



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** **10 June 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.

2 June 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, 10 JUNE 2005, COMMENCING AT 9.00 AM**

TABLE OF CONTENTS

<u>ITEM</u>		<u>PAGE NO.</u>
1	APOLOGIES	1
2	URGENT BUSINESS	1
3	CONFIRMATION OF MINUTES	1
4	CONTRACT NO.TA05013A - ROAD EMERGENCY MAINTENANCE AND DRAINAGE RESPONSE WORKS 2005/2006	2
5	CONTRACT NO. TA05001B - CITY CLEANING & ROAD SWEEPING 2005/2006	4
6	TA05009 - HUIA/WHATIPU DRAINAGE MAINTENANCE CONTRACT 2005/2006	8
7	CONTRACT NO. TA03515B BUS SHELTER AND GUARDRAIL MAINTENANCE - INCREASE IN VALUE OF CONTRACT WORKS)	10

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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 - 27 May 2005

RECOMMENDATION

That the minutes of the Meeting of the Tenders Subcommittee held on Friday, 27 May 2005, as circulated, be taken as read and now be confirmed.



4 **CONTRACT NO.TA05013A - ROAD EMERGENCY MAINTENANCE AND DRAINAGE RESPONSE WORKS 2005/2006**

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to enter into a negotiated contract with Techscape Limited, for Contract No. TA05013A - Road Emergency Maintenance and Drainage Response Works 2005/2006.

BACKGROUND

This contract forms part of Council's asset maintenance programme as provided for in the draft Annual Plan 2005/2006 and specifically the emergency maintenance of slips on the road reserve, removal of debris on the road reserve, response to road flooding issues and the provision of traffic management for any dangerous situation that may occur on the road reserve. It also includes provision for new minor works items for roadside drainage and other physical works which may be requested by Council.

SCOPE OF WORK

This contract will provide a 24 hour, 7 days per week response to all road emergency call outs through the city. It includes the supply of all management, supervision, labour, materials, plant and incidentals necessary for "first call" remedial works at sites within the road reserve. Quantities are provisional and payment is made on a measure and value basis.

ISSUES

Council's Procurement Manual allows use of sole supplier where a number of factors are present. For this particular contract the following factors can be considered:

- The Contractor is located within Waitakere City and therefore supports Council's "Buy Waitakere" initiative;
- The Contractor has carried out this contract to a good standard in the past;
- Most of the contract works are "urgent" and the nature of the problem is often not apparent until the site is reached. It can often be related to problems with the main stormwater lines and as Techscape Limited maintains the stormwater network on behalf of Council and it will be able to resolve drainage problems rather than having two separate contractors attending the same site;
- Because most of the works are "emergency" or "urgent" there is no guarantee of the quantum of work;
- Techscape Limited has an intimate knowledge of Council's drainage systems; and
- Techscape Limited have maintained competitive rates for this contract over the past four years when benchmarked against labour and plant rates in other open tendered contracts.

Land Transport New Zealand advises that since the work is for public safety to keep the road open and trafficable and the nature of the work being to provide first response to events, then the Competitive Pricing Procedure conditions do not apply to these contracts. Thus Council can negotiate a contract to any value because the contract is outside the Competitive Pricing Procedure requirement.

Based on expenditure over the past two years it is intended to enter into a scheduled rate contract to a value of \$500,000. The quantities are provisional, as the volume of work will vary dependant on the weather.

RESOURCES

The value of the proposed contract is \$500,000.

The total contract cost is within the funding provided in the draft Annual Plan 2005/2006, as set out below.

SOURCE OF FUNDING

Budget Description (from Annual Budget line item)	Codes	Budget \$	Committed to Other Projects \$	Allocation to This Project \$	Unallocated Balance
Urban Maintenance	46-7114-24520	1,080,200	1,038,200	42,000	0
Rural Maintenance	46-7118-24520	648,250	633,250	15,000	0
Flood Damage	46-7142-24490	40,000	2,500	37,500	0
Street Cleaning unsubsidised	46-7128-24770	365,000	280,000	85,000	0
Drainage (unsubsidised)	46-7174-24670	47,000	20,000	27,000	0
Drainage Systems Renewals	75-9860-24670	807,160	613,660	193,500	0
Ground Stability & Preventative Maintenance	75-9860-24450	100,000	0	100,000	0
TOTAL		3,087,610	2,587,610	500,000	

SUMMARY

Techscape Limited is a company specialising in asset management, construction and maintenance of local authority assets. It currently provides a 24 hour emergency service to Council for emergencies arising from road, water, and drainage facilities. During the past four years it has carried out this type of work to a good standard.

There are several logistical and efficiency benefits for Council to enter into a contract with a sole supplier in this case. The rates are market competitive so that there will be no extra financial cost to Council.

RECOMMENDATIONS

1. That the Contract No. TA05013A - Road Emergency Maintenance and Drainage Response Works 2005/2006 report be received.
2. That approval be granted to enter in a negotiated contract with Techscape Limited for Contract No. TA05013A - Road Emergency Maintenance and Drainage Response Works 2005/2006, in the sum of \$500,000 plus GST.
3. That the commitment to the draft Annual Plan 2005/2006 for Road Emergency Maintenance and Drainage Response Works totalling \$500,000 be approved.
4. That authority to enter into Contract No. TA05013A - Road Emergency Maintenance and Drainage Response Works 2005/2006 be delegated to the Group Manager: Asset Management.

Report prepared by: Tony Miguel, Group Manager: Asset Management.



5 CONTRACT NO. TA05001B - CITY CLEANING & ROAD SWEEPING 2005/2006

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. TA05001B - City Cleaning & Road Sweeping 2005/2006.

BACKGROUND

This contract forms part of Council's asset maintenance and renewal programmes as provided for in the draft Annual Plan 2005/2006 and specifically the sweeping and cleaning of roads and commercial centres throughout the city.

SCOPE OF WORK

The scope of work includes the routine sweeping of roads, car parks and nominated pedestrian areas and the cleaning of nominated commercial centres and bus shelters within Waitakere City.

Also included is clearing of litter and debris from kerbs and channels, bus shelters, commercial centres and other specified high profile areas and attendance to any cleaning work as a response to service requests.

Two options were tendered. Option 1 provides for a twelve month contract with a completion date of 30 June 2006 and Option 2 provides for a thirty six month contract with a completion date of 30 June 2008. Each option provides for the term to be extended by a twelve month period plus a further twelve month period, each period at the sole discretion of Council dependant upon the Contractor's performance. Should any of the extension years be granted cost fluctuations will apply to those years.

TENDERS RECEIVED

Tenders were publicly advertised with eight sets of documents being uplifted. Four (4) tenders were received by the closing date of 5 May 2005. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (Excl. GST) Option 1 Twelve month	TENDER PRICE (Excl. GST) Option 2 Thirty Six month
Civic Contractors Limited & Onyx Group Limited Partnership	Henderson	\$579,970.44	\$1,692,162.86
Industrial Services Trading Trust, trading as InterClean	Greenmount	\$579,900.00	\$1,721,920.00
Techscape Limited	North Harbour	\$1,098,640.99	\$3,168,819.40
Metallic Sweeping (1998) Limited	Christchurch	\$1,311,340.70	\$3,808,709.92
Pre-tender contract estimate		\$551,725.00	\$1,646,140.00

Table 1 - Summary of Tender Prices

Tenders received for both Option (1) and Option (2) are slightly higher than the engineers estimate but sufficient tenders have been received to be satisfied that the prices received reflect the current market.

TENDER EVALUATION

In accordance with the conditions of tendering, tenders were evaluated in line with the Weighted Attribute Method contained in Transfund New Zealand's "Competitive Pricing Procedures Manual".

The "two envelope process" as described in Section 2.7 of the above manual was followed. Under this method, only the first tender envelope is opened and the non-price attributes evaluated for all tenders before the second envelope containing the tender price is opened, and the tender prices duly included in the evaluation.

A summary of the evaluation results is shown in Table 2A and 2B:

Tender Evaluation	Attributes	Exper'	Track Record	Tech. Skill	Resources	M'ment Skill	Method	Price	Contract Number TA05001B Option 1
									Total Weights
	Weights	5	6	5	5	6	3	70	100
Tenderer	Tender Sum	Grades							INDEX
Civic Contractors Ltd & Onyx Group Ltd Partnership	\$579,970.44	78	71	63	73	67	75	81	78
Industrial Services Trading Trust, trading as Interclean	\$579,900.00	61	50	51	61	51	50	81	73
Techscape Ltd	\$1,098,640.99	63	66	58	58	75	77	19	33
Metallic Sweeping (1998) Ltd	\$1,311,340.70	77	72	72	55	60	65	-6	16
Med.n Tender Price	\$839,305.72								

* Attribute grading as defined by Transit NZ in their CPP Tender Evaluation Manual Effective 1 March 1997

Table 2A - Option 1: Twelve Month Contract Period

Tender Evaluation	Attributes	Exper'	Track Record	Tech. Skill	Resources	M'ment Skill	Method	Price	Contract Number TA05001B Option 2
									Total Weights
	Weights	5	6	5	5	6	3	70	100
Tenderer	Tender Sum	Grades							INDEX
Civic Contractors Ltd & Onyx Group Ltd Partnership	\$1,692,192.86	78	71	63	73	67	75	81	78
Industrial Services Trading Trust, trading as Interclean	\$1,721,920.00	61	50	51	61	51	50	80	72
Techscape Ltd	\$3,168,819.40	63	66	58	58	75	77	20	34
Metallic Sweeping (1998) Ltd	\$3,808,709.92	77	72	72	55	60	65	-6	16
Med.n Tender Price	\$2,445,369.70								

* Attribute grading as defined by Transit NZ in their CPP Tender Evaluation Manual Effective 1 March 1997

Table 2B - Option 2: Thirty Six Month Contract Period

A comparison of the indices in Table 2A and Table 2B demonstrates that Civic Contractors Limited & Onyx Group Limited Partnership ranked higher in both Option 1 and Option 2. Civic Contractors Limited & Onyx Group Limited Partnership has the second lowest tender price for Option 1, being only \$70.44 more than the lowest tender from Interclean, and the lowest tender price for Option 2.

An evaluation of Civic Contractors Limited & Onyx Group Limited Partnership submitted rates indicate a saving to Council of \$47,700.00 during the thirty six months period for Option 2 compared to repeat annual contracts under Option 1. Additionally, should Option 2 be awarded, annual tendering costs of approximately \$3,500.00 per year plus annual inflation costs of approximately \$23,430.81, based on 2% inflation, will be saved giving a total saving to Council over the three (3) year period of \$78,130.81.

There are also benefits such as continuity of work, development of working relationships, long-term "ownership" of the network and forward work programming that have an indirect cost and quality implication that can be gained from entering into a longer-term contract with a contractor that Council is familiar with and has performed to a good standard.

It is therefore recommended that the Option 2 contract be awarded and, on the satisfactory performance of this tenderer, and at the discretion of Waitakere City Council, two further 12 month extensions (reviewed annually) to the contract be offered. This has been allowed for in the Tender.

TAGS, ERRORS OR OMISSIONS

No tags or omissions were found in the tender of Civic Contractors Limited & Onyx Group Limited Partnership.

Arithmetic errors were found in the tender submitted by Interclean but these do not affect the tender evaluation.

CREDIT CHECK

Credit checks dated 18 May 2005 have been carried out on both Civic Contractors Limited & Onyx Group Limited. Civic Contractors Limited has a moderate dynamic risk rating, slightly above the industry average but Onyx Group Limited has a minimum dynamic risk rating well below the industry average. The credit check reveals no other adverse information and given this is a partnership between the two companies and considering the good performance as incumbent contractor over the past three (3) years the moderate rating is considered to be of no concern.

SUMMARY

The results of the tender evaluation as summarised in Table 2A and Table 2B shows that the tenders submitted by Civic Contractors Limited & Onyx Group Limited Partnership achieved the highest index of 78 for both Option 1 and Option 2. Civic Contractors Limited & Onyx Group Limited Partnership has the lowest tender sum for the preferred Option 2, and the second lowest, only \$70.44 more than the lowest, tender sum for Option 1.

Civic Contractors Limited & Onyx Group Limited Partnership is the current City Cleaning & Road Sweeping Contractor. Civic Contractors Limited & Onyx Group Limited Partnership has held this contract for the past three (3) years and has carried out the contract works to an acceptable standard. Civic Contractors Limited & Onyx Group Limited Partnership is familiar with Council's procedures and contract specifications and has developed a good working relationship with Council staff.

There are cost savings for Council in awarding Option 2 in preference to Option 1.

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.

JOB COSTS

	<u>EXCL. GST</u>
Tender sum - (Option 2), Civic Contractors Limited & Onyx Group Limited Partnership	\$1,692,192.86
Contingency	\$ 23,807.14
Engineering & Supervision	\$ 99,000.00
Total Job Cost	\$1,815,000.00

SOURCE OF FUNDING

Budget Description 2005/2006 Annual Plan	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance
Urban Maintenance	46-7114-24250-280	1,080,200	1,011,200	69,000	0.00
Sub. St. Cleaning	46-7126-24440-280	135,000	65,000	70,000	0.00
Non-Sub. St. Cleaning	46-7178-24770-280	365,000	165,000	200,000	0.00
General Rd Maintenance	46-7174-24700-280	72,500	40,500	32,000	0.00
Intersections Sweeping	46-7180-27550-280	41,000	0.00	41,000	0.00
Comm. Cent. Rd Sweeping	46-7180-24440-280	200,000	50,000	150,000	0.00
High Profile Areas	46-7174-34430-280	35,000	25,000	10,000	0.00
Urban Maintenance	46-7114-24360-132	93,000	82,000	11,000	0.00
St. Clean. Prof. Services	46-7118-24360-132	11,000	5,000	6,000	0.00
Environm Prof. Services	46-7178-24360-132	30,000	24,000	6,000	0.00
Amenity Prof. Services	46-7174-24360-132	60,000	50,000	10,000	0.00
	Sub Total			\$605,000	
2006/2007 Funding Required				\$605,000	
2007/2008 Funding Required				\$605,000	
	Total - Option 2			\$1,815,000	

RECOMMENDATIONS

1. That the Contract No. TA05001B - City Cleaning & Road Sweeping 2005/2006 report be received.
2. That the tender from Civic Contractors Limited and Onyx Group Limited Partnership for Option 2 (thirty six months), for Contract No. TA05001B - City Cleaning & Road Sweeping 2005/2006 in the sum of \$1,692,192.86 plus \$211,524.10 GST, totalling \$1,903,716.96 be accepted.
3. That the commitment to the 2005/2006, 2006/2007 and 2007/2008 financial years each of \$605,000.00 totalling \$1,815,000.00 plus GST be approved.
4. That authority to enter into Contract No. TA05001B - City Cleaning & Road Sweeping 2005/2006 on behalf of Council be delegated to the Group Manager: Asset Management.

5. That authority to extend Contract No. TA05001B - City Cleaning & Road Sweeping 2005/2006 for an additional 12 month period to end 30 June 2009 and a further extension of a 12 month period to end 30 June 2010 based on the satisfactory performance by the contractor be delegated to the Group Manager: Asset Management.

Report prepared by: Ara Ovanessoff, Transport Operations Manager.



6 **TA05009 - HUIA/WHATIPU DRAINAGE MAINTENANCE CONTRACT 2005/2006**

PURPOSE OF THE REPORT

The purpose of this report is to seek permission from the Tenders Subcommittee to negotiate a maintenance contract for a two year contract period, with an option for a one year extension.

BACKGROUND

This contract forms part of Council's asset maintenance and renewal programmes as provided for in the draft Annual Plan 2005/2006 and specifically the drainage maintenance of Huia/ Whatipu area. It also includes provision for the clearance of minor slips in the area.

The contract is to provide routine, ordered and emergency drainage maintenance works in Huia/Whatipu area.

The works include the following:

- Inspection of culverts after heavy rainfall and reporting;
- Reshape/clear water tables;
- Unblock cesspit grates, pits and leads;
- Unblock culverts and vehicle crossing pipes;
- Clearance of minor slips; and
- Minor repairs to Huia sea wall and the form at Little Huia.

Mansell Contractors Limited are the incumbent contractor, having being awarded the contract for 2004/2005 by open tender and have successfully carried out this work for the previous five (5) years.

ISSUES

Council's Procurement Manual allows use of sole supplier where a number of factors are present. For this particular contract the following factors can be considered:

- The Contractor is located within Waitakere City and therefore supports Council's "Buy Waitakere" initiative;
- The Contractor has carried out this contract to a good standard in the past;
- The Contractor has an intimate knowledge of Council's road and drainage systems in Huia and Whatipu; and
- The Contractor has demonstrated competitive rates for this contract when benchmarked against labour and plant rates in other open tendered contracts.

It is intended to negotiate for a Contract Completion Date of 30 June 2007 (two year contract), with an allowance to extend by 12 months to 30 June 2008.

The objective of the contract negotiations will be to establish a target tender sum based on the tender that was obtained on the open market, with a small adjustment for inflation.

The option will provide for extension solely at Council's discretion based on the satisfactory performance of the Contractor.

Additionally, where extended term contracts include the right to renew for additional years, Council will benefit from:

- Lower administration costs;
- Continuity of contract; and
- Consistency of service.

It is Council policy to use locally based contractors whenever possible. Mansell Contractors Limited is based in Huia and has consistently produced work of good quality and is well thought of locally and by Council staff. Mansell Contractors Limited is also well versed in the requirements for this contract and has significant local knowledge which is of benefit to Council and the community.

The right of renewal of a contract can also provide benefits to Council as this process is likely to result in lower contract costs than may arise from re-tendering the work, plus saving the cost of re-tendering. Any extension of a 'right-of-renewal' contract will be conditional on the Contractor maintaining a good working relationship with Council and achieving the budgets and quality standards in the contract.

Mansell Contractors Limited has carried out contracts for Waitakere City Council over the past six years to a good and acceptable standard in the Huia/Whatipu area. They have the necessary skills and resources to carry out the contract works.

RESOURCES

The estimated value of this contract is \$55,000 per annum. Funding has been provided in the 2005/2006 draft Annual Plan and the 2003/2013 Long Term Council Community Plan.

Letting a two (2) year contract for this project will involve committing future year's budgets.

CONCLUSION

The ability to let a two year term contract with right of renewal for an additional year for the maintenance contract listed above will result in less staff time spent on preparing contracts and contract administration, and will result in Council being able to achieve cost savings while maintaining or improving service delivery.

It is recommended that authority be given to enter into negotiations to extend the existing contract, with reporting back to the Tenders Subcommittee for approval of the negotiated outcomes.

RECOMMENDATIONS

1. That the Contract No. TA050009 - Huia/Whatipu Drainage Maintenance Contract for 2005/2006 report be received.

2. That authority be given to negotiate Contract No. TA050009 - Huia/Whatipu Drainage Maintenance Contract for 2005/2006 for a two (2) year period with an option for extension up to a further one (1) year, for various drainage maintenance activities in the Huia/Whatipu area, be approved.
3. That the outcomes of the negotiations be reported back to the Tenders Subcommittee for approval.

Report prepared by: Eddie Dearham, Transport Assets.



7 **CONTRACT NO. TA03515B BUS SHELTER AND GUARDRAIL MAINTENANCE - INCREASE IN VALUE OF CONTRACT WORKS**

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Tenders Subcommittee to increase the approved contract sum for Contract No. TA03515B Bus Shelter and Guardrail Maintenance from within existing maintenance budgets.

BACKGROUND

Contract No. TA03515B Bus Shelter and Guardrail Maintenance is a three year contract providing for maintenance to bus shelters and guardrails within Council's roading City-wide network. The contract is in the second year of it's three year term and will conclude on 30 June 2006.

The initial contract sum for Contract No. TA03515B was \$72,000 per year for three years. However, due to the larger than expected amount of damage to bus shelter and guardrail structures within the City, this year, this sum has proven insufficient to undertake all work required.

The majority of work undertaken in the bus shelter and guardrail maintenance contract is to repair damage done by either vandalism or vehicle impact. The amount of work required due to these reasons is by nature unpredictable.

Guardrail damage due to individual traffic accidents can also consume a large portion of the guardrail budget within a short period of time. In the 2004/2005 financial year there have been six guardrail damage incidents costing more than \$5,000 dollars to repair, with the most costly incident location being the guardrails on the bridge in Swanson Road approximately 50 metres east of Parkland Avenue which has been hit twice at a cost of \$8,750 and \$14,600 for each incident.

An individual vandal can cause significant damage to Council assets within an area within a short period of time and citywide the total cost of vandalism type damage can vary markedly from month to month. The glass panes in modern bus shelter designs are a favourite target for vandals and the increased number of these shelters in the City are having an effect on maintenance costs.

STRATEGIC CONTEXT

The Waitakere City Council's 'Integrated Transport and Communication' platform provides the strategic context for this report. The vision is for public transport and communications systems that provide fast, effective services, and for city travel facilitated by integrated, environmentally responsible, and innovative design, with a focus on meeting the essential needs of all, for access, communication, and safety.

Guardrails help protect road users from hazards within the transport environment including streams and waterways, steep slopes, infrangible objects and other hazards.

The provision of bus shelters encourages the use of public transport by providing protection from the elements for bus patrons while they await the arrival of their bus.

ISSUES

Damage to bus shelters and guardrails, especially in high profile areas, has a significant impact on City image. It is desirable that damage to these structures is repaired within a reasonable timeframe so as to meet safety requirements and public expectations.

Damaged guardrails present a safety hazard. Damaged guardrails may not function as intended in an accident or protect pedestrians, motorists or other road users from harm. Where Council is aware of damage to a guardrail but delay repairs there may be claims for compensation from persons involved in an accident that may have been prevented had the guardrail been in a state of good repair.

To achieve repairs to damaged bus shelters and guardrails in a timely manner it is not practical to put repair work out to tender after that damage has occurred. Contract No. TA03515B is a response contract requiring the contractor to carry out repair works as and when required on short notice. To date the performance of the contractor, Community Asset Maintenance Limited, has been good and their prices are reasonable for undertaking the type of work required.

RESOURCES

Additional funds or reallocation of funds between existing budgets is not required. The funds for the additional maintenance work is provided for within the approved Annual Plan 2004/2005 from the bridge maintenance, bridge renewals, high profile areas, bus shelter renewals, guardrails maintenance and bus shelter repairs budgets.

Budget Description 2004/2005 Annual Plan	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance
Guard Rail Maintenance	46-7150-24150	50,000	0	46,000	4,000
Bus Shelter Repairs	46-7162-24600	50,000	8,000	42,000	0
Disabled Facilities	79-9888-30640	10,000	3,800	1,600	4,600
Bridge Maintenance	46-7146-24500	20,000	5,000	25,000	0
High Profile Areas	46-7174-34430	95,000	88,000	3,700	7,000
Bus Stops	75-9861-47600	25,000	500	11,200	13,300
Bridge Renewals	75-9860-34360	300,000	152,285	40,000	107,715
Bus Shelter Construction	75-9889-30630	50,000	3,103	38,846	8,051
Bus Shelter Renewals	75-9860-34360	20,000	660	12,950	6,390

CONCLUSION

In order to ensure road user safety and meet public expectations regarding maintenance of highly visible Council assets it is necessary to ensure that bus shelter and guard rails assets are repaired in a timely manner. The total cost of damage to these assets is naturally difficult to predict and the costs to date in the 2004/2005 financial year have been much more than originally anticipated in the contract.

There are funds available within existing road maintenance budgets to carry out the required work, however, the Committee's approval is sought to increase the sum spent on Contract No. TA03515B beyond what was originally agreed with the contractor so as to permit this contract to be used to carry out this work. Approval is sought to spend up to \$225,000 in the 2004/2005 year and a similar amount in 2005/2006. This is provided for in the proposed draft Annual Plan 2005/2006. The amount for 2005/2006 will not necessarily be spent. This will be determined by the amount of damage done to bus shelters and guardrails assets in the coming year.

RECOMMENDATIONS

1. That the Contract No. TA03515B Bus Shelter and Guardrail Maintenance - Increase in Value of Contract Works report be received.
2. That in regard to Contract No. TA03515B - Bus Shelter and Guardrail Maintenance approval be given to spend up to \$225,000 in the 2004/2005 and 2005/2006 financial years.

Report prepared by: Paul Schischka, Transport Engineer.

