PROGRAMME - STATUS UPDATE OCTOBER 2008**

**GLOSSARY**

|                                       |           |
|---------------------------------------|-----------|
| Auckland Regional Transport Authority | (ARTA)    |
| Developing Auckland's Rail Transport  | (DART)    |
| New Zealand Transport Agency          | (NZTA)    |
| Notice of Requirement                 | (NOR)     |
| Target Outturn Cost                   | (TOC)     |
| Waitakere City Council                | (Council) |

**EXECUTIVE SUMMARY**

Detailed design of the Waitakere City Council's (Council's) planned roading projects for New Lynn is well advanced and the developed design was approved by Council resolution at the Council meeting on 15 October 2008. Updated cost estimates for the road network upgrading and bus interchange works are currently being prepared for the upcoming New Zealand Transport Agency (NZTA) funding application. A summary of these updated cost estimates will be included in the next report. Due to the time constraints created by Auckland Regional Transport Authority's (ARTA's) decision to bring forward the NZTA application lodgement date to 27 October 2008, there was not sufficient time to present the project to the new NZTA Board in October 2008, in advance of the application. However, regular meetings have been held between Council officers and NZTA officers in order to coordinate the Council's application for funding.

The Council is seeking to establish a designation in the District Plan to provide for the Clark Street Flyover. This involves lodging a Notice of Requirement (NOR) for the designation, which would be publicly notified. It is intended to take a report (seeking approval to lodge the NOR) to the 11 November 2008 meeting of the Planning and Regulatory Committee. If the Planning and Regulatory Committee provides its approval, the NOR would be formally lodged with the Council the following day in order to satisfy NZTA funding requirements. The NOR would be publicly notified shortly thereafter and it is likely that a hearing would be convened early in 2009.

ONTRACK are progressing with the detailed design of Target Outturn Cost (TOC 1) elements to support building consent processes and have already lodged, and had approved by the Council, the first major building consent for construction of the rail trench walls. Lodgement of building consents for other parts of the Developing Auckland's Rail Transport (DART) 6 project works are expected in late October 2008 and early November 2008.

ARTA proposed some further amendments to their previously proposed concept for the interchange. These amendments related to the location and shape of the proposed high level canopies and the location of the support structures. The proposed asymmetric canopy design was required to fit the canopy support structure layout within space constraints set by the location of access points, and provision of space required to future proof the station for integrated ticketing and associated access controls (turnstiles). These amendments have been worked through with Council officers.

Stakeholder and developer engagement on the review of the Development Contributions Policy was held on the 23 October 2008. A further policy discussion document on the transition rules between Development Contributions Policies will be discussed at the Development Contributions Policy Steering Group as soon as it is available. A draft pro forma Infrastructure Funding Agreement template (previously called Developer Agreement) has been agreed to by the Council's Directors Group. The management and process of an Infrastructure Funding Agreement negotiation has been agreed to by the Council's Directors Group and will be implemented by the Infrastructure Funding Manager.

The updated New Lynn Urban Framework outlining the vision for the New Lynn Town Centre was adopted by the Policy and Strategy Committee in October 2008. The New Lynn Urban Framework will form the basis of ongoing development of more detailed precinct concept plans and a range of other supporting information to inform discussions with key land owners and developers who are seeking to develop land in New Lynn. Progress on this future work will be reported back to the relevant committees of the Council.

Council officers have completed a Population Yield assessment for New Lynn to assess the potential residential and employment yield for the New Lynn Town Centre in the future. This assessment was presented to the Town Centres Subcommittee in September 2008 for comment and feedback; this will be reported formally to the 11 November 2008 meeting of the Policy and Strategy Committee for their adoption.

Current total Council project costs are estimated at \$167,934,388 exclusive of administrative costs. This cost will be updated in preparation for the NZTA funding application in late October 2008.

### **RECOMMENDATION**

It is recommended that the Infrastructure and Works Committee resolve to:

**Receive** the New Lynn Integrated Programme - Status Update October 2008 report.

### **BACKGROUND**

1. The status of the New Lynn Integrated Programme was last reported to the Infrastructure and Works Committee on 1 October 2008. This report covers project progress to late October 2008.

### **DECISION MAKING**

#### **Issues**

#### **Transport Infrastructure**

2. The timing of construction of the Council's planned roading projects for New Lynn is dependent on the programme of ONTRACK's rail trench project. To minimise the impacts to the public and businesses in the area it is important to manage the Council's works programme around the ONTRACK project. It is anticipated that the ONTRACK project will need to be progressed significantly before the majority of Council's projects can commence and that the Council will need to work collaboratively with ONTRACK on the planning of this work.
3. Preliminary discussions about alignment of works programmes with ONTRACK have commenced.
4. Detailed design is well advanced and the developed design was approved by Council resolution at the Council meeting on 15 October 2008.

#### **Development and Implementation of the Town Centre**

5. The updated New Lynn Urban Framework outlining the vision for the New Lynn Town Centre was adopted by the Policy and Strategy Committee in October 2008. The New Lynn Urban Framework will form the basis of ongoing development of more detailed precinct concept plans and a range of other supporting information to inform discussions with key land owners and developers who are seeking to develop land in New Lynn. Progress on this future work will be reported back to the relevant committees of the Council.

6. Council officers have completed a Population Yield assessment for New Lynn to assess the potential residential and employment yield for the New Lynn Town Centre in the future. This assessment was presented to the Town Centres Subcommittee in September 2008 for comment and feedback and this will be reported formally to the 11 November 2008 meeting of the Policy and Strategy Committee for their adoption.

#### **Strategic Consents and District Plan**

7. The Council is seeking to establish a designation in the District Plan to provide for the Clark Street Flyover. This involves lodging a NOR for the designation, which would be publicly notified. The NOR is being prepared by Beca Planning, the Council's consultant. Processing of the NOR would be undertaken by Council officers in the Resource Management section.
8. It is intended to take a report (seeking approval to lodge the NOR) to the 11 November 2008 meeting of the Planning and Regulatory Committee. If the Planning and Regulatory Committee provides its approval, the NOR would be formally lodged with the Council the following day in order to satisfy NZTA funding requirements. The NOR would be publicly notified shortly thereafter and it is likely that a hearing would be convened early in 2009.

#### **Communications**

9. Discussions are taking place with ONTRACK about publicising the start of the main construction period of the New Lynn rail trench.
10. The Council website has now been updated to include the New Lynn Town Centre developments. Additional web pages with further detail will be added shortly.
11. A New Lynn Town Centre Parking Guide has been released. An increased print run will allow for further distribution to local businesses. Copies are currently available at the library and community centre.
12. A new communications plan for the New Lynn development is being finalised.
13. Display panels have been on show in the foyer of the Les Mills complex and have reportedly created a lot of interest among gym-goers and Massimo cafe visitors. The panels will be on display in Waitakere Central in November 2008.

#### **Relationship Management and Advocacy**

14. A site visit of the New Lynn Transit Oriented Development Project for Mayor Bob Harvey and all Councillors occurred on 24 October 2008. The tour was preceded by a presentation from Fletchers and ONTRACK and was also attended by the Minister of Finance, the Honourable Dr Michael Cullen.

#### **ONTRACK TOC Status**

15. ONTRACK has now entered into a formal contract with its design/build consortium for the initial TOC 1 scope of works generally comprising the construction of the rail trench (base, walls, bridge structures etc) and duplication.
16. ONTRACK commissioned an independent third party review of the cost estimation work that has previously been undertaken by both Fletchers Construction quantity surveyors and ONTRACK's quantity surveyors in relation to the TOC 1 scope of works. The appointed independent expert has not yet completed this review. The Council has not received confirmation of a likely completion date for this work.

17. To date ONTRACK has not provided any cost information with respect to the Council's component share of the TOC 1 scope. However, ONTRACK has now provided the Council with a schedule of elements, the responsibility for which has been attributed to either the Council or ARTA. This schedule has been forwarded to the Council's quantity surveyor, WT Partnership, to undertake an independent assessment of the estimated costs for these elements of the TOC 1 scope.
18. There will be a reconciliation process for the TOC 1 scope when ONTRACK, the Council and ARTA have completed their independent assessments of costs. This process should provide a basis for agreement on the elements of scope attributed to each party and the associated costs of these scope elements.
19. ONTRACK are progressing with the detailed design of TOC 1 elements to support building consent processes. ONTRACK have already lodged, and had approved by the Council, the first major building consent for construction of the rail trench walls. Lodgement of building consents for other parts of the DART 6 project works are expected in late October 2008 and early November 2008.
20. Subsequent TOC design and pricing processes (TOC 2 etc) are being undertaken by ONTRACK's design/build consortium for other project elements that are to be constructed "in-corridor" including the rail station, concourse and associated road connections. The scope of each of these subsequent TOC's is not confirmed at this stage.

#### **ONTRACK Relationship**

21. Monthly coordination meetings are held between the Council's Programme Director and ONTRACK's Infrastructure Programme Manager. In addition, formal programme management meetings have now also been set up with Peter King, ONTRACK's Project Manager.

#### **ARTA Status**

22. Council officers and ARTA officers have been working through a process to partially novate the contracts that the Council currently holds with its design and quantity surveying consultants, to enable ARTA to deliver their detailed design with the same design team. The process of contract novation, which is a process used to transfer the role of Principal from one organisation to another, has now received ARTA Board approval. This process has been completed and ARTA has assumed the lead role for the detailed design of the New Lynn rail station and concourse.
23. ARTA proposed further amendments to their previously proposed concept for the interchange. These amendments related to the location and shape of the proposed high level canopies and the location of the support structures. The proposed asymmetric canopy design was required to fit the canopy support structure layout within space constraints set by the location of access points, and provision of space required to future proof the station for integrated ticketing and associated access controls (turnstiles). These amendments have been worked through with Council officers.
24. Regular formal programme management meetings have now been set up with Grant Daniel, ARTA's Project Manager.

### **NZTA Funding Applications**

25. Council officers and consultants are continuing to work through the pre-lodgement requirements of the NZTA, for the planned funding application for construction and land acquisition costs. This funding application was previously to be lodged via ARTA on 6 November 2008, but at ARTA's request the lodgement date was brought forward to 27 October 2008, enabling the project to be reported to the ARTA Board for consideration prior to the NZTA Board.
26. A business case for using other than standard Competitive Pricing Procedures was submitted to NZTA for their approval. NZTA have requested further information in relation to this report and the Council is currently preparing a response.
27. Due to the time constraints created by ARTA's decision to bring forward the NZTA application lodgement date to 27 October 2008, there was not sufficient time to present the project to the new NZTA Board in October 2008, in advance of the application. However, regular meetings have been held between Council officers and NZTA officers in order to coordinate the Council's application for funding.

### **Strategic Funding**

28. An external advisory company has finalised a report on potential options for funding elements of the New Lynn project exploring the possibilities of targeted rates and development contributions. Further analysis of costs is being undertaken to identify and quantify growth, renewal and maintenance cost components of the various components of the project. A report on the principles of using targeted rates was received by the Finance and Operational Performance Committee at its meeting held on 8 September 2008.

### **Development Contributions**

29. Stakeholder and developer engagement on the review of the Development Contributions Policy was held on the 23 October 2008.
30. A further policy discussion document on the transition rules between Development Contributions Policies will be discussed at the Development Contributions Policy Steering Group as soon as it is available.
31. A draft pro forma Infrastructure Funding Agreement template (previously called Developer Agreement) has been agreed by the Council's Directors Group. The management and process of an Infrastructure Funding Agreement negotiation has been agreed by the Council's Directors Group and will be implemented by the Infrastructure Funding Manager.

### **Legal Agreements**

32. The Legal Agreements portfolio headed by Roger Wilson is investigating and monitoring any legal agreements that the Council may need to enter into in regard to the division of responsibilities between the parties, the granting of rights to use parts of the rail corridor for bridges, footpaths and cycleways, and the land purchases that need to be made to advance the project. The key document covering the division of responsibilities between the Council and ARTA is currently being reviewed with a view to finalising this in time for the application for funding to the NZTA.

### **Risk Management**

33. All identified risks have been collated into a risk register. Risk mitigation strategies have been put into place for the most critical risks. Risk monitoring and reporting is an ongoing activity together with identification and management of new risks.

### **Consideration of Community Views**

34. The New Lynn Community has been involved in the future planning of New Lynn since the 1996 and 2005 planning Charrettes.
35. Over the last two years, the Council has undertaken a consultation programme with New Lynn landowners in proximity to the rail corridor, and has held three public consultation meetings. A portfolio has been established with the responsibility of communications. Council officers are working with the communications advisors from both ONTRACK and ARTA to manage consultation, the media and general public concerns prior to and during the construction period and to ensure that the views of the community are clearly fed back to the Council.

### **CONSULTATION**

36. No consultation was required during the reporting period.

### **STRATEGIC CONTEXT**

37. The New Lynn project is identified as one of the Council's top five projects and represents a substantial investment in the Long Term Council Community Plan 2006-2016. The project delivers on the following strategic platforms:
  - Urban and Rural Villages;
  - Strong Communities; and
  - Integrated Transport and Communications.
38. The New Lynn project is aligned with a number of strategies:
  - The Auckland Regional Growth Strategy, whereby New Lynn has been identified as a regional growth centre;
  - Auckland Regional Land Transport Strategy;
  - The Council's Transport Strategy 2006 - 2016;
  - Growth Management Strategy; and
  - Economic Development Strategy.

### **RESOURCES**

#### **Timeline/Milestones**

39. While the timeline and milestones for the project will continue to be developed as the project progresses, currently determined key milestones include:
  - Council funding application to NZTA lodged with ARTA - 27 October 2008;
  - ONTRACK commence main trench excavation works - October 2008 (preparation work in September 2008);
  - Train tracks installed in trench and new station complete - April 2010;

- ONTRACK works complete - July 2010;
- Council roading works (Stage 1) commence - mid 2009;
- Council roading works (Stage 1) complete - mid 2011;
- Clark Street extension (Stage 2) commence - early 2012;
- Clark Street extension (Stage 2) complete - mid 2013.

### Financial Status

40. There was \$21,568,000 budgeted in the Annual Plan 2007/2008 which included roading components, land purchase, ONTRACK contribution and communications. Of this amount, \$19,600,000 has been carried forward into the Annual Plan 2008/2009.
41. In the Annual Plan 2008/2009 there is a further \$47,740,600. Additional amounts will be required in the subsequent Annual Plan 2009/2010, Annual Plan 2010/2011, Annual Plan 2011/2012, and Annual Plan 2012/2013. Current total Council project costs are estimated at \$167,934,388 exclusive of administrative costs. This cost will be updated in preparation for the NZTA funding application late October 2008. There are three funding sources from NZTA, ARTA and development contributions currently being investigated which will offset some of the estimated project cost. These amounts have yet to be confirmed but are estimated to be between \$66,330,430 and \$78,330,430. Targeted rating is also being considered as a potential funding mechanism and work is being undertaken to assess its feasibility.
42. An update of the infrastructure capital cost is expected by late October 2008 from the quantity surveyor. This update will take into account Consumer Price Index adjustments and project scope changes to date.

### IMPLEMENTATION ISSUES

43. The Council is waiting on ONTRACK to issue TOC 1 costs.

### Project Risks

44. Securing funding to achieve interchange Option 2. Application for funding from NZTA was lodged with ARTA on 27 October 2008.
45. Land acquisitions for the Clark Street Flyover.

**Report prepared by:** John Schermbrucker, Special Projects Manager.



## 6 HENDERSON TOWN CENTRE - GREAT NORTH ROAD STREETSCAPE AND ROADING UPGRADE - CONSTRUCTION STATUS UPDATE OCTOBER 2008

### GLOSSARY

Infrastructure and Works Committee  
Ministry of Education

(Committee)  
(Ministry)

## EXECUTIVE SUMMARY

The purpose of this report is to update the Infrastructure and Works Committee (Committee) on progress of the Henderson Town Centre - Great North Road Streetscape and Roading Upgrade project.

A1 All work in zones A to G is complete. A final defects inspection was conducted with the contractor in the last week of October 2008. Work is in progress in zone H and this is due for practical completion on 24 November 2008. The zones are shown on the attachment at page A1.

Agreement on the purchase price for the land to be purchased from the Ministry of Education (Ministry) has been reached. Council's legal section is proceeding with actions to enable the purchase of the land and to vest ownership of the land with Council.

Liaison has been taking place with businesses that may be affected by the works in zone H and two newsletters have been delivered informing them of progress.

The contractor has submitted two additional claims for extension of time. Additional information is awaited on one of these claims.

Expenditure against contract contingency to date is 87% of the contingency amount and 8.7% of the contract value. Additional costs of approximately \$33,000 are expected due to the requirement to dispose contaminated cut material at a specialised tip site.

## RECOMMENDATION

It is recommended that the Infrastructure and Works Committee resolve to:

**Receive** the Henderson Town Centre - Great North Road Streetscape and Roading Upgrade - Construction Status Update October 2008 report.

## BACKGROUND

1. The construction status of the Great North Road Streetscape and Roading Upgrade project was last reported to the Committee on 1 October 2008. This report updates the construction status to late October 2008.

## DECISION MAKING

### Issues

#### Progress to date

2. During the reporting period, remedial work has been finalised in zones A to G.
3. The modification of speed table 1 adjacent to the Oratia Stream bridge has been completed, and the work to the electrical outlets for future decorative lighting to trees in the central median islands has been completed.
4. Work in zone H commenced on 29 September 2008. This work includes the road widening for a bus advance lane at the approach to Edsel Street, construction of retaining walls outside the Henderson Primary School and at the corner of Edsel Street, and the relocation of services into the new berm area as a result of the road widening.

### Procurement of Land from Ministry of Education

5. Discussions have taken place between the valuers representing the Council, the Ministry and a third independent valuer on a piece of land which is part of the Henderson Primary School. As a result of these discussions, the Ministry's valuer has agreed to a valuation of \$113,500.00, which is midway between the Council's valuation and the Ministry's valuation. This is acceptable to Council and the Ministry and is within the budget provided for the land purchase.
6. The Council's legal officers are proceeding with Gazette Notice actions to effect the purchase of the land and have ownership vested with the Council.

### Public Liaison

7. A newsletter was sent to business owners in the Henderson Central Business District in late September 2008 advising them of the start of work in zone H. Favourable reaction has been received from business owners. A further newsletter was delivered on 23 October 2008.
8. A meeting has been held between Council officers, the Chairman of the Henderson Community Board, and the Chairman of the Henderson Business Liaison Group to discuss issues that may affect business owners.

### Timeline Status

9. Details of the extension of time claimed by the contractor, and assessed and granted by the Engineer, as well as the amended due dates for practical completion and the actual practical completion dates achieved for separable portions 1 and 2 were reported to the Committee on 1 October 2008. These are summarised in Table 1 below.
10. The contractor has tabled two additional claims for extension of time. One of these, relating to work to speed table 1 in Zones A and B has been assessed by the Consultant who has recommended that no extension of time be granted. Additional information is awaited for the second claim, related to numerous miscellaneous items, to enable the Engineer to assess it.
11. Work in zone H commenced on 29 September 2008 and is due for practical completion on 24 November 2008
12. The timeline status is summarised in Table 1 below.

| TIMELINE STATUS                           |  |               |                       |
|---|--|---------------|-----------------------|
| Key contract dates / times                | As at contract award<br>31 January<br>2008 | Change        | As at<br>October 2008 |
| Contract Commencement date                | 3 March 2008                               |               | 3 March 2008          |
| Contract Period:                          |  |               |                       |
| Roading Upgrade (Separable portion 1)     | 80 w days                                  | + 10.5 w days | 90.5 w days           |
| Streetscape Upgrade (Separable portion 2) | 95 w days                                  | + 4.5 w days  | 99.5 w days           |
| Zone H (Separable portion 3)              | 80 w days                                  | Deferred      | 40 w days             |
| Due Date for Practical Completion:        |  |               |                       |
| Roading Upgrade (Separable portion 1)     | 27 June 2008                               | + 10.5 w days | 11 July 2008          |
| Streetscape Upgrade (Separable            | 17 July 2008                               | + 4.5 w days  | 24 July 2008          |

| TIMELINE STATUS                           |              |          |                |
|---|--------------|----------|----------------|
| portion 2)                                |              |          |                |
| Zone H (Separable portion 3)              | 27 June 2008 | Deferred | 24 Nov 2008    |
| Actual Date of Practical Completion:      |              |          |                |
| Roading Upgrade (Separable portion 1)     | 27 June 2008 |          | 8 Sept 2008    |
| Streetscape Upgrade (Separable portion 2) | 17 July 2008 |          | 25 August 2008 |
| Zone H (Separable portion 3)              | 27 June 2008 |          | TBA            |

**Table 1. Timeline Status**

### Consideration of Community Views

13. Extensive consultation has taken place with community groups and organisations during the concept and developed design stages of the project. This consultation included public meetings and an open day held in March 2007. Ongoing liaison with business owners has been taking place during the course of the contract.

### STRATEGIC CONTEXT

14. The project team will monitor construction progress in zone H on an ongoing basis to ensure that the outcome remains in alignment with the Council's strategic objectives

### CONSULTATION

15. No consultation was required during the reporting period.

### RESOURCES

16. Contingency expenditure during the report period amounted to \$33,883. The more significant items contributing to this expenditure are reported below. It is noted that while the provisional costs of these items represent a worst-case scenario, the costs are subject to interrogation by the consultant, which may result in reduced cost at time of agreement:

- Additional work to speed table in Zone A \$16,596
- Additional work to speed table in Zone B \$13,567
- Soakstone grate supply only \$ 2,036

17. The combined outcome of ongoing value engineering and contingent expense to date has resulted in the cost of these variations being accommodated within the contract contingency sum, yielding a net expenditure to date, inclusive of these variation costs of 87% of the contingency sum. The current level of contingency expenditure amounts to 8.7% of the contract sum.

18. In addition to the variation costs claimed by the contractor, additional variation expenditure amounting to approximately \$33,000 is expected for the additional cost of disposing of unexpected contaminated cut-to-waste material that was uncovered in zone H. The material is part of an old fill site that contains a high level of benzedrines. This results in the material having to be taken to a site specialised in the disposal of contaminated material at a significantly higher cost than would be the case at a standard tip site.

19. The effect of the extension of time payable to the contractor and liquidated damages due from the contractor were reported to the Committee on 1 October 2008. A summary of the current financial status of the contract is given in Table 2 below:

| <b>FINANCIAL STATUS</b>                       |   |                    |                               |
|---|---|--------------------|-------------------------------|
| <b>Contract Costs</b>                         | <b>As at contract award<br/>31 January 2008</b> | <b>Change</b>      | <b>As at<br/>October 2008</b> |
| Tender Award Value. HEB Smithbridge Ltd       | \$3,417,012                                     | -                  | \$3,417,012                   |
| Contract variations to date (to be agreed)    | -   | \$274,954          | \$274,954                     |
| Extension of time for Roading and Streetscape | -   | \$57,088           | \$57,088                      |
| Liquidated damages due from the contractor    | -   | (\$32,030)         | (\$32,030)                    |
| Contract Contingency Sum                      | \$341,701                                       | (\$300,012)        | \$41,689                      |
| Removal of Hanging Baskets from contract      | -   | (\$251,299)        | (\$251,299)                   |
| <b>Total Construction Cost</b>                | <b>\$3,758,713</b>                              | <b>(\$251,299)</b> | <b>\$3,507,414</b>            |

**Table 2. Financial Status**

### **IMPLEMENTATION ISSUES**

20. Monitoring of the contractor's performance is continuing during the work in zone H. The project team members will maintain daily contact with the contractor as issues arise on the site. Implementation by the consultant and Council officers will be in terms of the conditions of contract between the Council and the contractor.
21. Ongoing emphasis is being placed on liaison with the public and business who may be affected by the works in order to minimise the impact of the works on normal commercial activity in the Henderson Central Business District. Formal meetings with the Henderson Business Liaison Group take place at regular intervals to identify and address concerns.

### **Project Risks**

22. The following issues are currently being managed to mitigate unfavourable impacts on the project outcome:
  - A further two claims for extensions of time have been received from the contractor. One of these has been assessed by the consultant who has recommended that no time extension be granted while the other claim, related to numerous miscellaneous items, will be assessed on the receipt of additional information from the contractor; and
  - The unexpected discovery of contaminated cut-to-waste material and its disposal at a specialised tip site is expected to result in additional cost to the contract of approximately \$33,000.

### **Quality**

23. Quality audits undertaken to date confirm that the contractor's general attitude to maintenance of quality construction practice on site is satisfactory. Quality issues are addressed on an ongoing basis by the project team, and any issues communicated to the contractor.

**Report prepared by:** Duncan Miller, Senior Engineer - Special Projects.

