

**AGENDA FOR A RECONVENED MEETING OF THE TENDERS SUBCOMMITTEE TO BE
HELD IN THE COUNCIL CHAMBER AT WAITAKERE CENTRAL, 6 HENDERSON
VALLEY ROAD, HENDERSON, WAITAKERE, ON FRIDAY,
22 MAY 2009, 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 **CONTRACT NO. TA07003B - ROAD REMARKING AND RAISED PAVEMENT MARKERS 2007/2008 - APPROVAL TO EXTEND**

EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to extend Contract No. TA07003B - Road Remarking and Raised Pavement Markers 2007/2008 for 12 months to 30 June 2010.

RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. TA07003B - Road Remarking And Raised Pavement Markers 2007/2008 - Approval To Extend report.
2. **Approve** the Contract No. TA07003B - Road Remarking and Raised Pavement Markers 2007/2008 as awarded to Coastline Markers Limited be extended in the sum of \$785,000 excluding GST for the period 1 July 2009 to 30 June 2010.
3. **Approve** the commitment of \$845,000.00 excluding GST to the draft Annual Plan 2009/2010 for Contract No. TA07003B - Road Remarking and Raised Pavement Markers 2007/2008.
4. **Approve** that authority to extend Contract No. TA07003B - Road Remarking and Raised Pavement Markers 2007/2008 for the period 1 July 2009 to 30 June 2010 on behalf of the Council be delegated to the Group Manager: Project Services.

BACKGROUND

1. The scope of work includes the annual remarking of existing road markings (945,000 metres) and installation of new road markings (28,000 metres) where required within Waitakere. The existing contract is due to expire on 30 June 2009.
2. The Council approved the award of Contract No. TA07003B - Road Remarking and Raised Pavement Markers 2007/2008 to Coastline Markers Limited at a Tenders Subcommittee meeting held on 22 June 2007, where it was resolved:

“4. *That authority to extend Contract TA07003B - Road Remarking and Raised Pavement Markers 2007/2008 beyond 30 June 2008 on an annual basis until 30 June 2010 is reported back to Tenders Subcommittee for approval.*”

1103/2007

DECISION MAKING

3. Contract No. TA07003B - Road Remarking and Raised Pavement Markers 2007/2008 was initially let as a one (1) year contract with an expiry date of 30 June 2008. The contract contains provision for up to two (2) annual extensions based on the satisfactory performance by the Contractor and subject to the Council's approval.

4. The Council approved the award of first annual extension of Contract No. TA07003B - Road Remarking and Raised Pavement Markers 2007/2008 to Coastline Markers at a Tenders Subcommittee meeting held on 13 June 2008, where it was resolved:

“The Tenders Subcommittee resolved to:

2. **Approve** that, subject to a satisfactory credit check, the Contract No. TA07003B - Road Remarking and Raised Pavement Markers 2007/2008 as awarded to Coastline Markers Limited be extended in the sum of \$725,000 excluding GST for the period 1 July 2008 to 30 June 2009.”

954/2008

5. Coastline Markers Limited has confirmed in writing that they are willing to carry out the contract for a further twelve months.
6. The extension was valued using existing Contract rates plus escalation allowance. These rates were compared against rates received recently in other contracts, and as they compared favourably it was considered most beneficial to Council to extend the contract for a further twelve months.

CONTRACTOR’S PERFORMANCE

7. An evaluation of Coastline Markers Limited performance to date contains the following features:
- They have developed a good working relationship with relevant Council staff;
 - They are a well resourced company;
 - They respond quickly to customer requests;
 - They have a strong focus on health and safety; and
 - Their workmanship is generally to a very good standard.

CREDIT CHECK

8. A credit check on Coastline Markers Limited dated 24 April 2009 revealed no adverse information.

JOB COSTS

9.	excl. GST
Contract sum (12 months)	\$785,000.00
Engineering and Supervision	\$ 60,000.00

Total Job Cost	\$845,000.00

SOURCE OF FUNDING

10. Source of funding for 2009/2010 is shown in Table 1 below:

Budget Description (from annual budget line item) Annual Plan 2009/2010	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance	Potential surplus
Road Remarking	74000 5970	735,000	0	700,000	35,000	0
EcoWater - Valve and Hydrant Maintenance	74000 7450	270,000	240,000	30,000	0	0
Minor Safety	8AMTA-07-034	1,090,000	445,454	60,000	584,546	0
Professional Services - Traffic Facilities	63000 5940	315,000	147,000	55,000	113,000	0
	Total			\$845,000		

Table 1 - Source of Funding

IMPLEMENTATION ISSUES

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

Report prepared by: Vicki Daley, Roading Engineer: Project Services.



5 CONTRACT NO. TA06003B - ROAD EMERGENCY, DRAINAGE AND SPECIAL WORKS 2006/2007 - APPROVAL TO ISSUE FINANCIAL VARIATION

EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to issue a financial variation to Contract No. TA06003B - Road Emergency, Drainage and Special Works 2006/2007.

RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. TA06003B - Road Emergency, Drainage And Special Works 2006/2007 - Approval To Issue Financial Variation report.
2. **Approve** that a variation in the sum of \$380,000 excluding GST be issued to Contract No. TA06003B - Road Emergency, Drainage and Special Works 2006/2007 as awarded to Bilfinger Berger Services New Zealand Limited.
3. **Approve** that authority to issue the financial variation for Contract No. TA06003B - Road Emergency, Drainage and Special Works 2006/2007 on behalf of the Council be delegated to the Group Manager: Project Services.

BACKGROUND

1. This contract forms part of Council's asset maintenance programme as provided for in the Annual Plan 2008/2009 and specifically reacting to emergency response situations within the road reserve.
2. The contract was awarded by the Tenders Subcommittee in November 2006 with an initial approval period to 30 June 2007. The Tenders Subcommittee resolved:
 - “4. *That authority to extend Contract No. TA06003B - Road Emergency, Drainage and Special Works 2006/2007 for an additional one year to end on 30 June 2008 based on the satisfactory performance by the Contractor be reported back to the Tender Subcommittee for approval.*”
2250/2006
3. The contract was extended accordingly by the Tenders Subcommittee in June 2007, where it was resolved:
 - “2. *That approval be granted to extend Contract No. TA06003B - Road Emergency, Drainage and Special Works 2006/2007 to Techscape Limited in the sum of \$525,000.00 plus \$65,625.00 GST, totalling \$590,625.00 for the annual period 1 July 2007 to 30 June 2008.*”
1102/2007
4. The contract was further extended by the Tender Subcommittee in May 2008, where it was resolved:

“The Tenders Subcommittee resolved to:

 2. *Approve that the Contract No. TA06003B - Road Emergency, Drainage and Special Works 2006/2007 as awarded to Bilfinger Berger Services New Zealand Limited (formerly Techscape Limited) be extended in the sum of \$940,000.00 excluding GST for the period 1 July 2008 to 30 June 2009.*”
807/2008
5. The contract was initially awarded to Techscape Limited, who were subsequently bought by Bilfinger Berger Services New Zealand Limited in 2006. The company was still trading as Techscape Limited at the time of the first two (2) extensions, however, the company now operates under their new name; Bilfinger Berger Services New Zealand Limited.

DECISION MAKING

6. There have been an unusual number of road slips, flooding and tree falls that occurred throughout the City over the last winter period. As a result the emergency responses required under this contract to make safe and remedy these sites have been extraordinarily high. These works were all urgent and had to be undertaken without delay.
7. Following the initial responses, most of the slip sites required further remedial works to be undertaken with some urgency. It would have been imprudent to leave these sites without remediation, due to the safety risk. As a result these works had to be undertaken under this contract at that time.
8. A variation was not raised at that time as the source of funding was unclear. Works were undertaken with a view that the variation be issued once funding was approved.

9. Funding was approved by the Infrastructure and Works Committee (Resolution No. 504/2009) in April this year. The shortfall is being funded through savings identified in roading maintenance and renewal project budgets.
10. The costs for carrying out the works identified above have been in the order of \$380,000 excluding GST.
11. The issuing of a financial variation in the amount of \$380,000 excluding GST requires approval from the Tender Subcommittee as the sum exceeds the delegated authority of Council officers.

JOB COSTS

12.	excl. GST
Variation Sum	\$380,000.00

SOURCE OF FUNDING

13. Source of funding for 2008/2009 is shown in table 1 below:

Budget Description (from Annual Budget line item) Annual Plan 2008/2009	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance	Potential Surplus
Flood Damage	5900/74000	\$463,000	\$263,000	\$200,000	Nil	Nil
Drainage Systems Renewals	8AMTA-07-006	\$1,092,000	\$952,000	\$140,000	Nil	Nil
Miscellaneous Kerb & Channel Renewals	8AMTA-07-027	\$200,000	\$160,000	\$40,000	Nil	Nil
	Total			\$380,000		

Table 1 - Source of Funding

IMPLEMENTATION ISSUES

14. There are no expected implementation issues arising from this report.

Report prepared by: Harish Singh, Principal Engineer: Project Services.

