

**WAITAKERE PROPERTIES
LIMITED**

**STATEMENT OF INTENT
For The Three Years Commencing
1 JULY 2008**

*"To undertake and facilitate property development and property management in
Waitakere creating economic value whilst facilitating strategic City objectives"*

Prepared in accordance with requirements of the Local Government Act 2002.

1. Interpretation

In this Statement of Intent unless the context otherwise requires:

- 1.1 **Companies Act:** "Companies Act" means the Companies Act 1993;
- 1.2 **Local Government Act:** "Local Government Act" means the Local Government Act 2002;
- 1.3 **Constitution:** "Constitution" means the constitution of the company in accordance with Part V of the Companies Act 1993;
- 1.4 **Company:** "Company" means Waitakere Properties Limited;
- 1.5 **Council:** "Council" means the Waitakere City Council;
- 1.6 **Statement of Intent:** "Statement of Intent" means such statement as provided for in accordance with the requirements set out in section 64 of the Local Government Act 2002;
- 1.7 **Directors:** "Directors" means those people appointed in accordance with the Constitution of the Company;
- 1.8 **Shareholder:** "Shareholder" means the holder of the share capital issued by the Company;
- 1.9 **Trust Projects:** "Trust Projects" means property development activity undertaken under Declaration of Trust on behalf of the Waitakere City Council as beneficiary;
- 1.10 **Distribution:** "Distribution" means distribution to the Waitakere City Council of net proceeds from Trust Projects;
- 1.11 **Development Projects:** "Development Projects" means property development activity undertaken by Waitakere Properties Limited on own account;
- 1.12 **Project Returns:** "Project Returns" means those financial returns established by the Directors which are applicable to Development projects and consistent with developing Company value in accordance with acceptable Economic Value Added principles;
- 1.13 **Strategic City Objectives:** "Strategic City Objectives" means those objectives determined by the Council that are consistent with the development of a sustainable city.

2. Introduction

- 2.1 The Company meets the definition of a Council Controlled Trading Organisation as defined by section 6 of the Local Government Act and accordingly is required to prepare and deliver to the shareholder a completed Statement of Intent on or before 30 June each year.
- 2.2 The Local Government Act also provides the opportunity for the shareholder to comment on a draft of the Statement of Intent. The Board of Directors of the Company will consider these comments, prior to finalisation.
- 2.3 This statement has been prepared in accordance with these requirements.
- 2.4 The company manages Trust Projects for Waitakere City Council and conducts all of its property operations in these Trust Projects. As such, the company primarily provides management services rather than directly conducting property activities on its own account.

3. Nature and Scope of Activities

- 3.1 The Company is incorporated as a limited liability company by the Waitakere City Council under the Companies Act. Waitakere City Council is the sole shareholder through its investment in Waitakere City Holdings Limited.
- 3.2 The Company provides property development, property management, project management and construction management services for the Trust Projects.

In this role the Company intends: -

- Providing Waitakere City Council with expertise in the identification, management and realisation of added value opportunities (Trust Projects) available from surplus Council properties and elsewhere in the City, in a commercial manner consistent with Council strategic City objectives.
- Providing property consultancy services to Council.
- Providing professional property management of assets held as Trust Projects for strategic or development reasons.
- Acquiring property or access to property to undertake or facilitate Trust Projects consistent with the Company's and Council's objectives.
- Identifying strategic properties suitable for acquisition by Council with the potential to facilitate the furtherance of Council economic environmental and/or social objectives, and committing options or making other arrangements so as to enable Council to consider and determine to proceed with acquisition on a defined basis and while minimising any exposure to risk.

- Ensuring the trust projects meet the objectives outlined in the declaration of trust.
- 3.3 Activities associated with providing development management services include:
- Purchase and / or acquisition of land and /or buildings.
 - Management of all processes necessary to complete the development of the land and the sale of developed land or buildings to customers.
 - Entry into any joint venture, partnership, trust or contractual relationship necessary to facilitate the attainment of the objectives.
 - Construction of buildings having regard to a prudent risk approach
- 3.4 The operations of the Company are conducted from offices at Central one, Waitakere Central, 4 Henderson Valley Road, Henderson, Waitakere City.
- 3.5 The affairs of the Company are co-ordinated by the Chief Executive, supported by financial accounting services contracted from Enterprise Waitakere with professional consultancy and technical services engaged as required for individual Trust Projects. A Board of Directors, formed in accordance with the Local Government and Companies Act, governs the operations of the Company.
- 3.6 Development of Trust Projects is undertaken in terms of a Declaration of Trust and in accordance any Letter of Direction which details the specific requirements of the beneficiary in relation to any individual project.

4. Business Objectives

- 4.1 As a Council-Controlled Trading Organisation, the principal objectives of the Company are stated in section 59 of the Local Government Act 2002, specifically:
- To achieve the objectives of its shareholders, both commercial and non-commercial, as specified in this Statement of Intent.
 - To be a good employer.
 - To exhibit a sense of social and environmental responsibility by having regard to the interests of the community in which it operates.
 - To conduct its affairs in accordance with sound business practice.
- 4.2 The Directors intend the Company to operate as a successful business, recognising that the primary property activities are undertaken as Trust Projects. As a provider of services to the Trust Projects and WCC it

Waitakere Properties Limited

believes it has obligations that apply to a company operating in this environment: -

- To maintain such systems and procedures as necessary for the prudent and successful operation of the Company;
- To ensure that the Trust Projects achieve the strategic outcomes stated in the Trust Deed and to take account, where practicable and commercial, key sustainable objectives and sustainable building practices.
- To achieve rates of return on the Trust Projects similar to other comparable developments, or to identify the cost of activities not undertaken on a strictly commercial basis;
- To exercise opportunities that add value to the Company/Council and/or further the Company's/Council's objectives;
- To build the value of the Waitakere Properties Limited brand; and
- To manage the risks associated with the Trust Projects prudently in accordance with 12 below.

4.3 The Company will aim to maximise the value of the Trust Projects and/or the Company and therefore the value of the investment, by: -

- Anticipating and meeting the customer's needs;
- Ensuring developments are of consistently high quality;
- Providing customers with value for money;
- Undertaking or encouraging development in a manner consistent strategic City objectives; and
- Pursuing opportunities that advance the strategic City objectives.

4.4 The above represent the general values and objectives of the Company. Specific objectives relating to each property or project may be consistent with any concept plan approved by resolution of the Council or any Letter of Direction specific to that property/project or set out within the Declaration of Trust applicable.

5. Governance

Council Policy

In accordance with section 57 of Local Government Act 2002 local authorities are required to have in place a policy on the appointment of directors that sets out an objective and transparent process for:

Waitakere Properties Limited

- the identification and consideration of the skills, knowledge, and experience required of directors of a council organisation; and
- the appointment of directors to a council organisation; and
- the remuneration of directors of the council organisation.

Local authorities may only appoint a person to be a director of a council organisation only if the person has, in the opinion of the local authority, the skills, knowledge, or experience to:

- guide the organisation, given the nature and scope of its activities; and
- contribute to the achievement of the objectives of the organisation.

Role of the Board

The Board aims to ensure that the business of the company is carried out in the best interests of the shareholder and with proper regard to corporate responsibility.

The primary role of the Board of Directors is to:

- Allocate any capital and resources to enable the company to achieve its goals in a manner that best serves the interests of the shareholder.
- Effectively represent and promote the interests of the shareholder with a view to adding long-term value to the company.
- Direct and supervise the management of the business affairs of the company including:
 - i. Establishing goals and strategies
 - ii. Establishing policies for strengthening the performance of the company
 - iii. Monitoring financial and non-financial performance
 - iv. Monitoring performance of management
 - v. Appointing the Chief Executive and any other officers engaged by the Company
 - vi. Deciding whatever steps are necessary to protect the company's financial position
 - vii. Ensuring that financial statements are true and fair and conform to law
 - viii. Ensuring the company adheres to high standards of ethics and corporate behaviour
 - ix. Ensuring the company has appropriate risk management/regulatory compliance policies in place.

Waitakere Properties Limited

- Satisfy itself that the company is achieving the respective company goals and is adhering to the terms of any Declaration of Trust and related Letter of Direction.
- Familiarise itself with issues of concern to the shareholders and keep the shareholders informed of a timely basis through quarterly reporting and using the principle of no surprises.
- Evaluate economic, political, social and legal issues that may impact on the business of the group.
- Align the companies strategies to effectively implement and promote the long term strategic direction of Council
- In conjunction with Council the Chairperson will evaluate the performance of the Board on an annual basis.
- In conjunction with Council the Chairperson of Waitakere City Holdings Limited will evaluate the performance of the Waitakere Properties Board Chair on an annual basis.

The Chairperson's role is to manage the board effectively, to provide leadership to the Board, to interface with the Chief Executive and to monitor performance with respect to the achievement of Trust Projects and the attainment of the Company's goals and objectives.

6. Business Performance Targets and Other Performance Measures

GOAL	MEASUREMENT BASIS
<p>Commercial Return – WPL</p> <p>To sustain the economic base of the Company to ensure it is able to carry out the required functions for its shareholder.</p>	<ul style="list-style-type: none"> ➤ Achieving budgeted revenue and costs. ➤ Ensuring Net Profit After Tax (NPAT) target for company operations is breakeven or better.
<p>Commercial Return – Declaration of Trust</p> <p>To ensure that each Trust Project is delivered in a manner which optimises the commercial benefit and return to Council consistent with the attainment of economic, environmental and social objectives.</p>	<ul style="list-style-type: none"> ➤ Aiming for financial returns in the Trust projects at levels consistent with good market practice or if below this, consistent with the assessment framework detailed in Point 15 below.
<p>Governance under</p>	

GOAL	MEASUREMENT BASIS
<p><u>Declaration of Trust</u></p> <p>To adhere to the terms of the Declaration of Trust and any related Letter of Direction for each Trust Project undertaken.</p>	<ul style="list-style-type: none"> ➤ Agreeing the objectives for each project with the Council concurrently with the Company accepting responsibility for control and development activities for such landholding under Declaration of Trust or be provided subsequently by approval of a concept plan or development plan prior to any significant construction expenditure being incurred, consistent with the Declaration of Trust. ➤ Adhering to the terms and conditions of any Letter of Direction which may be given by Council from time to time in relation to any landholding, including in relation to commercial or environmental concerns, strategic outcomes and project financial distributions. ➤ Reporting to the Council progress in relation to each landholding held under Declaration of Trust simultaneously with the statutory requirements to report on operations. ➤ Providing a Business Plan for each project held under Declaration of Trust for each financial year and report on progress against that Business Plan in the quarterly reports. ➤ Developing performance targets for each Trust Project
<p><u>Governance</u></p> <p>To meet all statutory, regulatory and shareholder requirements as required by the Local Government Act 2002, the Companies Act 1993 and any other applicable legislation.</p>	<ul style="list-style-type: none"> ➤ Providing a draft Statement of Intent to the shareholder by 1 March each year ➤ Providing a final Statement of Corporate Intent to the Shareholder by 30 June each year. ➤ Holding regular meetings of the Board of Directors.

GOAL	MEASUREMENT BASIS
	<ul style="list-style-type: none"> <li data-bbox="762 331 1326 539">➤ Provide audited financial statements and an operations report for the Company to the Shareholder within three months of the completion of the financial year as required by section 67 the Local Government Act 2002. <li data-bbox="762 568 1326 808">➤ Providing unaudited financial statements and operations report of the Company to the Shareholder within two months of the completion of the first half of the financial year as required by section 66 the Local Government Act 2002. <li data-bbox="762 837 1326 1046">➤ Providing a quarterly report to the shareholder on financial and non-financial performance including with respect to Trust Projects, contracts and transactions of significance, and strategic initiatives. <li data-bbox="762 1075 1326 1256">➤ Providing such other information as may reasonably be required by the Shareholder or the Council, subject to any obligation of confidentiality which may be appropriate.

7. Dividend and Distribution Policy

The Company's policy regarding dividends and other distributions will be determined from year to year by the Directors in accordance with operational results, financial prospects, and the circumstances prevailing, with the objectives of ensuring that: -

- The amount of the dividend or other distribution does not limit the Company's ability to fund future requirements (to both maintain and expand current operations in line with the Company's objectives).

and with the proviso that:

- The Directors are satisfied that the requirements of Sect.4 of the Companies Act (the "solvency test") have been satisfied;
- The amount of any dividend does not exceed the amount of the profit after tax in the year to which the distribution relates; and
- Total liabilities do not exceed 50% of total assets.

8. Information to be Provided to Shareholders

Although the Local Government Act 2002 only requires the company to report half yearly and annually to its shareholder, Council requires the company to report on a quarterly basis through its Finance & Operational Performance Committee.

The Company will provide information which meets the requirements of the Companies Act 1993, the Local Government Act 2002, and the reporting requirements prescribed from time to time by the Institute of Chartered Accountants of New Zealand, in order to enable the shareholders to make an informed assessment of the company's performance.

The following information will be made available:

- (a) An annual Statement of Intent in accordance with the Local Government Act 2002.
- (b) Quarterly reporting to Council, including the half yearly report shall be in accordance with Sect.66 of the Local Government Act and shall include any other information that the Directors deem appropriate.
- (c) An annual report in accordance with Secs 67, 68 and 69 of the Local Government Act 2002 and the reporting requirements prescribed from time to time by the Institute of Chartered Accountants of New Zealand, and any other information that the Directors deem appropriate.
- (d) Any other information required by Council, upon receipt of a written request from Council through its Chief Executive. The Local Government Act 2002 does not require the disclosure of sensitive information that may be properly withheld if a request for that information were made under the Local Government Official Information and Meetings Act 1987.
- (e) Prior written proposals as a basis for discussion and negotiation for:-
 - Any expansion of the Company's activities into new areas of business.
 - Any activity or arrangement related to property, subject to a specific Declaration of Trust, where the activity was not expressly approved by the Declaration of Trust or any Letter of Direction relating to that property, or is not consistent with any approved Concept Plan.
 - Any activity or arrangement involving the commitment of significant capital or Council resources (where "significant" equates to 50% of the value of Shareholder's Equity or for a property vested under a Declaration of Trust, 50% of the value of the developed land).

9. Statement of Accounting Policies

Reporting Entity

The Company is registered under the Companies Act 1993. The Company is a Council Controlled Trading Organisation as defined in Sec.6 of the Local Government Act 2002. The Financial Statements have been prepared in accordance with the Financial Reporting Act 1993, Companies Act 1993 and the Local Government Act 2002. The Company is fully owned by Waitakere City Holdings Limited, a 100% subsidiary of Waitakere City Council.

Measurement Basis

The financial statements have been prepared on the historical cost basis.

Goods and Services Tax (G.S.T)

The Financial Statements have been prepared on a basis exclusive of Goods and Services Tax except for Debtors and Creditors which are inclusive of G.S.T.

Going Concern

Reliance is placed on the Company being a going concern.

Changes in Accounting Policy

There are no changes in accounting policy.

10. Other Matters Required By The Local Government Act

Ratio of Shareholder's Funds to Total Assets

Shareholder's Funds are defined as the sum of the amount of share capital on issue, retained earnings/accumulated losses, revenue and capital reserves. Total Assets are defined as the sum of the net book value of current assets, investments, fixed assets, and intangible assets as disclosed in the Company's Statement of Financial Position, prepared in accordance with the accounting policies adopted by the Directors.

The target ratio of Shareholder's Funds to Total Assets shall not be less than 50% for the period covered by this Statement of Intent.

Estimate of the Commercial Value of the Company

The value of Waitakere Properties Limited has been defined as the value of the issued share capital at the 30 June 2005.

Procedure for the Acquisition of an Interest in Another Organisation

In order for the Company to meet its objectives, it may be necessary to initiate transactions relating to shares in subsidiary companies, joint ventures or existing companies. Any decision to initiate such transactions will be subject to approval by the Directors of the Company and to the extent that such transactions result in either a change in the essential nature of the business of the Company or involves significant resources or capital in excess of \$1,000,000, the approval of the Shareholder.

11. Capital Structure

The Company will operate with a debt to total assets ratio that is less than 50%, except where additional debt: -

- Is secured by charge against the property assets vested in the Company under Declaration of Trust; and
- The charging of such property assets is specifically approved under the particular Declaration of Trust and/or any related Letter of Direction; and
- The debt so charged in any case does not exceed 50% of the market value of the land and improvements vested under the particular Declaration of Trust.

Within these restrictions the Company may arrange funding from the financial sector as required subject to the prudent management of market rate, currency and credit risk.

12. Risk Analysis and Management Policy

The framework for managing and reporting on risk will follow the current standard AS/NZS 4360: 1999. Each year the Board will ensure there is a formal evaluation of the Company's exposure to risk and satisfy itself that appropriate strategies are in place to manage or eliminate risk.

In assessing and managing risks it is recognised that the shareholder, as a public entity, is risk averse and consequently the Board will manage both the Company and Trust Projects prudently to minimise risk and the potential for losses, subject to the requirement to attain strategic outcomes and objectives as agreed from time to time with Council. The shareholder recognises that the intent to facilitate particular strategic development goals and outcomes of significance to the City may justify in some instances the assumption by the Company of greater risk and an inherent potential for losses with respect to a given project than might otherwise be desirable.

The levels of return offered by the property industry reflect the generally high degree of risk associated with: -

- Extended development cycles.
- Relatively high investments associated with low volume turnovers.
- Exposure to external factors such as the legislative and regulatory framework, business cycles (interest rates), immigration etc.
- Exposure to consumer preferences not associated with quantifiable benefits / costs in the residential and business sectors.

Management and mitigation / control of risk will be undertaken by:

- Detailed financial feasibilities, including sensitivity analyses
- Product selection based on comprehensive research and informed opinion
- Knowledge of business cycles
- Cash flow management
- Staging of construction and provision of infrastructure
- Debt management in accordance with stated ratios
- Product diversification (type, price and location) where possible and appropriate
- Risk sharing where appropriate (joint ventures)
- Pre-leasing or pre-commitments by prospective tenants, purchasers and third parties
- Employment of expert project management skills
- Establishment of monitoring procedures

The above are the most critical aspects of risk management. Additional business risks in the form of business continuity, statutory compliance, financial management and control, professional indemnity, contractual protection, fire etc will be managed in the normal manner.

13. Trust Projects Funding & Accounting Structure

Projects undertaken in terms of the Declaration of Trust are to be funded and managed by following the following criteria:

- Separately accounting for each project.
- Accounting and funding Projects through accounts that are common with those of the Council but are subject to the direct control of signatories authorised by the Company.
- Detailing shortcomings when projects do not achieve established criteria and the reasons for undertaking such projects to the Shareholder and Council as Trust beneficiary through the quarterly reporting process.
- Distributing proceeds to Council from Trust Projects when such projects provide sustainable positive cash flow.

14 Development Projects – Strategic Outcomes

Development Projects shall satisfy some or all of the following strategic criteria: -

- Assist urban consolidation
- Contribute to town centre revitalisation, intensification and development
- Provide support to public transport initiatives and viability
- Allow for employment generation
- Facilitate town centre growth
- Provide key infrastructure
- Offer opportunities to leverage private sector investment
- Respond to the environment in an appropriate manner consistent with Eco-City objectives.
- Promote best practice urban design and sustainable building where practicable and commercial.

15 Development Projects – Assessment Criteria

Development projects shall be selected in accordance with the established risk management policy and subject to the following further criteria: -

Financial Criteria

Any development project contemplated by the Company which does not satisfy the requirements of Project Returns may be referred to the Shareholder for consideration on the following grounds: -

- Achieves delivery on strategic City objectives
- Achieves delivery of significant public good
- Achieves delivery as a pilot project which offers leadership to the private sector or lowers risks and uncertainties to the private sector in delivering strategic outcomes.
- Achieves buildings which display sustainable design and features
- Achieves best practice building or urban design.

Geographic Criteria

All development projects funded from share capital shall be located in Waitakere City

16 Facilitating Strategic City Objectives

The shareholder wishes to ensure that activities of the Company facilitate strategic City objectives.

New projects for consideration are to be undertaken within two frameworks: an **assessment framework** and a working **relationship framework**. The assessment framework is to be utilised in determining whether a project "makes sense" for the company and the City to pursue and the relationship framework outlines how these projects are managed.

These frameworks encompass strategic property acquisitions and development, the proactive identification of opportunities for the Company and Council, and may actively seek to provide examples of innovative or leading edge development within approved development outcomes.

The Assessment Framework includes:-

- Social, environmental and economic issues relevant to the project.
- Financial criteria relevant to development project performance.
- Governance requirements specific to Company delivery on these objectives, relating to the representation, skill set and particular performance parameters associated with the objectives.
- Sustainable building criteria
- Financial structure which provides for the establishment and growth of capital which would be utilised in respect of projects which fit the assessment criteria

The Relationship Framework includes:

The role of the Company as an implementation tool to give effect to strategic objectives requires the establishment of best practice in public private partnering which the Company has an advisory role in the policy and planning phases undertaken by Council thus maximising the ability to implement the following objectives:.

- Recognising the commercial business relationship that secures best value from both entities and enables close cooperation whilst recognising the particular roles and functions of each.
- Providing a formal reporting relationship with Council to ensure that Councillors have an opportunity to interact with the Company and provide political direction.

- Enabling the Company to act in concert with the provision by Enterprise Waitakere of a service as an economic development agency, facilitating and where appropriate undertaking development supportive of economic and strategic objectives common to Enterprise Waitakere and Council.

17 Activities involving Public Authorities

The Company may provide services, as described in the section entitled "Nature and Scope of Activities", to the Council as part of its normal business activities. These services will generally be contracted and charged for on a commercial basis but some advice may be provided without specific charge in accordance with the nature of the relationship.

Subject to the assessment criteria contained in this Statement of Intent the Company may also enter into any contractual or commercial arrangement with any other territorial or regional authority as part of its normal business activities, payment for which will be the responsibility of the territorial or local authority concerned.

TRUST PROJECTS SUMMARY

Waitakere Central

Purpose: Consolidate Town Centre, Economic Growth
Status: Central One complete and office space fully leased.
Hotel operator search and apartment feasibility studies underway
Goals for 2008-2010: Secure anchor tenant to allow Central two to commence construction. Complete apartment and hotel studies.

Keeling Road

Purpose: Brownfields industrial development
Status: Construction due for completion early 2008. Titles to issue prior to June 2008
Goals for 2008-2010: Complete development and sales and return proceeds to Council.

Henderson Valley Studios

Purpose: Facilitate infrastructure for key industry
Status: New studio complete
Goals for 2008-2010: Trust account to close in June 2008

Totara Avenue Shops

Purpose: Town centre consolidation
Status: Property being managed pending double tracking and new station construction.
Goals for 2008-2010: Complete master plan and feasibility studies to allow this development to lead the revitalisation of New Lynn town centre.

Harbourview

Purpose: Residential Subdivision
Status: Complete
Goals for 2008-2010: Funds held pending review of leaky homes.

Ambrico Place, New Lynn

Purpose: Acquired to remove industrial tenant from residential area.
Status: Sold conditionally. Pending application from purchaser to WCC for resource consent.
Goals for 2008-2010: Complete sale.

Godley Road, Greenbay

Purpose: Intensive residential development opportunity on main transport route with medical and other services nearby.
Status: On hold pending acquisition of neighbouring property
Goals for 2008-2010: Complete acquisition and master plan

Hugh Brown Carpark, New Lynn

Purpose: Surplus land in New Lynn town centre
Status: On hold pending review of town centre redevelopment plans.
Goals for 2008-2010: Agree on action plan for site.

Hobsonville

Purpose: Land acquired for key industry
Status: Land zoned and acquired. Currently seeking a JV partner for development.
Goals for 2008-2010: Submit Comprehensive Development Plan in 2008 and commence construction in 2009.

OTHER ACTIVITIES

New Lynn

Northern Area

**MINUTES OF A MEETING OF THE TENDERS SUBCOMMITTEE WAITAKERE CENTRAL,
HELD AT 6 HENDERSON VALLEY ROAD, HENDERSON, WAITAKERE,
ON FRIDAY, 16 MAY 2008, COMMENCING AT 9.03 AM**

PRESENT: Councillors RI Clow (Chairman)
WW Flaunty, QSM, JP
Director: Finance

IN ATTENDANCE: Group Manager: Project Services
Team Manager: Environmental Compliance
Water Projects Manager
Contracts Engineer: Project Services
Principal Engineer: Project Services
Roading Engineer
Parks Contract Officer: Environmental
Technical Co-ordinator: Water Projects
Committee Secretary: D Tukutama

1 APOLOGIES

771/2008

MOVED by Cr Flaunty, seconded Cr Clow:

That apologies from Cr Clews, V Vaidyanath, J Dragicevich, J Johnson, S Bidrose, G Campbell, W Thomas for absence, be received and sustained.

CARRIED

2 URGENT BUSINESS

There was no Urgent Business.

3 CONFLICTS OF INTEREST

Elected Members were reminded via the agenda, of the 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.

4 CONFIRMATION OF MINUTES

772/2008

MOVED by Cr Flaunty, seconded A Pollock:

The Tenders Subcommittee resolved to:

Receive the minutes of the meeting of the Tenders Subcommittee held on Friday, 2 May 2008, as circulated, and that they be taken as read and now be confirmed.

CARRIED

5 **CONSULTANT SUPPORT - INFILTRATION AND INFLOW AND PEAK FLOW REDUCTION PROGRAMMES 2008/2009**

773/2008

MOVED by A Pollock, seconded Cr Flaunty:

The Tenders Subcommittee resolved to:

1. **Receive** the Consultant Support - Infiltration and Inflow and Peak Flow Reduction Programmes 2008/2009 report.
2. **Approve** the Group Manager: Project Services be given authority to enter into negotiations with Gillespie Consultants Limited on the basis of a preferred supplier for Consultant Support - Infiltration and Inflow and Peak Flow Reduction Programmes 2008/2009 similar to Contract No. EW07032A - Consultation Support - Infiltration and Inflow Peak Reduction Programme 2007/2008.
3. **Approve** that the Group Manager: Project Services inform Gillespie Consultants Limited that an award of the contract for Consultant Support - Infiltration and Inflow and Peak Reduction Programmes 2008/2009 is not guaranteed.
4. **Approve** that the outcome of the negotiations process with Gillespie Consultants Limited for the Consultant Support - Infiltration and Inflow and Peak Flow Reduction Programmes 2008/2009 contract be reported back to the Tenders Subcommittee for approval to award a contract for 2008/2009 with the provision to extend beyond 30 June 2009 on an annual basis until 30 June 2011.

CARRIED

6 **CONTRACT NO. EW07001V - STORMWATER UPGRADE 88 TO 61 KAMARA ROAD**

774/2008

MOVED by Cr Flaunty, seconded A Pollock:

The Tenders Subcommittee resolved to:

1. **Receive** the Contract No. EW07001V - Stormwater Upgrade 88 to 61 Kamara Road report.
2. **Approve** that the tender from March Construction Limited for Contract No. EW07001V - Stormwater Upgrade 88 to 61 Kamara Road in the sum of \$330,788.23 plus \$41,348.53 GST, totalling \$372,136.76 be accepted.
3. **Approve** that authority to enter into Contract No. EW07001V - Stormwater Upgrade 88 to 61 Kamara Road on behalf of the Council be delegated to the Group Manager: Project Services.

CARRIED

7 **CONTRACT NO. FS07005A - AFTER HOURS NOISE CONTROL 2008/2009**

775/2008

MOVED by A Pollock, seconded Cr Flaunty:

The Tenders Subcommittee resolved to:

1. **Receive** the Contract No. FS07005A - After Hours Noise Control 2008/2009 report.

A63

2. **Approve** that the tender from Icon Group Security Limited for Contract No. FS07005A - After Hours Noise Control 2008/2009 in the sum of \$329,672.50 plus \$41,209.06 GST, totalling \$370,881.56 be accepted.
3. **Approve** a commitment of \$329,672.50 excluding GST to the draft Annual Plan 2008/2009 for Contract No. FS07005A - After Hours Noise Control 2008/2009.
4. **Approve** that authority to enter into Contract No. FS07005A - After Hours Noise Control 2008/2009 on behalf of the Council be delegated to the Director: City Services.
5. **Agree** that authority be given to the Director: City Services to extend the Contract No. FS07005A - After Hours Noise Control 2008/2009 for a further 12 months, subject to the satisfactory performance of the contractor and mutual agreement on the rates to apply for the extended term of contract.

CARRIED

8 CONTRACT NO. PK08007A - REVEGETATION PROGRAMME

776/2008

MOVED by A Pollock, seconded Cr Flaunty:

The Tenders Subcommittee resolved to:

1. **Receive** the Contract No. PK08007A - Revegetation Programme tender evaluation report.
2. **Approve** that the tender from Rahopara Parks & Garden Limited for Contract No. PK08007A - Revegetation Programme in the sum of \$109,894.20 plus \$13,736.77 GST, totalling \$123,630.97 be accepted.
3. **Approve** committing \$75,344.20 plus GST against the 2008/2009 Annual Plan for Contract No. PK08007A - Revegetation Programme.
4. **Approve** committing \$4,550.00 plus GST against the 2009/2010 Annual Plan for Contract No. PK08007A - Revegetation Programme.
5. **Approve** that authority to enter into Contract No. PK08007A - Revegetation Programme on behalf of Council be delegated to the Group Manager: Asset Management.

CARRIED

9 CONTRACT NO. TA06007B - UNSEALED ROADS MAINTENANCE 2006 - APPROVAL TO EXTEND

777/2008

MOVED by Cr Flaunty, seconded A Pollock:

The Tenders Subcommittee resolved to:

1. **Receive** the Contract No. TA06007B - Unsealed Roads Maintenance 2006 - Approval to Extend report.
2. **Approve** that the Contract No. TA06007B - Unsealed Roads Maintenance 2006 as awarded to Fulton Hogan Limited be extended in the sum of \$480,000.00 excluding GST for the period 1 July 2008 to 30 June 2009.
3. **Approve** the commitment of \$480,000.00 excluding GST to the draft Annual Plan 2008/2009 for Contract No. TA06007B - Unsealed Roads Maintenance 2006.

A64

4. **Approve** that the authority to extend Contract No. TA06007B - Unsealed Roads Maintenance 2006 for the period 1 July 2008 to 30 June 2009 on behalf of Council be delegated to the Group Manager: Project Services.

CARRIED

10 **CONTRACT NO. TA07010E - SLIP REPAIRS 2008: 213 KAREKARE ROAD AND 696 SOUTH TITIRANGI ROAD**

778/2008

MOVED by A Pollock, seconded Cr Flaunty:

The Tenders Subcommittee resolved to:

1. **Receive** the Contract No. TA07010E - Slip Repairs 2008: 213 Karekare Road and 696 South Titirangi Road report.
2. **Approve** that the tender from Gibbons Contractors Limited for Contract No. TA07010E - Slip Repairs 2008: 213 Karekare Road and 696 South Titirangi Road in the sum of \$219,778.00 plus \$27,472.25 GST, totalling \$247,250.25 be accepted.
3. **Approve** that the tender for Contract No. TA07010E - Slip Repairs 2008: 213 Karekare Road and 696 South Titirangi Road be awarded to other than the lowest priced tender, because the weighted attributes tender evaluation method requires the tendering authority to enter into a contract only with the tender that scores the highest overall index.
4. **Approve** a commitment of \$158,249.00 excluding GST to the draft Annual Plan 2008/2009 for Contract No. TA07010E - Slip Repairs 2008: 213 Karekare Road and 696 South Titirangi Road.
5. **Approve** that authority to enter into Contract No. TA07010E - Slip Repairs 2008: 213 Karekare Road and 696 South Titirangi Road on behalf of the Council be delegated to the Group Manager: Project Services.

CARRIED

9.17 am

The Chairman thanked Members for their attendance and attention to business and declared the meeting closed.

CONFIRMED AT A MEETING OF THE TENDERS
SUBCOMMITTEE HELD ON

DATE:.....

CHAIRMAN:.....

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