



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** **22 July 2005** **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.

14 July 2005

Ngareta Delamere
COMMITTEE SECRETARY

Telephone (09) 836 8000 extn 8552

MEMBERSHIP:

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

Chief Executive Officer

Director: City Services

Director: Corporate & Civic Services

Director: Strategy & Development

Director: Quality Assurance

Director: Finance

Maori Issues Manager

Mayor RA 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, 22 JULY 2005, COMMENCING AT 9.00 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 Chairperson 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 CONFIRMATION OF MINUTES

Meeting Minutes - 8 July 2005

RECOMMENDATION

That the minutes of the Meeting of the Tenders Subcommittee held on Friday, 8 July 2005, as circulated, be taken as read and now be confirmed.



4 CONTRACT NO. PK03600C - CITY WIDE GRAFFITI MANAGEMENT EXTENSION

PURPOSE OF THE REPORT

The purpose of this report is to change the terms and extend Contract No. PK03600C - City Wide Graffiti Management for a further period of two years from 1 July 2005 to 30 June 2007, with rights of renewal for 1+1+1 years, subject to funding being allocated. Following negotiations with the Waitakere Tag Out Trust it was agreed that the terms of the contract would change to what was approved by the Tenders Subcommittee 30 May 2003.

BACKGROUND

The Waitakere Tag Out Trust were awarded Contract No. PK03600C City Wide Graffiti Management for a term of two years from 1 July 2003 to 30 June 2005. This contract was awarded with a right of renewal of one (1), plus one (1), plus one (1) year until 30 June 2008. The Waitakere Tag Out Trust were awarded the contract following the recommendation of the Tenders Subcommittee, 7 March 2003, for approval to negotiate a price from the Waitakere Tag Out Trust.

- “2. *That approval be given to negotiate a 2 +1+1+1 year contract for the Contract PK 03600C City Wide Graffiti Removal and Management contract with the Tag Out Trust.*

3. *That no tender be called for this contract for the following reasons:*
 - *Known performance in service delivery*
 - *Improvement in the quality of work*
 - *Familiarity with the Waitakere City parks and Community*
 - *Close working relationship*
 - *Alignment with council strategic direction and community partnerships and cost saving to Council.”*

343/2003

The Tenders Subcommittee, 30 May 2003, delegated the authority to extend Contract No. PK03600C City Wide Graffiti Management to the Director: City Services.

- “2. *That the tender from the Tag Out Trust for Contract PK 03600C City wide Graffiti Management in the sum of \$450,000 plus \$56,250 GST , totalling \$506,250 be accepted.*
3. *That approval be given to committing \$900,000 plus \$112,500 GST, totalling \$1,012,500 against the 2003/2004 Annual Plan.*
4. *That approval be given to committing \$450,000 plus \$56,250 GST, totalling \$506,250 against the 2004/2005 Annual Plan.*
5. *That authority to enter into Contract PK03600C City Wide Graffiti management on behalf of Council be delegated to the Director of City Services.*
6. *That authority to exercise the right of renewal for the periods of the 2005/2006, 2006/2007 and 2007/2008 financial years be delegated to the Director of City services, subject to Council providing the budget for each of these years, and the quality of the contractors performance being acceptable to Council.”*

1010/2003

SCOPE OF WORK

This contract forms a strategic part of the Council's city wide maintenance programme. The purpose of the contract is to implement the Graffiti Control Strategy established in 1999. The objectives of that strategy are:

- To significantly reduce the incidence of graffiti within Waitakere City;
- To reduce the number of complaints or establish a 'no complaints' target;
- Establish and run a successful Tag Free Programme for recidivist taggers;
- Establish and run a successful Community Service for reducing re-offending;
- Communicate with Police to catch and charge repetitive taggers.

As part of the Annual Plan process in 1999, the Waitakere Tag Out Trust suggested that Council could implement the Graffiti Control Strategy more cost effectively through a mix of community and other initiatives. The outcome of investigations and reports was a partnership agreement between Council and the Waitakere Tag Out Trust in 1999.

Both the Graffiti Control Strategy and the partnership agreement between Council and the Waitakere Tag Out Trust act as the foundation to Contract No. PK03600C.

The Contract has focussed on two elements: prevention and removal. The extent of work performed by the Waitakere Tag Out Trust has included:

- Youth education;
- Community Service programmes;
- Community awareness;
- Self-help removal assistance for residents and business;
- Adopt a Spot volunteer scheme;
- The employment of six operators for the quick removal of tags.

In the past year the third element of the Contract, prosecution, has been further enhanced. On 17 December 2004 the New Zealand Police - Waitakere District, Waitakere City Council and The Waitakere Tag Out Trust signed a Memorandum of Understanding for S.TAG (Stop Tagging Project). The purpose of the project is to develop a database to enable the Police to successfully deal with the perpetrators responsible for tagging. The aim is to bring taggers forward to the justice system.

The partners to the Stop Tagging Project contribute in different ways:

1. The New Zealand Police: Direct intervention with identified offenders, preparation of prosecutions and seeking restitution, management of the database.
2. The Tag Out Trust: The collection of data via digital cameras; specification of costs for restitution; community service programme for offenders referred through the Justice system; data entry into the S.TAG computer programme.
3. Waitakere City Council: Funding of computer hardware/software; two digital cameras Xtra Jet Stream Internet system; plus the funding of a Project Manager for the Waitakere Tag Out Trust whose brief includes working on the S.TAG project with the Police.

PERFORMANCE

The requirements of this contract involve two elements:

1. **Prevention:** Visits to schools, graffiti ranger education programmes; adopt a spot, self help programmes.
2. **Removal:** The work includes the supply of all management, supervision, labour materials, plans and incidental requirements necessary to maintain the areas and assets in a clean and graffiti free condition:
 - Major commercial centres;
 - Minor commercial centres;
 - Major arterial routes;
 - Parks, including clubrooms;
 - Waikumete Cemetery;
 - Toilets;
 - Bus shelters;
 - Street lights and traffic poles;
 - City entry signs;
 - Art work.

The Waitakere Tag Out Trust employ six operators to remove graffiti. These operators carry out work in a professional manner and are dedicated in keeping the city graffiti clean. Agreed targets for the prevention and education programmes have been met by the Waitakere Tag Out Trust. Regular audits of the graffiti removal programme had highlighted some concerns on the quality of workmanship relating to the methodology employed by one of the operators. This issue has now been resolved in consultation with the Tag Out Trust by the introduction of a full time auditor and a change in employment of one of their operators.

IMPROVEMENTS FOR THE NEW CONTRACT PERIOD

The Waitakere Tag Out Trust have recognised the need to improve their audit rating and have initiated a number of significant changes.

1. **Quality Assurance Methods:** The Waitakere Tag Out Trust recognised that one of their operators was not achieving the quality assurance standards, and this operator is no longer employed with the Waitakere Tag Out Trust.
2. **New Project Manager:** The Tag Out Trust has engaged a projects manager who will:
 - carry out self audits on a weekly basis;
 - supervise the graffiti removal operators and monitor their quality of work;
 - work up to eight hours a week on the Police S.TAG project in administering the data base;
 - develop an asset register to further enhance graffiti removal management;
 - develop and manage the Tag Out Trust website;
 - cover for any of the operators who may be on leave.

The Waitakere Tag Out Trust are seeking Council funding of this position in the new contract price for 2005/2007.

Other Improvements

1. **Community Service Works:** The Waitakere Tag Out Trust has applied to The Trusts for the funding of a community services supervisor, vehicle and equipment. This will allow the Waitakere Tag Out Trust to respond better to on going requests by the Youth Court and/or Child Youth and Family Service for offenders to carry out community service. No Council funding is required for this new service.
2. **Graffiti Rangers:** The youth education programme is an important element in the graffiti control strategy. The Waitakere Tag Out Trust has applied for the increase funding of this programme so that it may be resourced further.
3. **Sports Clubs:** The current contract involves the removal of graffiti from sports/community organisation club rooms located on parks. The Waitakere Tag Out Trust intend to work closer with Clubs, by developing a data base of Club building colours.
4. **Audit Process:** The Waitakere Tag Out Trust has requested that monthly audit reports and KPI's reflect the preventative programmes as well as the graffiti removal programmes.
5. **Transport Assets:** The City Wide graffiti management contract does not include roading signs and barriers. Discussions will occur with the Transport Asset section of Council for some roading barriers, bridges and other transport assets to be funded in the contract.

SUMMARY

The recommendation to extend Contract No. PK03600C - City Wide Graffiti Management to the Waitakere Tag Out Trust for a 24 month period, from 1 July 2005 is for the following reasons:

- The Waitakere Tag Out Trust has responded to quality issues identified in the audit process;
- The Waitakere Tag Out Trust regularly respond to requests within the contractual time frames;
- The Waitakere Tag Out Trust are recognised as leaders in their field by other local authorities and the Regional Graffiti Group and they regularly provide advice and information and give presentations on the success of their preventative and treatment programmes;
- For specialist methods of removing graffiti , The Waitakere Tag Out Trust has a close working relationship with another graffiti removal specialist - 'Graffiti Protecta';
- The Waitakere Tag Out Trust initiates non contract work on a 'more for less basis'. Walkways, fences, private and commercial properties are a few of the areas that the Trusts maintain on a non contractual basis. Other contractors are less likely to provide this extra free service;
- The partnering agreement between Council and The Waitakere Tag Out Trust is effective and benefits both parties in the removal and treatment of graffiti;
- A familiarity with Waitakere City and an understanding of the strategic platforms of Council;
- To continue a positive working relationship with Council and providing advice on graffiti prevention methods for new infrastructure.

JOB COSTS

	<u>EXCL. GST</u>
2005/2006 - 11 month period contract sum	\$ 495,962.88
Contingency	<u>\$ 28,370.65</u>
Total job cost	\$ 524,333.33
2006/2007 - 12 month period contract sum	\$ 541,050.20
Contingency	<u>\$ 30,949.80</u>
Total job cost	\$ 572,000.00

A variation for the sum of \$47,666.67 has been issued to the Tag Out Trust to extend the existing contract for one month to 31 July 2005 by the Director: City Services under his delegated authority.

SOURCE OF FUNDING

2005/2006 budget 11 months

Budget description (from annual budget line item)	code	budget	Committed to other projects	Allocation to this project	Unallocated balance
Graffiti control		\$572,000	\$47,666.67	\$524,333.33	0

2006/2007 budget 12 months

Budget description (from annual budget line item)	code	budget	Committed to other projects	Allocation to this project	Unallocated balance
Graffiti control		\$572,000	0	\$572,000	0

Funding has been provided for this contract work within the Long Term Council Community Plan.

RECOMMENDATIONS

1. That the Contract No. PK03600C - City Wide Graffiti Management Extension report be received.
2. That Contract No. PK03600C - City Wide Graffiti Management contract sum is increased to \$495,962.88, plus GST, for 11 months in 2005/2006, and increased to \$541,050.20, plus GST, for 2006/2007.
3. That the commitment to the 2006/2007 financial year for Contract No. PK03600C - City Wide Graffiti Management, in the sum of \$572,000, plus \$71,500 GST, totalling \$643,500, be approved.
4. That the commitment to the 2007/2008 financial year for Contract No. PK03600C - City Wide Graffiti Management, in the sum of \$572,000, plus \$71,500 GST, totalling \$643,500, be approved.

5. That the commitment to the 2008/2009 financial year for Contract No. PK03600C City Wide Graffiti Management, in the sum of \$572,000, plus \$71,500 GST, totalling \$643,500, be approved.
6. That the commitment to the 2009/2010 financial year for Contract No. PK03600C City Wide Graffiti Management, in the sum of \$572,000, plus \$71,500 GST, totalling \$643,500, be approved.
7. That authority to extend the term of Contract No. PK03600C City Wide Graffiti Management for 2007/2008, 2008/2009, 2009/2010 on behalf of Council be delegated the Director: City Services.

Report prepared by: Warren Ogilvie, Operations Manager: Special Projects, Parks and Open Space.

5 **CONTRACT NO. PK03600D - PARKS RESPONSE MAINTENANCE EXTENSION**

PURPOSE OF THE REPORT

The purpose of this report is to seek approval to extend Contract No. PK03600D - Parks Response Maintenance for a period of two (2) years and eleven (11) months from 1 August 2005 to 30 June 2008.

BACKGROUND

Parks and Maintenance Services were awarded Contract No. PK03600D - Parks Response Maintenance for a term of two years from 1 July 2003 to 30 June 2005. This contract was awarded with a right of renewal of one (1), plus one (1), plus one (1) year until 30 June 2008. The existing contract has been extended for one (1) month through a variation to allow the proposed contract modifications to be finalised. Parks Maintenance Services were awarded the contract based on their competitive rates established through a public tendering process.

At the Tenders Subcommittee, 16 May 2003 it was resolved:

- “2. That the tender from Parks Maintenance Services Limited for Contract PK03600D Parks Response Maintenance in the sum of \$751,650.00 plus \$93,956.25 GST, totalling \$845,606.25 be accepted.
3. That approval is given to committing \$375,825.00 plus \$46,978.13 GST totalling \$422,803.13 against the Long Term Council Community Plan and 2003/2004 Annual Plan.
4. That approval is given to committing \$375,825.00 plus \$46,978.13 GST totalling \$422,803.13 against the Long Term Council Community Plan and 2004/2005 Annual Plan.
5. That authority to enter into Contract PK03600D Parks Response Maintenance on behalf of Council be delegated to the Director: City Services.
6. That authority to exercise the right of renewal for the periods of the 2005/2006, 2006/2007 and 2007/2008 financial years be delegated to the Director: City Services, subject to Council providing the budget for each of these years.”

SCOPE OF WORK

The Parks Response Maintenance contract introduced a new methodology in the way response work was managed for unplanned parks and open space maintenance works. The objective of this contract was to co ordinate the response to Request for Service for the maintenance, renewal and management of high profile areas, town centres, civic areas, parks and road reserves and to ensure all repairs and minor renewals are undertaken in a co-ordinated and timely manner and to a quality standard.

The original contract which was awarded in May 2003 involved the establishment of two (2) response teams of two (2) staff, one (1) asset auditor and one (1) supervisor. The contract was to undertake both response work and allow some proactive work to be carried out. The proactive work was planned to enable issues to be resolved before they were identified by the public as is the case with response/reactive type work.

This proposal did not fully eventuate as the volume of Request for Service exceeded the projected volume for this contract and the two (2) response teams plus other resources were required to attend to request for service and call out duties. Now that the other major Parks and Town Centre maintenance contracts have been determined and the volume of Request for Service is slowly decreasing, the option to move into undertaking proactive works can be realised.

The original scope of works of the contract is still current with the major change being the need to increase the contractor's resources to undertake proactive works. This will also allow an increase in the areas of coverage and responsibilities for the Proactive and Response teams. The scope of works will now also cover the cemetery and some minor roading requests.

The proposed model now provides for two (2) specialist response teams of two (2) staff who deal with both normal and urgent parks and town centre requests for service, one (1) proactive team to locate and undertake minor park works, one (1) asset auditor who also undertakes weekly inspections of high profile areas, monthly checks of hazardous assets and manages Periodic Detention programme and one (1) supervisor. These teams are supported by the contractors office management team.

PERFORMANCE

Parks and Maintenance Services have performed extremely well and met the high quality standards of the contract in the delivery of the Response Maintenance Contract. They consistently exceed the required Key Performance Measures for this and other park maintenance contracts. They have adopted a proactive approach to the demands of the job and have demonstrated:

- Performance in service delivery;
- Improvements in quality of work;
- The ability to develop processes and systems to improve the project management of works;
- A familiarity with Waitakere City Parks;
- A close relationship with Council;
- The ability to produce innovative ideas and solutions.

The original contract was competitively priced and through discussions with Parks Maintenance Services on the extension to the contract they have agreed that the only increase on the contract rates will be for labour and diesel and all other material costs and rates will remain at the original contract sum. The provision of the extra proactive staff will be at the same rates as provided for the response teams.

JOB COSTS

	<u>EXCL. GST</u>
2005/2006 - 11-month period contract sum	\$533,148.26
Contingency	\$220,000.00

Total Job Cost	\$753,148.26
2006/2007 - 12-month period contract sum	\$581,616.28
Contingency	\$240,000.00

Total Job Cost	\$821,616.28
2007/2008 - 12-month period contract sum	\$581,616.28
Contingency	\$240,000.00

Total Job Cost	\$821,616.28

The contingency is for day works undertaken through this contract by Council approved subcontractors. This involves plumbers, electricians, drain layers and other specialists to undertake work on park and town centre assets including toilets, water features, and drainage systems.

The contingency sum also includes the cost for collection and removal of dumping in parks. The volume of dumping in parks is currently at over \$100,000 per annum. Measures are being introduced to reduce this volume and other costs saving incentives are also being considered.

The actual number of subcontractors works to be undertaken and the volume of dumping is difficult to determine for inclusion in the contract. There are rates and some volumes within the contract for the undertaking of the day works and tipping fees to ensure competitive pricing.

SOURCE OF FUNDING

2005/2006 Budget 11 months

Budget Description (from Annual Budget line item)	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Building Maintenance	\$563,247	\$366,163	\$197,083	\$0.00
Fixtures and Furniture Maintenance	\$247,228	\$157,853	\$89,375	\$0.00
Litter Control	\$543,069	\$469,736	\$73,333	\$0.00
Passive Grass Maintenance	\$1,102,563	\$1,072,313	\$30,250	\$0.00
Paths Tracks Walkways Maintenance	\$118,750	\$46,563	\$72,188	\$0.00
Planting Maintenance	\$1,072,382	\$1,026,671	\$45,711	\$0.00
Safety and Emergency Works	\$150,000	\$58,333	\$91,667	\$0.00
Services Maintenance	\$194,500	\$81,292	\$113,208	\$0.00
Structures Maintenance	\$68,461	\$28,128	\$40,333	\$0.00
	\$4,060,200	\$3,307,052	\$753,148	\$0.00

2006/2007 Budget 12 months

Budget Description (from Draught Annual Budget line item)	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Building Maintenance	\$563,247	\$348,247	\$215,000	\$0.00
Fixtures and Furniture Maintenance	\$247,228	\$149,728	\$97,500	\$0.00
Litter Control	\$543,069	\$463,069	\$80,000	\$0.00
Passive Grass Maintenance	\$1,102,563	\$1,069,563	\$33,000	\$0.00
Paths Tracks Walkways Maintenance	\$118,750	\$40,000	\$78,750	\$0.00
Planting Maintenance	\$1,072,382	\$1,022,516	\$49,866	\$0.00
Safety and Emergency Works	\$150,000	\$50,000	\$100,000	\$0.00
Services Maintenance	\$194,500	\$71,000	\$123,500	\$0.00
Structures Maintenance	\$68,461	\$24,461	\$44,000	\$0.00
	\$4,060,200	\$3,238,584	\$821,616	\$0.00

2007/2008 Budget 12 months

Budget Description (from Draught Annual Budget line item)	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Building Maintenance	\$563,247	\$348,247	\$215,000	\$0.00
Fixtures and Furniture Maintenance	\$247,228	\$149,728	\$97,500	\$0.00
Litter Control	\$543,069	\$463,069	\$80,000	\$0.00
Passive Grass Maintenance	\$1,102,563	\$1,069,563	\$33,000	\$0.00
Paths Tracks Walkways Maintenance	\$118,750	\$40,000	\$78,750	\$0.00
Planting Maintenance	\$1,072,382	\$1,022,516	\$49,866	\$0.00
Safety and Emergency Works	\$150,000	\$50,000	\$100,000	\$0.00
Services Maintenance	\$194,500	\$71,000	\$123,500	\$0.00
Structures Maintenance	\$68,461	\$24,461	\$44,000	\$0.00
	\$4,060,200	\$3,238,584	\$821,616	\$0.00

Funding has been provided for this contract work within the Long Term Council Community Plan.

RECOMMENDATIONS

1. That the Contract No. PK03600D - Parks Response Maintenance Extension report be received.
2. That the Contract No. PK03600D - Parks Response Maintenance contract sum be increased to \$533,148.26 plus \$66,643.53 GST totalling \$599,791.79 for 2005/2006.
3. That the Contract No. PK03600D - Parks Response Maintenance contract sum be increased to \$581,616.28 plus \$72,702.03 GST totalling \$654,318.31 for 2006/2007.

4. That the Contract No. PK03600D - Parks Response Maintenance contract sum be increased to \$581,616.28 plus \$72,702.03 GST totalling \$654,318.31 for 2007/2008
5. That the commitment to the 2006/2007 financial year for Contract No. PK03600D - Parks Response Maintenance for the sum of \$821,616.28 plus \$102,702.03 GST totalling \$924,318.31 be approved subject to contractor performance and funding availability
6. That the commitment to the 2007/2008 financial year for Contract No. PK03600D - Parks Response Maintenance for the sum of \$821,616.28 plus \$102,702.03 GST totalling \$924,318.31 be approved subject to contractor performance and funding availability

Report prepared by: David Barker, Contracts Manager, Parks Assets.

