



Waitakere City Council
Te Taiao o Waitakere

NOTICE OF MEETING

TENDERS SUBCOMMITTEE

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

DATE: **Friday** **12 November 2004** **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.

5 November 2004

PP.

Ngareta Delamere
COMMITTEE SECRETARY

Telephone (09) 836 8000 extn 8552

MEMBERSHIP:

Councillors JM Clews, QSO, JP (Chairperson)
 RI Clow (Deputy Chairperson)

Chief Executive

Director: City Services

Director: Corporate & Civic Services

Director: Strategy & Development

Director: Quality Assurance

Director: Finance

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 A MEETING OF THE TENDERS SUBCOMMITTEE TO BE
HELD IN THE CIVIC CENTRE, 6 WAIPAREIRA AVENUE, LINCOLN,
WAITAKERE CITY, ON FRIDAY, 12 NOVEMBER 2004,
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 SEPTIC TANK PUMP OUT AND INSPECTION CONTRACT

PURPOSE OF THE REPORT

The purpose of this report is to seek permission to invite tenders for a 3-year contract, with options for a further 3-year renewal, for septic tank pump out and inspection.

BACKGROUND

Council provides a programme to pump out and inspect approximately 5,300 septic tanks on a 3-yearly cycle, with the costs recovered as a separate charge on rateable properties that are not connected to the wastewater network.

The current contract is due to expire on 31 March 2005 and in order to procure a new contract it will be necessary to commence the tender invitation process in mid-November 2004.

STRATEGIC CONTEXT

The provision of this service was introduced by Council in order to protect public health and the environment in rural areas and thereby contributing to Council's environmental and social objectives. As well, by contracting the service over a longer period Council is able to provide a cost effective service to the community.

ISSUES

As this contract will require a funding commitment beyond the present financial year, i.e. 2004 - 2005, specific approval is required from the Tenders Subcommittee to initiate the tender process.

It is anticipated that the contract will be more costly than the current contract, for the following reasons:

- Increased vehicle operating costs due to the increase in fuel; and
- Increased sludge disposal costs, due to new resource consent requirements for disposal facilities which in turn require significant investment by operators in order to comply with consent conditions.

In order to mitigate some of the anticipated cost increases, it is recommended that a relatively long time frame be adopted for this contract in order to enable contractors to recover their costs over a longer period.

It is proposed that the contract will be for a 3-year period, with a 3-year right of renewal at Council's sole discretion and subject to the contractor achieving satisfactory performance as set out in the conditions of contract, meeting Key Performance Indicators and minimising costs.

RESOURCES

Funding has been provided in the 2003 - 2004 Long Term Council Community Plan for this activity.

If there are any increases in the contract costs, these will be reported to the Council through the 2005 - 2006 Annual Plan process.

CONCLUSION

It is now necessary to invite tenders for a new septic tank pump out and inspection contract.

While it is expected that there will be cost increases, these can be minimised by entering into longer term contracts.

RECOMMENDATIONS

1. That the Septic Tank Pump Out and Inspection Contract report be received.
2. That approval be given to invite tenders for a three-year contract, with option for extension for a further three years, for the Septic Tank Pump Out and Inspection Contract.

Report prepared by: Tony Miguel, Group Manager: Asset Management.



3 WAITAKERE CENTRAL - HENDERSON TRANSPORT INTERCHANGE-PROCUREMENT

PURPOSE OF THE REPORT

The purpose of this report is to seek approval for:

- a preferred contractor arrangement with Architectus (architect) and WT Partnership (Quantity Surveyor) for the developed and detailed design of components of Waitakere Central - Henderson Transport interchange; and
- entering into discussions with Canam in relation to a negotiated contract for the construction of the transport interchange (excluding the platform, trackwork, signals, railbridge at Henderson Valley Road).

BACKGROUND

Waitakere Central - Henderson Transport Interchange is a key component of the overall Waitakere Central development. Support for public transport was identified as a critical component of the Quadruple Bottom Line Analysis supporting the relocation of Council offices to Henderson.

Officers have been working on the development of the transport interchange and received between \$8.065 million and \$9.565 million from Infrastructure Auckland in response to a funding application in April 2004. This comprises track, signalling and bridge works in addition to the station platform, overbridge, park and ride and bus/taxi/drop off area. Conditions of this grant are to be accepted by 17 December 2004.

Developed and detailed design will cover the following components of the transport interchange:

- Overbridge and accesses (stairs, lift, escalators);
- Taxi/bus/drop-off area;
- Toilet;
- Park and ride.

Currently, New Zealand Railways Corporation have undertaken concept design work for the double tracking of the western rail corridor from west of New Lynn to approximately the north of Corban Estate. This has included design of the station platform structure and amenities (excluding accesses) and minor alterations to the trackwork/signalling design to incorporate this as part of the overall double tracking process rather than as a stand alone project.

STRATEGIC CONTEXT

Development of the rail network is a key component of meeting Council's strategic goals, particularly given that the rail network runs through some of the City's main town centres. Development of the rail network and its integration with other transport modes are key components of meeting the goals of the Regional Land Transport Strategy and the Regional Growth Strategy.

Station location, development, and linkages are important parts of developing the rail network. Stations are the key interface between the rail corridor, town centres and communities. Their location and design is critical, in terms of the tone they set for the rail corridor and the way in which they interface with the town centre or community. These factors can have a large bearing on how well the rail network can capitalise on transit supportive development. Given the importance of Henderson Town Centre, and the level of development occurring, including the Waitakere Central Library, Unitec, Waitakere Central and the many other private sector developments, the linkages that the station makes between rail, other public transport, surrounding development and the Henderson Town Centre are critical.

ISSUES

Design and Quantity Survey contracts

Architectus were engaged to undertake concept design for the development of Waitakere Central - Henderson Transport Interchange in early 2004. These designs were the basis for a funding application to Infrastructure Auckland. Given the close fit between the station precinct and the civic development, and the importance of the overbridge to the design of the civic centre, a decision was made for Waitakere City Council to lead the design work for the transport interchange. WT Partnership were engaged to undertake the Quantity Survey work in relation to the concept design given their role in undertaking quantity survey work for all other stations being developed within the Auckland network.

Through a competitive tender, the Council engaged Architectus to design the Civic Centre project, which included a concept plan for the connection with the rail and bus interchanges. This may justify a preferred contractor arrangement. However, this would be subject to the Auckland Regional Council waiving the condition of the Infrastructure Auckland grant in relation to a competitive tender for the design. If competitive quotes or tenders are required, this could involve a 2-3 month delay in the project completion.

Advice received by officers indicates that it is more favourable for Waitakere City Council to contract the quantity surveyor independent of the architect contract so as to receive independent advice.

Construction contract

The indicative programme for the development of the transport interchange, requires construction to commence as soon as the detailed design phase has been completed. This is to ensure fit with the double tracking of the western corridor and the civic development. However, the double tracking is not yet funded and an exact programme is yet to be agreed.

Advice received by Council recommends that Council consider a negotiated contract in relation to the head contract for construction. This is on the basis that a negotiation with Canam might cover the transport interchange components as a variation or new contract. The Auckland Regional Council's agreement to waive the requirement of a competitive tender (or acknowledge that this condition has been satisfied with the process carried out by the Council in relation to contractors for the Civic Centre project) would be required to fulfil the conditions of the Infrastructure Auckland grant.

A1-A7

An outline of the justification for a negotiated contract is attached at pages A1 to A7.

RESOURCES

Officers have been working on the development of the transport interchange and received between \$8.065 million and \$9.565 million from Infrastructure Auckland in response to a funding application in April 2004. Conditions relating to this grant have yet to be agreed by Council and other parties and components of the grant assigned to the party which will take responsibility for the related component of the project.

Council has included in the 2004/2005 Annual Plan, \$900,000 as a Council contribution to the overbridge development.

Funding for the development of the station was secured from Infrastructure Auckland. This covered the full cost of the trackworks/signalling and bridgeworks (\$4,940,200) and \$3,110,465 for the station, overbridge, park and ride and bus/taxi interchange. An additional \$1.5 million was granted subject to Council accepting that this was a reallocation from other stations within the City.

Given the initial funding gap and estimated cost increases of \$875,000 since the application, an estimated funding gap of \$4,383,000 and \$2,883,000 respectively now exists. Council's Quantity Surveyor has indicated that there is potential for costs to increase a further 8 - 11 % over the next year.

A number of funding sources are being investigated including Auckland Regional Transport Authority and Transfund, however it is likely that Council will be required to fund all or most of those components above regional standard. The level of risk Council is exposed to will be dependent upon those components of the grant it accepts and wishes to take responsibility for.

CONCLUSION

Progress is being made in the planning for the Waitakere Central - Henderson Station Precinct and resolution of outstanding issues to allow for the allocation of Infrastructure Auckland funding to appropriate parties. The engagement of Architectus will allow for continued consistency between the civic development and transport interchange. There are a number of options in terms of how to proceed with the next stages of work and the level of risk and obligation that attach to each.

RECOMMENDATIONS

1. That the Waitakere Central - Henderson Transport Interchange- Procurement report be received.
2. That officers seek Auckland Regional Council agreement to waive the condition of the Infrastructure Auckland grant in relation to a competitive tender for the design component.
3. That officers seek Auckland Regional Council agreement to waive the requirement of a competitive tender (or acknowledge that this condition will be satisfied using a similar process to that carried out by the Council in relation to selected contractors for the Civic Centre project).
4. That the Chief Executive be given authority to negotiate a contract with Architectus for developed design, subject to prior agreement by the Auckland Regional Council to vary the conditions of the funding grant for the Waitakere Central - Henderson Transport Interchange, and that this be reported back to the Tenders Subcommittee for approval prior to the contract being entered into.

5. That the Chief Executive be given authority to negotiate a contract with WT Partnerships for quantity survey, subject to prior agreement by the Auckland Regional Council to vary the conditions of the funding grant for the Waitakere Central - Henderson Transport Interchange, and that this be reported back to the Tenders Subcommittee for approval prior to the contract being entered into.
6. That the Chief Executive be given authority to enter into discussions with Canam in relation to a negotiated contract for the construction of the transport interchange (excluding the platform and amenities, trackwork, signals, railbridge at Henderson Valley Road).

Report prepared by: Glenda Lock; Project Manager.

