



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**                      **30 May 2008**                      **TIME:**              **9.00 am**

**VENUE:**      **Waitakere Central, 6 Henderson Valley Road, Henderson, Waitakere**

to consider the business as set out herein and to take any necessary action connected therewith.

23 May 2008

Sharlene Riley  
**SENIOR COMMITTEE ADMINISTRATOR**

Telephone (09) 836 8000 extn 8851

### **MEMBERSHIP:**

Councillors    RI      Clow (Chairman)  
                    JM      Clews, QSO, JP (Deputy Chairman)  
                    WW      Flaunty, QSM, JP

Chief Executive Officer  
Director: City Services  
Director: Corporate & Civic Services  
Director: Strategic Performance  
Director: Strategic Planning  
Director: Public Affairs  
Director: Finance

Mayor RA Harvey, QSO, JP (ex officio)  
Deputy Mayor PA Hulse (ex officio)

(Quorum 3 members - one of whom must be a Councillor)

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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 AT  
WAITAKERE CENTRAL, 6 HENDERSON VALLEY ROAD, HENDERSON,  
WAITAKERE, ON FRIDAY, 30 MAY 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 - 16 May 2008

**RECOMMENDATION**

That the minutes of the Meeting of the Tenders Subcommittee held on Friday, 16 May 2008, as circulated, and that they be taken as read and now be confirmed.



5 **CONTRACT NO. EW08016A - PROJECT TWIN STREAMS - OPANUKU REACH 9A RESTORATION PROJECT**

**GLOSSARY**

Auckland Regional Holdings Limited (ARH)  
Project Twin Streams (PTS)

**EXECUTIVE SUMMARY**

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. EW08016A - Project Twin Streams - Opanuku Reach 9A Restoration Project.

The focus of this contract is to trial and pilot alternative methods in stream restoration along Reach 9A of the Opanuku Stream, which Stream is a tributary that runs from Henderson Valley Road and links in to the Opanuku Stream.

The contract is for a three year period and is for works associated with the restoration of the riparian margins. The works includes:

- removal of environmentally damaging weeds using alternative, non-herbicide methods;
- revegetation of stream banks;
- removal/clearance of rubbish from streams;
- documenting the effectiveness of alternative methods;
- provision of technical support to community groups and;
- implementation of safety plans during community events

The preferred supplier is Ngati Whatua O Orakei Corporate Limited, an iwi local to the City. Ngati Whatua O Orakei Corporate Limited has been selected as the preferred supplier on the basis of the organisation's ecological restoration experience utilising alternative methods at Bastion Point, Auckland City.

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.

**RECOMMENDATIONS**

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. EW08016A - Project Twin Streams - Opanuku Reach 9A Restoration Project report.
2. **Approve** that the Contract No. EW08016A - Project Twin Streams - Opanuku Reach 9A Restoration Project be awarded to Ngati Whatua O Orakei Corporate Limited on a preferred supplier basis.
3. **Approve** that the Contract No. EW08016A - Project Twin Streams - Opanuku Reach 9A Restoration Project be awarded to Ngati Whatua O Orakei Corporate Limited for a three year period.

4. **Approve** the commitment to the 2008/2009 to 2010/2011 financial years for Contract No. EW08016A - Project Twin Streams - Opanuku Reach 9A Restoration Project totalling \$61,072.00 plus GST. This sum consists of:
- \$42,944.00 for the 2008/2009 financial year;
  - \$9,064.00 for the 2009/2010 financial year;
  - \$9,064.00 for the 2010/2011 financial year.

## **BACKGROUND**

1. Project Twin Streams (PTS) is a substantial, innovative project that formally began works in 2003. Its focus is on restoring six streams: Waikumete Stream, Opanuku Stream, Henderson Creek, Oratia Stream and Swanson Stream and their environs, principally through innovative stormwater management and weeding and planting of stream banks. Over time this focus broadened into a Quadruple Bottom Line approach, which recognises and weaves together the social, economic, cultural, spiritual and environmental aspects of the project.
2. As part of the Quadruple Bottom Line, PTS aims to engage local iwi and Maori participation in the project. Additionally, the following Council strategic platforms and community outcomes have been key drivers taken into consideration when determining this Contract Works:

### Strategic Priorities

- Sustainable Development - taking into account the condition of our environment so that it has the capacity to support activities in the present without compromising its future use/s;
- Treaty of Waitangi - respecting the relationship of Maori/iwi with the natural environment, and promoting inclusion in resource management.

### Strategic Platforms

- Green Network - protecting and enhancing the linkages of bush corridors from the Waitakere Ranges to the coasts;
- Strong Communities - building a strong, safe community that feels connected and has a city with amenities for a diversity of lifestyles;
- Three Waters - using innovative approaches to manage stormwater impacts on the city's natural water bodies.

### Community Outcomes

- Green Network;
- Strong Communities;
- Sustainable Environment;
- Te Mana Whakahaere - allowing Maori/iwi interests to be protected and implemented, in accordance with the Treaty of Waitangi;
- Waiora - enhancing native habitats to replenish native flora and fauna;
- Whaiora - actively pursuing Maori/iwi participation in PTS;
- Working Together - bringing together the community to learn about, understand and respect the environment through community planting days.

3. Ngati Whatua is one of the recognised local iwi in Waitakere, and had expressed an interest in getting involved in PTS, specifically focussed around using alternative ecological restoration methods. This organisation has extensive experience using alternative weed control methods - i.e. non-herbicide techniques and methods - to ecologically restore streams and reserves. A highlight project for Ngati Whatua O Orakei Corporate Limited is at Bastion Point in Auckland City.
4. PTS and Ngati Whatua O Orakei Corporate Limited have been in negotiations over the past year to progress this initiative, as it was recognised that it delivers to several of PTS and the Council's goals, including:
  - Reducing herbicide usage in the City;
  - Contributing to the PTS stream restoration works programme;
  - Engaging local iwi/maori in PTS.
5. As a result, it was decided to undertake a trial on alternative stream restoration methods. Because the method would utilize non-herbicide techniques to manage weeds, it was important to select a site where no weed treatment using herbicide application had been undertaken in the past. An area within the Opanuku Stream defined as Reach 9A - a tributary of the Opanuku Stream extending from adjacent to 303 Henderson Valley Road into Opanuku Stream - was identified as the site which fulfilled this criteria (See Figure 1 for site location). This site consists of approximately 10,945m<sup>2</sup> of area requiring restoration works, and is characterized by low but steep banks.
6. PTS has regional funding of \$39.5 million over ten years from 2002 to 2012. The funding is for the restoration of the five streams (including the Lower Opanuku Stream), and is held by Auckland Regional Holdings Ltd (ARH) (formerly Infrastructure Auckland).

#### **SCOPE OF WORK**

7. In terms of the ARH grant terms and conditions, PTS is required to successfully deliver the stream restoration programme on the Lower Opanuku Stream by 2012. To achieve this, a Contractor is required to carry out the weed control and revegetation programme.
8. This Contract is for an area identified within the Opanuku Stream as Reach 9A (highlighted in Figure 1). The works required by the Contract includes:
  - removal of environmentally damaging weeds using alternative, non-herbicide methods;
  - revegetation of stream banks;
  - removal/clearance of rubbish from streams;
  - documenting the effectiveness of alternative methods;
  - provision of technical support to community groups and;
  - implementation of safety plans during community events.
9. The Council has a strategy to reduce herbicide usage within the City, which is supported by PTS. The Contractor will be required to carry out weed control and disposal using total non-herbicide methods. This will be implemented as a trial, and all methods utilised and its effectiveness will be recorded and reported upon by the Contractor.

10. Community groups are constantly being engaged by PTS to assist with and take responsibility for the restoration of their local stream. While community groups may have the interest to become involved, they do not necessarily have the skills or knowledge to do so. To empower community groups to become involved and grow their skill sets, it is essential that the groups are provided with resources that will impart these skills and knowledge. The Contractor shall organise and run community planting days where technical assistance will be provided to educate and supervise community volunteers in appropriate stream restoration techniques.

### TENDERS RECEIVED

11. Tenders were invited from a pre-qualified, preferred Tenderer. The preferred supplier was Ngati Whatu O Orakei Corporate Limited, and was selected on the basis of its experience with ecological restoration using non-herbicide based weed control techniques. Te Kawerau A Maki had been involved during the selection process and are fully supportive of this initiative. Conventional contractors within this field were excluded from the selection process as these contractors have a reliance on herbicide application methods for weed control. Additionally, where conventional contractors have used non-herbicide methods previous experience has shown that the alternative methods tend to be more labour intensive, and hence incur greater costs:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
Ngati Whatua O Orakei Corporate Limited	Auckland City	\$55,520.00
<b>Pre-tender contract estimate</b>	\$80,000.00	

**Table 1 - Summary of Tender Prices**

12. The tender price excludes contingency and GST.

### TENDER EVALUATION

13. In accordance with the conditions of tendering, tenders were evaluated in line with the Lowest Price Conforming Tender Method contained in Transfund New Zealand's "Competitive Pricing Procedures Manual".
14. PTS has been in negotiations with Ngati Whatua O Orakei Corporate Limited regarding this Contract works for the past year. During this time, the non-price attributes of Ngati Whatua O Orakei Corporate Limited have been assessed and pre-qualified on the basis of satisfactorily meeting PTS requirements and outcomes. As such, the Tender submitted by Ngati Whatua O Orakei Corporate Limited was evaluated based only on its price attribute.
15. The Tender price submitted by Ngati Whatua O Orakei Corporate Limited is for the sum of \$55,520.00. This sum is well below the Engineer's estimate of \$80,000.00, and based on price comparisons with similar existing contracts, the Council is gaining exceptional cost value. This sum consists of:
- \$39,040.00 for the 2008/2009 financial year;
  - \$8,240.00 for the 2009/2010 financial year;
  - \$8,240.00 for the 2010/2011 financial year.

16. The key non-price attributes that were pre-qualified and the results of the assessments can be summarised as:

#### Experience

- Ngati Whatua has many years of experience undertaking ecological restoration works, with a highlight project being the ongoing restoration works being undertaken at Bastion Point in Auckland City. These have included community planting days, where support has been provided to volunteers in the form of education and training on planting techniques.

#### Methodology

- In maintaining its cultural philosophy of reducing pollution into waterways, Ngati Whatua O Orakei Corporate Limited have adopted an approach to weed management that does not involve herbicide application. Methods have been used to implement this philosophy at Bastion Point, and will be further trialled as part of this Contract Works. The defined methodology requires a sequential range of activities to be undertaken, which will span a three year period. The activities are:
  - Site preparation;
  - Revegetation;
  - Site maintenance - generally involving eradication of re-invading weeds;
  - Assisting with establishment of planted natives;
  - Monitoring and documenting the effectiveness of the restoration works at all stages.
- PTS accepts this methodology as this is the practice currently adopted at most PTS sites and is satisfied that a three year period is required to successfully complete the project.

#### Technical Skills

- Staff with extensive ecological restoration skills will be committed to this Contract Works.

#### Management

- Ngati Whatua O Orakei Corporate Limited has been established as an organisation for many years and have held contracts with Waitakere City Council, other territorial and regional authorities and private organisations in the past. As such, it has well established management procedures, including works programming, payment processing systems and Health and Safety planning and implementation.

### **TAGS, ERRORS OR OMISSIONS**

15. No Tags, errors or omissions were included in the price submitted by the Tenderer.

### **CREDIT CHECK**

16. Credit check evidence revealed no adverse information.

## JOB COSTS

17.	For the 2008/2009 financial year (excl. GST)	
	Tender sum - ( <i>Ngati Whatua O Orakei Corporate Limited</i> )	\$39,040.00
	Contingency	\$ 3,904.00
	Engineering and Supervision	Nil
		-----
	Total Job Cost	\$42,944.00
18.	For the 2009/2010 financial year (excl. GST)	
	Tender sum - ( <i>Ngati Whatua O Orakei Corporate Limited</i> )	\$8,240.00
	Contingency	\$ 824.00
	Engineering and Supervision	Nil
		-----
	Total Job Cost	\$9,064.00
19.	For the 2010/2011 financial year (excl. GST)	
	Tender sum - ( <i>Ngati Whatua O Orakei Corporate Limited</i> )	\$8,240.00
	Contingency	\$ 824.00
	Engineering and Supervision	Nil
		-----
	Total Job Cost	\$9,064.00

## SOURCE OF FUNDING

20. Source of funding is shown in Tables 2.1 - 2.3 below:

Budget Description (from Annual Budget line item) 2007/2008 Annual Plan	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance
Project Twin Streams	8AMEW-07- 191/02	\$2,851,330.00	\$2,660,000.00	\$42,944.00	\$148,386.00
	<b>Total</b>			\$42,944.00	

**Table 2.1 - Funding source for the 2008/2009 financial year**

Budget Description (from Long Term Council Community Plan line item) 2007/2008 Annual Plan	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance
	8AMEW-07- 191/02	\$2,248,000.00	\$2,160,000	\$9,064.00	\$78,936.00
	<b>Total</b>			\$9,064.00	

**Table 2.2 - Funding source for the 2009/2010 financial year**

Budget Description (from Long Term Council Community Plan line item) 2007/2008 Annual Plan	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance
	8AMEW-07- 191/02	\$2,324,000.00	\$2,160,000	\$9,064.00	\$154,936.00
	<b>Total</b>			\$9,064.00	

**Table 2.3 - Funding source for the 2010/2011 financial year**

Report prepared by: Shuaib Chota, Sustainable Engineering Manager.



6 **CONTRACT NO. EW08020A - PROJECT TWIN STREAMS - COMMUNITY CONTRACT - HENDERSON 2008 - 2010**

**GLOSSARY**

Project Twin Streams	(PTS)
Community Waitakere	(CW)
West Auckland District Council of Social Services	(WADCOSS)

**EXECUTIVE SUMMARY**

The purpose of this report is to seek approval from the Tenders Subcommittee to invite Community Waitakere (CW) to tender for Contract No. EW08020A - Project Twin Streams - Community Contract - Henderson 2008 - 2010 to implement Project Twin Streams in the Henderson Creek area. Approval for a two year contract (renewable each year on a 1 + 1 basis) is being sought. The contract period starts 1 July 2008 and ends 30 June 2010.

This tender is for engaging the local community in the rehabilitation of the riparian margin along the Henderson Creek and raising awareness of the wider vision of Project Twin Streams (PTS). Using a community development model, the contract holder is required undertake:

- Weeding, planting and maintenance work in the Henderson Creek area;
- Plan and organise community events;
- Build the capacity of the local community to take guardianship of parts of Henderson Creek;
- 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 public planting days;
- Plan for the long term implementation of this project in the Henderson Creek area through public planting days.

**RECOMMENDATIONS**

It is recommended that the Tenders Subcommittee resolves to:

1. **Receive** the Contract No. EW08020A - Project Twin Streams - Community Contract - Henderson 2008 - 2010 report.
2. **Approve** the Group Manager: Asset Management to invite Community Waitakere to tender for Contract No. EW08020A - Project Twin Streams - Community Contract - Henderson 2008 - 2010 for a two year period on a 1 + 1 year basis for delivering the PTS planting programme in the Henderson Creek area.
3. **Agree** that the result of the tender evaluation process for Contract No. EW08020A - Project Twin Streams - Community Contract - Henderson 2008 - 2010 be reported back to the Tenders Subcommittee for approval.

**BACKGROUND**

1. PTS is a significant innovative project aimed at restoring five streams in the Huruahu Creek and Henderson Creek catchments through storm water management and rehabilitation of the stream riparian margins. 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 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. Community Waitakere (formerly known as the West Auckland District Council of Social Services - WADCOSS) was the second community contract to be awarded by PTS. The contract was for a three year and followed a selection process which involved interviewing six community organisations in the Henderson Creek area and establishing their suitability according to the following criteria:
  - Governance;
  - Management Structure;
  - Resources;
  - Track Record;
  - Financial stability.
4. During the past three years WADCOSS has firmly established itself as a leading community development organisation in Waitakere City and is now officially known as Community Waitakere (CW). Its legal status has also changed from an incorporated society into a charitable trust.
5. As a PTS contract organisation CW has made significant progress in terms of contributing to the rehabilitation of the riparian margins in the Henderson Creek area, and engaging with local residents, schools, groups and businesses towards the quadruple bottom line aims of PTS. Particular achievements include:
  - Over 15,000 plants planted by community;
  - Five schools and over 15 community groups actively engaged in regular planting and maintenance activities;
  - Pak 'n Save engaged in restoring and maintaining their area of stream;
  - Creative engagements have included the Henderson Creek arts festival and storybook, the creation of a fabric eel for the Henderson Christmas Parade, a very successful Flanshaw Primary school drama production;
  - Currently, a Stream of Dreams project with Henderson Primary School and a Maori carving project with Sunderland School.

#### **SCOPE OF WORK**

6. Undertake weeding, planting and maintenance of the Henderson Creek area as outlined in the Henderson Creek rehabilitation planting plan.
7. Plan and organise community events to engage the wider community in weeding, planting and maintenance.
8. Build the capacity of the local residents and groups in the Henderson creek area including the business sector to participate in PTS and take guardianship of parts of Henderson Creek.

9. Identify and develop opportunities, method and resources to increase community understanding of the causes and effects of riparian degradation and ways to change behaviour to mitigate the effects.
10. Assist with monitoring and evaluation of the environmental, social, cultural and economic aspects of the project.
11. Establish a sustainable structure for the long term implementation of this project in the Henderson Creek area.

#### **OPTIONS IDENTIFIED**

12. CW's three year contract ends on 30 June 2008. Two options have been identified to ensure the continuation of a community based organisation to engage local communities in the restoration on Henderson Creek:
  - Option One is to invite CW to tender as a preferred supplier;
  - Option Two is to carry out a tender process with a range of community organisations.
13. The term for the proposed contract, applicable to both options, is a two year period (on a 1 + 1 basis) from 1 July 2008 to 30 June 2010.

#### **ASSESSMENT OF OPTIONS**

14. CW has played an important role in improving the PTS Community model and contributed to its awareness and education programme. They 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.
15. Presently, no other community organisation in the Henderson Creek area has emerged as 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.
16. CW has expressed their interest in renewing their contract for a further period.
17. Inviting CW to tender for this contract as a preferred supplier has the following benefits to Council:
  - CW has a proven record as well as resources and management competencies to carry out the work required;
  - Learnings from the past three years will be effectively utilised and further developed into the future to the benefit of the whole project;
  - It builds on the relationship that Council has developed with Community Waitakere both as a PTS and a strategic community partner.

#### **PREFERRED OPTION**

18. The preferred option is to invite CW to tender for this contract as a preferred supplier. This is the most effective option in terms of both cost and ability to carry out the work required.

## RESOURCES REQUIRED

19. 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 fully claimable against the Auckland Regional Holdings (formerly Infrastructure Auckland) grant.
20. Funding of \$2.167 million for this project has been provided in the 2006 - 2016 Long Term Council Community Plan for the 2008/2009 year.
21. No further resources are required.

## IMPLEMENTATION ISSUES

22. No implementation issues are anticipated from this Contract.

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



## 7 CONTRACT NO. PK05016A - CIVIL WORKS - APPROVAL TO EXTEND

### EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to extend Contract No. PK05016A - Civil Works for one (1) year, to 30 June 2009.

### RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. PK05016A - Civil Works - Approval to Extend report.
2. **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.
3. **Approve** the commitment of \$2,173,541.80 excluding GST (which includes a 10% contingency amount of \$197,594.71) to the 2008/2009 Annual Plan for Contract No. PK05016A - Civil Works.
4. **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.
5. **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.
6. **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.

## BACKGROUND

1. The requirements of the current Civil Works contract are to supply all material, labour, cartage, tools, plant and machinery necessary for the installation and renewal of assets within Waitakere City'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;
- Sports field construction;
- Drainage video inspection and flushing of drains;
- Removing and replacing concrete wickets and astro-turf surfaces;
- 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;
- Car park renewal works and repairs.

2. Council approved the award of Contract No. PK05016A - Civil Works to Field Drainage Specialists Limited at a Tenders Subcommittee meeting held on 2 September 2005 for one (1) year with the following recommendations:

“3. *That authority to enter into Contract No. PK05016A - Civil Works on behalf of Council be delegated to Group Manager: Asset Management.*

4. *That authority to extend Contract No. PK05016A – Civil Works for a further one (1) plus one (1) years be delegated to Group Manager: Asset Management subject to funding availability and contractor performance.”*

1595/2005

3. In the third and final year of the contract period, approval was sought from Council to undertake contract negotiations with Field Drainage Specialists Limited with the view to extend further the contract period of Contract No. PK05016A - Civil Works for a further three (3) years on a one (1) plus one (1) plus one (1) basis, as well as a number of other Park term maintenance contracts, rather than undertake a public tendering process. At a Tenders Subcommittee meeting held on 7 December 2007 it was resolved:

“2. *That notwithstanding Council's policy and practice for publicly tendering such contracts, for the reasons set out in the Agenda report, authority be delegated to the Group Manager: Asset Management to negotiate the contract sum, period and scope for Parks Term Maintenance contracts and report back on the outcomes of the negotiations to the Tenders Subcommittee for approval as follows:*

- *Contract No. PK03600F - Cemetery Landscape Maintenance, with Bilfinger Berger Services Limited;*
- *Contract No. PK03623B - Legal Weed Control, with Bilfinger Berger Services Limited;*
- *Contract No. PK3600M - Minor Works and Renewals, with Parks and Maintenance Services Limited;*

- *Contract No. PK3600D - Parks Response Maintenance, with Parks and Maintenance Services Limited;*
  - *Contract No. PK05014A - Town Centres and Toilets Response and Renewals, with Parks and Maintenance Services Limited;*
  - *Contract No. PK05016A - Civil Works, with Field Drainage Specialists Limited.*
3. *That if the negotiation process does not achieve cost efficiency, the contracts will then be advertised for public tender.”*

3874/2007

## DECISION MAKING

### Issues

4. Contract No. PK05016A - Civil Works was a one year contract with an expiry date of 30 June 2006. The contract allowed for two annual extensions up to 30 June 2008, based on the satisfactory performance by the Contractor and subject to Council's approval. Both of these annual extensions have been exercised and following the resolution of the Tenders Subcommittee on 7 December 2007 as above, negotiations have been undertaken with Field Drainage Specialists Limited to extend the contract sum and scope for a further one (1) year for 2008/2009.
5. A negotiated tender sum of \$1,975,947.11 for the 2008/2009 financial year has been received from Field Drainage Specialists Limited for Contract No. PK05016A - Civil Works. The 2007/2008 contract sum at award was \$1,206,720.58. The 2007/2008 contract sum was subsequently extended to \$1,900,768.90 by Tenders Subcommittee on 12 October 2007 to provide for the redevelopment of the playing surface at Douglas Field at Waitakere Stadium and the Parris Park no.1 sports field. The scope of work for the 2008/2009 financial year remains the same. However the volume of work has been increased in the areas of car park inspection and maintenance; concrete footpath renewal; stormwater drainage infrastructure, and sand sports field renewal. The increase in work volume is necessary to keep pace with the need for renewal of these key assets. A comprehensive six monthly car park inspection programme is proposed to be implemented for the first time in many years, with all possible associated maintenance requirements allowed for. Harold Moody Park sand field requires renewal as it is the oldest sand field in the city, and despite managing to still provide good performance until only recently, is now requiring a complete renovation. The programmes for concrete footpath renewal and stormwater drainage installation have been expanded to make inroads into the increasing number of locations with footpath and drainage issues.
6. The table below illustrates the categories of work that have a variance in the volume of work scheduled in the 2007/2008 and the 2008/2009 tender, and the resulting impact on the 2008/2009 tender sum.

Category of Work	2007/2008 sum	2008/2009 sum	Impact on 2008/2009 tender sum	Reason for increase
Concrete Works Total	\$50,000	\$221,369	\$171,369 increase	The 2007/2008 volume of concrete scheduled was 500m <sup>2</sup> . The 2008/2009 volume is 1810m <sup>2</sup> (1200 lineal metres) to allow for making progress in reducing the number of broken and cracked park footpaths that pose health and safety issues for

Category of Work	2007/2008 sum	2008/2009 sum	Impact on 2008/2009 tender sum	Reason for increase
				park users, and to allow for further development of path linkages that are requested annually.
Stormwater Drainage Works Total	\$71,200	\$215,480	\$144,280 increase	The 2007/2008 volume of drainage works allowed for only 400 lineal metres of sports field lateral drains to cover urgent reactive drainage issues. The 2008/2009 tender allows for installing 2900 lineal metres of sports field lateral drains to improve soil based playing and training fields as an alternative to developing more expensive sand fields; and also includes additional quantities of cesspits, 150mm dia uPVC lines, 225mm dia cesspit leads, and 110mm dia novaflor drains to keep pace with the significant number of requests received annually for improvements to park drainage.
Car Park Inspections and Maintenance Total	\$65,400	\$239,072	\$173,672 increase	The 2007/2008 tender provided for no inspections of parks car parks, and only reactive maintenance repairs when issues were identified. The 2008/2009 tender allows for proactive and comprehensive six monthly inspections and reporting of car park conditions and then undertaking the necessary maintenance including pot hole repairs, dig outs, kerb and channel repairs, small areas of resealing, car park fencing, and line marking subject to approval of the programme. The car parks situated on parks throughout the City receive significant numbers of requests for maintenance and repairs annually.
Harold Moody Reserve Resurfacing Total	\$0	\$271,996	\$271,996 increase	Harold Moody Reserve sand field was constructed in 1992/93 and is the oldest sand field in Waitakere City. It requires complete renewal including surface removal, partial irrigation replacement, new slit drains, new sand profile, and re-establishing turf cover. The number of fields requiring renewal will increase in the coming years as the majority reach the end of their useful life over the next five to ten years. The scope of work for completing Harold Moody Reserve resurfacing is consistent with the sand field renovation work included in the contract specification.
Earthworks Total	\$10,000	\$30,000	\$20,000 increase	The 2007/2008 tender allowed for minor earthworks operations such as clearing swales, and levelling of small areas in parks etc. The 2008/2009 tender also allows for an annual provisional item of \$20,000 for the moving of sand in the Waitakere River to protect the emergency beach vehicle access for the Bethells Beach Surf Club.
<b>Total</b>			<b>\$781,317 increase to 2008/2009 tender sum</b>	

7. The tender price received reflects several areas of cost efficiency to Council:
- Field Drainage Specialists Limited have indicated that concrete prices rose twice last year, for a total of 9.7%. The contractor did not pass these costs on to Council in the previous year of the contract, and they have indicated that prices were set to rise again in April 2008. They have confirmed that they will hold their rate and not pass this latest cost on to Council for the entirety of the new extended contract due to the volume of concrete that is purchased;
  - Sand prices are due to rise by 8% in 2008 due to trucking costs. Field Drainage Specialists Limited have held their prices for the last year and will continue to hold their prices for the entirety of the new extended contract due to the volume of sand that is purchased;
  - Costs for sports field renovation work have not been increased by Field Drainage Specialists Limited for the past three years of the contract. This is predominantly because they own and operate their own sports field renovation equipment and do not rely on subcontractors. They have undertaken to hold their sports field renovation costs for the entirety of the new extended contract, allowing a savings of at least 5% a year;
  - P.V.C. drainage material costs have been steadily increasing monthly due to rising oil costs. Field Drainage Specialists have held their prices for the past year and will continue to hold their prices for this contract extension due to the volume of drainage materials that are purchased. This will allow a saving of at least 15% for the entirety of the new extended contract;
  - The contractor has held their prices for the video inspection and water blasting of sports field lateral drains for the past two years. They have been able to successfully work out an efficient system for the completion of this task and are able to offer Council a reduction of 10% for the entirety of the new extended contract.
8. Field Drainage Specialists Limited have advised that they are able to absorb many of the increased costs listed above through the sheer volumes of materials purchased for the contract works in 2008/2009, particularly concrete for footpath renewals, sand for sand field lifts, and drainage materials for stormwater drainage works. The contractor has also refined their methodology to reduce their transport costs for supplying sand from their supplier in Hamilton, by using truck and trailer units rather than single trucks to supply sand to Waitakere, and then stockpiling excess sand for further works where appropriate.

#### **CONTRACTOR'S PERFORMANCE**

9. An evaluation of Field Drainage Specialists Limited's performance to date contains the following features:
- They have developed an excellent working relationship with relevant Council staff;
  - They have developed a thorough working knowledge of Council's sports field assets and their needs thereby enabling better programming of works as they take "ownership" of the City's sports field assets;
  - They are a well resourced company;
  - They respond quickly to customer complaints;
  - They have a strong focus on health and safety;
  - Their workmanship is generally to a very good standard.

## RESOURCES AND JOB COSTS

10. This project is being administered by Council officers within Parks Assets.
11. The job costs associated with the 2008/2009 contract are as follows:

	<b>excl. GST</b>
2008/2009 tender sum	\$1,975,947.11
10% contingency	\$ 197,594.71
<b>Total Job Cost for 2008/2009</b>	<b>\$2,173,541.80</b>

12. Financial resources are from the approved draft 2008/2009 Annual Plan as follows:

## SOURCE OF FUNDING

2008/2009 Annual Plan	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Buildings Upgrade	8AMPK-09-022	\$519,000	\$497,000	\$22,000	\$0
Car Park Upgrades	8AMPK-09-003	\$564,000	\$349,000	\$215,000	\$0
Paths and Tracks Upgrades	8AMPK-09-005	\$534,000	\$197,748	\$336,252	\$0
Services Upgrades	8AMPK-09-008	\$421,000	\$158,500	\$262,500	\$0
Sports Facilities Upgrades	8AMPK-09-009	\$380,000	\$91,000	\$289,000	\$0
Sports Fields	8AMPK-09-010	\$632,000	\$6,000	\$626,000	\$0
Shadbolt Park Sand Fields	8AMPK-08-034	\$371,000	\$40,460	\$330,540	\$0
Parks Stormwater Drainage Programme	8AMPK-09-022	\$108,000	\$15,750	\$92,250	\$0
	<b>Subtotal</b>	<b>\$3,529,000</b>	<b>\$1,355,458</b>	<b>\$2,173,542</b>	<b>\$0</b>

## IMPLEMENTATION ISSUES

13. Field Drainage Specialists Limited has carried out their contractual obligations over the past three years to a very high level and to the satisfaction of Council. Field Drainage Specialists Limited has confirmed in writing that they are willing to carry out the contract for a further three years to 30 June 2011.
14. Field Drainage Specialists Limited have highlighted several areas of savings in their tender price for the 2008/2009 financial year that will be passed on to Council should the contract be extended. It is considered that these cost efficiencies are being offered to Council by Field Drainage Specialists Limited as they are committed to continuing the contract works. Extending the contract with Field Drainage Specialists Limited will ensure the same high work standards and excellent working relationships developed with the contractor during the first three years of the contract will continue without disruption.

15. It is therefore recommended that Field Drainage Specialists Limited be granted an extension to the Contract No. PK05016A - Civil Works for the period 1 July 2008 to 30 June 2009, and that an extension 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.

Report prepared by: Andreas Lilley, Parks Project Development Officer: Parks Assets.



## 8 CONTRACT NO. SP06002P - PROJECT TWIN STREAMS - MILLBROOK ROAD WALK AND CYCLEWAY

### EXECUTIVE SUMMARY

The purpose of this report is to seek approval to award Contract No. SP06002P - Project Twin Streams - Millbrook Road Walk and Cycleway.

### RECOMMENDATIONS

It is recommended that Tenders Subcommittee resolve to:

1. **Receive** the Contract No. SP06002P - Project Twin Streams - Millbrook Road Walk and Cycleway report.
2. **Approve** that the tender from Traffic Systems Limited for Contract No. SP06002P - Project Twin Streams - Millbrook Road Walk and Cycleway in the sum of \$648,247.67 plus \$81,030.96 GST, totalling \$729,278.63 be accepted.
3. **Approve** that authority to enter into Contract No. SP06002P - Project Twin Streams - Millbrook Road Walk and Cycleway on behalf of the Council be delegated to the Group Manager: Project Services.

### BACKGROUND

1. This contract forms part of Council's programme of construction of walk and cycleways as part of Project Twin Streams. This contract is the fifth stage in the construction of these walk and cycleways. This stage is new work approved through the Annual Plan 2007/2008 and partially funded through grants from Land Transport New Zealand and Infrastructure Auckland (administered by Auckland Regional Holdings).

### SCOPE OF WORK

2. The scope of work is divided into three separable portions, comprising the construction of shared use walk and cycleways at the following locations:
  - Millbrook Road from Oratia Stream Walk and Cycleway to View Road;
  - Vitasovich Avenue from View Road to Pioneer Street Bridge; and
  - Great North Road to the existing footpath behind Pak n Save.
3. The works include: tree removal; breaking out of 1600m<sup>2</sup> of existing concrete paths and 330m of kerb and channel; construction of 3100m<sup>2</sup> of new concrete paths, 330m of new kerb and channel, 38m of boardwalk, 72m of retaining wall, fencing, signage and markings; relocation of stormwater catchpits and lighting columns, and; the removal of a power pole.

## TENDERS RECEIVED

4. Tenders were publicly advertised on Tenderlink with 39 sets of documents being uplifted. Ten (10) tenders were received by the closing date of 22 April 2008. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
Traffic Systems Ltd	PO Box 55052, Mission Bay	\$648,247.67
HEB Construction Ltd	PO Box 226, Drury	\$796,204.55
John Fillmore Contracting Ltd	PO Box 43243, Mangere	\$854,653.90
Aardvark Excavators Ltd	PO Box 78211, Grey Lynn	Disqualified
Arrow Civil Engineers Ltd	PO Box 13116, Onehunga	Disqualified
Contract Landscapes Ltd	PO Box 577, Kumeu	Disqualified
H&H Contractors Ltd	PO Box 15084, New Lynn	Disqualified
Infrastructure NZ Limited	PO Box 303169, North Harbour	Disqualified
North Harbour Paving & Construction Ltd	PO Box 34450, Birkenhead	Disqualified
Total Infrastructure Ltd	PO Box 14293, Panmure	Disqualified
<b>Pre-tender contract estimate</b>		<b>\$629,388.00</b>

**Table 1 - Summary of Tender Prices**

5. The lowest tender is 3% above the pre-tender contract estimate.

## TENDER EVALUATION

6. In accordance with the conditions of tendering, tenders were evaluated in line with the Weighted Attribute Method contained in Land Transport New Zealand's "Competitive Pricing Procedures Manual".
7. These procedures require that where the tender includes Provisional Sums (work valued by the Principal and placed within the Schedule of Prices) they are deducted from the Tender Sum prior to evaluating each tender.
8. In this contract the value of Provisional Sums is \$33,000.00.
9. 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.

10. A summary of the evaluation results is shown in Table 2:

Tender Evaluation	Attributes	Exper.	Track	Tech.	Resour.	Manag.	Method.	Price	Contract Number SP006002P
			Record	Skill		Skills			Total Weights
Weights		5	5	5	5	5	5	70	100
Tenderer	Tender Sum								INDEX
Traffic Systems Limited	\$615,247.67	70	60	50	70	55	60	69	67
HEB Construction Ltd	\$763,204.55	85	75	85	75	75	70	50	58
John Fillmore Contracting Ltd	\$821,653.90	85	60	65	70	75	50	42	50
Aardvark Excavators Limited									Disqualified
Arrow Civil Engineers Ltd									Disqualified
Contract Landscapes Ltd									Disqualified
H & H Contractors Ltd									Disqualified
Infrastructure NZ Limited									Disqualified
North Harbour Paving & Construction Limited									Disqualified
Total Infrastructure Limited									Disqualified
Median Tender Price	\$763,204.55								

**Table 2 - Summary of Tender Evaluation**

11. The tender from Aardvark Excavators Limited was non-conforming as the tenderer did not provide sufficient detail of relevant experience, any detail of track record, any detail of technical or management skills, or any methodology.
12. Tenders from Arrow Civil Engineers Ltd, Contract Landscapes Ltd, Infrastructure NZ Limited, H&H Contractors Ltd, North Harbour Paving & Construction Limited and Total Infrastructure Limited were also non-conforming as the tenderers did not have the Quality Assurance System specified in the contract and as required by Land Transport New Zealand.
13. The results of the tender evaluation as summarised in Table 2 shows that the tender submitted by Traffic Systems Limited achieved the highest index of 67. This tender is also the lowest priced tender.

**TAGS, ERRORS OR OMISSIONS**

14. Tenders from Contract Landscapes Ltd, Infrastructure NZ Limited, H&H Contractors Ltd, North Harbour Paving & Construction Limited and Total Infrastructure Limited did not provide sufficient detail on the required Quality Assurance System. The tenderers were contacted in order to confirm compliance with the requirements of the contract and Land Transport New Zealand. None of the tenderers could confirm compliance and were all subsequently disqualified, as required by Land Transport New Zealand's "Competitive Pricing Procedures Manual".
15. The tender from Total Infrastructure Limited was tagged to extend the contract period from 100 days including wet weather to 120 days excluding wet weather. The tenderer withdrew the tag and confirmed the original tendered price.

16. The tender from John Fillmore Contracting Ltd omitted to provide details of an accident resulting in environmental damage or pollution. The tenderer had completed a question in error and confirmed that no such accident had occurred.
17. The tender from Traffic Systems Limited had an error in the Schedule of Prices of \$1,500.00 in favour of the Council. The tenderer confirmed the original tendered price.
18. There were no other tags, errors or omissions.

### CREDIT CHECK

19. A credit check on Traffic Systems Limited dated 4 March 2008 revealed no adverse information.

### JOB COSTS

20.	<b>excl. GST</b>
Tender sum - Traffic Systems Limited	\$648,247.67
Contingency	\$ 64,800.00
Engineering and supervision	\$ 10,000.00
	<hr/>
Total Job Cost	\$723,047.67

### SOURCE OF FUNDING

- 21 Source of funding is shown in Table 3 below:

Budget Description (from Annual Budget Line Item) 2007/2008 Annual Plan	Codes	Budget	Committed to other Projects	Allocation to this Project	Unallocated Balance
Cycleway Committed Projects	8AMTA- 07-100	\$1,500,000.00	\$787,145.25	\$712,854.75	\$0.00
Project Twin Streams	8AMEW- 07- 191/01/06	\$10,192.92	\$0.00	\$10,192.92	\$0.00
<b>Total</b>				<b>\$723,047.67</b>	

**Table 3 – Source of Funding**

22. The budget for Committed Cycleway Projects is funded by a grant from Land Transport New Zealand and is 53% recoverable.
23. The budget for the cycleways under Project Twin Streams is funded by a grant from Infrastructure Auckland (administered by Auckland Regional Holdings) and is 90% recoverable.

## IMPLEMENTATION ISSUES

24. As part of the 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.

Report prepared by: Jacqui Robson, Principal Engineer, Special Projects.



## 9 CONTRACT NO. TA07025A - ENGAGEMENT OF CONSULTANT FOR THE PROVISION OF PROFESSIONAL ENGINEERING SERVICES - EXTENSION TO CONTRACT PERIOD

### EXECUTIVE SUMMARY

The purpose of this report is to seek approval to extend Contract No. TA07025A - Engagement of Consultant for the Provision of Professional Engineering Services for a further period of one (1) year from 1 July 2008 to 30 June 2009 at the same contract sum.

### RECOMMENDATIONS

It is recommended that Tenders Subcommittee resolve to:

1. **Receive** the Contract No. TA07025A - Engagement of Consultant for the Provision of Professional Engineering Services - Extension to Contract Period at the same contract sum.
2. **Approve** the contract period of Contract No. TA07025A - Engagement of Consultant for the Provision of Professional Engineering Services be extended for one (1) year from 1 July 2008 to 30 June 2009.
3. **Approve** the contract sum of Contract No. TA07025A - Engagement of Consultant for the Provision of Professional Engineering Services to the sum of \$268,000 plus \$33,500 GST totalling \$301,500.
4. **Approve** the commitment to the 2008/2009 financial year for Contract No. TA07025A -Engagement of Consultant for the Provision of Professional Engineering Services for the sum of \$268,000 plus \$33,500 GST totalling \$301,500.
5. **Approve** that the authority to enter into Contract No. TA07025A - Engagement of Consultant for the Provision of Professional Engineering Services be delegated to the Group Manager: Asset Management.

### BACKGROUND

1. The scope of this contract is for the provision of professional engineering services of various transportation works undertaken by the Council. There are four vacancies within the Transport Assets team, which makes it difficult for the existing staff resources to undertake any extra work.

2. Traffic Engineering Solutions Limited was awarded Contract No. TA07025A - Engagement of Consultant for a period of one (1) year for the sum of \$268,000 from 1 July 2007 to 30 June 2008.
3. Traffic Engineering Solutions Limited was awarded the contract based on the conditions in line with the Weighted Attribute Method contained in Transfund New Zealand's "Competitive Pricing Procedures Manual" and they were also the lower price tenderers.

#### SCOPE OF WORK

4. The Scope of Services is for the provision of professional engineering services for various transportation works undertaken by the Council and consists of 3000hours of the following:
  - Traffic Safety Investigation;
  - Traffic Impact Assessment Review;
  - Minor Safety Works Design;
  - Scheme and Feasibility Stage Assessments;
  - Public Consultation;
  - Road Project Economic Evaluation.

#### ISSUES

5. Upon discussion with Traffic Engineering Solutions Limited, they have agreed to retain their existing rates and the contract conditions for professional engineering services for the duration of one (1) year from 1 July 2008 to 30 June 2009 or when Council determines that this service is no longer required.
6. The current contract with Traffic Engineering Solutions Limited is working well with good results in quality, performance and service delivery. It is considered that there is benefit for Council in extending the contract term for Contract No. TA07025A - Engagement of Consultant for the Provision of Professional Engineering Services as they have consistently met the contract performance measures to date, carried out contract works to a high standard and the works are competitively priced.
7. The recommendation to extend the contract is for the following reasons:
  - Known performance in service delivery;
  - Competitive rates;
  - High standards and good quality of work;
  - A familiarity with Council's City Services work;
  - A close working relationship with Council and Community Board Members;
  - The ability to provide innovative ideas and solutions.

#### JOB COSTS

8.		<b>excl GST</b>
	Contract sum - Traffic Engineering Solutions Limited	\$268,000.00
	Total Job Cost	----- \$268,000.00

## SOURCE OF FUNDING

9. Funds have been provided for the extension to the contract within the 2008/2009 Long Term Council Community Plan and is shown in the table 1 below

### 2008/2009

Budget Description (draft Annual budget)	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Minor Safety Works 8AMTA-08-034	\$893,000	-	\$138,000	\$755,000
Forward Design Capital Works 8AMTA-08-157	\$368,000	-	\$80,000	\$288,000
School Travel Plan 8AMTA-08-087	\$840,000	-	\$50,000	\$790,000

## IMPLEMENTATION ISSUES

10. There are no implementation issues for this report

Report prepared by: Hussam Abdul Rassol, Planning and Design Manager, Transport Assets.



## 10 CONTRACT NO. TA07042A - TRANSPORT ENGINEER SECONDMENT - EXTENSION TO CONTRACT

### EXECUTIVE SUMMARY

The purpose of this report is to seek approval to extend Contract No. TA07042A - Transport Engineer Secondment for a further period of one (1) year from 1 July 2008 to 30 June 2009 at the same contract rates.

### RECOMMENDATIONS

It is recommended that Tenders Subcommittee resolve to:

1. **Receive** the Contract No. TA07042A - Transport Engineer Secondment - Extension to Contract report.
2. **Approve** the contract period of Contract No. TA07042A - Transport Engineer Secondment be extended for one (1) year from 1 July 2008 to 30 June 2009.
3. **Approve** an increase in the contract sum of Contract No. TA07042A - Transport Engineer Secondment to the sum of \$226,350 plus \$28,293.75 GST totalling \$254,643.75.
4. **Approve** the commitment to the 2008/2009 financial year for Contract No. TA07042A - Transport Engineer Secondment for the sum of \$129,600 plus \$16,200 GST totalling \$145,800.

5. **Approve** that the authority to issue a variation to Contract No. TA07042A - Transport Engineer Secondment for the sum of \$129,600 plus GST totalling \$145,800 be delegated to the Group Manager: Asset Management.

### BACKGROUND

1. The scope of this contract is for the provision of professional engineering services for various transportation works undertaken by the Council. There are four vacancies within the Transport Assets team, which makes it difficult for the existing staff resources to undertake any extra work.
2. Shumane Consultancy Limited was awarded Contract No. TA07042A - Transport Engineer Secondment for a period of ten (10) months for the sum of \$96,750 from 3 September 2007 to 30 June 2008.
3. Shumane Consultancy Limited was awarded the contract as a preferred supplier having supplied similar services over the preceding year and because there were substantial advantages to Council in work continuity through using the same contractor.

### SCOPE OF WORK

4. The Scope of Services is for the provision of professional engineering services for various transportation works undertaken by the Council and consists of 1440 hours of the following:
  - Transport Infrastructure Planning for Hobsonville and Massey North;
  - Resource Consent Processing;
  - Planning and investigation for the Te Atatu Road Upgrading;
  - Scheme and Feasibility Stage Assessments;
  - Road Project Economic Evaluation.

### ISSUES

5. Upon discussion with Shumane Consultancy Limited, they have agreed to retain their existing rates and the contract conditions for professional engineering services for the duration of one (1) year from 1 July 2008 to 30 June 2009 or when Council determines that this service is no longer required.
6. The current contract with Shumane Consultancy Limited is working well with good results in quality, performance and service delivery. It is considered that there is benefit for Council in extending the contract term for Contract No. TA07042A - Transport Engineer Secondment as they have consistently met the contract performance measures to date, carried out contract works to a high standard and the works are competitively priced.
7. The recommendation to extend the contract is for the following reasons:
  - Known performance in service delivery;
  - Competitive rates;
  - High standards and good quality of work;
  - A familiarity with Council's City Services work;
  - Continuity of ongoing projects.

## JOB COSTS

8.		<b>excl GST</b>
	Variation sum - Shumane Consultancy Limited	\$129,600.00
		-----
	Total Job Cost	\$129,600.00

## SOURCE OF FUNDING

9. Funds have been provided for the extension to the contract within the 2008/2009 Long Term Council Community Plan and is shown in the table 1 below:

### 2008/2009

Budget Description (draft Annual budget)	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Te Atatu Road Corridor	2,000,000	0	32,400	1,967,600
Norsga Hobsonville Road	210,000	0	32,400	177,600
Forward Design of Capital Works	368,000	0	32,400	335,600
Resource Consent Recoveries	120,000	0	32,400	87,600

## IMPLEMENTATION ISSUES

9. There are no implementation issues for this report.

Report prepared by: Hussam Abdul Rassol, Planning and Design Manager, Transport Assets.



## 11 CONTRACT NO. TA06003B - ROAD EMERGENCY, DRAINAGE AND SPECIAL WORKS 2006/2007 - APPROVAL TO EXTEND

### EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to extend Contract No. TA06003B - Road Emergency, Drainage and Special Works 2006/2007 for twelve months, to 30 June 2009.

### 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 Extend report.
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.

3. **Approve** the commitment of \$982,000.00 excluding GST to the draft Annual Plan 2008/2009 for Contract No. TA06003B - Road Emergency, Drainage and Special Works 2006/2007.
4. **Approve** that authority to extend Contract No. TA06003B - Road Emergency, Drainage and Special Works 2006/2007 for the period 1 July 2008 to 30 June 2009 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 draft 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 with the following recommendation:

“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 Sub-Committee for approval.*”

2250/2006

3. The Contract was extended accordingly by the Tenders Subcommittee in June 2007 with the following recommendation:

“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 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 last extension, however, the company now operates under their new name; Bilfinger Berger Services New Zealand Limited.

## DECISION MAKING

5. Contract No. TA06003B - Road Emergency, Drainage and Special Works 2006/2007 is a seven month contract with an expiry date of 30 June 2007. The contract also has provision for up to two annual extensions. The first twelve month extension period was 1 July 2007 to 30 June 2008 and was approved. The final twelve month extension period is 1 July 2008 to 30 June 2009. The extension periods are reviewed annually and are based on the satisfactory performance by the Contractor and subject to Council's approval.
6. Bilfinger Berger Services New Zealand Limited has confirmed in writing that they are willing to carry out the contract for a further twelve months.

## CONTRACTOR'S PERFORMANCE

7. An evaluation of Bilfinger Berger Services New Zealand Limited's performance to date contains the following features:
- They have developed excellent working relationships with Council and other key stakeholders;
  - They are quick to react to urgent requests and have adequate level of resource for the works;
  - Good technical ability and their quality of workmanship of completed jobs is to a good standard;
  - No complaints regarding workmanship received from public;
  - No complaints relevant to health and safety or environmental issues.

## RESOURCES

8. This project is being administered by Council officers within Project Services.
9. Financial resources are from the draft Annual Plan 2008/2009.

## JOB COSTS

10.	<b>excl. GST</b>
Contract Sum for 12 months Engineering and Supervision	\$940,000.00 \$ 42,000.00 -----
Total Job Cost	\$982,000.00

## SOURCE OF FUNDING

11. Source of funding is shown in table 1 below:

Budget Description (from Annual Budget line item) draft 2008/2009 Annual Plan	Codes	Budget	Committed to Other Projects	Allocation to This Project	Unallocated Balance
Flood Damage	74000 / 5900	263,000	2,000	261,000	Nil
Street Cleaning	74000 / 6220	400,000	304,000	67,000	29,000
General Road Maintenance	74000 / 6180	104,000	45,000	59,000	Nil
Carpark Maintenance	74000 / 6190	40,000	33,000	7,000	Nil
Drainage Maintenance	74000 / 6170	54,000	38,000	16,000	Nil
Drainage Renewals	74000 / 8AMTA-07- 006	952,000	422,000	530,000	Nil
Flood Damage (Professional Fees)	63000 / 5890	28,000	16,000	12,000	Nil
Drainage Renewals (Professional Fees)	63000 / 8AMTA-07- 007	84,000	54,000	30,000	Nil
	Total			\$982,000	

**Table 1 - Source of Funding**

## IMPLEMENTATION ISSUES

12. There are no implementation issues arising from this report.

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



## 12 HENDERSON YOUTH FACILITY SERVICE PROVIDER CONTRACT

### EXECUTIVE SUMMARY

The purpose of the report is to ratify and clarify an earlier decision by the Tenders Subcommittee to delegate to the Director: City Services approval to enter into a management contract with Zeal as preferred service providers of the Henderson Youth Facility now known as Global Café.

### RECOMMENDATIONS

It is recommended that Tenders Subcommittee resolve to:

1. **Receive** the Henderson Youth Facility Service Provider Contract report.
2. **Agree** that the Tenders Subcommittee Minute 2255/2006 resolution 5 "*That the Director: City Services be given delegation to approve a management contract up to the value of \$150,000 per year for the operation of Henderson Youth Facility subject to resolution 4*" be confirmed and that the term for this contract be approved at 3+3+3.
3. **Approve** that a commitment be made to the 2008-2009 to 2016-2017 inclusive Annual Plans for \$150,000.

### BACKGROUND

1. Zeal were selected as the preferred suppliers of services to run the Henderson Youth Facility. This followed an extensive registration of interest process that was reported through to Committee. At a confidential Tenders Subcommittee meeting on Friday, 17 November 2006 approval was given to award a service contract: The confidentiality of those minutes is now no longer applicable as Zeal have already been appointed as the service providers.

*"4 That any unbudgeted capital and operational requirement be brought back to the Tenders Subcommittee for consideration prior to entering into any contract.*

*5 That the Director: City Services is given the delegation to approve a management contract up to the value of \$150,000 per year for the operation of the Henderson Youth Facility subject to resolution 4.*

*6 That the Henderson Youth Facility Project Service Provider Contract Agenda Report and associated resolutions remain confidential until such time as the reasons for confidentiality no longer exist."*

2. A contract for the first year of engagement was signed for the year ending 30 June 2008. Key performance indicators were agreed for the first year of operations, which related to set up required for the first operational year, establishing networks and obtaining funding for fit-out.
3. A management contract has yet to be awarded for the first and subsequent years of operations which will begin with the opening of the Youth Facility, now known as Global Café in September 2008. This timing has been reported to the Infrastructure and Works Committee which is delayed beyond that originally determined due to delays in the construction process.

## DECISION MAKING

### Issues

#### The Resolution of the Tenders Subcommittee:

4. The resolution referred to above made by the Tenders Subcommittee on 17 November 2006 provides for a clear delegation to sign a management contract, however the resolution does not confirm the length of the contract or the commitment required on the future years' budgets. This report addresses this information gap and seeks confirmation and approval to commit future years' budget.

#### Draft Contract:

5. The draft contract has been developed which is a combination of lease and service agreement. This has been discussed with Zeal and, at this stage, they are in a position where they will accept its terms and conditions. There is one final matter remaining outstanding and that is to specify by means of a asset management plan Zeal's obligations over the term of the agreement with regard to their responsibilities for the internal maintenance of the Global Café.

#### Term of Agreement:

6. The term of the agreement needs to be sufficient to cover requirements from funding agencies in order for Zeal to apply for funding. This is an essential requirement to provide appropriate fit-out and equipment. Therefore, the appropriate term is 3+3+3, with renewals at the Council's discretion, to be brought back to this Committee for approval.

### Options Identified

7. Options are not applicable unless the Subcommittee wishes to modify the term of the agreement. This report is to clarify and ratify an earlier decision and it is Council's intention to make a long term commitment to the Youth Facility. There will be sufficient performance criteria in the contract and, together with the 3+3+3 term, still gives Council some flexibility if the contractor is not performing.

## STRATEGIC CONTEXT

8. Leisure facilities and activities contribute to the wellbeing of the City's residents by providing recreation opportunities that promote health and social cohesion. The Council's strategic objective is that a comprehensive range of leisure, recreation and sport services and facilities are provided

9. Through adoption of first call for children, one of the Council's five over-arching priorities, the Council has also stated its commitment to proactively supporting children, young people and their families in Waitakere.

### **CONSULTATION**

10. Consultation is not relevant to the purpose of this report. However, it is noted that the concept of the Youth Facility was developed from consultation with youth and that the service provider was selected utilising an extensive registration of interest process.

### **RESOURCES**

11. There is \$150,000 per year allocated in the Long Term Council Community Plan (LTCCP) starting in 2007/2008 for the operation of the Youth Facility. Additional amounts of depreciation will need to be allocated into the LTCCP for the 2009/2019. Current Council policy is to fund depreciation to the level of the renewals required. As this building is new, no rating impact is envisaged.

### **IMPLEMENTATION ISSUES**

12. No implementation issues.

Report prepared by: Stephen Drumm, Group Manager: Service Management.

