

## NOTICE OF MEETING

# TENDERS SUBCOMMITTEE

I hereby give notice that an Ordinary Meeting of the Tenders Subcommittee will be held on:-

**DATE:**        **Friday**                    **21 June 2002**                    **TIME:**        **9.00 am**

**VENUE:**        **Civic Centre, 6 Waipareira Avenue, Lincoln, Waitakere City**

to consider the business as set out herein and to take any necessary action connected therewith.

18 June 2002

Sharon Simiona  
**COMMITTEE SECRETARY**

Telephone (09) 836 8000 extn 8851

### **MEMBERSHIP:**

Councillors    JM     Clews, QSO, JP (Chairperson)  
                  GB     Presland (Deputy Chairperson)

Chief Executive

Director: City Services

Director: Corporate & Civic Services

Director: Strategic Projects

Director: Strategic Group

Director: Finance

Director: City Enterprises

Maori Issues Manager

Mayor, Bob Harvey, QSO, JP (ex officio)

Deputy Mayor, CA Stone (ex officio)

(Quorum 4 members)

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(The reports and recommendations contained in all agendas are reports and recommendations only and are not to be construed, in any way, as Council policy until adopted.)

**AGENDA FOR AN ORDINARY MEETING OF THE TENDERS SUBCOMMITTEE  
TO BE HELD IN THE CIVIC CENTRE, 6 WAIPAREIRA AVENUE, LINCOLN,  
WAITAKERE CITY, ON FRIDAY, 21 JUNE 2002,  
COMMENCING AT 9.00 AM.**

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**1 APOLOGIES**



**2 URGENT BUSINESS**

Section 46A(7) and (7A) of the Local Government Official Information Act 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 item is a minor matter; and
- (ii) the Chairperson has explained at the beginning of the meeting (when open to the public) that the item will be raised for discussion, why the item is not on the agenda, and why it cannot be delayed until a subsequent meeting; and
- (iii) the Committee resolves to deal with the item.

No resolution, decision, or recommendation may be made in respect of the item except to refer the item to a subsequent meeting for further discussion.

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



**3 CONFIRMATION OF MINUTES**

Ordinary - 14 June 2002

**RECOMMENDATION**

That the minutes of the Ordinary Meeting of the Tenders Subcommittee held on Friday, 14 June 2002, as circulated, be taken as read and now be confirmed.



4 **CONTRACT EW02600C - WATER SUPPLY, WASTEWATER AND STORMWATER DRAINAGE FACILITIES TERM MAINTENANCE CONTRACT 2002/2003 AND 2003/2004**

**PURPOSE OF THE REPORT**

The purpose of this report is to obtain the Tenders Subcommittee's approval to enter into a new contract with Techscape Limited for the maintenance of Council's water supply, wastewater and stormwater drainage network and facilities for a period of two years, with one year right of renewal.

**BACKGROUND**

Techscape Limited (Techscape), and previously as EcoWorks Limited, has carried out the maintenance of Council's water supply, wastewater and stormwater drainage facilities for a number of years. The current two-year contract for this work ends on 30 June 2002, and, while the contract provides for the term to be extended for a further year, there are benefits to Council that can be realised by entering into a new contract.

A report was submitted to the Tenders Subcommittee on 3 May 2002 to seek approval to negotiate a contract with Techscape Limited. The Subcommittee resolved:

- “2. *That approval be given for EcoWater Solutions to negotiate a new contract with Techscape Limited for the maintenance of the City's water supply, wastewater and stormwater drainage network and facilities for a term of two years, plus one year right of renewal commencing on 1 July 2002 subject to satisfactory performance and price, for the following reasons:*
- *known Performance in Service Delivery;*
  - *known Quality of Work;*
  - *familiarity with the Waitakere City Network;*
  - *close Working Relationship; and*
  - *shared Technology Platforms.*
3. *That details of the negotiated contract be referred to the Tenders Subcommittee and the Finance and Operational Performance Committee for approval.”*

810/2002

In accordance with this resolution, EcoWater Solutions has negotiated a contract with Techscape and the negotiated contract achieves the pre-qualification requirements for the scope of work.

**STRATEGIC CONTEXT**

The provision of water, wastewater and stormwater services are an essential service provided by Council in accordance with the Annual Plan and includes the following:

- achievement of strategic objectives for the three waters;
- levels of Service adopted by the Council; and
- residents satisfied with Council services overall.

## ISSUES

Council's powers in relation to the awarding of contracts are conferred under Part XVIA of the Local Government Act 1974 (Works and Contracts). Section 247E provides as follows:

*Where any local authority is contemplating entering into any contract for the supply of goods or services that is likely to involve the local authority in expenditure or financial commitment that the local authority considers significant, the local authority shall consider whether or not the matter shall be put to tender.*

*Where any local authority decides not to put out to tender a contract to which subsection (1) of this section applies, the local authority shall ensure that the reasons for the decision are recorded in writing.*

*In considering whether or not to put any matter to tender and whether or not to accept any tender, the local authority shall have regard to its objectives as stated in its annual report to the public under section 223D of this Act.*

Section 247E does not list any criteria which a council should take into account in deciding whether or not to go to tender. Some assistance can be derived from s.247D which states that a local authority may carry out its works and perform its function by using its own staff or by arrangement or contract with (among others) another local authority or public body, a LATE, or any person or organisation. Section 247D(2) states that in deciding how to carry out work or to perform its functions, the council shall have regard to the principles of transparency in s.223C and to the objectives stated in its Annual Plan; and also that it must give due consideration to the advantages and disadvantages of the different options.

## Options

Council could decide to put out this contract for public tender. However, there are a number of reasons why a negotiated contract is preferred including the following:

### Knowledge of Infrastructure

As reported to the Tenders Subcommittee on 3 May 2002, one of the major reasons why a negotiated contract with Techscape is preferred is their level of institutional and system knowledge of the City's three waters network.

### Annual Plan Objectives

The negotiated contract will give effect to Council's draft 2002/2003 Annual Plan objectives for water, wastewater, stormwater and service delivery.

### Cost Savings

The contract sum negotiated with Techscape will reduce maintenance costs and build on efficiency gains, as shown below:

Year	Annual Maintenance Contract Cost
1998/1999	\$3.6 million
2001/2002	\$3.3 million
2002/2003	\$3.2 million
2004/2004	\$3.2 million

Table 1 - Cost Efficiency

### **Disadvantage**

A possible disadvantage of a negotiated contract is the risk that the Council may be paying above the market. However, there is evidence that this is not the case, as follows:

- table 1 shows that maintenance costs have reduced by \$400,000 per annum since 1998/1999, while at the same time the asset base has increased an average of 5%; and
- the Local Network Operators benchmarking survey shows that maintenance costs are within market price.

### **Continuation with Existing Contract**

A further consideration is that the existing contract with Techscape contemplates a one-year (i.e. for 2002/2003) extension with that organisation. It is arguably a different situation than if the relationship was coming to a complete end. Although as a matter of contract Techscape could not have forced Council to extend the contract, there is a reasonable expectation that Council would do so in the absence of good reasons not to.

There are advantages to Council in the terms of the new contract which it would not obtain by simply extending the term of the existing contract. Thus, the revised contractual terms mean that it is reasonable to extend the term as a quid pro quo for Techscape accepting a contract, which is on terms more favourable to Council.

### **SUMMARY OF THE PROPOSED CONTRACT**

The proposed scope of work is similar to that of the previous contract, and covers the areas of water supply, wastewater and stormwater drainage. The Contract requires Techscape to:

- carry out maintenance and repair of the pipe networks in response to customer enquiries and requests from Customer Field Specialists;
- carry out a programme of routine maintenance and asset inspection;
- complete other activities related to maintenance as requested; and
- undertake the operation of the network on a day-to-day basis.

### **Term of the Contract**

The contract is for a period of two years from 1 July 2002 to 30 June 2004. The Contract allows for a one year extension to 30 June 2005 at the discretion of Council, and only if contract requirements have been met. Proposals for any contract extension will be referred to the Tenders Subcommittee.

### **Performance**

The contract includes performance measurement through a variety of Key Performance Indicators that are to be measured under the contract. The accurate measurement of Key Performance Indicators is completed using the data supplied from the Hansen asset management system.

The Key Performance Indicators include the following:

- response times to attend;
- completion of programmed maintenance;
- reinstatement of work;
- customer service complaints;
- accurate reporting of required data;
- input of required data to Hansen;

- environmental compliance;
- service restoration and completion times;
- Health and Safety;
- network reliability achieved;
- customer service notifications;
- quality control;
- productivity and effectiveness.

## IMPROVEMENTS

The new contract includes new conditions to improve performance or reduce costs as follows:

- **Management of Customer Service Requests**  
Techscope will provide a 24 hour/seven days service to manage customer service requests. This will ensure that all service requests are responded to and unnecessary call outs avoided.
- **Reinstatement**  
The performance of permanent reinstatement was identified as an increasing problem in previous years. Changes to reinstatement procedures have resulted in a significant reduction of the number of complaints from Roding and Traffic.
- **Contract Management**  
Both parties have recognised the importance of the appropriate management of this contract. EcoWater Solutions have appointed a Maintenance Contracts Co-ordinator for this purpose and more recently Techscope has appointed a dedicated Contracts Manager.
- **Recoverable Works**  
The process to recover costs from third parties causing damage to the network has been reviewed and changes made. It is anticipated that a higher number of recoveries will be able to be made more promptly and successfully.
- **GIS and Asset Systems**  
All EcoWater Solutions asset information has now been installed on GIS. Techscope have been given access to the GIS system ensuring that they are using the most up to date plans available.
- **Customer Service Notifications**  
A review of customer service notifications is being carried out and new notifications will be compiled with an emphasis on customer service. The notifications will be jointly devised to ensure that the new process is efficient and effective in providing the right information and in ease of use in the field.
- **Processes**  
EcoWater and Techscope have a commitment to making on-going improvements of joint processes to improve the workflow and management of maintenance activity. These improvements are made within the context of the Alliance.
- **Technology**  
Investment in and alignment of technology to accommodate joint processes.

## CONTRACT APPROVAL PROCESS

The contract sum is within the delegated authority of the Tenders Subcommittee and does not need to be referred to the Finance and Operational Performance Committee.

### Job Costs

	<b>Excl. GST</b>
Maintenance Services	\$3,113,120
Asset Programmes	<u>\$91,308</u>
Annual Contract Sum	<u>\$3,204,428</u>
Two Year Contract Sum	<u><b>\$6,408,856</b></u>

Contract management costs are included in EcoWater's operating costs.

### Source of Funding

The following budgets have been included in the draft 2002/2003 Annual Plan:

Budget Description (from Annual Budget Line Item)	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated Balances
<b>Wastewater</b>					
Maintenance and Operations	85-7335	456,683	0	414,491	
Preventative Maintenance	85-7340	226,326	0	226,326	
Renewals	85-9835	140,851	0	140,851	
<b>Stormwater</b>					
Maintenance and Operations	85-7435	465,660	0	465,660	
Preventative Maintenance	85-7440	83,200	0	83,200	
Renewals	85-9845	47,349	0	47,349	
Stormwater facilities maintenance	85-7435-40920	39,500	0	39,500	
<b>Water Supply</b>					
Maintenance and Operations	85-7535	982,191	0	982,191	
Preventative Maintenance	85-7540	30,460	0	30,460	
Renewals	85-9855	668,912	0	668,912	
Leak repairs	85-7520-26850	20,488	0	20,488	
Water quality problem flushing	85-7555-40950	10,000	0	10,000	
Valve & Hydrant routine maintenance	85-7540-26810	75,000	0	75,000	
<b>Total</b>		<b>3,246,620</b>	<b>0</b>	<b>3,204,428</b>	<b>42,192</b>

Table 2: EcoWater Budgets in Draft 2002/03 Annual Plan

## CONCLUSION

The negotiated contract with Techscape Limited will deliver the current high service levels, protect Council's investments in underground assets, in jointly developed processes and technologies, and provide measurable performance at a lower real cost than at present.

## RECOMMENDATIONS

1. That the information be received.
2. That the negotiated Contract EW02600C - Water Supply, Wastewater and Stormwater Drainage Facilities Term Maintenance Contract 2002/2003 and 2003/2004 with Techscape Limited be accepted for the sum of \$6,408,856 plus GST of \$801,107 totalling \$7,209,963.
3. That no tender be called for the Water Supply, Wastewater and Stormwater Drainage Facilities Term Maintenance Contract for the following reasons:
  - known performance in service delivery;
  - known quality of work;
  - familiarity with the Waitakere City network;
  - close working relationship;
  - shared technology platforms;
  - cost savings to Council.
4. That the commitment of funds for the Water Supply, Wastewater and Stormwater Drainage Facilities Term Maintenance Contract EW02600C for the 2002/2003 financial year of \$3.2 million and for the 2003/2004 financial year of \$3.2 million be approved.
5. That any extension of the Water Supply, Wastewater and Stormwater Drainage Facilities Term Maintenance Contract for 2004/2005 be referred back to the Tenders Subcommittee for approval prior to 30 June 2004.
6. That authority to enter into the Water Supply, Wastewater and Stormwater Drainage Facilities Term Maintenance Contract on behalf of Council be delegated to the Acting Manager: EcoWater.

Report prepared by: Tony Miguel, Acting Manager: EcoWater.



5 **ECOWATER SOLUTIONS FUTURE WORKS PROGRAMME - REGISTRATION OF INTEREST AND PRE-QUALIFICATION OF CONSULTANTS AND CONTRACTORS**

**PURPOSE OF THE REPORT**

The purpose of this report is to seek approval from the Tenders Subcommittee to confirm the shortlists of Pre-Qualified Consultants and Contractors who will be eligible to tender for work from EcoWater's 2002/2003 Annual Plan work programme.

**BACKGROUND**

On 3 May 2002 the Tenders Subcommittee considered a report to request approval to commence the process for Registration of Interest from Consultants and Contractors for the design and implementation of EcoWater's 2002/2003 annual budget work programme. The Tenders Subcommittee resolved:

- “2. That approval be given to use a Registration of Interest process in May 2002, for procurement of design and construction services for implementation of EcoWater's 2002/2003 work programme.
3. That the short listed pre-qualified consultants and contractors be reported back to the Tenders Subcommittee for approval prior to tendering.”

808/2002

The stated objectives of the pre-qualification process are to:

- enable the selection of Consultants and Contractors to be completed at an early stage to ensure the completion of physical works by 30 April 2003;
- provide a suitable opportunity for Consultants and Contractors to participate in the local economy of Waitakere City;
- obtain feedback from Consultants and Contractors by way of workshops during the pre-qualification period;
- enter into more collaborative relationships with service providers.

The pre-qualification process is stage 1 of a two-stage process for letting tenders for professional services and physical works contracts. The second stage will generally consist of inviting tenders for specific contracts from the successful short-listed applicants. Tenders will generally be evaluated by the Lowest Price Conforming Tender method, and tenderers will be required to submit an attribute statement on methodology relating to the specific work, in addition to the price. Council has reserved the right to put contracts out to open tender or to re-tender, on the open market, any contract for which tenders have previously been sought from pre-qualified consultants or contractors.

The performance of consultants and contractors will be reviewed during and on completion of each contract. Where the performance is deemed to be unsatisfactory, the consultant or contractor will be removed from the shortlist.

The Registration of Interest programme for consultants and contractors, leading to pre-qualification for defined categories of work from the annual budget, has now been implemented and submissions from applicants have been evaluated and shortlists drawn up.

## STRATEGIC CONTEXT

The proposal to deliver the 2002/2003 work programme through the pre-qualification process will contribute to the following strategic objectives:

- providing for growth in the City by ensuring that the necessary infrastructure is available on time;
- completing at least 95% of the annual work programme on time;
- supporting Buy Waitakere initiatives;
- promoting the friendly face of Council.

In order to foster buy Waitakere initiatives, advertisements were placed in local newspapers. As well, consultants and contractors based in Waitakere City and known to the Council were contracted and invited to register their interest.

## THE REGISTRATION OF INTEREST / PRE-QUALIFICATION PROGRAMME

The process for the development of shortlists complies with Council's Procurement Policy and involves the following steps:

Item	Milestone
Open invitation to pre-qualify	Completed
Evaluation of applications	Completed
Preparation of shortlists	Completed
Approval of shortlists by Tenders Subcommittee	21 June 2002
Notification of results to applicants	28 June 2002

Advertisements were placed in the New Zealand Herald and the Western Leader on 6 May and 9 May 2002 respectively, inviting applications for pre-qualification and to attend workshops. Separate pre-qualification documents were drawn up for consultants and contractors and were made available for collection from Monday 11 May 2002. The documents were also posted and e-mailed where requested.

The documents required applicants to submit applications for specific work categories with supporting attribute statements. Specific instructions to applicants included the requirement for concise, well-structured submissions to allow the evaluation team to make a reasoned assessment of the application. The closing date for applications for both consultants and contractors was 9:00 am on Monday 27 May 2002.

## CONSULTANTS AND CONTRACTORS WORKSHOPS

Workshops for consultants and contractors were held on Thursday 16 May 2002. The purpose of the workshops was to:

- re-affirm Council's objectives and values;
- explain the pre-qualification process to prospective applicants;
- identify issues that consultants and contractors have in carrying out work for EcoWater and obtain feedback and suggestions.

Notes were taken of the discussions and EcoWater will be discussing these internally with a view to improving processes and procedures where applicable.

## APPLICATIONS RECEIVED

At the closing date applications were received as follows:

- 43 applications from consultants in 39 work categories;
- 26 applications from contractors in 24 work categories.

## THE EVALUATION PROCESS

The evaluation of applications was carried out in the period from 27 May to 5 June 2002 in the manner described below.

In accordance with the Invitation to Pre-qualify documents, Health and Safety questionnaires were examined first. Those applicants who were considered to have inadequate health and safety records were rejected and were not considered further.

Applicants were marked against the attributes in general accordance with the weighted attribute method described in Transfund New Zealand's "Manual of Competitive Pricing Procedures".

Applicants were not required to submit either Price or Methodology. An additional attribute, "Council Values" was included in the pre-qualification requirements in order to ensure that short-listed applicants will harmonise with Council's vision of presenting a friendly face to the public, growing the local economy, protecting the environment and ensuring public health and safety.

The evaluation team consisted of six staff members working in an "assembly line" configuration. Three people evaluated each of the consultants' and contractors' applications. Individual members scored each attribute against a number of factors, and then consensus was reached on the scores. As different categories of work required differentiation in some of the attribute statements, applicants were evaluated for each category of work for which they wished to pre-qualify.

*A1-A3*

It is proposed that applicants attaining an overall score of 50% or greater in particular work categories pre-qualify for the 2002/2003 work programme in those categories, while applicants scoring less than 50% do not pre-qualify. The list of successful applicants showing the categories for which they pre-qualify, is attached at page A1 to A3.

## RESOURCES

The work programmes considered in the pre-qualification process have been included in the draft 2002/2003 Annual Plan. Contracts will only be entered into once the Annual Plan is approved and in accordance with the requirements of Council's Draft Procurement Manual.

## CONCLUSION

The Registration of Interest/Pre-qualification process for EcoWater's 2002/2003 Works Programme has resulted in a list of skilled and suitable consultants and contractors who will work co-operatively with EcoWater toward achieving the objectives of Council's Annual Plan. It will enable the commissioning of design and construction work to commence at the beginning of July 2002 and will minimise the constraints of consent processing times and the limited construction season of 1 October 2002 through 30 April 2003. It will maximise other benefits by early planning, bundling of projects, and building more collaborative relationships with private sector suppliers.

## **RECOMMENDATIONS**

1. That the information be received.
2. That approval be given to confirm the shortlist of pre-qualified consultants and contractors (refer to attachment in the agenda report) who will be eligible to tender for work from EcoWater's 2002/2003 annual budget work programme.
3. That subject to Council's Draft Procurement Manual, EcoWater be permitted to generally invite tenders for such contracts from the short-listed consultants and contractors.

Report prepared by: Tony Miguel, Acting Manager: EcoWater.



## **6 CLOSED LANDFILL WATER QUALITY MONITORING**

### **PURPOSE OF THE REPORT**

The purpose of this report is to seek approval from the Tenders Subcommittee to issue a variation to the Closed Landfill Water Quality Monitoring Contract AC-02-001.1 for a further period of twelve months from the current expiry date of 28 June 2002 until the 30 June 2003, thus committing expenditure against the draft 2002/2003 Annual Plan budgets.

### **BACKGROUND**

The Closed Landfill Water Quality Monitoring Contract AC-02-001.1 was awarded to Environmental and Earth Sciences Pty Limited on the 26 September 2001 with a contract completion date of 28 June 2002. The contract agreement included a provision for a right of renewal for 12 months subject to satisfactory performance by the contractor and mutual agreement on rates. The contract was competitively tendered prior to being awarded. The tender was approved and awarded by the Director: City Services within his financial contract delegated authority, due to the value and it being awarded to the lowest priced tenderer.

### **SCOPE OF WORK**

This Contract is for the provision of regular sampling and analysis of the environmental conditions of closed landfill sites within Waitakere City. The sites included in this Contract are: Kay Road Balefill, Archibald Park, Waitakere War Memorial Domain, Wicks Balefill, Taipari Strand, Ceramco Park and Corbans Reserve. Work undertaken in this Contract includes sampling and analysis of stormwater, trade waste discharge, measurements of groundwater levels and regular analysis and reporting of results, and attendance at meetings to report results.

### **SUMMARY**

Current Council procedures require Tenders Subcommittee approval for the commitment of funding against future financial years where such funding has not been ratified. In the case of the funding identified for this project, these funds have been identified within the current draft 2002/2003 Annual Plan. The work to be carried out is required to meet the City's obligations with respect to the Landfill Resource Consents issued by the Auckland Regional Council.

**JOB COSTS**

	<u>Excl. GST</u>
Original Contract sum - (Environmental & Earth Sciences Pty Limited)	\$32,870.00
Value of Variation to Extend Term	\$32,870.00
Contingency	\$ 3,230.00
Engineering & Supervision	\$ 5,900.00
<b>Total Job Cost</b>	<b>\$74,870.00</b>
Job costs for 2002/2003	\$42,000.00

**SOURCE OF FUNDING**

Budget Description (from Annual Budget line item)	Code	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Resource Consent Monitoring	46-6510-40620	\$218,340	\$0	\$42,000	\$176,340

**RECOMMENDATIONS**

1. That the information be received
2. That the commitment to the 2002/2003 financial year for Contract AC-02-001.1 Closed Landfill Water Quality Monitoring totalling \$42,000.00 plus GST be approved.
3. That authority to issue a variation to Contract AC-02-001.1 - Closed Landfill Water Quality Monitoring to extend the contract term for a further 12 months ( until the 30 June 2003 ) on behalf of Council be delegated to the Director: City Services.

Report prepared by: Alan Tresadern, Service Manager, Aftercare & Special Projects.



**7 WAITAKERE WAR MEMORIAL DOMAIN LEACHATE CARTAGE**

**PURPOSE OF THE REPORT**

The purpose of this report is to seek approval from the Tenders Subcommittee to issue a variation to the Waitakere Domain Leachate Cartage 73790 (10041) contract for a further period of twelve months from the current expiry date of the 30 June 2002 date until the 30 June 2003, thus committing expenditure against the draft 2002/2003 Annual Plan budgets.

**BACKGROUND**

The Waitakere Domain Lechate contract was awarded to Mc Donald Onyx in October 2000 with a contract term of 24 months. The contract agreement included a provision for a right of renewal subject to satisfactory performance by the contractor and mutual agreement on rates. The contract was competitively tendered prior to being awarded.

**SCOPE OF WORK**

The contract is for the pumping of leachate from the Waitakere Domain Balefill site, and discharge at the Transfer Station, Henderson.

The work is required as there is no sewerage system in the vicinity of the balefill site for the leachate to be discharged into.

**SUMMARY**

Current Council procedures require Tenders Subcommittee approval for the commitment of funding against future financial years where such funding has not been ratified. In the case of the funding identified for this project, these funds have been identified within the current draft 2002/2003 Annual Plan. The work to be carried out is required to meet the City's obligations with respect to the Landfill Resource Consents issued by the Auckland Regional Council.

**JOB COSTS**

	<u>Excl. GST</u>
Original Contract sum - (Mc Donald Onxy)	\$50,810 (2 year period)
Value of Variation to Extend Term	\$25,400 (1 year period)
Contingency (2002/2003)	\$ 2,500
Engineering & Supervision	\$ 3,600
	-----
<b>Total Job Cost</b>	<b>\$82,310</b>
Job costs for 2002/2003	\$31,500

**SOURCE OF FUNDING**

Budget Description (from Annual Budget line item)	Code	Budget	Committed to Other Projects	Allocation to this Project	Unallocated Balance
Leachate Management	46-6510-40590	\$42,017	\$0	\$31,500	\$10,517

## **RECOMMENDATIONS**

1. That the information be received.
2. That the commitment to the 2002/2003 financial year for Contract 73790 (10041) Waitakere Memorial Leachate Cartage totalling \$ 31,500 be approved.
3. That authority to issue a variation to Contract 73790 (10041) Waitakere Memorial Leachate Cartage to extend the contract term for a further 12 months (until the 30 June 2003 ) on behalf of Council be delegated to the Director: City Services.

Report prepared by: Alan Tresadern, Service Manager, Aftercare & Special Projects.



## **8 EXTENSION OF PROFESSIONAL SERVICES CONTRACT NO. 75340 – DANGEROUS GOODS SERVICES**

### **PURPOSE OF THE REPORT**

To gain approval to commit expenditure in the 2002/2003 financial year in order to allow the extension of Professional Services Contract No.75340-Dangerous Goods Services for a period of up to a maximum of twelve months.

### **BACKGROUND**

During the transition period of the Hazardous Substances and New Organisms Act (replacing the Dangerous Goods Act), Waitakere City Council has a responsibility to continue to ensure that all facilities used for the storage and handling of dangerous goods and hazardous material within the City boundaries are registered and that handling of such material is carefully monitored. This is primarily achieved through the licence inspection programme administered by the Council.

The beginning of the transition period (1 July 2001) of the Hazardous Substances and New Organisms Act coincided with the resignation of Council's Dangerous Goods Officer. As the full implementation of Hazardous Substances and New Organisms Act will eliminate all licensing of dangerous goods premises by Territorial Local Authorities the inspections and professional advice supplied by Council's Dangerous Goods Officer were contracted out, for the duration of the transition period. The transition period is expected to take two years in total.

During the Hazardous Substances and New Organisms Act transition period the consultant is carrying out the following work:

- inspection of 550 sites that store or handle dangerous goods. These inspections are to ensure that the site owners have fulfilled their statutory requirements under the appropriate Acts, and their licences are both up to date and valid;
- provide immediate response to emergency callouts i.e. chemical fire, spill etc. and where necessary provide technical advice and physical response to mitigate the effects of an incident involving dangerous goods;
- provide the Waitakere City Council with technical input to consent applications;
- provide professional advice regarding LIM and PIM reports.

## ISSUES

Professional Services Contract No.75340 - Dangerous Goods Services was let from 1 July 2001 for a period of twelve months with an option for an extension up to a maximum of twenty-four months.

As Council's draft 2002/2003 Annual Plan is not scheduled to be approved before 30 June 2002 then approval is required from the Tenders Subcommittee to commit the expenditure required to extend Professional Services Contract No.75340 - Dangerous Goods Services for a further twelve months, from 1 July 2002 to 30 June 2003.

The consultant has performed well and has agreed to hold his rates at the tendered levels for a further twelve months.

## CONCLUSION

Council has a continuing responsibility to provide a service in relation to the safe handling and storage of dangerous goods during the transition period of Hazardous Substances and New Organisms Act. The delivery of these services has been contracted out for the duration of the transition period.

Approval of The Tenders Sub Committee is required to extend the existing contract for a further twelve months as Council is unlikely to finalise the draft 2002/2003 Annual Plan before 30 June 2002.

## JOB COST

Contract extension sum	\$56,470.00
Contingency	\$ 2,945.00
Total	\$59,415.00

## SOURCE OF FUNDING

Budget description (From draft Annual Plan line item)	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated expenditure
Dangerous Goods	37-5730-38590-333	\$60,000	Nil	\$59,415.00	\$585.00

## RECOMMENDATIONS

1. That the information be received.
2. That a commitment against the 2002/2003 financial year, for an extension of Professional Services Contract No.75340 - Dangerous Goods Services, for a maximum of twelve months, up to a maximum value of \$59,415 plus GST be approved.
3. That the Director: City Services be delegated authority to extend the contract for a further 12 months.

Report prepared by: Max Wilde, Manager Field Services.



## ***ROI Process Results Summary***

<i><b>Organisation</b></i>	<i><b>City</b></i>	<i><b>Programme</b></i>	<i><b>No. of Successful Categories</b></i>	<i><b>Health and Safety OK</b></i>
Asset Construction Ltd	Auckland	Contractor	8	Yes
Associated Environmental Services Ltd	North Shore City	Contractor	2	Yes
AWT New Zealand	Auckland	Consultant	4	Yes
Backflow Specialists (NZ) Ltd	Auckland	Consultant	1	Yes
Bellard Consultants Ltd	Waitakere City	Consultant	5	Yes
Cadability Ltd	Auckland	Consultant	1	Yes
CH2M Beca Ltd	Auckland	Consultant	15	Yes
CH2M Beca Ltd	Auckland	Strategic Planning Consultant	1	Yes
City Care Ltd	Auckland	Contractor	7	Yes
City Contractors Ltd	Auckland	Contractor	1	Yes
City Design Ltd	Auckland	Consultant	12	Yes
Civil Construction Group Ltd	Auckland	Contractor	5	Yes
CKL Surveys Ltd	Auckland	Consultant	1	Yes
Coast Digger Services Ltd	Silverdale	Contractor	3	Yes
Commonwealth Scientific and Industrial Research Organisation	NSW	Strategic Planning Consultant	1	Yes
CoullBaly & Associates Limited	Auckland	Consultant	7	Yes
Dainty Alderton & Associates	Waitakere City	Consultant	4	Yes
Dempsey & Wood Civil Contractors Ltd	Auckland	Contractor	13	Yes
Duffill Watts & King Ltd	Auckland	Consultant	9	Yes
E C Harte	Waitakere City	Contractor	6	Yes
Enfield Enterprises	North Shore City	Contractor	1	Yes
Excell Corporation Ltd	Auckland	Contractor	21	Yes
Fraser Thomas Ltd	Auckland	Consultant	19	Yes
GHD Ltd	Manukau City	Consultant	29	Yes
Giles Civil Ltd	North Shore City	Contractor	1	Yes
H & H Contractors Ltd	Waitakere City	Contractor	4	Yes
Hansen Intl Australasia	Auckland	Consultant	2	Yes
Harker Underground Construction Ltd	Auckland	Contractor	2	Yes
Harrison Grierson Consultants Limited	Auckland	Consultant	27	Yes
HEB Contractors Ltd	Drury	Contractor	6	Yes

<i>Organisation</i>	<i>City</i>	<i>Programme</i>	<i>No. of Successful Categories</i>	<i>Health and Safety OK</i>
Horizontal Eath Drilling Ltd	Auckland	Contractor	3	Yes
Hughes Civil Ltd	Waitakere City	Contractor	7	Yes
Hydraulic Modelling Services Ltd	Cambridge	Consultant	2	Yes
J B Pipeline Services Ltd	Auckland	Contractor	1	Yes
Jeff Booth Consulting Ltd	Rotorua	Consultant	2	Yes
McGuigan Syme Chilcott Ltd	North Shore City	Consultant	5	Yes
McKenzie Project Services	Auckland	Consultant	1	Yes
Meritec Limited	Auckland	Consultant	15	Yes
Meritec Limited	Auckland	Strategic Planning Consultant	1	Yes
Michelle Tyrrell - Environmental Consultant	Waitakere City	Consultant	2	Yes
Mitchell Vranjes Consulting Engineers Ltd	Auckland	Consultant	9	Yes
MWH New Zealand Ltd	Auckland	Consultant	19	Yes
Octa Associates Limited	Auckland	Consultant	4	Yes
Opus International Consultants Limited	Auckland	Consultant	1	Yes
Pattle Delamore Partners Ltd	Auckland	Consultant	7	Yes
Pipeworks Rehabilitation Solutions	Auckland	Contractor	6	Yes
ProjectMax Ltd	North Shore City	Consultant	4	Yes
ProjectMax Ltd	North Shore City	Contractor	4	Yes
Qmex Limited	Waitakere City	Consultant	11	Yes
R J Engineering Consultants Ltd	Waitakere City	Consultant	1	Yes
Riley Consultants Ltd	North Shore City	Consultant	12	Yes
Smythe Contractors Ltd	Cambridge	Contractor	7	Yes
Stockman General Contractors Ltd	Clevedon	Contractor	1	Yes
Synergine Group	Auckland	Consultant	3	Yes
Synergine Group	Auckland	Strategic Planning Consultant	1	Yes
Techscape Ltd	North Shore City	Consultant	3	Yes
Techscape Ltd	North Shore City	Contractor	13	Yes
Thomas Civil Consultants Ltd	Waitakere City	Consultant	2	Yes
Tonkin & Taylor	Auckland	Consultant	25	Yes
TP Civil Ltd	Waitakere City	Consultant	7	Yes
Truebridge Callender Beach	Auckland	Consultant	2	Yes
Tse Group Limited	Auckland	Consultant	14	Yes

<i>Organisation</i>	<i>City</i>	<i>Programme</i>	<i>No. of Successful Categories</i>	<i>Health and Safety OK</i>
URS New Zealand Limited	Auckland	Consultant	18	Yes
URS New Zealand Limited	Auckland	Strategic Planning Consultant	1	Yes
Waugh Consultants Limited	Timaru	Consultant	2	Yes
Wood and Partners Consultants Ltd	Auckland	Consultant	7	Yes
Works Infrastructure Ltd	Silverdale	Contractor	19	Yes

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