



**AGENDA FOR A MEETING OF THE TENDERS SUBCOMMITTEE TO BE HELD IN THE  
CIVIC CENTRE, 6 WAIPAREIRA AVENUE, LINCOLN, WAITAKERE CITY,  
ON FRIDAY, 19 MAY 2006, COMMENCING AT 9.00 AM**

---

**TABLE OF CONTENTS**

<b><u>ITEM</u></b>		<b><u>PAGE NO.</u></b>
1	<b>APOLOGIES</b>	<b>1</b>
2	<b>URGENT BUSINESS</b>	<b>1</b>
3	<b>CONFIRMATION OF MINUTES</b>	<b>1</b>
4	<b>CONTRACT NO. PY05017J - WAITAKERE CITY COUNCIL GROUNDS MAINTENANCE</b>	<b>2</b>

**AGENDA FOR A MEETING OF THE TENDERS SUBCOMMITTEE TO BE HELD IN THE  
CIVIC CENTRE, 6 WAIPAREIRA AVENUE, LINCOLN, WAITAKERE CITY,  
ON FRIDAY, 19 MAY 2006, COMMENCING AT 9.00 AM**

---

**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 - 5 May 2006

**RECOMMENDATION**

That the minutes of the Meeting of the Tenders Subcommittee held on Friday, 5 May 2006, as circulated, be taken as read and now be confirmed.



4 **CONTRACT NO. PY05017J - WAITAKERE CITY COUNCIL GROUNDS MAINTENANCE**

**PURPOSE OF THE REPORT**

The purpose of this report is to seek approval from the Tenders Subcommittee to tender Contract No. PY05017J - Waitakere City Council Grounds Maintenance for a 36 month term, being an initial 12 months with two one-year renewals, at Council's discretion.

**BACKGROUND**

The Grounds Maintenance Contract covers 60 properties, including the Housing for Older Adults portfolio and Council owned vacant land.

**Council Procurement Policy**

It is the Council's policy when procuring goods, works or services to:

- Achieve the right outcomes and best value for money for its ratepayers and citizens;
- Manage risk while allowing staff to exercise business judgement and be innovative;
- Be able to demonstrate fairness;
- 'Buy Waitakere' - where all things are equal, preference should be given to a local supplier;
- Reflect best management practices which include:
  - value for money, competitive prices, and cost controls;
  - timeliness;
  - technical standards of workmanship, physical quality and performance;
  - increase staff effectiveness and efficiency in the management of tenders and contracts;
  - avoidance of legal actions or disputes;
  - meeting all corporate, political, legal and other obligations (e.g. Health and Safety).

Any procurement option adopted must be consistent with these principles.

**ISSUES**

The current contract award is \$90,000 plus GST per annum. It is proposed to let the contract with a 36 month term being, an initial 12 months with two one-year renewals, at Council's discretion. The longer term allows flexibility to manage the contract efficiently, as maintenance requirements are perpetual.

**Reasons**

The request for an extended term is in line with Council's Procurement Policy and based on the following:

- The longer term will promote value for money setting a platform for competitive pricing due to the volume of work over this period;
- The longer term allows the prospective contractor to become established and gain specific property knowledge to operate the contract efficiently;

- The tender process, although necessary, is time consuming. The Property Assets section manages over 20 contracts and the extended term allows the staff to manage the contract more effectively and exercise business judgement rather than being consumed by the process every year;
- Despite the request for a 36 month term, the risk to Council is minimised through the following:
  - performance criteria are specifically stated within the terms and conditions of the contract which allows for early termination for non-performance;
  - the Council is under no obligation to renew the contract after the initial 12 month term, or the following renewals thereafter.

## RESOURCES

As this contract has the potential to commit funding from future annual budgets the approval of the Tenders Subcommittee is sought prior to tendering. The source of funding will be the aggregate response maintenance budgets that reside in the properties currently managed by the Property Assets section. The anticipated cost for this contract in the current financial year will be met from property response maintenance budgets across Council properties.

## CONCLUSION

A 36 month term for the contract reduces the internal cost to Council associated with annual tendering, provides a platform for competitive pricing and allows Council the flexibility of terminating the contract on an annual basis or continuing for the full term.

## RECOMMENDATIONS

1. That the Contract No. PY05017J - Waitakere City Council Grounds Maintenance report be received.
2. That the Contract No. PY05017J - Waitakere City Council Grounds Maintenance Contract be tendered with a 36 month term, being an initial 12 months with two one-year renewals.

Report prepared by: Brenda Hoskins, Property Contracts Team Leader, Property Assets.

