

**AGENDA FOR A MEETING OF THE TENDERS SUBCOMMITTEE TO BE HELD IN THE
MANUKAU ROOM AT WAITAKERE CENTRAL, 6 HENDERSON VALLEY ROAD,
HENDERSON, WAITAKERE, ON FRIDAY, 31 OCTOBER 2008,
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 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 - Friday, 17 October 2008

RECOMMENDATION

It is recommended that the Tenders Subcommittee resolve to:

Receive the minutes of the meeting of the Tenders Subcommittee held on Friday, 17 October 2008, as circulated, and that they be taken as read and now be confirmed.



5 **CONTRACT NO. EW08015B - SEWER RENEWALS AT MINI CATCHMENT 18 NEW LYNN - CRAIGBANK, GARDNER, ASTLEY, MAYVILLE**

GLOSSARY

Advanced Pipeline Services Limited	(APSL)
PipeWorks Rehabilitation Solutions Limited	(PRSL)
Mini Catchment	(MC)

EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. EW08015B – Sewer Renewals at Mini Catchment (MC) 18 New Lynn – Craigbank, Gardner, Astley, Mayville.

RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. EW08015B - Sewer Renewals at Mini Catchment 18 New Lynn - Craigbank, Gardner, Astley, Mayville report.
2. **Approve** that the tender from Advance Pipeline Services Limited for Contract No. EW08015B - Sewer Renewals at Mini Catchment 18 New Lynn - Craigbank, Gardner, Astley, Mayville in the sum of \$749,270.00 plus \$93,658.75 GST, totalling \$842,928.75 be accepted.
3. **Approve** that authority to enter into Contract No. EW08015B - Sewer Renewals at Mini Catchment 18 New Lynn - Craigbank, Gardner, Astley, Mayville on behalf of the Council be delegated to the Group Manager: Project Services.

BACKGROUND

1. Council has an objective to reduce flows in the wastewater network by 25% through the Infiltration and Inflow Control Programme. The New Lynn wastewater catchment is the first catchment to be assessed under this programme. Rehabilitation work has already been carried out on public drains in MC2, MC4, MC5, MC6, MC7, MC8, MC9, MC15, MC19 and MC21.
2. The rehabilitation of MC18 is the next project on the priority list. The existing manholes and public sewer pipes in the area are in poor condition and require rehabilitation.

SCOPE OF WORK

3. The scope of work includes installation of approximately 1,420 metres of new wastewater pipeline using various methodologies, construction of manholes and the replacement or reconnection of service connections.

TENDERS RECEIVED

4. Tenders were publicly advertised in Tenderlink with thirty six (36) sets of documents being uplifted.
5. Five (5) tenders were received by the closing date of 7 October 2008. One (1) was a non-conforming tender. The tenders are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)	
		Conforming	Alternative
Horizontal Earth Drilling Limited	55 Waitea Road, Torbay, North Shore	\$785,770.00	
PipeWorks Rehabilitation Solutions Limited	18 Gabador Place, Mt Wellington, Auckland	\$790,109.03	
H&H Contractors Limited	12A Culperry Road, Glen Eden, Waitakere	\$840,376.00	
Advanced Pipeline Services Limited	146 Nielsen Street, Onehunga, Auckland	\$891,980.00	\$749,270.00
Pre-tender contract estimate		\$820,150.00	

Table 1 - Summary of Tender Prices

TAGS, ERRORS OR OMISSIONS

6. There were no tags, errors or omission in either the conforming or alternative tender submitted by Advanced Pipeline Services Limited (APSL) or the tender submitted by H&H Contractors Limited.
7. The tender from PipeWorks Rehabilitation Solutions Limited (PRSL) had no errors but several items in their price schedule were indicated as being included in the pricing of other items. When requested the tenderer clarified in writing the amount allowed for these items. Their tender price remained unchanged. There was a tag pertaining to the performance bond which was withdrawn on request.
8. The tender from Horizontal Earth Drilling Limited had no tags but contained an arithmetic error. When advised of the error the tenderer confirmed their tender price. There were several minor omissions but these were not addressed as resolution would not have affected the tender outcome.

TENDER EVALUATION

9. In accordance with the conditions of tendering, tenders were evaluated in line with the Weighted Attribute Method contained in New Zealand Transport Agency "Competitive Pricing Procedures Manual".
10. A summary of evaluation results for conforming tenders is shown in Table 2 below:

Tender Evaluation	Attributes	Exper	Track Record	Tech Skill	Resour	Manag Skills.	Method	Price	Contract Number EW8015B
									Total Weights
	Weights	10	10	5	10	10	5	50	100
Tenderer	Tender Sum	Grades							INDEX
Horizontal Earth Drilling Limited	\$785,770.00	85	70	75	75	60	85	54	64
PipeWorks Rehabilitation Solutions Limited	\$790,109.03	80	80	65	85	85	85	53	67
H&H Contractors Limited	\$840,376.00	75	70	75	80	60	80	47	60
Advanced Pipeline Services Limited	\$891,980.00	90	85	80	90	80	85	41	63
Median Tender Price	\$815,242.52								

Table 2 - Summary of Tender Evaluation

11. A summary of the evaluation results of the alternative tender is shown in Table 3.
12. The lowest conforming tender is 4.2% below the pre-tender contract estimate and the alternative tender is 8.6% below the pre-tender contract estimate.

Tender Evaluation	Attributes	Exper	Track Record	Tech Skills	Resour	Manag Skills	Method	Price	Contract Number EW8015B
	Weights	10	10	5	10	10	5	50	Total Weights
Tenderer	Tender Sum	Grades							INDEX
PipeWorks Rehabilitation Solutions Limited	\$790,109.03	80	80	65	85	85	85	53	67
Advanced Pipeline Services Ltd -Alternative Tender	\$749,270.00	90	85	80	90	80	80	58	72
Median Tender Price	\$815,242.52								

Table 3 - Summary of Tender Evaluation - Alternative Tender with the Highest Index Conforming Tender

13. Scores for the non-price attributes were determined on the basis of information provided in each tender, on the information gathered from the referees nominated by the tenderers and on any recent Council experience with the tenderers.
14. PRSL has scored the highest overall index out of the four (4) conforming tenders considered for evaluation. When PRSL's conforming tender was evaluated against APSL's alternative tender then the highest score of seventy (72) was gained by APSL's alternative tender.
15. APSL submitted an alternative tender which was evaluated in accordance with Section 2.8 of the New Zealand Transport Agency Competitive Pricing Procedures Manual.
16. The tender is alternative primarily in the methodology proposed. APSL propose to employ more structural lining than pipe bursting techniques as described in the tender.
17. EcoWater has reviewed this alternative tender and have deemed the methodology to be acceptable with modifications and conditions. APSL confirmed in writing that they agree to meet the conditions proposed by EcoWater.
18. The results of the tender evaluation as summarised in Table 3 show that the alternative tender submitted by APSL achieved the highest overall index of seventy two (72). The alternative tender is also the lowest priced tender.
19. It is considered that APSL has the necessary expertise and resources to satisfactorily carry out the works.
20. As part of Council's contracting process "Quality and Health and Safety are not negotiable" - all contractors have had this focus clearly reinforced through the contract documents and this will be strongly reiterated at the subsequent pre-start meeting and imposed during the contract period

CREDIT CHECK

21. A credit check dated 13 October 2008 on APSL revealed no adverse information.

JOB COSTS

22.		excl. GST
	Tender sum - APSL - alternative tender	\$749,270.00
	Contingency	\$ 74,927.00
	Engineering and Supervision	<u>\$ 74,927.00</u>
	Total Job Cost	\$899,124.00

SOURCE OF FUNDING

23. Source of funding is shown in Table 4 below:

Budget Description (from Annual Budget line item)	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
WW Renewals I/I Programme	8AMEW-08-027	\$3,700,000.00	\$772,392.00	\$899,124.00	\$2,028,484.00

Table 4 - Source of Funding

IMPLEMENTATION ISSUES

24. There are no expected implementation issues with this contract.

Report prepared by: Fee Chin, Project Engineer, Water Projects, Project Services.



6 CONTRACT NO. EW08020C - PROJECT TWIN STREAMS - COMMUNITY CONTRACT- RANUI-MASSEY 2009 - 2012

GLOSSARY

Project Twin Streams	(PTS)
Te Ukaipo Mercy Initiatives for Rangatahi Limited	(Te Ukaipo)

EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to invite Te Ukaipo Mercy Initiatives for Rangatahi Limited (Te Ukaipo) to tender for Contract No. EW08020C - Project Twin Streams - Community Contract - Ranui-Massey 2009 - 2012 for a three (3) year and six (6) month period. The contract period will start on 1 January 2009 and end on 30 June 2012. This is a multiyear contract to go through till June 2012 when the original funding from the Auckland Regional Holdings (previously Infrastructure Auckland) finishes. It is important for the success of Project Twin Streams (PTS) to provide continuity of funding and planning to the community organisations carrying out the stream restoration work. This will help to ensure ongoing commitment and community ownership.

RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. EW08020C - Project Twin Streams - Community Contract - Ranui-Massey 2009 - 2012 report.
2. **Approve** that the Group Manager: Asset Management invite Te Ukaipo Mercy Initiatives for Rangatahi Limited to tender for Contract No. EW08020C - Project Twin Streams - Community Contract - Ranui-Massey 2009 - 2012 for a total period of three years (3) and six (6) months from 1 January 2009 to 30 June 2012.
3. **Agree** that the results of the tender evaluation process for Contract No. EW08020C - Project Twin Streams – Community Contract – Ranui-Massey 2009 – 2012 be reported back to the Tenders Subcommittee for approval.

BACKGROUND

1. PTS is an exciting and innovative project aimed at restoring five (5) streams that flow out into the Waitemata Harbour through the Huruheru and Henderson Creek catchments as part of stormwater management. These streams are Waikumete Stream, Opanuku Stream, Oratia Stream, Swanson Stream and Henderson Creek. The project is delivered in ways that interweave Council's strategies for economic, cultural, social and environmental wellbeing.
2. Key to the success and sustainability of this project is the engagement of community contract organisations to implement the project in ways that reflect the identity and aspirations of their community. There are now five (5) community organisations contracted to work with their local communities to restore their stream. This work involves having several large community planting days each year, working with local groups and schools to adopt areas of the stream on a long term basis, and engaging people in creative ways to bring about increased understanding of how to care for our streams, thus ensuring long term and sustainable behaviour change both as individuals and as communities.
3. Awarding the contract for Swanson stream to Te Ukaipo was the first PTS community contract to be awarded and was signed in January 2005. The contract was for initially for just one (1) year as a trial period, and this was followed by a three (3) year contract for the period 31 December 2005 to 31 December 2008. The initial contract followed a selection process which involved interviewing several community organisations in the Swanson Stream area and establishing their suitability according to the following criteria:
 - Governance;
 - Management Structure;
 - Resources;
 - Track Record; and
 - Financial stability.
4. Although Te Ukaipo is the contract holder, the project is managed in partnership with the Ranui Action Project. This has greatly strengthened the quality of community engagement and participation which has been a significant feature of the Ranui-Massey contract.
5. As the first PTS contract organisation Te Ukaipo has made significant progress in terms of contributing to the rehabilitation of the riparian margins in the Ranui-

Massey area, and engaging with local residents, schools, groups and businesses towards the quadruple bottom line aims of PTS. Particular achievements include:

- Over 76,000 plants planted by the community;
- Four (4) schools and over twelve (12) community groups and organisations actively engaged in regular planting and maintenance activities;
- Most available areas for adoption by community groups have been taken up;
- Te Piataata Trust, a group who work with at-risk youth in Waitakere and have played a significant role in the Ranui-Massey contract, recently won a Green Ribbon award in the Community Action for the Environment - Young People category at the Ministry for Environment Awards;
- A newsletter called Te Korero a Te Tuna - The Eel's Tale - is produced several times a year and delivered to households in Ranui and parts of Massey;
- Workshops aimed at raising awareness of environmental issues and supporting positive behaviour changes in the community have been carried out with community groups and the wider community. These include Stream Restoration workshops and Maori Traditional Uses of the Forest. Every community planting day is also used as an opportunity to educate and inspire people to look after their streams and waterways; and
- Creative engagements have included the creation of a PTS rap by students of Birdwood school, a stunning mural at Birdwood School that was done in collaboration with St Dominic's School, a mosaic mokomoko created by the Ranui after school care programme which now resides outside the Ranui Community Centre as a symbol of community commitment to PTS, and a sculpture which is being developed for Ulrich Reserve and which has involved a wide range of community participation, and has been largely funded from outside grants applied for by the contract organisation.

SCOPE OF WORK

6. This tender is for engaging the local community in the rehabilitation of the riparian margin along the Swanson Stream and raising awareness of the wider vision of PTS. Using a community development model, the contract holder is required to undertake:
 - Planting, weeding and maintenance work in the Swanson Stream area;
 - Plan and organise community events;
 - Build the capacity of the local community to undertake guardianship of parts of Swanson Stream;
 - Increase community understanding of the causes and effects of riparian degradation and ways to change behaviour to mitigate the effects;
 - Assist with monitoring and evaluation of the quadruple bottom line aspects of the project particularly with regard to community participation; and
 - Plan for the long term implementation of this project in the Swanson Stream area through community planting and maintenance activities.

DECISION MAKING

PROPOSAL

7. Te Ukaipo's current three (3) year contract ends on 31 December 2008.
8. The term for the proposed contract is a three (3) year and six (6) month contract period from 1 January 2009 to 30 June 2012.

9. Te Ukaipo has played an important role in enhancing and defining the PTS community model and has contributed significantly to its public awareness and education programme. Te Ukaipo have also demonstrated:
 - their ability to carry out the work;
 - their commitment to work in partnership with Waitakere City Council; and
 - their commitment to the wider vision of PTS which is closely aligned with their own values and objectives.
10. Presently, no other community organisation in the Swanson Stream area has emerged as a broad based community organisation with the necessary resources and skill set required to carry out the work as outlined in the scope of works above.
11. Te Ukaipo has expressed its interest in renewing its contract for a further period.
12. Inviting Te Ukaipo to tender for this contract as a preferred supplier has the following benefits to Council:
 - Te Ukaipo has a proven record as well as resources and management competencies to carry out the work required;
 - Learnings from the past four (4) years will be effectively utilised and further developed into the future to the benefit of the whole project; and
 - It builds on the mutually beneficial relationship that Council has developed with Te Ukaipo.

SOURCE OF FUNDING

13. The engagement of community organisations to achieve the outcomes and deliverables of PTS is a direct cost associated to the project and as such is claimable against the Auckland Regional Holdings (formerly Infrastructure Auckland) grant.
14. Funding of \$2.167 million for the project has been provided in the Annual Plan 2008/2009. The cost for this element of the project is estimated at \$360,000 plus GST.

IMPLEMENTATION ISSUES

15. No implementation issues are anticipated from this contract.

Report prepared by: Meredith Youngson, Social Programme Coordinator, Project Twin Streams.



7 **CONTRACT NO. PK03600C - CITYWIDE GRAFFITI MANAGEMENT - APPROVAL TO EXTEND CONTRACT PERIOD AND SUM**

GLOSSARY

Waitakere Tag Out Trust (TOT)

EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tender Sub Committee to extend Contract No. PK03600C - Citywide Graffiti Management for a further period of one (1) year and nine (9) months from 1 October 2008 to 30 June 2010 as stipulated in the contract documents and to increase the contract sum.

RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. PK03600C - Citywide Graffiti Management - Approval To Extend Contract Period and Sum report.
2. **Approve** that the tender from the Waitakere Tag out Trust for Contract No. PK03600C - Citywide Graffiti Management in the sum of \$1,330,405 plus \$166,300.68 of GST, totalling \$1,496,705.68 on the basis of nine (9) months and one (1) year subject to the contractor's ongoing performance and the availability of funding be accepted.
3. **Approve** the commitment of \$775,000.00 plus \$96,875 of GST, totalling \$871,875.00 against the draft Annual Plan 2009/2010 for Contract No. PK03600C –Citywide Graffiti Management.
4. **Approve** that authority to enter into Contract No. PK03600C – Citywide Graffiti Management for the period 1 October 2008 to 30 June 2010 on behalf of Council be delegated to the Group Manager: Asset Management.

BACKGROUND

1. The Waitakere Tag Out Trust (TOT) were awarded Contract No. PK03600C - Citywide Graffiti Management for a term of two (2) years from 1 July 2003 to 30 June 2005 for an annual sum of \$450,000.00, totalling \$900,000.00.
2. This contract was awarded with a right of renewal of one (1), plus one (1), plus one (1) year. The TOT was awarded the contract following approval by the Tenders Subcommittee on 7 March 2003, to negotiate a price with the Waitakere Tag Out Trust.
3. A report was presented to the Tenders Subcommittee on 8 June 2007 to extend the contract sum and period. It was resolved:

“1. That the Contract No. PK03600C – Citywide Graffiti Management - Extension to Contract Sum and Period report be received.

2. That the renewal of Contract No. PK03600C - Citywide Graffiti Management for 2007/2008 to the Tag Out Trust for the sum of \$680,260.86 plus \$85,032.61 GST totalling \$765,293.47 be approved.

3. *That the commitment to the 2007/2008 financial year for Contract No. PK03600C – Citywide Graffiti Management for the sum of \$722,000.00 plus \$90,250.00 GST totalling \$812,250.00 be approved.*
4. *That authority to extend the contract sum and period for Contract No. PK03600C – Citywide Graffiti Management on behalf of Council be delegated to Group Manager: Asset Management.”*

1013/2007

4. The contract has a right of extension for further two (2) years of extensions from 1 July 2008 until 30 June 2010.
5. Discussions have been ongoing between the TOT and the Parks Section of Council on a revised submitted price for the management of existing contract requirements and for the graffiti management of a number of new assets and areas.
6. A three (3) month extension to the contracts was approved to extend the contract to 30 September 2008 to enable the negotiation of the new contract works and confirmation of a new price.

DECISION MAKING

7. The contract forms part of the Council's citywide graffiti management 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;
 - 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; and
 - Communicate with Police to catch and charge repetitive taggers.
8. The contract has focussed on two (2) elements: prevention and removal. The extent of work performed by the TOT has included:
 - Youth education;
 - Community Service programmes;
 - Community awareness;
 - Self-help removal assistance for residents and business;
 - Adopt a Spot volunteer scheme; and
 - The employment of six (6) operators for the quick removal of tagging.
9. The scope has increased over the past year with the addition of the new Council building, relocation and the increase and change in the layout of the Japanese garden and upgrades to the civic areas in New Lynn and Henderson. Although these areas were managed previously within the contract, the volume and extent of works now required to treat these areas has increased.
10. The requirements of this contract involve two (2) elements:
 - (i) Prevention - visits to schools, graffiti ranger education programmes; adopt a spot, self help programmes.

- (ii) Removal - the works includes the supply of all management, supervision, labour materials, plans and incidental requirements necessary to maintain the following 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; and
 - Art work.

CONTRACTOR'S PERFORMANCE

11. The TOT employ six (6) teams of operators to remove graffiti and one community services supervisor. These operators carry out work in a professional manner and are dedicated in keeping Waitakere graffiti clean. Agreed targets for the prevention and education programmes have been met by the TOT. Regular audits of the graffiti removal programme have highlighted the ongoing quality of workmanship relating to the methodology employed by the operators.
12. The increase in the tender sum includes costs for an additional operation to undertake graffiti removal on the cycleways in Waitakere, new assets in parks, park and ride areas, rails stations and town centres.
13. The recommendation to extend the contract is for the following reasons:
 - Known performance in service delivery;
 - The TOT 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 TOT has a close working relationship with other graffiti removal specialist;
 - The TOT initiates non contract work on a 'more for less basis'. Walkways, fences, private and commercial properties are a few of the areas that the TOT maintain on a non contractual basis. Other contractors are less likely to provide this extra free service;
 - The partnering agreement between Council and the TOT is effective and benefits both parties in the removal and treatment of graffiti;
 - A familiarity with Waitakere and an understanding of the strategic platforms of Council; and
 - To continue a positive working relationship with Council and providing advice on graffiti prevention methods for new infrastructure.

CREDIT CHECK

14. A credit check on CPS has been requested.

JOB COSTS

15.		excl. GST
	Tender Sum TOT	
	2008/2009 financial year (excluding GST)	
	9 month period contract sum	\$570,173.75
	Contingency	\$ 34,760.99

	Total Job Cost	\$604,934.74
	Tender Sum TOT	
	2009/2010 financial year (excluding GST)	
	12 month period contract sum	\$760,231.67
	Contingency	\$ 14,768.33

	Total Job Cost	\$775,000.00

SOURCE OF FUNDING

16. Sources of funding are shown in Tables 3.1 and 3.2 below.

Budget Description (from draft Annual Budget)	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Graffiti Control	\$775,000	\$170,065.26	\$604,934.74	\$0.00
Totals	\$775,000	\$170,065.26	\$604,934.74	\$0.00

Table 3.1 - Source of Funding 2008/2009

Budget Description (from draft Annual Budget)	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Graffiti Control	\$775,000	\$0	\$775,000	\$0.00
Totals	\$775,000	\$0	\$775,000	\$0.00

Table 3.2 - Source of Funding 2009/2010

17. A commitment to fund Contract No. PK03600C - Citywide Graffiti Management for the sum of \$775,000.00 plus \$96,875 of GST, totalling \$871,875.00 is requested from the draft Annual Plan 2009/2010.

IMPLEMENTATION ISSUES

18. There are no implementation issues arising from this report.
19. As part of Council's contracting process "Quality and Health and Safety is not negotiable" - all contractors have had this focus clearly reinforced through the contract documents and this will be strongly reiterated at the subsequent pre-start meeting and imposed during the contract period.

Report prepared by: Grant Jennings, Parks and Open Space Assets.



8 CONTRACT NO. PK05016A - CIVIL WORKS - INCREASE OF CONTRACT SUM

EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to increase the contract sum of Contract No. PK05016A - Civil Works for 2008/2009.

RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. PK05016A - Civil Works - Increase of Contract Sum report.
2. **Approve** that, subject to a satisfactory credit check, the contract sum for Contract No. PK05016A - Civil Works to Field Drainage Specialists Limited for 2008/2009 be increased to \$2,312,884.51 plus \$289,110.56 GST totalling \$2,601,995.07.
3. **Approve** that the authority to increase the contract sum for Contract No. PK05016A - Civil Works be delegated to the Group Manager: Asset Management.

BACKGROUND

1. The scope of work includes the supply of all material, labour, cartage, tools, plant and appliances necessary for the installation and renewal of assets within Waitakere's Parks and Open Space infrastructure. The contract has been divided into separable portions as outlined below:
 - Coring and sand carpeting and sand slitting of sports fields;
 - Drainage video inspection and flushing of drains;
 - Removing and replacing concrete wickets and astro-turf;
 - Sports field irrigation installation and renewal;
 - Supply and installation of lateral, subsoil, and swale drains;
 - Planting and establishment of turf cover;
 - Construction of concrete and aggregate walkways, and timber boardwalks; and
 - Car park renewal works and repairs.
2. Approval was granted by the Tenders Subcommittee at the 30 May 2008 meeting to extend Contract No. PK05016A – Civil Works to Field Drainage Specialists Limited for a contract period of one (1) year from 1 July 2008 to 30 June 2009.
3. This contract was extended with a right of renewal of one (1) plus one (1) years. Field Drainage Specialists Limited was awarded the contract extension based on their competitive contract rates established through a public tendering process.
4. At the Tenders Subcommittee on 30 May 2008, the Committee resolved to:
 - “1. **Approve** that the Contract No. PK05016A - Civil Works as awarded to Field Drainage Specialists Limited be extended in the sum of \$1,975,947.11 excluding GST for the period 1 July 2008 to 30 June 2009.
 2. **Approve** the commitment of \$2,173,541.80 excluding GST (which includes a 10% contingency amount of \$197,594.71) to the draft 2008/2009 Annual Plan for Contract No. PK05016A - Civil Works.

3. *Approve that the Contract No. PK05016A - Civil Works as awarded to Field Drainage Specialists Limited be extended for the period 1 July 2008 to 30 June 2009.*
4. *Agree that the extension to Contract No. PK05016A - Civil Works for a further one (1) plus one (1) years for 2009/2010 and 2010/2011 be brought back to Tenders Subcommittee for approval subject to funding availability and contractor performance.*
5. *Approve that the authority to enter into Contract No. PK05016A - Civil Works for the period 1 July 2008 to 30 June 2009 on behalf of Council be delegated to the Group Manager: Asset Management.”*

803/2008

5. Each year the volume of contract work fluctuates depending on the outcome of the annual sports field condition auditing programme. The priority of the auditing process is to focus on performance of the sand sports field surfaces given the high investment and maintenance costs associated with these assets. A key objective of the auditing is to determine how much seasonal use each sand can further tolerate before failure is reached and a major upgrade is required. Managing the sand fields in this way ensures the maximum life of a sand field is achieved and the upgrade works undertaken are making effective use of the renewal budget.
6. The condition auditing is undertaken by a Consultant who is a sports turf specialist. Through this audit process, an increased volume of sports field construction work has been identified for this financial year. This type of work is included in the current contract scope of works and includes the redevelopment of the playing surfaces at Fred Taylor Park No.1, Moire Park No.1, and Crum Park No.1. Associated with these field upgrades are additional irrigation systems, lateral and sand slit drainage, and new sand surfaces.
7. This new volume of work was not included in the 2008/2009 contract extension report in May 2008 as investigations were still underway to determine the actual works and costings for the three (3) additional field upgrades for 2008/2009. The funding for the work was approved by Council in the Annual Plan 2008/2009.

DECISION MAKING

8. Field Drainage Specialists Limited is highly skilled in sports field and drainage works and it is considered beneficial for this company to undertake the additional works proposed. Their tendered rates are considered competitive and there are efficiencies to Council in increasing the contract sum based on current publicly tendered rates.

CONTRACTOR'S PERFORMANCE

9. An evaluation of Field Drainage Specialists Limited's performance to date contains the following features:
 - They have demonstrated performance in service delivery;
 - They have demonstrated improvements in the quality of work;
 - They are familiar with Waitakere Parks and Community;
 - They have a close working relationship with Council; and
 - They are able to provide innovative ideas and solutions.

CREDIT CHECK

10. A credit check on Field Drainage Specialists Limited has been requested.

JOB COSTS

11.		excl. GST
	2008/2009 contract sum	\$1,975,947.51
	Contingency	\$ 197,594.71
	Negotiated increase of Contract sum 2008/2009	\$ 336,937.00

	Revised Total Job Cost	\$2,510,479.22

SOURCE OF FUNDING

12. Source of funding is shown in Table 1 below:

Budget Description (from draft Annual budget) 2008/2009 Annual Plan	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Sports Fields 8AMPK-09-010	\$932,000.00	\$624,282.60	\$307,717.40	\$0
Services Upgrades 8AMPK-09-008	\$421,000.00	\$391,780.40	\$29,219.60	\$0
Totals			\$336,937.00	\$0

Table 1 - Source of Funding

IMPLEMENTATION ISSUES

13. There are no expected implementation issues with this contract.

Report prepared by: Andreas Lilley, Principal Project Development Officer.

