



**AGENDA FOR A MEETING OF THE TENDERS SUBCOMMITTEE TO BE HELD IN THE  
MANUKAU ROOM AT WAITAKERE CENTRAL, 6 HENDERSON VALLEY ROAD,  
HENDERSON, WAITAKERE, ON FRIDAY, 24 JULY 2009,  
COMMENCING AT 9.00 AM**

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**TABLE OF CONTENTS**

<b><u>ITEM</u></b>		<b><u>PAGE NO.</u></b>
1	APOLOGIES	1
2	URGENT BUSINESS	1
3	CONFLICTS OF INTEREST	1
4	CONFIRMATION OF MINUTES	1
5	CONTRACT NO EW09016A - IDENTIFICATION OF FLUORIDE LEVELS IN WATER SAMPLES - APPROVAL TO AWARD	2
6	CONTRACT NO. EW09017A - LEAK DETECTION PROGRAMME - APPROVAL TO AWARD	6
7	CONTRACT NO. EW09020A - MAINTENANCE OF STORMWATER HYNDS DEVICES - APPROVAL TO AWARD	10
8	CONTRACT NO. EW09021A - MAINTENANCE OF STORMWATER 360 DEVICES - APPROVAL TO AWARD	13
9	CONTRACT NO. EW09022A - PAREMUKA DAM GEOTECHNICAL MONITORING - APPROVAL TO AWARD	16
10	STATE HIGHWAY 18 - WASTEWATER LINE APPROVAL	19
11	CONTRACT NO. CW09003A - PROJECT TWIN STREAMS COMMUNITY GOVERNANCE 2009 -2012	22
12	CONTRACT NO. EW08021A - CONSULTANT SUPPORT FOR INFILTRATION AND INFLOW AND PEAK FLOW REDUCTION PROGRAMMES 2008/2009 - APPROVAL TO EXTEND	26
13	CONTRACT NO. TA09001A - ROAD ASSESSMENT MAINTENANCE MANAGEMENT PROFESSIONAL SERVICES 2009 - 2012 - APPROVAL TO AWARD	30
14	CONTRACT NO. PK03600C - CITYWIDE GRAFFITI MANAGEMENT - APPROVAL TO EXTEND	35
15	CONTRACT NO. PK05004A - PARK LANDSCAPE PROGRAMMED MAINTENANCE - APPROVAL TO EXTEND	39
16	CONTRACT NO. PK07003A - CITYWIDE PLAY FACILITIES MAINTENANCE AND RENEWALS - APPROVAL TO EXTEND	44
17	CONTRACT NO. PK08002A - PARKS AND OPEN SPACE FACILITIES AND RESPONSE MAINTENANCE - APPROVAL TO EXTEND	47

18	CONTRACT NO. PK05001C - PLANT AND ANIMAL PEST MAINTENANCE - APPROVAL TO EXTEND	52
19	CONTRACT NO. PK05001B - ROADSIDE VEGETATION MAINTENANCE - APPROVAL TO EXTEND	56
20	CONTRACT NO. PK09002A - CEMETERY LANDSCAPE MAINTENANCE - APPROVAL TO EXTEND	60
21	CONTRACT NO. PK08015A - SPORTS PARK LANDSCAPE MAINTENANCE - APPROVAL TO EXTEND	62
22	CONTRACT NO. PK05016A - CIVIL WORKS - APPROVAL TO EXTEND	66
23	CONTRACT NO. PK08011A - ECOSOURCED PLANT SUPPLY - APPROVAL TO EXTEND	71
24	CONTRACT NO. PK08011B - ECOSOURCED PLANT SUPPLY - APPROVAL TO EXTEND	74
25	CONTRACT NO. PK08009A - KEEP WAITAKERE BEAUTIFUL TRUST CONTRACT APPROVAL TO EXTEND 2009 – 2012	77
26	CONTRACT NO. PK08013A - WEEDFREE WAITAKERE TRUST - APPROVAL TO EXTEND	83
27	CONTRACT NO. CY03001E - LOCKSMITH SERVICES - APPROVAL TO EXTEND	86
28	CONTRACT NO. PY06046D - RESPONSE MAINTENANCE PLUMBING - APPROVAL TO EXTEND	88
29	CONTRACT NO. EW07047B - ENERGY EFFICIENCY AND WATER DEMAND MANAGEMENT- APPROVAL TO EXTEND	91
30	CONTRACT NO. EW07006A - SERVICE CONNECTION FOR WATER SUPPLY, WASTEWATER AND STORMWATER - APPROVAL TO EXTEND	95
31	CONTRACT NO. EW07004A – THREE WATERS ELECTRICAL INSPECTION AND MAINTENANCE - APPROVAL TO EXTEND	98

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**1 APOLOGIES**



**2 URGENT BUSINESS**

Section 46A(7) of the Local Government Official Information and Meetings Act 1987 provides that where an item of business is not on the agenda, it may only be dealt with at the meeting if:

- (i) the Committee by resolution so decides; and
- (ii) the Chairman has explained at the beginning of the meeting (when open to the public) that the item will be raised for discussion and decision, why the item is not on the agenda, and why it cannot be delayed until a subsequent meeting.

The Committee may make a decision on a matter determined to be urgent.

**NOTE:** Urgent Business need not be dealt with now and may be delayed until later in the meeting.



**3 CONFLICTS OF INTEREST**

The Council has acknowledged in its Code of Conduct that Elected Members need to be vigilant to stand aside from decision making when a conflict arises between their role as a member of the Council and any private or other external interest they might have. This note is provided as a reminder to members to check that no such conflicts arise in relation to any items on this agenda.



**4 CONFIRMATION OF MINUTES**

Meeting Minutes - Friday, 10 July 2009

**RECOMMENDATION**

It is recommended that the Tenders Subcommittee resolve to:

**Receive** the minutes of the meeting of the Tenders Subcommittee held on Friday, 10 July 2009, as circulated, and that they be taken as read and now be confirmed.



5 **CONTRACT NO EW09016A - IDENTIFICATION OF FLUORIDE LEVELS IN WATER SAMPLES - APPROVAL TO AWARD**

**GLOSSARY**

Key Performance Indicators (KPIs)

**EXECUTIVE SUMMARY**

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. EW09016A - Identification of Fluoride Levels in Water Samples for a period of two years from 1 July 2009 to 30 June 2011 with the provision for an extension of a further two years subject to the performance of the contractor, the availability of funding and at the sole discretion of the Auckland Council.

**RECOMMENDATIONS**

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. EW09016A - Identification Of Fluoride Levels In Water Samples - Approval To Award report.
2. **Approve** that the tender from Aqualab (NZ) Limited for Contract No. EW09016A - Identification of Fluoride Levels in Water Samples in the sum of \$10,370.00 plus \$1,296.25 GST, totalling \$11,666.25 be accepted.
3. **Approve** the commitment of \$5,185.00 excluding GST for the 2010/2011 financial year for Contract No. EW09016A - Identification of Fluoride Levels in Water Samples.
4. **Approve** that authority to enter into Contract No. EW09016A - Identification of Fluoride Levels in Water Samples on behalf of the Council be delegated to the Deputy Director: City Services.
5. **Agree** that authority to extend Contract No. EW09016A - Identification of Fluoride Levels in Water Samples for a further two years from 1 July 2011 to 30 June 2013, subject to contractor's performance and availability of funding, be brought back to the Auckland Council for approval.

**BACKGROUND**

1. On advice from the Medical Officer of Health, fluoride is added into the Auckland region's drinking water supply at a level of approximately 1 ppm to reduce tooth decay. Therefore (apart from some isolated areas where fluoride is not injected), the detection of fluoride in water samples taken from surface discharges is a good indicator of whether the source is a drinking water supply or not. This is a useful tool for leak detection and the management of repairs to water main breaks.
2. Council has an Annual Plan objective to reduce water loss to 75 litres per connection/per day, and this work is required to identify water leaks quickly.
3. The existing Contract No. EW03454P - Identification of Fluoride Levels, which was a two year contract with the right of renewal for another two years, has expired.

4. Approval to tender this operational contract was sought and approved by the Tenders Subcommittee on 27 March 2009, where it was resolved:

*“The Tenders Subcommittee resolved to:*

1. **Receive** the Operational Maintenance Contracts For Water Supply, Wastewater And Stormwater report.
2. **Approve** the tendering of the operational maintenance contracts listed in this report for a two year period with the option to extend up to a further two years for various ongoing maintenance activities associated with the provision of water supply, wastewater and stormwater services in the City, with the outcomes reported back to the Tenders Subcommittee for approval.”

408/2009

### SCOPE OF WORK

5. The scope of the services to be provided is generally to be, but not necessarily limited to, the following:
- Receive and analyse water samples for fluoride levels and when the presence of sewage is suspected, for e-coli/100 mls, Fluorescent Whitening Agent and/or ammonia.
  - Report back to Council the results within the following timeframes from the time of receipt of sample:
    - 24 hours from delivery for a “routine” sample, and
    - 4 hours from delivery for an “emergency” sample.
6. The work is undertaken “on demand”, and is required to be undertaken by a laboratory that meets the standard of a level two IANZ accredited laboratory or better.
7. On rare occasions, after hours work may be required during the week and also on weekends.

### TENDERS RECEIVED

8. Tenders were publicly advertised on Tenderlink with two tenders being received by the closing date of Tuesday, 16 June 2009. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
Aqualab (NZ) Limited	4B McWhiter Place, New Lynn, Waitakere	\$10,370.00
Environmental Laboratory Services	85 Port Rd. Seaview, Lower Hutt	\$11,600.00
Pre-tender contract estimate (based on most up-to-date tender rate)		\$11,000.00
Budget estimate		\$15,000.00

**Table 1 - Summary of Tender Prices**

### TAGS, ERRORS OR OMISSIONS

9. There are no tags, errors, or omissions in either of the tenders.

## TENDER EVALUATION

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

Tender Evaluation	Attributes	Exp.	Track Record	Tech Skill	Res.	Manage. Skill	Method.	Price	Total Weights
	Weights	5	5	10	10	10	10	50	100
Tenderer	Tender Sum	Grades							INDEX
Aqualab (NZ) Limited	\$10,370.00	85	80	80	80	75	85	56	68
ELS Services	\$11,600.00	80	85	80	80	85	85	45	64
Median Tender Price	\$10,985.00								

**Table 2 - Summary of Tender Evaluation**

12. Scores for the non-price attributes were determined on the basis of information provided in each tender, on the information gathered from the referees nominated by the tenderers and on any recent Council experience with the tenderers.
13. The only differences in scores were with Management Skills as Environmental Laboratory Services is a large laboratory operating to International standards. This standard is not required for the level of work that Waitakere is requiring and the contract Key Performance Indicators (KPI's) will ensure accuracy and the quickness of results.
14. The results of the tender evaluation as summarised in Table 2 shows that the tender submitted by Aqualab (NZ) Limited achieved the highest index of 68. This tender is also the lowest priced tender.
15. Aqualab (NZ) Limited has been operating in West Auckland for 12 years focusing on drinking water supplies and recreational water. They are a privately owned by the two principals that work in the laboratory on a daily basis and have accreditation for level 2 water testing criteria which is IANZ audited.
16. Aqualab (NZ) Limited successfully completed the Fluoride Testing contract from June 2005 to June 2009.
17. Aqualab (NZ) Limited has the necessary expertise and resources to satisfactorily carry out the works.
18. Reference checks made on a selection of clients indicated a well-resourced, well-managed and capable contractor.
19. The tender is below the pre-tender contract estimate.
20. As part of Council's contracting process "Quality, Health and Safety and Environmental compliance are not negotiable" - all contractors have had this focus clearly reinforced through the contract documents and this will be strongly reiterated at the subsequent pre-start meeting and imposed during the contract period.

### CREDIT CHECK

21. A credit check on Aqualab (NZ) Limited dated 18 May 2009 revealed no adverse information.

### JOB COSTS

22.		<b>excl. GST</b>
	Tender sum - Aqualab (NZ) Limited	\$10,370.00
	Contingency	Nil
	Engineering and Supervision	Nil
		-----
	Total Job Cost	\$10,370.00

### SOURCE OF FUNDING

23. Source of funding is shown in Table 3 below:

Budget Description (from annual budget line item) Annual Plan 2009/2010	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance	Potential surplus
Water Loss Control Programme	SAP Cost Centre 7680	\$29,000.00	Nil	\$5,185.00	\$23,815.00	\$2,315.00
Budget Description (from annual budget line item) Financial year 2010/2011	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance	Potential surplus
Water Loss Control Programme	SAP Cost Centre 7680	\$29,870.00	Nil	\$5,185.00	\$24,685.00	\$2,315.00
	<b>Total</b>	\$58,870.00		\$10,370.00	\$48,500.00	\$4,630.00

**Table 3 - Source of Funding**

### IMPLEMENTATION ISSUES

24. Any extension under the contract 'right-of-renewal' provisions will be at the sole discretion of Council's successor, and will also be conditional on the contractor consistently meeting the contract KPI's, demonstrating efficiency gains, and maintaining a good working relationship with the Council.
25. This contract approval is retrospective in that the contract schedule is for the period from 1 July 2009. However, the contract is a measure and value contract, and payment will be for work carried out after the contract commencement date of 1 August 2009. No work has or will be commissioned until after the contract commencement date.

### AUCKLAND COUNCIL TRANSITION ISSUES

26. The Local Government (Tamaki Makaurau Reorganisation) Act 2009 imposes restrictions on Waitakere City Council's decision making capabilities in respect of:
- Section 31(4)(i) - to enter into any contract (other than an employment agreement) - (i) that imposes, or will continue to impose, any obligation on the existing local authority after 30 June 2011.

27. This report is impacted on by section 31 of the Local Government (Tamaki Makaurau Reorganisation) Act 2009, as above. Therefore, this report includes recommendations to ensure compliance with the Local Government (Tamaki Makaurau Reorganisation) Act 2009. The recommendation included is that the Tenders Subcommittee agree that the right of renewal beyond June 2011 be subject to agreement of the Auckland Council.

**Report prepared by:** Richard Taylor, Manager: EcoWater.



## 6 **CONTRACT NO. EW09017A - LEAK DETECTION PROGRAMME - APPROVAL TO AWARD**

### **EXECUTIVE SUMMARY**

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. EW09017A - Leak Detection Programme for a period of two years from 1 July 2009 to 30 June 2011 with the provision for an extension of a further two years subject to the performance of the contractor, the availability of funding, and at the sole discretion of the Auckland Council.

### **RECOMMENDATIONS**

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. EW09017A - Leak Detection Programme - Approval To Award report.
2. **Approve** that, subject to a satisfactory credit check, the tender from Bilfinger Berger Services New Zealand Limited for Contract No. EW09017A - Leak Detection Programme in the sum of \$162,850.00 plus \$ 20,356.25.GST, totalling \$183,206.25 be accepted.
3. **Approve** the commitment of \$81,450.00 excluding GST for the 2010/2011 financial year for Contract No. EW09017A - Leak Detection Programme.
4. **Approve** that authority to enter into Contract No. EW09017A - Leak Detection Programme on behalf of the Council be delegated to the Deputy Director: City Services.
5. **Agree** that authority to extend Contract No. EW09017A - Leak Detection Programme for a further two years from 1 July 2011 to 30 June 2013, subject to contractor's performance and availability of funding, be brought back to the Auckland Council for approval.

### **BACKGROUND**

1. The contract is for leak detection work to reduce the water losses from the Waitakere City Council reticulated water supply network.
2. The Waitakere City reticulated water supply network is divided into 17 supply zones. The flow and pressure within each zone is constantly monitored by a Datran Telemetry System. The leak detection work is initiated when the Datran system indicates an increase in the minimum night flow in a zone which is in excess of the acceptable threshold. Leak detection work is also initiated when a reported leak cannot be located. The previous contract for the leak detection programme expired on 30 June 2009.

3. Approval to tender this operational contract was sought and approved by the Tenders Subcommittee on 27 March 2009, where it was resolved to:

*“The Tenders Subcommittee resolved to:*

1. **Receive** the Operational Maintenance Contracts for Water Supply, Wastewater and Stormwater report.
2. **Approve** the tendering of the operational maintenance contracts listed in this report for a two year period with the option to extend up to a further two years for various ongoing maintenance activities associated with the provision of water supply, wastewater and stormwater services in the City, with the outcomes reported back to the Tenders Subcommittee for approval.”

408/2009

### SCOPE OF WORK

4. The scope of work includes:
- The location of water leaks in the Waitakere reticulated water supply network on an as required basis, and for water supply zones, as directed by the Engineer;
  - Investigating and determining the reasons for minimum night-time usage in a zone exceeding a given threshold, including the location of water leaks; and
  - Locating the source of a leak reported to the Council which has been difficult to find, and other specific tasks such as investigating the consumption of a large night-time user, or pressure measurements to identify problems associated with the reticulation system.

### TENDERS RECEIVED

5. Tenders were publicly advertised on Tenderlink with 12 sets of documents being uplifted. Two tenders were received by the closing date of 16 June 2009. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
Bilfinger Berger Services (NZ) Limited	8 Paul Mathews Road, Albany North Shore City 0632	\$162,850.00
Detection Services Limited	Unit J, 150 Harris Road, East Tamaki, Auckland.	\$170,375.00
Pre-tender contract estimate (based on most up-to-date tender rate)		\$199,024.00
Budget estimate		\$190,000.00

**Table 1 - Summary of Tender Prices**

### TAGS, ERRORS OR OMISSIONS

6. The tender from Detection Services Limited contained an error in multiplication resulting in the tender sum being \$19,800.00 lower than the true total. When advised of the error the tenderer agreed to absorb the error and retain the tendered offer.

7. There were no other errors or omissions in either of the tenders.

### TENDER EVALUATION

8. In accordance with the conditions of tendering, tenders were evaluated in line with the Weighted Attribute Method contained in New Zealand Transport Agency's "Competitive Pricing Procedures Manual".
9. 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. In this contract the value of Provisional Sums is \$16,000.00.
10. In order to fully evaluate the tenders, further information was required from Bilfinger Berger Services (NZ) Limited regarding their proposed methodology and staff experience. This information was provided on request.
11. A summary of the evaluation results is shown in Table 2:

Tender Evaluation	Attributes	Exper.	Track Record	Tech. Skill	Resour.	Manag. Skill	Method.	Price	Contract Number EW09017A
		Total Weights							
	<b>Weights</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>5</b>	<b>15</b>	<b>40</b>	<b>100</b>
Tenderer	Tender Sum	Grades							INDEX
Bilfinger Berger Services (NZ) Limited	\$146,850.00	75	75	70	75	85	75	52	66
Detection Services Limited	\$154,375.00	75	80	75	75	75	80	48	65
<b>Med.n Tender Price</b>	<b>\$150,612.50</b>								

**Table 2 - Summary of Tender Evaluation**

12. Scores for the non-price attributes were determined on the basis of information provided by each tenderer, on information gathered from the referees nominated by the tenderers, and on any recent Council experience with the tenderers.
13. There is a difference between the pre-tender contract estimate and the submitted tenders. The pre-tender contract estimate was based on recent tendered rates on the leak detection contract. It is considered that the decrease in tendered rates is likely to be due to the competition in the open market due to the prevailing economic conditions.
14. The results of the tender evaluation as summarised in Table 2 show that the tender submitted by Bilfinger Berger Services New Zealand Limited achieved the highest index of 66. This tender is the lowest priced tender.
15. Bilfinger Berger Services New Zealand Limited have successfully completed work of a similar nature for MetroWater, North Shore City Council and Papakura District Council.
16. Bilfinger Berger Services New Zealand Limited has the necessary expertise and resources to satisfactorily carry out the works.
17. As part of Council's contracting process "Quality, Health and Safety and Environmental compliance are not negotiable" - all contractors have had this focus clearly reinforced through the contract documents and this will be strongly reiterated at the subsequent pre-start meeting and imposed during the contract period.

### CREDIT CHECK

18. A credit check on Bilfinger Berger Services New Zealand Limited has been requested.

### JOB COSTS

19.		<b>excl. GST</b>
	Tender sum - (Bilfinger Berger Services (NZ) Limited)	\$162,850.00
	Contingency	Nil
	Engineering and Supervision	Nil
		-----
	Total Job Cost	\$162,850.00

### SOURCE OF FUNDING

20. Source of funding is shown in Table 3 below:

Budget Description (from annual budget line item) Annual Plan	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance	Potential surplus
Leak Detection Programme Annual Plan 2009/2010	7620	95,000.00	0.00	81,425.00	13,575.00	13,575.00
Leak Detection Programme Financial year 2010/2011	7620	97,950.00	0.00	81,425.00	16,525.00	13,575.00
	<b>Total</b>	192,950.00		162,850.00	30,100.00	27,150.00

**Table 3 - Source of Funding**

### IMPLEMENTATION ISSUES

21. Any extension under the contract 'right-of-renewal' provisions will be at the sole discretion of Council's successor, and will also be conditional on the contractor consistently meeting the contract key performance indicators, demonstrating efficiency gains, and maintaining a good working relationship with the Council.
22. This contract approval is retrospective in that the contract schedule is for the period from 1 July 2009. However, the contract is a measure and value contract, and payment will be for work carried out after the contract commencement date of 1 August 2009. No work has or will be commissioned until after the contract commencement date.

### AUCKLAND COUNCIL TRANSITION ISSUES

23. The Local Government (Tamaki Makaurau Reorganisation) Act 2009 imposes restrictions on Waitakere City Council's decision making capabilities in respect of:
- Section 31(4)(i) - to enter into any contract (other than an employment agreement) - (i) that imposes, or will continue to impose, any obligation on the existing local authority after 30 June 2011; and (ii) the consideration for which is, or is equivalent to, \$20,000 or more.

24. This report is impacted on by section 31 of the Local Government (Tamaki Makaurau Reorganisation) Act 2009, as above. Therefore, this report includes recommendations to ensure compliance with the Local Government (Tamaki Makaurau Reorganisation) Act 2009. The recommendation included is that the Tenders Subcommittee agree that the right of renewal beyond June 2011 be subject to agreement of the Auckland Council.

**Report prepared by:** Richard Taylor, Manager: EcoWater.



## 7 CONTRACT NO. EW09020A - MAINTENANCE OF STORMWATER HYNDS DEVICES - APPROVAL TO AWARD

### EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. EW09020A - Maintenance of Stormwater Hynds Devices for a period of two years from 1 July 2009 to 30 June 2011, with the provision for an extension of a further two years subject to the performance of the contractor, the availability of funding, and at the sole discretion of the Auckland Council.

### RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. EW09020A - Maintenance Of Stormwater Hynds Devices - Approval To Award report.
2. **Approve** that the quotation from Hynds Environmental Systems Limited for Contract No. EW09020A - Maintenance of Stormwater Hynds Devices in the sum of \$230,360.00 plus \$28,795.00 GST, totalling \$259,155.00 be accepted.
3. **Approve** the commitment of \$115,180.00 excluding GST for the 2010/2011 financial year for Contract No. EW09020A - Maintenance of Stormwater Hynds Devices.
4. **Approve** that authority to enter into Contract No. EW09020A - Maintenance of Stormwater Hynds Devices on behalf of the Council be delegated to the Deputy Director: City Services.
5. **Agree** that authority to extend Contract No. EW09020A - Maintenance of Stormwater Hynds Devices for a further two years from 1 July 2011 to 30 June 2013, subject to contractor's performance and availability of funding, be brought back to the Auckland Council for approval.

### BACKGROUND

1. The Council owns and operates a number of in-ground stormwater quality devices, some constructed by developers who subsequently transfer them to Council and some constructed by Council as part of Council's annual stormwater quality upgrade programme.

2. A large number of the devices are subject to long-term Auckland Regional Council consent conditions, and as such the stormwater quality devices need to be fully operational and maintained to a satisfactory condition. The devices are mostly sand filters with the exception of three Upflo devices.
3. The work is considered specialist work due to the contaminated nature of the material collected and due to the confined space entry needs of the work. In addition, the majority of the devices were previously supplied by Hynds Environmental Systems Limited and this contractor has the specialist knowledge to carry out this work. The contractor has been carrying out satisfactory maintenance of these devices for the past five years.
4. Approval to tender this operational contract on a preferred supplier basis was sought and approved by the Tenders Subcommittee on 27 March 2009, where it was resolved as follows:

*“The Tenders Subcommittee resolved to:*

1. **Receive** the Operational Maintenance Contracts for Water Supply, Wastewater And Stormwater report.
2. **Approve** the tendering of the operational maintenance contracts listed in this report for a two year period with the option to extend up to a further two years for various ongoing maintenance activities associated with the provision of water supply, wastewater and stormwater services in the City, with the outcomes reported back to the Tenders Subcommittee for approval.”

408/2009

## SCOPE OF WORK

5. This contract requires the contractor to inspect the 18 sites twice yearly. A visual inspection is undertaken to determine the performance levels of the devices including silt levels and other gross pollutant levels that are collected in the devices. The physical work is then scheduled for each site and a completion report prepared showing the extent of the work undertaken.

## TENDERS RECEIVED

6. Quotations were received on a sole supplier basis with a closing date of 16 June 2009. The quote is summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
Hynds Environmental Systems Limited	Penrose	\$230,360.00
Pre-tender contract estimate (based on most up-to-date tender rate)		\$246,600.00
Budget estimate		\$240,000.00

Table 1 - Summary of Prices

## TAGS, ERRORS OR OMISSIONS

7. There were no other tags, errors or omissions in the quotation or the schedule of prices.

## TENDER EVALUATION

8. As this work was tendered on a preferred supplier basis, no evaluation was necessary.
9. As part of Council's contracting process "Quality, Health and Safety and Environmental compliance are not negotiable" - the contractor has had this focus clearly reinforced through the contract documents and this will be strongly reiterated at the subsequent pre-start meeting and imposed during the contract period.

## CREDIT CHECK

10. A credit check on Hynds Environmental Systems Limited dated 9 July 2009 revealed no adverse information.

## JOB COSTS

11.		<b>excl. GST</b>
	Tender sum - (Hynds Environmental Systems Limited)	\$230,360.00
	Contingency	\$ 0.00
		-----
	Total Job Cost	\$230,360.00

## SOURCE OF FUNDING

12. Source of funding is shown in Table 3 below:

Budget Description (from annual budget line item)	SAP Codes (WBS/Cost Centre)	Budget	Committed to other projects	Allocation to this project	Unallocated balance	Potential surplus
Annual Plan 2009/2010	8AMEW 07-118	\$244,000	\$0	\$115,180	\$128,820	\$4,820.00
Financial year 2010/2011	8AMEW 07-118	\$271,920	\$0	\$115,180	\$156,740	\$4,820.00
	<b>Total</b>	\$515,920	\$0	\$230,360	\$285,560	\$9,640.00

**Table 3 - Source of Funding**

## IMPLEMENTATION ISSUES

13. Any extension under the contract 'right-of-renewal' provisions will be at the sole discretion of Council's successor, and will also be conditional on the contractor consistently meeting the contract key performance indicators, demonstrating efficiency gains, and maintaining a good working relationship with the Council.
14. This contract approval is retrospective in that the contract schedule is for the period from 1 July 2009. However, the contract is a measure and value contract, and payment will be for work carried out after the contract commencement date of 1 August 2009. No work has or will be commissioned until after the contract commencement date.

## AUCKLAND COUNCIL TRANSITION ISSUES

15. The Local Government (Tamaki Makaurau Reorganisation) Act 2009 imposes restrictions on Waitakere City Council's decision making capabilities in respect of:
  - Section 31(4)(i) - to enter into any contract (other than an employment agreement) - (i) that imposes, or will continue to impose, any obligation on the existing local authority after 30 June 2011; and (ii) the consideration for which is, or is equivalent to, \$20,000 or more.
16. This report is impacted on by section 31 of the Local Government (Tamaki Makaurau Reorganisation) Act 2009, as above. Therefore, this report includes recommendations to ensure compliance with the Local Government (Tamaki Makaurau Reorganisation) Act 2009. The recommendation included is that the Tenders Subcommittee agree that the right of renewal beyond June 2011 be subject to agreement of the Auckland Council.

**Report prepared by:** Richard Taylor, Manager: EcoWater.



## 8 CONTRACT NO. EW09021A - MAINTENANCE OF STORMWATER 360 DEVICES - APPROVAL TO AWARD

### EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. EW09021A - Maintenance of Stormwater 360 Devices for a period of two years from 1 July 2009 to 30 June 2011, with the provision for an extension of a further two years subject to the performance of the contractor, the availability of funding, and at the sole discretion of the Auckland Council.

### RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. EW09021A - Maintenance Of Stormwater 360 Devices Approval To Award report.
2. **Approve** that the quotation from Stormwater 360 Limited for Contract No. EW09021A - Maintenance of Stormwater 360 Devices in the sum of \$147,880.00 plus \$18,485.00 GST, totalling \$166,365.00 be accepted.
3. **Approve** the commitment of \$73,940.00 excluding GST for the 2010/2011 financial year for Contract No. EW09021A - Maintenance of Stormwater 360 Devices.
4. **Approve** that authority to enter into Contract No. EW09021A - Maintenance of Stormwater 360 Devices on behalf of the Council be delegated to the Deputy Director: City Services.
5. **Agree** that authority to extend Contract No. EW09021A - Maintenance of Stormwater 360 Devices for a further two years from 1 July 2011 to 30 June 2013, subject to contractor's performance and availability of funding, be brought back to the Auckland Council for approval.

## BACKGROUND

1. The Council owns and operates a number of in-ground stormwater quality devices, partly constructed by developers who subsequently transfer them to Council and partly constructed by Council as part of Council's annual stormwater quality upgrade programme.
2. A large number of the devices are subject to long-term Auckland Regional Council consent conditions, and as such the stormwater quality devices need to be fully operational and maintained to a satisfactory condition. The devices are stormwater pollutant filter devices which incorporate settling chambers.
3. The work is considered specialist work due to the contaminated nature of the material collected and due to the confined space entry needs of the work. In addition, the majority of the devices were previously designed and supplied by Stormwater 360 Limited and this contractor has the specialist knowledge to carry out this work. The contractor has been carrying out satisfactory maintenance of these devices for the past five years.
4. Approval to tender this operational contract on a preferred supplier basis, was sought and approved by the Tenders Subcommittee on 27 March 2009, where it was resolved as follows:

*"The Tenders Subcommittee resolved to:*

1. **Receive** the Operational Maintenance Contracts For Water Supply, Wastewater And Stormwater report.
2. **Approve** the tendering of the operational maintenance contracts listed in this report for a two year period with the option to extend up to a further two years for various ongoing maintenance activities associated with the provision of water supply, wastewater and stormwater services in the City, with the outcomes reported back to the Tenders Subcommittee for approval."

408/2009

## SCOPE OF WORK

5. This contract requires the contractor to inspect the 11 sites twice yearly. A visual inspection of the devices is undertaken to determine the performance levels of the devices including silt levels and other gross pollutant levels. The physical work is then scheduled for each site and a completion report prepared showing the extent of the work undertaken.

## TENDERS RECEIVED

6. Quotations were received on a sole supplier basis with a closing date of 16 June 2009. The quote is summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
Stormwater 360 Limited	Albany	\$147,880.00
Pre-tender contract estimate (based on most up-to-date tender rate)		\$152,000.00
Budget estimate		\$160,000.00

**Table 1 - Summary of Prices**

### TAGS, ERRORS OR OMISSIONS

7. There were no other tags, errors or omissions in the quotation or the schedule of prices.

### TENDER EVALUATION

8. As this work was tendered on a preferred supplier basis, no evaluation was necessary.
9. As part of Council's contracting process "Quality, Health and Safety and Environmental compliance are not negotiable" - the contractor has had this focus clearly reinforced through the contract documents and this will be strongly reiterated at the subsequent pre-start meeting and imposed during the contract period.

### CREDIT CHECK

10. A credit check on Stormwater 360 Limited dated 9 July 2009 revealed no adverse information.

### JOB COSTS

11.	<b>excl. GST</b>
Tender sum - (Stormwater 360 Limited)	\$147,880.00
Contingency	\$ Nil
	-----
Total Job Cost	\$147,880.00

### SOURCE OF FUNDING

12. Source of funding is shown in Table 3 below:

Budget Description (from annual budget line item)	Codes (Cost Centre)	Budget	Committed to other projects	Allocation to this project	Unallocated balance	Potential surplus
Stormwater Treatment Facility Annual Plan 2009/2010	6850	\$150,000.00	\$16,651.00	\$73,940.00	\$59,409.00	\$6,060.00
SW Treatment Facility Financial year 2010/2011	6850	\$154,500.00	\$0	\$73,940.00	\$80,560.00	\$6,060.00
	<b>Total</b>			\$147,880.00		\$12,120.00

**Table 3 - Source of Funding**

### IMPLEMENTATION ISSUES

13. Any extension under the contract 'right-of-renewal' provisions will be at the sole discretion of Council's successor, and will also be conditional on the contractor consistently meeting the contract key performance indicators, demonstrating efficiency gains, and maintaining a good working relationship with the Council.
14. This contract approval is retrospective in that the contract schedule is for the period from 1 July 2009. However, the contract is a measure and value contract, and payment will be for work carried out after the contract commencement date of 1 August 2009. No work has or will be commissioned until after the contract commencement date.

## AUCKLAND COUNCIL TRANSITION ISSUES

15. The Local Government (Tamaki Makaurau Reorganisation) Act 2009 imposes restrictions on Waitakere City Council's decision making capabilities in respect of:
  - Section 31(4)(i) - to enter into any contract (other than an employment agreement) - (i) that imposes, or will continue to impose, any obligation on the existing local authority after 30 June 2011; and (ii) the consideration for which is, or is equivalent to, \$20,000 or more.
16. This report is impacted on by section 31 of the Local Government (Tamaki Makaurau Reorganisation) Act 2009, as above. Therefore, this report includes recommendations to ensure compliance with the Local Government (Tamaki Makaurau Reorganisation) Act 2009. The recommendation included is that the Tenders Subcommittee agree that the right of renewal beyond June 2011 be subject to agreement of the Auckland Council.

**Report prepared by:** Richard Taylor, Manager: EcoWater.



## 9 CONTRACT NO. EW09022A - PAREMUKA DAM GEOTECHNICAL MONITORING - APPROVAL TO AWARD

### GLOSSARY

Auckland Regional Council	(ARC)
Paremuca Pond	(pond)

### EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. EW09022A - Paremuca Dam Geotechnical Monitoring for a period of two years from 1 July 2009 to 30 June 2011 with the provision for an extension of a further two years (one year plus one year) subject to the performance of the consultant, the availability of funding, and at the sole discretion of the Auckland Council.

### RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. EW09022A - Paremuca Dam Geotechnical Monitoring - Approval To Award report.
2. **Approve** that, the quotation from AECOM New Zealand Limited for Contract No. EW09022A - Paremuca Dam Geotechnical Monitoring in the sum of \$55,200.00 plus \$6,900.00 GST, totalling \$62,100.00 be accepted.
3. **Approve** the commitment of \$27,600.00 excluding GST for the 2010/2011 financial year for Contract No. EW09022A - Paremuca Dam Geotechnical Monitoring.
4. **Approve** that authority to enter into Contract No. EW09022A - Paremuca Dam Geotechnical Monitoring on behalf of the Council be delegated to the Deputy Director: City Services.

5. **Agree** that authority to extend Contract No. EW09022A - Paremuka Dam Geotechnical Monitoring for a further two years from 1 July 2011 to 30 June 2013, subject to contractor's performance and availability of funding, be brought back to the Auckland Council for approval.

## BACKGROUND

1. This contract is for the provision of the on-going inspection and geotechnical assessment of the pond dam embankment. Council constructed the pond in 1997 to alleviate downstream flooding in the Paremuka catchment. The pond also provides water quality treatment and amenity values. Prior to this the rail authority constructed the original culvert. The pond was formed by strengthening the railway embankment, which supports the North Auckland Railway line. Council has an agreement with the rail track authorities to ensure the safety of the track through regular inspection and monitoring. Engineering consultants AECOM New Zealand Limited, designed and supervised the construction of the pond in 1997/1998 and have been monitoring the dam for more than 10 years.
2. The entire Paremuka catchment is subject to long-term Auckland Regional Council consent conditions and as such the stormwater quality infrastructure and the dam embankment need to be maintained to a satisfactory condition. The pond and dam operational and maintenance plan requires that this work be done for council to be in compliance with Auckland Regional Council permit number 26829.
3. Approval to tender this operational contract on a preferred supplier basis, was approved by the Tenders Subcommittee on 27 March 2009, where it was resolved as follows:

*“The Tenders Subcommittee*

1. **Receive** the Operational Maintenance Contracts for Water Supply, Wastewater and Stormwater report.
2. **Approve** the tendering of the operational maintenance contracts listed in this report for a two year period with the option to extend up to a further two years for various ongoing maintenance activities associated with the provision of water supply, wastewater and stormwater services in the City, with the outcomes reported back to the Tenders Subcommittee for approval.”

408/2009

## SCOPE OF WORK

4. This contract requires the consultant to inspect the entire pond system including the upgraded railway embankment. The monitoring of the railway embankment, outlet culvert and the pond surrounds is essential to ensure the safety of the railway line and to protect downstream effects due to the threat that a dam failure could pose. There are 21 piezometers which need to be monitored regularly for pore water pressure and ground movement of the dam. A condition assessment of the main culvert and the dam surrounds also forms part of this contract including reporting on the items of work described in the maintenance manual, condition survey of the railway culvert and comparing with the base line survey of 2002 and 2005. This includes identifying any damage and preparing emergency work reports, and providing six monthly and annual reports.

## TENDERS RECEIVED

5. A quotation was received and is summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
AECOM New Zealand Limited	Newmarket	\$55,200.00
Pre-tender contract estimate (based on most up-to-date tender rate)		\$60,000.00
Budget estimate		\$60,000.00

**Table 1 - Summary of Prices**

### TAGS, ERRORS OR OMISSIONS

6. There were no other tags, errors or omissions in the quotation or the schedule of prices.

### TENDER EVALUATION

7. As this work was tendered on a preferred supplier basis, no evaluation was necessary. The tendered sum is similar to the previously contracted amount.
8. A similar contract was previously awarded to AECOM New Zealand Limited on 26 August 2005. The work is considered highly specialised work due to the ongoing geotechnical requirements and due to the risk of operating, and being liable for a high hazard dam on rail track authority land.
9. As part of Council's contracting process "Quality, Health and Safety and Environmental compliance are not negotiable" - the contractor has had this focus clearly reinforced through the contract documents and this will be strongly reiterated at the subsequent pre-start meeting and imposed during the contract period.

### CREDIT CHECK

10. A credit check on AECOM New Zealand Limited dated 9 July 2009 revealed no adverse information.

### JOB COSTS

11.		<b>excl. GST</b>
	Tender sum - (AECOM New Zealand Limited)	\$55,200.00
	Contingency	<u>Nil</u>
	Total Job Cost	\$55,200.00

### SOURCE OF FUNDING

12. Source of funding is shown in Table 3 below:

Budget Description (from annual budget line item)	Codes (Cost Centre)	Budget	Committed to other projects	Allocation to this project	Unallocated balance	Potential surplus
Geotech Assessment Stormwater Pond Annual Plan 2009/2010 Annual Plan	6880	\$46,000	\$0	\$27,600	\$18,400	\$4,800.00
Geotech Assessment Stormwater Pond Financial year 2010/2011	6880	\$47,380	\$0	\$27,600	\$19,780	\$4,800.00
	<b>Total</b>			\$55,200		\$9,600.00

**Table 3 - Source of Funding**

## IMPLEMENTATION ISSUES

13. Any extension under the contract 'right-of-renewal' provisions will be at the sole discretion of Council's successor, and will also be conditional on the contractor consistently meeting the contract key performance indicators, demonstrating efficiency gains, and maintaining a good working relationship with the Council.
14. This contract approval is retrospective in that the contract schedule is for the period from 1 July 2009. However, the contract is a measure and value contract, and payment will be for work carried out after the contract commencement date of 1 August 2009. No work has or will be commissioned until after the contract commencement date.

## AUCKLAND COUNCIL TRANSITION ISSUES

15. The Local Government (Tamaki Makaurau Reorganisation) Act 2009 imposes restrictions on Waitakere City Council's decision making capabilities in respect of:
  - Section 31(4)(i) - to enter into any contract (other than an employment agreement) - (i) that imposes, or will continue to impose, any obligation on the existing local authority after 30 June 2011; and (ii) the consideration for which is, or is equivalent to, \$20,000 or more.
16. This report is impacted on by section 31 of the Local Government (Tamaki Makaurau Reorganisation) Act 2009, as above. Therefore, this report includes recommendations to ensure compliance with the Local Government (Tamaki Makaurau Reorganisation) Act 2009. The recommendation included is that the Tenders Subcommittee agree that the right of renewal beyond June 2011 be subject to agreement of the Auckland Council.

**Report prepared by:** Richard Taylor, Manager: EcoWater.



## 10 STATE HIGHWAY 18 - WASTEWATER LINE APPROVAL

### GLOSSARY

New Zealand Transport Agency (NZTA)

### EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee for the Council to accept an offer from the New Zealand Transport Agency (NZTA) to construct on behalf of Council, a section of wastewater line across the motorway corridor in the vicinity of Brigham Creek Road, State Highway 18, and to amend the Cost Share Agreement accordingly.

### RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the State Highway 18 - Wastewater Line Approval report.

2. **Approve** that the quotation from the New Zealand Transport Agency for the construction of a section of wastewater line across the motorway corridor in the vicinity of Brigham Creek Road, State Highway 18 in the sum of \$493,321.85 excluding GST be accepted.
3. **Approve** that authority to amend the Cost Share Agreement between Council and the New Zealand Transport Agency to provide for the construction of a wastewater line, as part of the State Highway 18 construction works, be delegated to the Deputy Director: City Services.

## BACKGROUND

1. The servicing for wastewater of Plan Change 14 - Hobsonville Village requires that a gravity wastewater line be constructed across the motorway corridor in the vicinity of Brigham Creek Road to convey wastewater from the new development area to the proposed Watercare Services Limited's wastewater pump station on the opposite (north-western) side of the motorway.
2. The Tenders Subcommittee at its meeting held on 29 May 2009 resolved the following:

*"The Tenders Subcommittee resolved:*

1. **Receive** the State Highway 18 - Proposed Wastewater Line - Approval to Negotiate report.
2. **Approve** that, negotiations proceed with HEB-Smithbridge Limited and or New Zealand Transport Agency for the construction of a proposed section of wastewater line across the motorway corridor in the vicinity of Brigham Creek Road, State Highway 18.
3. **Agree** that the outcome of the negotiations with HEB-Smithbridge Limited and the New Zealand Transport Agency for the construction of a proposed section of wastewater line across the motorway corridor in the vicinity of Brigham Creek Road, State Highway 18 be brought back to the Tenders Subcommittee for approval."

896/2009

3. The timeline for the proposed wastewater line is for completion of the physical works by September 2009.
4. It was decided at a meeting between NZTA, HEB-Smithbridge Limited and Council staff on 2 June 2009, that the work should be carried out as a variation to the main State Highway 16/18 Relocation contract between NZTA and HEB-Smithbridge Limited (rather than a contract between Council and HEB-Smithbridge Limited), as this eliminates the risk exposure to Council of these works causing a delay to the main contract works.

## SCOPE OF WORK

5. The work comprises the laying of approximately 566 metres of 300 millimetres diameter wastewater line across the State Highway 18 motorway corridor in the vicinity of Brigham Creek Road, with associated manholes.

## PROPOSAL RECEIVED

6. A quotation from NZTA for the construction of a section of wastewater line across the motorway corridor in the vicinity of Brigham Creek Road, State Highway 18 has been obtained, and the quotation is summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
New Zealand Transit Authority	Auckland	\$493,321.85
Pre-tender contract estimate (based on most up-to-date tender rate)		\$644,160.00
Budget estimate		\$650,000.00

**Table 1 - Summary of Prices**

7. The lump sum for the work is inclusive of all overhead costs.
8. The lump sum and rates used in determining the sum have been reviewed by an independent quantity surveyor engaged by Council for Northern Strategic Growth Area related projects, and have been confirmed as acceptable.
9. The difference between the budget estimate and the final cost is because the final pipe size is smaller than that allowed for in the budget, and also because the contractor is already mobilized on site resulting in efficiencies.
10. HEB-Smithbridge Limited, are the main contractor on the State Highway 16/18 Relocation project, and they obtained several prices from approved nominated subcontractors in finalising a proposal with NZTA.
11. Setting out, supervision and testing for the work will be carried out by Council using URS New Zealand Limited who designed the pipeline. NZTA and HEB-Smithbridge Limited have agreed to this process.

## CREDIT CHECK

12. A credit check is not required.

## JOB COSTS

13.	<b>excl. GST</b>
Value of NZTA Variation	\$493,321.85
Contingency (not required)	Nil
Engineering & Supervision	\$ 25,000.00
	-----
Total Job Cost	\$518,321.85

## SOURCE OF FUNDING

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

Budget Description (from annual budget line item) 2009/2010	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance	Potential Surplus
NorSGA Capex - Wastewater	8AMEW-07-086	\$730,594.00	\$28,000	\$518,321.85	\$184,272.15	\$156,678.15

**Table 1 - Source of Funding**

## IMPLEMENTATION ISSUES

15. It is proposed that the work be added as an addendum to the Cost Share Agreement between Council and NZTA in order to formalise the NZTA variation agreement between the two parties.

## AUCKLAND COUNCIL TRANSITION ISSUES

16. The decision making proposed in this report is not constrained by section 31 of the Local Government (Tamaki Makaurau Reorganisation) Act 2009, as it does not directly or because of its consequences: significantly prejudice the reorganisation, significantly constraint the powers or capacity of the Auckland Council or any subsidiary of the Auckland Council following the reorganisation, or have a significant negative impact on the assets or liabilities that are transferred to the Auckland Council as a result of the reorganisation.

Report prepared by: Richard Taylor; Manager: Ecowater.



## 11 CONTRACT NO. CW09003A - PROJECT TWIN STREAMS COMMUNITY GOVERNANCE 2009 -2012

### GLOSSARY

Project Twin Streams (PTS)  
Auckland Regional Council (ARC)

### EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. CW09003A - Project Twin Streams Community Governance 2009 - 2012 for two years, with a further right of renewal for a 12 month period until 30 June 2012, which will be subject to confirmation by the Auckland Council.

The two year contract period starts 1 July 2009 and ends 30 June 2011.

This contract is for engaging Community Waitakere on behalf of the Project Twin Streams (PTS) Community Contract Organisations and their wider communities to work with the Council, the Auckland Regional Council (ARC) and iwi to establish a community governance and management structure for PTS post-2012, to increase community capacity to take up opportunities, and to explore and develop external funding opportunities and models to fund PTS work post 2012. A budget was put in place for this purpose by Council during deliberations on the Long Term Council Community Plan 2009-2019.

### RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. CW09003A - Project Twin Streams Community Governance 2009 - 2012 report.
2. **Approve** that the tender from Community Waitakere for Contract No. CW09003A - Project Twin Streams Community Governance 2009 - 2012 in the sum of \$180,000.00 plus \$22,500.00 GST, totalling \$202,500 be accepted for the period 1 July 2009 to 20 June 2011.

3. **Approve** the commitment of \$90,000 excluding GST as provided in the Annual Plan 2009/2010 for Contract No. CW09003A - Project Twin Streams Community Governance 2009 - 2012.
4. **Approve** that authority to enter into Contract No. CW09003A - Project Twin Streams Community Governance 2009 - 2012 for the period 1 July 2009 to 30 June 2011 on behalf of Council be delegated to the Director: Community Wellbeing.
5. **Agree** that the right of renewal for Contract No. CW09003A - Project Twin Streams Community Governance 2009 - 2012 from 1 July 2011 - 30 June 2012 be subject to approval by the Auckland Council.

## BACKGROUND

1. On 11 June 2009 The Long Term Council Community Plan and Annual Plan Committee resolved as follows:

*“The Tenders Subcommittee resolved to:*

1. **Receive** the Project Twin Streams Submission to Progress Community Governance report.
2. **Agree** that after consideration of submissions received, Council funds the five Project Twin Streams Community Contract Organisations for a total of \$90,000 per annum for 2 + 1 years for community governance of Project Twin Streams.”

*1022/2009*

2. From its inception in 2003, the intention of PTS was to develop a community governance structure that sat outside of, but included, Council.
3. Work on future governance of PTS is being progressed by the Council, the Council-ARC Steering Group, and the PTS Community Contract Organisations to continue PTS post-2012. The future work programme will include maintaining the existing 56 kilometres of stream bank restoration as well as extending this work to the remaining 289 kilometres of streams within the PTS catchment.
4. For PTS to flourish beyond 2012 and have an impact on the water quality of the streams in the PTS catchment and the Upper Waitemata Harbour, strong community ownership and leadership will be required.
5. It has been agreed by the PTS Community Contract Organisations for Community Waitakere to hold the contract for PTS Community Governance. Community Waitakere are the contract holder for the PTS Community Contract for Henderson Creek and have a three year partnering agreement and annual work programme with Council to deliver on agreed social and community goals for the City.

## SCOPE OF WORK

6. Using a community development approach Community Waitakere will provide the following services, on behalf of the PTS Community Organisations.
  - Work with the five PTS Community Contract Organisations to design and facilitate community processes to ensure PTS community governance and management structure reflects the views of the PTS community organisations and wider community;

- Work with the Council and the Council-ARC Steering Group to identify and agree options for a community governance and management structure for PTS post 2012;
  - Work with the Council and the five PTS Community Contract Organisations to develop a transition plan to progressively transfer agreed roles and responsibilities to a community governance structure;
  - Develop a programme to build the capacity of the PTS community organisations to take on increased roles and responsibilities for community governance and management;
  - Develop a programme to build the capacity of local residents and groups to continue to participate in PTS and take guardianship of the streams post 2012;
  - Work with the Council, the Council-ARC Steering Group and iwi to identify options for future funding and resources of PTS post 2012. This will include the development and implementation of a funding plan; and
  - Explore and develop income-generating ventures to support the long-term sustainability of PTS.
7. On behalf of the PTS Community Contract Organisation, Community Waitakere will employ a person to undertake the above work. The PTS Community Contract Organisations will collectively agree on the costs required for them to undertake consultation in their own communities regarding the future governance of PTS and to actively participate in the oversight of this project to ensure is represent community interests. Community Waitakere will administer the budget on behalf of the PTS Community Contract Organisations and will be responsible for the delivery of the project deliverables, timeframes and key performance indicators of the contract.
8. The contract includes tangible project deliverables, timeframes and key performance indicators to be measured under the contract.

#### TENDERS RECEIVED

9. Community Waitakere was invited to tender for Contract No.CW09003A - PTS Community Governance for a two year period as shown in Table 1.

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
Community Waitakere	Ratanui Street Henderson	\$180,000
<b>Pre-tender contract estimate</b>		\$180,000

**Table 1 - Summary of Tender Prices**

10. The tender price submitted by Community Waitakere is for the sum of \$180,000 for two years.
11. This sum consists of:
- \$90,000 plus GST for the 2009/2010 financial year; and
  - \$90,000 plus GST for the 2010/2011 financial year.

#### TAGS, ERRORS OR OMISSIONS

12. No tags, errors or omissions were included in the tender.

## TENDER EVALUATION

13. The price submitted by Community Waitakere is consistent with the budget estimate and work programme as outlined in their submission to the Long Term Council Community Plan. This price includes funding for the five PTS Community Contract Organisations to undertake consultation within their communities and to actively participate in the delivery of contract outcomes. The process will maximise the community engagement with residents and community groups to ensure the development and implementation of the PTS community governance and management structure reflects community interests and capacity. This will be a worthwhile investment in the long-term sustainability of PTS. The tender price of \$180,000 is therefore deemed acceptable given the scope of work and is within budget.

## JOB COSTS

14.		<b>excl GST</b>
	Tender sum - (2009/2010) Community Waitakere	\$90,000.00
	Total Job Cost	----- \$90,000.00
	Tender sum - (2010/2011) Community Waitakere	\$90,000.00
	Total Job Cost	----- \$90,000.00

## SOURCE OF FUNDING

15. Source of funding is shown in Table 2.1 - Table 2.3 below:

Budget Description (from Annual Budget line item) Annual Plan 2009/2010	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance
Social Development - Grants & Sponsorships	3470 GL79000	\$183,425	\$93,425	\$90,000	-
	<b>Total</b>	\$183,425	\$93,425	\$90,000	

**Table 2.1 - Funding source Annual Plan 2009/2010**

Budget Description (from Annual Budget line item) 2010/2011 Financial year	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance
Social Development - Grants & Sponsorships	3470 GL79000	\$188,918	\$98,918	\$90,000	-
	<b>Total</b>	\$188,918	\$98,918	\$90,000	-

**Table 2.2 - Funding source 2010/2011 financial year**

## IMPLEMENTATION ISSUES

16. No implementation issues are anticipated from this contract.

## AUCKLAND COUNCIL TRANSITION ISSUES

17. The Local Government (Tamaki Makaurau Reorganisation) Act 2009 imposes restrictions on Waitakere City Council's decision making capabilities in respect of:
  - Section 31(4)(i) - to enter into any contract (other than an employment agreement) - (i) that imposes, or will continue to impose, any obligation on the existing local authority after 30 June 2011; and (ii) the consideration for which is, or is equivalent to, \$20,000 or more.
18. This report is impacted on by section 31 of the Local Government (Tamaki Makaurau Reorganisation) Act 2009, as above. Therefore, this report includes recommendations to ensure compliance with the Local Government (Tamaki Makaurau Reorganisation) Act 2009. The recommendation included is that the Tenders Subcommittee agree that the right of renewal beyond June 2011 be subject to agreement of the Auckland Council.

**Report prepared by:** Jenny Chilcott, Strategic Advisor, Sustainable Catchments.



## 12 CONTRACT NO. EW08021A - CONSULTANT SUPPORT FOR INFILTRATION AND INFLOW AND PEAK FLOW REDUCTION PROGRAMMES 2008/2009 - APPROVAL TO EXTEND

### GLOSSARY

Gillespie Consultants Limited (GCL)

### EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to extend Contract No. EW08021A - Consultant Support for Infiltration and Inflow and Peak Flow Reduction Programmes 2008/2009 to 30 June 2010.

This contract expired on 30 June 2009. To ensure business continuity a variation to the contract was signed by the Group Manager: Project Services on 1 July 2009 to cover the interim period until 31 July 2009.

### RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. EW08021A - Consultant Support For Infiltration And Inflow And Peak Flow Reduction Programmes 2008/009 - Approval To Extend report.
2. **Approve** that the Contract No. EW08021A - Consultant Support for Infiltration and Inflow and Peak Flow Reduction Programmes 2008/2009 as awarded to Gillespie Consultants Limited be extended in the sum of \$741,120.00 excluding GST for the period 27 July 2009 to 30 June 2010.

3. **Approve** that authority to extend Contract No. EW08021A - Consultant Support for Infiltration and Inflow and Peak Flow Reduction Programmes 2008/2009 for the period 27 July 2009 to 30 June 2010 on behalf of the Council be delegated to the Group Manager: Project Services.

## BACKGROUND

1. This contract forms part of Council's Infiltration and Inflow Control Programme as provided for in the Annual Plan 2009/2010. The contract expired on 30 June 2009 and was extended by way of a variation signed by the Group Manager: Project Services until 31 July 2009.
2. The Council approved the award of Contract No. EW08021A - Consultant Support for Infiltration and Inflow and Peak Flow Reduction Programmes 2008/2009 to Gillespie Consultants Limited (GCL) at a Tenders Subcommittee meeting held on 13 June 2008 with the following resolutions:

*“The Tenders Subcommittee resolved to:*

1. **Receive** the Contract No. EW08021A - Consultant Support for Infiltration and Inflow and Peak Flow Reduction Programmes 2008/2009 report.
2. **Approve** that the tender from Gillespie Consultants Limited for Contract No. EW08021A - Consultant Support for Infiltration and Inflow and Peak Flow Reduction Programmes 2008/2009 in the sum of \$520,600 plus \$65,075 GST, totalling \$585,675 be accepted.
3. **Approve** the commitment of \$520,600 plus \$65,075 GST, totalling \$585,675 to the Annual Plan 2008/2009 for Contract No. EW08021A - Consultant Support for Infiltration and Inflow and Peak Flow Reduction Programmes 2008/2009.
4. **Approve** that authority to enter into Contract No. EW080021A - Consultant Support for Infiltration and Inflow and Peak Flow Reduction Programmes 2008/2009 on behalf of the Council be delegated to the Group Manager: Project Services.
5. **Agree** that authority to extend Contract No. EW08021A - Consultant Support for Infiltration and Inflow and Peak Flow Reduction Programmes beyond June 2009 on an annual basis until 30 June 2011 be reported back to Tenders Subcommittee for approval.”

959/2008

## DECISION MAKING

3. The original contract was subject to an approved appointment process as evidenced above under Background.
4. Revisions to all funding tables for this contract are in line with revised contract periods.
5. The extension was valued using existing contract rates as GCL has agreed to continue with the previous contract prices for all existing items. These rates were compared with rates received recently in other contracts and as they compared very favourably it is considered most beneficial to Council to extend the contract for a further 11 months.

6. The total contract sum increase is due to additional briefed work resulting in an increase in the quantity of work required. In the proposed contract there is one new line item specifically covering further testing, report preparation and advice to property owners for illegal stormwater connections. This work was previously completed under another Ecowater contract in 2008/2009.
7. There is an increase in design and investigation work due to the inclusion by Ecowater of the sewer renewal and upgrade programmes including Northern Regional Strategic Growth Area and the New Lynn Transit Oriented Development projects. This has been reflected in quantity increases for GCL engineering and technical staff.
8. In April 2008, the Infiltration and Inflow Wastewater Drainage engineer from Ecowater resigned and approximately 80% of the Infiltration and Inflow Control Programme was reassigned to the Infiltration and Inflow team from Project Services. This has resulted in an increased demand being placed upon this contract.
9. The contract price is within the allocated budget in the Annual Plan 2009/2010.
10. The total accumulation of this contract and contract extensions approved, and now sought, showing the cost of the contract sum to date are shown in Table 1 below:

2008/2009	Original Contract Sum	\$520,600.00
2008/2009	Extension 1 (Variations)	\$146,135.00
2009/2010	Extension 2	\$741,120.00
	Total	\$1,407,855.00

**Table 1 - Total Accumulative Amount**

11. GCL has confirmed in writing that they are willing to carry out the contract for a further 11 months.

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

12. GCL's experience, team approach, site specific knowledge and public relations records are of the highest standard.
13. An evaluation of GCL's performance to date contains the following features:
  - During the course of the contractor relationship with the Council, there have been no performance related issues;
  - The rationale for extension provides an ability for the Council to retain institutional knowledge over the period of transition, and to ensure certainty of service delivery over the period of transition;
  - They have developed a good working relationship with relevant Council staff;
  - They are a well resourced company;
  - They respond quickly to customer complaints;
  - They have a strong focus on health and safety; and
  - Their workmanship is always to a very good standard.

#### **CREDIT CHECK**

14. A credit check on GCL dated 24 June 2009 revealed no adverse information.

## JOB COSTS

15.		<b>excl. GST</b>
	Contract Sum (11 Months) Gillespie Consultants Limited	\$741,120.00
	Contingency	\$ 74,112.00
	Engineering & Supervision	<u>\$ 74,112.00</u>
	Total Job Cost	\$889,344.00

## SOURCE OF FUNDING

16. Source of funding is shown in Table 2 below:

Budget Description (from Annual Budget line item) Annual Plan 2009/2010	Codes	Budget	Committed to other Projects	Allocation to this Project	Unallocated Balance	Potential Surplus
Peak Flow Capacity Programme	8AMEW-07-073	398,000	0.00	398,000	0.00	0.00
Wastewater Renewals I & I Programme	8AMEW-10-027	1,916,000	0.00	391,344	1,524,656	0.00
Preparation of Future Works	8AMEW-07-071	120,000	0.00	100,000	20,000	0.00
<b>TOTAL</b>		<b>2,434,000</b>	<b>0.00</b>	<b>889,344</b>	<b>1,544,656</b>	<b>0.00</b>

**Table 2 - Source of Funding**

## IMPLEMENTATION ISSUES

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

## AUCKLAND COUNCIL TRANSITION ISSUES

18. The decision making proposed in this report is not constrained by section 31 of the Local Government (Tamaki Makaurau Reorganisation) Act 2009, as it does not directly or because of its consequences: significantly prejudice the reorganisation, significantly constrain the powers or capacity of the Auckland Council or any subsidiary of the Auckland Council following the reorganisation, or have a significant negative impact on the assets or liabilities that are transferred to the Auckland Council as a result of the reorganisation.

**Reported prepared by:** Sharon James, Project Manager: Water Projects.



13 **CONTRACT NO. TA09001A - ROAD ASSESSMENT MAINTENANCE MANAGEMENT PROFESSIONAL SERVICES 2009 - 2012 - APPROVAL TO AWARD**

**GLOSSARY**

Road Assessment Maintenance Management	(RAMM)
New Zealand Transport Agency	(NZTA)
OPUS International Limited	(OPUS)
Montgomery Watson Harza Limited	(MWH)

**EXECUTIVE SUMMARY**

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. TA09001A - Road Assessment Maintenance Management (RAMM) Professional Services 2009 - 2012.

The contract period starts 1 July 2009 and ends 30 June 2012, and may be extended to 30 June 2014.

**RECOMMENDATIONS**

It is recommended that Tenders Subcommittee resolve to:

1. **Receive** the Contract No. TA09001A - Road Assessment Maintenance Management Professional Services 2009 - 2012 - Approval To Award report.
2. **Approve** that the tender from OPUS International Limited for Contract No. TA09001A - Road Assessment Maintenance Management Professional Services 2009 - 2012 in the sum of \$616,452.70 plus \$77,056.59 GST, totalling \$693,509.29 from 1 July 2009 to 30 June 2012 be accepted.
3. **Approve** the commitment of \$217,439.00 excluding GST for the 2010/2011 financial year for Contract No. TA09001A - Road Assessment Maintenance Management Professional Services 2009 - 2012.
4. **Approve** the commitment of \$186,520.70 excluding GST for the 2011/2012 financial year for Contract No. TA09001A - Road Assessment Maintenance Management Professional Services 2009 - 2012.
5. **Approve** that authority to enter into Contract No. TA09001A - Road Assessment Maintenance Management Professional Services 2009 - 2012 be delegated to the Deputy Director: City Services.
6. **Agree** that authority to extend Contract No. TA09001A - Road Assessment Maintenance Management Professional Services 2009 - 2012 beyond 30 June 2012 for a further one plus one year until 30 June 2014, subject to contractor's performance and availability of funding, be brought back to the Auckland Council for approval.
7. **Agree** that the resolutions 2-6 above for Contract No. TA09001A - Road Assessment Maintenance Management Professional Services 2009 - 2012 be subject to confirmation by the Auckland Transition Agency.

## BACKGROUND

1. Council owns a RAMM database which contains information about Council's roading assets. A consultant was engaged previously to manage and maintain the database and carry out further surveys to update existing assets and include information about any new assets. As the previous contract has now expired, a new consultant is required to manage and maintain the existing database and carry out further surveys to capture new data for assets not included in the database.
2. The existing RAMM Professional Services contract expired on 30 June 2009.
3. The Council approved to publicly call for tenders for Contract No. TA09001A - Road Assessment Maintenance Management Professional Services 2009 - 2012, at the Tender Subcommittee held on 13 March 2009, where it was resolved as follows:

*“The Tenders Subcommittee resolved to:*

2. ***Approve** to publicly call for tenders for Contract No. TA09001A- Road Assessment Maintenance Management (RAMM) Professional Services for a three (3) year period on the basis of thirty six (36) months with extensions of one (1) year plus one (1) year subject to the performance of the contractor, and the availability of funding and at the sole discretion of Council.*
3. ***Agree** that the results of the tender evaluation process for Contract No. TA09001A - Road Assessment Maintenance Management (RAMM) Professional Services be reported back to the Tenders Subcommittee.”*

*357/2009*

4. Funding was approved by the Council in the Long Term Council Community Plan 2009-2019 for this work.

## SCOPE OF WORK

5. The scope of work for this contract is outlined below:
  - Management and maintenance of the RAMM database via the CJN Technologies Limited hosting service;
  - Annual database updating of new inventory, such as, new sub-divisional roads, shape corrections, seal extensions, reseals, road widening, and safety improvements;
  - Carrying out new surveys for selected tables in the database;
  - Input data from Council's other data providers or their representative;
  - Collection and inputting of visual footpath rating surveys;
  - Carrying out surveys to validate the existing data contained in RAMM, such as unsealed road and cesspit cover;
  - Undertake independent field audits on data supplied by other consultants and contractors;
  - Annual inventory updates as a result of maintenance works;
  - Carry out bridge inspection and condition rating;
  - Provision of database interrogation and supply of customer data at Council's discretion;
  - Set up RAMM Asset Valuation modulus;

- Coordinate to supply data required by Deighton Total Infrastructure Management Software consultant; and
- Provision of Informix ACE reports, SQL and other RAMM supported formats at the clients discretion to maximize the use of the RAMM system.

### TENDERS RECEIVED

6. Tenders were publicly advertised on Tenderlink with 20 sets of documents being downloaded. Two tenders were received by the closing date of 26 May 2009. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
OPUS International Limited (OPUS)	Premier Building, 1-3 Broadway, Papakura	\$560,411.60
Montgomery Watson Harza Limited (MWH)	600 Great South Road, Greenlane.	\$648,937.50
Pre-tender contract estimate (based on most up-to-date tender rate)		\$563,550.00

**Table 1 - Summary of Tender Prices**

### TAGS, ERRORS OR OMISSIONS

7. The tender from OPUS had tags and omissions. OPUS withdrew the tags and provided clarification.
8. There were no other tags, errors or omissions in the other tenders.

### TENDER EVALUATION

9. In accordance with the conditions of tendering, tenders were evaluated in line with the Weighted Attribute Method contained in New Zealand Transport Agency's (NZTA) "Competitive Pricing Procedures Manual".
10. 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.
11. In this contract the value of Provisional Sums is \$68,000.
12. A summary of the evaluation results is shown in Table 2:

Tender Evaluation	Attributes	Exp.	Track Record	Tech Skill	Manage. Skill	Method.	Price	Total Weights
	Weights	20	20	15	15	10	20	100
Tenderer	Tender Sum excluding Provisional Items	Grades						INDEX
OPUS	\$492,411.60	75	78	85	83	80	51	74
MWH	\$580,937.50	85	80	85	83	80	35	73
Engineer's Estimate	\$495,550.00							

**Table 2 - Summary of Tender Evaluation**

13. Scores for the non-price attributes were determined on the basis of information provided in each tender, on the information gathered from the referees nominated by the tenderers and on any recent Council and NZTA experience with the tenderers.
14. The results of the tender evaluation as summarised in Table 2 shows that the tender submitted by OPUS achieved the highest index of 74. This tender is also the lowest priced tender.
15. OPUS has previously provided RAMM professional to Council and they have demonstrated that they have the necessary expertise and resources to satisfactorily carry out the works.
16. The lowest tender is 0.6% less than the pre-tender contract estimate.
17. As part of Council's contracting process "Quality, Health and Safety and Environmental compliance are not negotiable" - all contractors have had this focus clearly reinforced through the contract documents and this will be strongly reiterated at the subsequent pre-start meeting; and imposed during the contract period.

#### CREDIT CHECK

18. A credit check on OPUS dated 5 June 2009 revealed no adverse information.

#### JOB COSTS

19.
 

	<b>excl. GST</b>
Tender sum - OPUS	\$560,411.60
Contingency	\$ 56,041.10
	-----
Total Job Cost	\$616,452.70
20. Table 3 provides of the break down of the job cost:

Financial Year	Tender Sum	Contingency	Total
2009/2010	\$193,175.50	\$19,317.55	\$212,493.00
2010/2011	\$197,671.80	\$19,767.20	\$217,439.00
2011/2012	\$169,564.30	\$16,956.40	\$186,520.70
<b>Total</b>	\$560,411.60	\$56,041.00	\$616,452.70

**Table 3 - Summary of Job Cost**

#### SOURCE OF FUNDING

21. This contract includes condition rating for road assets; different assets require different frequency of rating, thus the tender sum varies for each year.

22. Source of funding is shown in Tables 4 to 6 below:

Budget Description (from annual budget line item) Annual Plan 2009/2010	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance	Potential Surplus
RAMM Database	6060	\$140,000	\$0	\$140,000	\$0	\$0
Bridge Condition	6090	\$25,000	\$0	\$25,000	\$0	\$0
Sign/Marking Database	6110	\$39,000	\$0	\$39,000	\$0	\$0
Asset Management	5770	\$104,000	\$0	\$8,493	\$95,507	\$0
	<b>Total</b>	<b>\$308,000</b>		<b>\$212,493</b>	<b>\$95,507</b>	

**Table 4 - Source of Funding - 2009/2010**

Budget Description (from annual budget line item) 2010/2011 Financial Year	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance	Potential Surplus
RAMM Database	6060	\$144,060	\$0	\$144,060	\$0	\$0
Bridge Condition	6090	\$25,725	\$0	\$25,725	\$0	\$0
Sign/Marking Database	6110	\$40,131	\$0	\$40,131	\$0	\$0
Asset Management	5770	\$107,016	\$0	\$7,523	\$99,493	\$0
	<b>Total</b>	<b>\$316,932</b>		<b>\$217,439</b>	<b>\$99,493</b>	

**Table 5 - Source of Funding - 2010/2011**

Budget Description (from annual budget line item) 2011/2012 Financial Year	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance	Potential Surplus
RAMM Database	6060	\$148,232	\$0	\$148,212	\$0	\$0
Sign/Marking Database	6110	\$41,293	\$0	\$38,308.70	\$2,984.30	\$2,984
Bridge Condition	6090	\$26,470	\$0	\$0	\$26,470	\$26,470
	<b>Total</b>	<b>\$215,995</b>		<b>\$186,520.70</b>	<b>\$2,984.30</b>	<b>\$29,454</b>

**Table 6 - Source of Funding - 2011/2012**

### IMPLEMENTATION ISSUES

23. Should the Auckland Transition Agency not agree to award the contract for an initial three year period (2009-2012), the Council will have the option of entering into a negotiation process with OPUS with a view to reducing the contract period. Alternatively, the Council would need to cancel the tender process and re-tender for a shorter term.

### AUCKLAND COUNCIL TRANSITION ISSUES

24. The Local Government (Tamaki Makaurau Reorganisation) Act 2009 imposes restrictions on Waitakere City Council's decision making capabilities in respect of:

- Section 31(4)(i) - to enter into any contract (other than an employment agreement) - (i) that imposes, or will continue to impose, any obligation on the existing local authority after 30 June 2011; and (ii) the consideration for which is, or is equivalent to, \$20,000 or more.

25. This report is impacted on by section 31 of Local Government (Tamaki Makaurau Reorganisation) Act 2009, as above. Therefore this report includes recommendations to ensure compliance with the Local Government (Tamaki Makaurau Reorganisation) Act 2009. The recommendation included is that the Tenders Subcommittee agree that the contract be approved by the Auckland Transition Authority and agree that the right of renewal beyond June 2012 be subject to agreement of the Auckland Council.

**Report prepared by:** Jinjiang Zhong, Transport Engineer.



14 **CONTRACT NO. PK03600C - CITYWIDE GRAFFITI MANAGEMENT - APPROVAL TO EXTEND**

**GLOSSARY**

Waitakere Tag Out Trust (TOT)

**EXECUTIVE SUMMARY**

The purpose of this report is to seek approval from the Tenders Subcommittee to extend Contract No. PK03600C - Citywide Graffiti Management from 1 July 2010 to 30 June 2011.

**RECOMMENDATIONS**

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. PK03600C - Citywide Graffiti Management - Approval To Extend report.
2. **Approve** that Contract No. PK03600C - Citywide Graffiti Management as awarded to Waitakere Tag Out Trust be extended in the sum of \$945,427.00 excluding GST for the period of 1 July 2010 to 30 June 2011.
3. **Approve** the commitment of \$945,427.00 excluding GST and any escalations to the 2010/2011 financial year for Contract No. PK03600C - Citywide Graffiti Management.
4. **Approve** that authority to extend Contract No. PK03600C - Citywide Graffiti Management for the period 1 July 2010 to 30 June 2011 on behalf of the Council be delegated to the Deputy Group Manager: Assets.

**BACKGROUND**

1. The contract forms part of the Council's Citywide graffiti management programme. The purpose of the contract is to implement the Graffiti Control Strategy established in 1999. The objectives of that strategy are:
  - To significantly reduce the incidence of graffiti within Waitakere;
  - To reduce the number of complaints or establish a 'no complaints' target;
  - Establish and run a successful Tag Free Programme for recidivist taggers;
  - Establish and run a successful Community Service for reducing re-offending; and
  - Communicate with Police to catch and charge repeat taggers.

2. The contract has focussed on two elements: prevention and removal. The extent of work performed by the Waitakere Tag Out Trust (TOT) has included:
  - Youth education;
  - Community Service programmes;
  - Community awareness;
  - Self-help removal assistance for residents and business;
  - Adopt a Spot volunteer scheme; and
  - The employment of six operators for the quick removal of tagging.
3. The scope has increased over the past year with the addition of the new Council building, relocation and the increase and change in the layout of the Japanese garden and upgrades to the civic areas in New Lynn and Henderson. Although these areas were managed previously within the contract, the volume and extent of works now required to treat these areas has increased.
4. The requirements of this contract involve two elements:
  - (i) Prevention - visits to schools, graffiti ranger education programmes adopt a spot, self help programmes.
  - (ii) Removal - the works include the supply of all management, supervision, labour materials, plans and incidental requirements necessary to maintain the following areas and assets in a clean and graffiti free condition:
    - Major commercial centres;
    - Minor commercial centres;
    - Major arterial routes;
    - Parks, including clubrooms;
    - Waikumete Cemetery;
    - Toilets;
    - Bus shelters;
    - Street lights and traffic poles;
    - City entry signs; and
    - Art work.
5. The contract is a continuation of Council's graffiti removal and prevention programme for all neighbourhood / local parks, civic and streetscape areas throughout the four wards of Waitakere. The works are required to maintain a clean and graffiti free condition throughout Waitakere.
6. Negotiations have been ongoing between the TOT and the Parks Section of Council on a revised submitted price for the management of existing contract requirements and for the graffiti management of a number of new assets and areas.
7. The TOT were awarded Contract No. PK03600C - Citywide Graffiti Management for a term of two years from 1 July 2003 to 30 June 2005 for an annual sum of \$450,000, totalling \$900,000.
8. The Council approved the award of Contract No. PK03600C - Citywide Graffiti Management at a Tenders Subcommittee meeting held on 8 June 2007. It was resolved as follows:

*"1. That the Contract No. PK03600C - Citywide Graffiti Management - be received.*

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

1013/2007

9. A three month extension to the contract was approved and extended the contract to 30 September 2008 to enable the negotiation of the new contract works and confirmation of a new price.
10. The Council approved the extension of Contract No. PK03600C - Citywide Graffiti Management to TOT at a Tenders Subcommittee meeting held on 31 October 2008, where it was resolved:

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

1791/2008

## DECISION MAKING

11. Contract No. PK03600C - Citywide Graffiti Management is a 24 month contract with provision for 12 months, plus one 12 month, plus one 12 month extension based on the satisfactory performance of the contractor.
12. TOT has confirmed in writing that they are willing to carry out the contract for the proposed extension periods until 30 June 2011.
13. TOT has been awarded this contract following the establishment of a Partnering Agreement between Council and the TOT. The basis of this agreement was to enable Council to implement the Graffiti Control Strategy more cost-effectively through a mix of community and other initiatives.
14. The TOT engages the services of other, limited, service providers to ensure coverage of all graffiti services.
15. In order to limit potential disruption to our customers during the transition period into the new Auckland Council it is proposed that Parks term maintenance contracts be considered for extension on the basis that there will be:
  - A retention of the institutional knowledge over the period of transition; and
  - A certainty of service delivery over the period of transition.
16. Cost escalation will be considered on an annual basis.
17. This report has been subject to an independent internal audit process to ensure appropriate process has been followed in contractor selection and contract negotiation.

## CONTRACTOR'S PERFORMANCE

18. An evaluation of TOT performance to date contains the following features:
- They have developed a good working relationship with relevant Council staff;
  - They are a well resourced company;
  - They respond quickly to customer complaints;
  - They have a strong focus on health and safety and have demonstrated ongoing compliance to health and safety requirements; and
  - Their workmanship is generally to a very good standard;

## CREDIT CHECK

19. A credit check on TOT dated 30 April 2009 revealed no adverse information.

## JOB COSTS

20.		<b>excl. GST</b>
	Contract sum (12 months 2010/2011) - TOT	\$945,427.00
		-----
	Total Job Cost	\$945,427.00

## SOURCE OF FUNDING

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

Budget Description (from annual budget line item) 2010/2011 Financial Year	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance	Potential surplus
Citywide Graffiti Management	5400	\$945,427.00	\$0	\$945,427.00	\$0	\$0
	<b>Total</b>	\$945,427.00	\$0	\$945,427.00	\$0	\$0

**Table 1 - Source of Funding**

## IMPLEMENTATION ISSUES

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

## AUCKLAND COUNCIL TRANSITION ISSUES

23. The decision making proposed in this report is not constrained by section 31 of the Local Government (Tamaki Makaurau Reorganisation) Act 2009, as it does not directly or because of its consequences; significantly prejudice the organisation, significantly constrain the powers or capacity of the Auckland Council or any subsidiary of the Auckland Council following reorganisation, or have a significant negative impact on the assets or liabilities that are transferred to the Auckland Council as a result of the reorganisation.

**Report prepared by:** Gill Thurlow, Parks Contract Officer: Parks Assets.



15 **CONTRACT NO. PK05004A - PARK LANDSCAPE PROGRAMMED MAINTENANCE - APPROVAL TO EXTEND**

**GLOSSARY**

Bilfinger Berger (New Zealand) Limited (BBS)

**EXECUTIVE SUMMARY**

The purpose of this report is to seek approval from the Tenders Subcommittee to extend Contract No. PK05004A - Park Landscape Programmed Maintenance for 24 months, from 1 July 2009 to 30 June 2011.

This contract expired on 30 June 2009. A letter was sent to the contractor seeking agreement that business continue as usual. This was agreed to and a variation to the contract was signed by the Chief Executive Officer on 10 July 2009 to cover the interim period.

**RECOMMENDATIONS**

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. PK05004A - Park Landscape Programmed Maintenance - Approval To Extend report.
2. **Approve** that Contract No. PK05004A - Park Landscape Programmed Maintenance as awarded to Bilfinger Berger (New Zealand) Limited be extended in the sum of \$6,251,212.00 excluding GST for the period 1 July 2009 to 30 June 2011.
3. **Approve** the commitment of \$3,125,606.00 excluding GST and any escalations to the 2010/2011 financial year for Contract No. PK05004A - Park Landscape Programmed Maintenance.
4. **Approve** that authority to extend Contract No. PK05004A - Park Landscape Programmed Maintenance for the period 1 July 2009 to 30 June 2011 on behalf of the Council be delegated to the Deputy Group Manager: Assets.

**BACKGROUND**

1. The scope of work includes:
  - Berm and park turf mowing;
  - Street and park garden maintenance and associated issues;
  - Litter and rubbish collection;
  - Sweeping / cleaning of courts / paths;
  - Car park and driveway maintenance;
  - Cleaning toilets, changing rooms and other specified buildings;
  - Locking of specified facilities;
  - Beachfront programmed maintenance; and
  - Roadside flail mowing.
2. All other response and non-programmed work is undertaken by a separate response contractor.
3. This contract is a continuation of Council's routine landscape maintenance of all neighbourhood / local parks, civic and streetscape areas throughout the four wards of Waitakere. The works are required in order to ensure the continued health, safety and general integrity of the City's landscape asset.

4. The Council approved the award of Contract No. PK05004A - Park Landscape Programmed Maintenance to Techscape Limited at a Tenders Subcommittee meeting held on 29 April 2005 where it was resolved:

- “1. That the Contract No PK05004A - Park Landscape Programmed Maintenance report be received.
2. That the tender from Techscape Limited for Contract No PK05004A - Park Landscape Programmed Maintenance for the period 2005/2006 - 2007/2008 in the sum of \$7,435,712.04 plus \$929,464.01 GST, totalling \$8,365,176.05 be accepted.
3. That the commitment to the financial year 2005/2006 for Contract No PK05004A - Park Landscape Programmed Maintenance totalling \$2,668,249 plus GST be approved.
4. That the commitment to the financial year 2006/2007 for Contract No PK05004A - Park Landscape Programmed Maintenance totalling \$2,668,249 plus GST be approved.
5. That the commitment to the financial year 2007/2008 for Contract No PK05004A - Park Landscape Programmed Maintenance totalling \$2,668,249 plus GST be approved.
6. That authority to enter into Contract No PK05004A - Park Landscape Programmed Maintenance on behalf of Council be delegated to Group Manager: Asset Management.”

676/2005

5. The Council approved the extension of Contract No. PK05004A - Park Landscape Programmed Maintenance to Bilfinger Berger (New Zealand) Limited (BBS) at a Tenders Subcommittee meeting held on 8 June 2007 where is was resolved:

- “1. That the Contract No. PK05004A - Landscape Programmed Maintenance - Extension to Contract Sum report be received.
2. That the contract sum for Contract No. PK05004A - Landscape Programmed Maintenance to Eco City Services (Techscape Limited) be increased to \$3,097,496.62 plus \$387,187.08 totalling \$3,484,683.69 for 2007/2008.
3. That the commitment to the 2007/2008 financial year for Contract No. PK05004A - Landscape Programmed Maintenance in the sum of \$3,271,500.00 plus \$408,937.50 GST totalling \$3,680,437.50 be approved.
4. That the authority to extend Contract No. PK05004A - Landscape Programmed Maintenance, as in recommendation 2 above, be delegated to the Group Manager: Asset Management.”

1014/2007

6. The Council approved the extension of Contract No. PK05004A - Park Landscape Programmed Maintenance to BBS at a Tenders Subcommittee meeting held on 27 June 2008 where it was resolved:

“The Tenders Subcommittee resolved to:

1. **Receive** the Contract No. PK05004A - Landscape Programmed Maintenance - Approval to Extend report.
2. **Approve** that the Contract No. PK05004A - Landscape Programmed Maintenance as awarded to Bilfinger Berger Services Limited be extended in the sum of \$1,840,925.50 excluding GST for the period 1 July 2008 to 31 December 2008.

3. **Approve** the commitment of \$1,840,925.50 to the 2008/2009 draft Annual Plan for Contract No. PK05004A - Landscape Programmed Maintenance.
  4. **Agree** that the Contract No. PK05004A - Landscape Programmed Maintenance as awarded to Bilfinger Berger Services - Limited be extended for the period 1 July 2008 to 31 December 2008.
  5. **Agree** that the extension to Contract No. PK05004A - Landscape Programmed Maintenance for a further six (6) months plus one (1) plus one (1) years for 2009/2010 and 2010/2011 be brought back to Tenders Subcommittee during December 2008 period for approval subject to funding availability and the results of the contractor's performance.
  6. **Approve** that the authority to enter into Contract No. PK05004A - Landscape Programmed Maintenance for the period 1 July 2008 to 31 December 2008 on behalf of Council be delegated to the Group Manager: Asset Management.”  
994/2008
7. The Council approved the extension of Contract No. PK05004A - Park Landscape Programmed Maintenance to BBS at a Tenders Subcommittee meeting held on 19 December 2008 where it was resolved:

*“The Tenders Subcommittee resolved to:*

1. **Receive** the Contract No. PK05004A - Landscape Programmed Maintenance -Approval To Extend report.
2. **Approve** that the Contract No. PK05004A - Landscape Programmed Maintenance as awarded to Bilfinger Berger Services Limited be extended in the sum of \$1,840,925.50 excluding GST for the period 1 January 2009 to 30 June 2009.
3. **Agree** that the extension to Contract No. PK05004A - Landscape Programmed Maintenance for a further six months be brought back to the Tenders Subcommittee during June 2009 period for approval subject to funding availability and the results of the contractor's performance.
4. **Approve** that the authority to enter into Contract No. PK05004A - Landscape Programmed Maintenance for the period 1 January 2009 to 30 June 2009 on behalf of Council be delegated to the Deputy Director: City Services.”  
2164/2008

## DECISION MAKING

8. Contract No. PK05004A - Park Landscape Programmed Maintenance is a 12 month contract with provision for up to two 24 month extensions based on the satisfactory performance of the contractor.
9. BBS has confirmed in writing that they are willing to carry out the contract for the proposed extension periods until 30 June 2011.
10. In order to limit potential disruption to our customers during the transition period into the new Auckland Council it is proposed that Parks term maintenance contracts be considered for extension on the basis that there will be:
  - A retention of the institutional knowledge over the period of transition; and
  - A certainty of service delivery over the period of transition.
11. Cost escalation will be considered on an annual basis.

12. This report has been subject to an independent internal audit process to ensure appropriate process has been followed in contractor selection and contract negotiation.

### CONTRACTOR'S PERFORMANCE

13. An evaluation of BBS performance to date contains the following features:
- They have developed a good working relationship with relevant Council staff;
  - They are a well resourced company;
  - They respond quickly to customer complaints;
  - They have a strong focus on health and safety and have demonstrated ongoing compliance to health and safety requirements;
  - Their workmanship is generally to a good standard;
  - They have demonstrated improvements in performance; and
  - They have demonstrated improved performance in customer services.

### CREDIT CHECK

14. A credit check on BBS dated 27 April 2009 revealed no adverse information.

### JOB COSTS

15.		<b>excl. GST</b>
	Contract sum (12 months 2009/2010) - BBS	\$3,125,606.00
		-----
	Total Job Cost	\$3,125,606.00
		<b>excl. GST</b>
	Contract sum (12 months 2010/2011) - BBS	\$3,125,606.00
		-----
	Total Job Cost	\$3,125,606.00

### SOURCE OF FUNDING

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

Budget Description (from annual budget line item) Annual Plan 2009/2010	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance	Potential surplus
Sports Facilities Maintenance	5340	\$346,000	\$343,000	\$3,000	\$0	\$0
Fixtures and Furniture Maintenance	5330	\$562,000	\$452,000	\$110,000	\$0	\$0
Litter Control	5360	\$539,000	\$190,000	\$349,000	\$0	\$0
Passive Grass Maintenance	5320	\$1,628,000	\$620,894	\$1,007,106	\$0	\$0
Planting Maintenance	5290	\$1,255,000	\$525,000	\$730,000	\$0	\$0
Structure Maintenance	5210	\$134,000	\$87,500	\$46,500	\$0	\$0
Building Maintenance	5160	\$813,000	\$495,000	\$318,000	\$0	\$0
Car park and Driveways Maintenance	5240	\$179,000	\$151,000	\$28,000	\$0	\$0
Services Maintenance	5220	\$396,000	\$342,000	\$54,000	\$0	\$0
Paths Tracks and Walkway Maintenance	5260	\$213,000	\$166,000	\$47,000	\$0	\$0

Budget Description (from annual budget line item) Annual Plan 2009/2010	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance	Potential surplus
Flail Mowing (Subsidied)	5500	\$171,000	\$61,000	\$110,000	\$0	\$0
Planting Upgrades	8AMPK- 09-007	\$150,000	\$9,000	\$141,000	\$0	\$0
<b>Totals</b>		<b>\$6,040,000</b>	<b>\$2,914,394</b>	<b>\$3,125,606</b>	<b>\$0</b>	<b>\$0</b>

**Table 1 - Source of Funding**

17. Source of funding is shown in Table 2 below:

Budget Description (from annual budget line item) 2010/2011 Financial Year	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance	Potential surplus
Sports Facilities Maintenance	5340	\$356,726	\$353,726	\$3,000	\$0	\$0
Fixtures and Furniture Maintenance	5330	\$605,197	\$419,187	\$110,000	\$0	\$0
Litter Control	5360	\$567,050	\$218,050	\$349,000	\$0	\$0
Passive Grass Maintenance	5320	\$1,699,088	\$509,982	\$1,189,106	\$0	\$0
Planting Maintenance	5290	\$1,331,021	\$601,021	\$730,000	\$0	\$0
Structure Maintenance	5210	\$148,464	\$101,964	\$46,500	\$0	\$0
Building Maintenance	5160	\$846,451	\$528,451	\$318,000	\$0	\$0
Car park and Driveways Maintenance	5240	\$190,735	\$162,735	\$28,000	\$0	\$0
Services Maintenance	5220	\$419,617	\$365,617	\$54,000	\$0	\$0
Paths Tracks and Walkway Maintenance	5260	\$220,634	\$173,634	\$47,000	\$0	\$0
Flail Mowing (Subsidied)	5500	\$182,487	\$72,487	\$110,000	\$0	\$0
Planting Upgrades	8AMPK- 10-007	\$154,650	\$13,650	\$141,000	\$0	\$0
<b>Totals</b>		<b>\$6,722,120</b>	<b>\$3,596,514</b>	<b>\$3,125,606</b>	<b>\$0</b>	<b>\$0</b>

**Table 2 - Source of Funding**

### IMPLEMENTATION ISSUES

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

### AUCKLAND COUNCIL TRANSITION ISSUES

19. The decision making proposed in this report is not constrained by section 31 of the Local Government (Tamaki Makaurau Reorganisation) Act 2009, as it does not directly or because of its consequences; significantly prejudice the organisation, significantly constrain the powers or capacity of the Auckland Council or any subsidiary of the Auckland Council following reorganisation, or have a significant negative impact on the assets or liabilities that are transferred to the Auckland Council as a result of the reorganisation.

**Report prepared by:** Roscoe Webb, Team Leader Parks Assets, Operations and Contracts.



16 **CONTRACT NO. PK07003A - CITYWIDE PLAY FACILITIES MAINTENANCE AND RENEWALS - APPROVAL TO EXTEND**

**GLOSSARY**

Parks and Maintenance Services Limited (PMS)

**EXECUTIVE SUMMARY**

The purpose of this report is to seek approval from the Tenders Subcommittee to extend Contract No. PK07003A - Citywide Play Facilities Maintenance for 24 months, from 1 July 2009 to 30 June 2011, with a right of renewal for one 12 month period subject to confirmation by the Auckland Council.

This contract expired on 30 June 2009. A letter was sent to the contractor seeking agreement that business continue as usual. This was agreed to and a variation to the contract was signed by the Chief Executive Officer on 10 July 2009 to cover the interim period.

**RECOMMENDATIONS**

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. PK07003A - Citywide Play Facilities Maintenance And Renewals - Approval To Extend report.
2. **Approve** that the Contract No. PK07003A - Citywide Play Facilities Maintenance and Renewals as awarded to Parks and Maintenance Services Limited be extended in the sum of \$2,227,374.00 excluding GST for the period 1 July 2009 to 30 June 2011.
3. **Approve** the commitment of \$1,099,974.00 excluding GST and any escalations to the 2010/2011 financial year for Contract No. PK07003A - Citywide Play Facilities Maintenance and Renewals.
4. **Approve** that authority to extend Contract No. PK07003A - Citywide Play Facilities Maintenance for the period 1 July 2009 to 30 June 2011 on behalf of the Council be delegated to the Deputy Group Manager: Assets.
5. **Agree** that a right of renewal for Contract No. PK07003A - Citywide Play Facilities Maintenance and Renewals from 1 July 2011 to 30 June 2012 be subject to approval by the Auckland Council.

**BACKGROUND**

1. The scope of work includes:
  - Part A - Inspections and maintenance works for one hundred and 144 playgrounds, 23 basketball half courts and 12 skate facilities;
  - Part B - Play facility renewals and upgrade works; and
  - Part C - Annual play facility safety compliance and condition audits.
2. Council currently manages 144 play facilities, 12 skate facilities and 23 basketball half courts. In order to fulfil Council's play facilities maintenance and renewal programme as provided for in the Long Term Council Community Plan 2006-2016 it has been necessary to engage a contractor with the necessary skill set to achieve high quality delivery of service to ensure the ongoing safety and integrity of the City's play facility assets.

3. The Council approved the award of Contract No. PK07003A - Citywide Play Facilities Maintenance and Renewals to Parks and Maintenance Services Limited (PMS) at a Tenders Subcommittee meeting held on 17 August 2007 where it was resolved:

- “1. That the Contract No. PK07003A - Citywide Play Facilities Maintenance and Renewals report be received.
2. That the tender from Parks and Maintenance Services Limited for Contract No. PK07003A - Citywide Play Facilities Maintenance and Renewals in the sum of \$1,950,157.00 plus \$243,769.62 of GST, totalling \$2,193,926.62 be approved.
3. That the commitment to the 2008/2009 financial year for Contract No. PK07003A - Citywide Play Facilities Maintenance and Renewals in the sum of \$1,062,000 plus \$132,750.00 of GST, totalling \$1,194,750.00 be approved.
4. That authority to enter into Contract No. PK07003A - Citywide Play Facilities Maintenance and Renewals on behalf of Council be delegated to the Group Manager: Asset Management.”

3250/2007

#### **DECISION MAKING**

4. Contract No. PK07003A - Citywide Play Facilities Maintenance and Renewals has a current contract period of 24 months with provision for up to three 12 month extensions based on the satisfactory performance of the Contractor and at Council's discretion.
5. PMS has confirmed in writing that they are willing to carry out the contract for the proposed extension periods until 30 June 2012.
6. In order to limit potential disruption to our customers during the transition period into the new Auckland Council it is proposed that Parks term maintenance contracts be considered for extension on the basis that there will be:
  - A retention of the institutional knowledge over the period of transition; and
  - A certainty of service delivery over the period of transition.
7. Cost escalation will be considered on an annual basis.
8. This report has been subject to an independent internal audit process to ensure appropriate process has been followed in contractor selection and contract negotiation.

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

9. An evaluation of PMS performance to date contains the following features:
  - They have developed a good working relationship with relevant Council staff;
  - They are a well resourced company, that continue to employ local residents of Waitakere as a matter of course;
  - They respond quickly to customer complaints;
  - They have a strong focus on health and safety and have demonstrated ongoing compliance to health and safety requirements;
  - Their workmanship is generally to a very good standard;
  - They have demonstrated competence in customer services; and
  - Their senior management take an active interest in both the administration and operational functionality of the contract.

### CREDIT CHECK

10. A credit check on PMS dated 24 March 2009 revealed no adverse information.

### JOB COSTS

11.		<b>excl. GST</b>
	Contract sum (12 months 2009/2010) - PMS	\$1,127,400.00
		-----
	Total Job Cost	\$1,127,400.00
		<b>excl. GST</b>
	Contract sum (12 months 2010/2011) - PMS	\$1,099,974.00
		-----
	Total Job Cost	\$1,099,974.00

### SOURCE OF FUNDING

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

Budget Description (from annual budget line item) Annual Plan 2009/2010	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance	Potential surplus
Play Facility Maintenance	5370	\$ 331,000	\$0	\$ 331,000	\$0	\$0
Playground Upgrades	571088AM PK-10-015	\$796,400	\$0	\$ 796,,400	\$0	\$0
	<b>Total</b>	<b>\$1,127,400,</b>	<b>\$0</b>	<b>\$1,127,400,</b>	<b>\$0</b>	<b>\$0</b>

**Table 1 - Source of Funding**

13. Source of funding is shown in Table 2 below:

Budget Description (from annual budget line item) 2010/2011 Financial Year	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance	Potential surplus
Play Facility Maintenance	5370	\$ 342,292	\$0	\$ 342,292	\$0	\$0
Playground Upgrades	571088AM PK-11-006	\$757,682	\$0	\$757,682	\$0	\$0
	<b>Total</b>	<b>\$1,099,974</b>	<b>\$0</b>	<b>\$1,099,974</b>	<b>\$0</b>	<b>\$0</b>

**Table 2 - Source of Funding**

### IMPLEMENTATION ISSUES

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

### AUCKLAND COUNCIL TRANSITION ISSUES

15. The Local Government (Tamaki Makaurau Reorganisation) Act 2009 subsection (5)(d)(i),(ii) imposes restrictions on Waitakere City Council's decision making capabilities in respect of entering into any contract (other than an employment agreement) that imposes any obligation on the organisation after 30 June 2011 or is equivalent to \$20,000 or more.

- (5) This subsection applies to a decision—
- (d) to enter into any contract (other than an employment agreement)—
- (i) that imposes, or will continue to impose, any obligation on the organisation after 30 June 2011; and
- (ii) the consideration for which is, or is equivalent to, \$20,000 or more.
16. This report is impacted on by section 31 of the Local Government (Tamaki Makaurau Reorganisation) Act 2009, as above. Therefore, this report includes recommendations to ensure compliance with the Local Government (Tamaki Makaurau Reorganisation) Act 2009. The recommendation included is that the Tenders Subcommittee agree that the right of renewal beyond June 2011 be subject to approval of the Auckland Council.

**Report prepared by:** Roscoe Webb, Team Leader Parks Assets, Operations and Contracts.



17 **CONTRACT NO. PK08002A - PARKS AND OPEN SPACE FACILITIES AND RESPONSE MAINTENANCE - APPROVAL TO EXTEND**

**GLOSSARY**

Parks and Maintenance Services Limited (PMS)

**EXECUTIVE SUMMARY**

The purpose of this report is to seek approval from the Tenders Subcommittee to extend Contract No. PK08002A - Parks and Open Space Facilities and Response Maintenance for 24 months, from 1 July 2009 to 30 June 2011.

This contract expired on 30 June 2009. A letter was sent to the contractor seeking agreement that business continue as usual. This was agreed to and a variation to the contract was signed by the Chief Executive Officer on 10 July 2009 to cover the interim period.

**RECOMMENDATIONS**

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the No. PK08002A - Parks And Open Space Facilities And Response Maintenance - Approval To Extend report.
2. **Approve** that Contract No. PK08002A - Parks and Open Space Facilities and Response Maintenance as awarded to Parks and Maintenance Services be extended in the sum of \$7,354,228.00 excluding GST for the period 1 July 2009 to 30 June 2011.
3. **Approve** the commitment of \$3,677,114.00 excluding GST and any escalations to the 2010/2011 financial year for Contract No. PK08002A - Parks and Open Space Facilities and Response Maintenance.

4. **Approve** that authority to extend Contract No. PK08002A - Parks and Open Space Facilities and Response Maintenance for the period 1 July 2009 to 30 June 2011 on behalf of the Council be delegated to the Deputy Group Manager: Assets.

#### **BACKGROUND**

1. There are 578 Waitakere parks and reserves facilities included within this contract.
2. The scope of work includes:
  - Establishment of teams to respond to customer requests in parks, civic areas, streetscapes and town centres;
  - Undertaking repairs of parks assets, making safe or arranging for specialist teams or sub contractors to carry out the works;
  - Managing the supply of materials for the Community Service programme and overseeing works;
  - Undertaking asset condition auditing;
  - Supervising the Park Rangers programme;
  - Undertaking replacement and installation of new parks minor assets in accordance with the Parks Asset's renewal programmes;
  - Undertaking the installation of new furniture, fencing, barriers, footpaths, signs as well as the upgrading of existing assets such as toilets in accordance with development programmes;
  - Managing maintenance of the Civic Centre water features;
  - Managing maintenance of the wastewater and water supply systems in City Parks;
  - Managing building repaints of specified assets;
  - Carrying out a programme of works involving cleaning, water blasting and repainting of town centre amenity assets;
  - Carrying out a programme of works involving cleaning, water blasting and repainting of footbridges;
  - Carrying out a programme of works involving cleaning, water blasting and repainting of other high profile assets throughout the City; and
  - Walkway and track maintenance.
3. This contract comprises:
  - Programmed maintenance and inspections for the high profile areas, City centres, main arterial routes, town centre toilet blocks, tracks and footbridges within Waitakere;
  - Responsive maintenance and minor repair works (unprogrammed minor works) throughout all the parks and reserves, civic and streetscape facilities throughout Waitakere;
  - Programmed minor works throughout all the parks and reserves, civic and streetscape facilities throughout Waitakere;
  - Programmed maintenance of assets which are considered to have a high profile within the City; and
  - Responsive maintenance works and undertaking of minor parks projects involving replacement, renewal and installation of new minor assets. The actual quantities and descriptions on the schedule will vary depending on works required over the contract period.

4. Projects could range across a whole series of activities including responsive maintenance, vegetation maintenance or planting, amenity garden maintenance, hard landscaping, pruning, trimming, top soiling, grassing, carpentry, electrical works, painting, plumbing and drainage, installation of fencing, track and footpath repair work, upgrades to small fixtures and fittings, installation of storm water systems and drainage, and supply and installation of park and street fixtures and furniture. The actual work sites will vary across the City.
5. This contract is a continuation of Council's routine and response facilities and response maintenance programme. The works are required in order to ensure the continued health, safety and general integrity of the City's Parks assets. The Council approved the award of Contract No. PK08002A - Parks and Open Space Facilities and Response Maintenance to Parks and Maintenance Services Limited (PMS) at a Tenders Subcommittee meeting held on 27 June 2008 where it was resolved:

*"The Tenders Subcommittee resolved to:*

1. **Receive** the Contract No. PK08002A - Parks and Open Space Facilities and Response Maintenance report.
2. **Approve** the tender from Parks and Maintenance Services Limited for Contract No. PK08002A - Parks and Open Space Facilities and Response Maintenance in the sum of \$3,677,114 plus \$459,639.25 of GST, totalling \$4,136,753.20 on the basis of one (1) year, with extensions of one (1) plus one (1) years subject to the contractor's performance, the availability of funding with renewals brought back to the Tenders Subcommittee for approval.
3. **Approve** the commitment to the 2008/2009 Annual Plan for Contract No. PK08002A - Parks and Open Space Facilities and Response Maintenance in the sum of \$3,677,114 plus \$459,639.25 of GST, totalling \$4,136,753.20.
4. **Approve** the commitment to the 2009/2010 Annual Plan for Contract No. PK08002A - Parks and Open Space Facilities and Response Maintenance in the sum of \$3,677,114 plus \$459,639.25 of GST, totalling \$4,136,753.20.
5. **Approve** the commitment to the 2010/2011 Annual Plan for Contract No. PK08002A - Parks and Open Space Facilities and Response Maintenance in the sum of \$3,677,114 plus \$459,639.25 of GST, totalling \$4,136,753.20.
6. **Approve** that authority to enter into Contract No. PK08002A - Parks and Open Space Facilities and Response Maintenance on behalf of Council be delegated to the Group Manager: Asset Management."

1000/2008

## DECISION MAKING

6. Contract No. PK08002A - Parks and Open Space Facilities and Response Maintenance is a 12 month contract with provision for up to two 12 months extensions based on the satisfactory performance of the Contractor.
7. PMS has confirmed in writing that they are willing to carry out the contract for the proposed extension periods until 30 June 2011.
8. Cost escalation will be considered on an annual basis.
9. This report has been subject to an independent internal audit process to ensure appropriate process has been followed in contractor selection and contract negotiation.

## CONTRACTOR'S PERFORMANCE

10. An evaluation of PMS performance to date contains the following features:
- They have developed a good working relationship with relevant Council staff;
  - They are a well resourced company, that continue to employ local residents of Waitakere as a matter of course;
  - They respond quickly to customer complaints;
  - They have a strong focus on health and safety and have demonstrated ongoing compliance to health and safety requirements;
  - Their workmanship is generally to a very good standard;
  - They have demonstrated competence in customer services; and
  - Their senior management take an active interest in both the administration and operational functionality of the contract.
11. PMS have performed to expectation and the current contract is operating satisfactorily. The key performance measures on this contract are being met for the contract response times, quality, workmanship, health and safety, and customer satisfaction and regular internal and external auditing reflects this. This contractor regularly goes beyond their contractual requirements by providing added value in resolving issues, providing innovative solutions, and undertaking minor works at very short notice.

## CREDIT CHECK

12. A credit check on PMS dated 24 March 2009 revealed no adverse information.

## JOB COSTS

13.		<b>excl. GST</b>
	Contract sum (12 months) (2009/2010) - PMS	\$3,671,144.00
		-----
	Total Job Cost	\$3,677,114.00
		<b>excl. GST</b>
	Contract sum (12 months 2010/2011) - PMS	\$3,677,114.00
		-----
	Total Job Cost	\$3,677,114.00

## SOURCE OF FUNDING

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

Budget Description (from annual budget line item) Annual Plan 2009/2010	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance	Potential surplus
Building Maintenance	5160	\$813,000.00	\$587,212.00	\$225,788.00	\$0.00	\$0.00
Weed & Pest Maintenance	5190	\$888,000.00	\$745,038.00	\$142,962.00	\$0.00	\$0.00
Safety and Emergency Works	5200	\$364,000.00	\$185,000.00	\$179,000.00	\$0.00	\$0.00
Structures Maintenance	5210	\$134,000.00	\$26,000.00	\$108,000.00	\$0.00	\$0.00
Services Maintenance	5220	\$396,000.00	\$140,630.00	\$255,370.00	\$0.00	\$0.00
Car Park / Driveway Maintenance	5240	\$179,000.00	\$129,338.00	\$49,662.00	\$0.00	\$0.00

Budget Description (from annual budget line item) Annual Plan 2009/2010	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance	Potential surplus
Paths Tracks Walkways	5260	\$213,000.00	\$16,405.00	\$196,595.00	\$0.00	\$0.00
Planting Maintenance	5290	\$1,255,000.00	\$1,055,635.00	\$199,365.00	\$0.00	\$0.00
Passive Grass Maintenance	5320	\$1,628,000.00	\$1,222,660.00	\$405,340.00	\$0.00	\$0.00
Fixtures and Furniture Maintenance	5330	\$562,000.00	\$162,267.00	\$399,733.00	\$0.00	\$0.00
Sports Facility Maintenance	5340	\$346,000.00	\$326,000.00	\$20,000.00	\$0.00	\$0.00
Litter Control	5360	\$539,000.00	\$359,000.00	\$180,000.00	\$0.00	\$0.00
Parks Events Support	5390	\$32,000.00	\$0.00	\$32,000.00	\$0.00	\$0.00
Landscape Maintenance	5480	\$365,000.00	\$0.00	\$365,000.00	\$0.00	\$0.00
Buildings Upgrade	8AMPK- 10-002	\$996,600	\$779,000.00	\$217,600.00	\$0.00	\$0.00
Fixtures and Furniture Upgrade	8AMPK- 10-004	\$398,200.00	\$290,000.00	\$108,200.00	\$0.00	\$0.00
Paths and Tracks Upgrades	8AMPK- 10-005	\$469,300.00	\$150,000.00	\$319,300.00	\$0.00	\$0.00
Planting Upgrades	8AMPK- 10-007	\$150,000.00	\$115,000.00	\$35,000.00	\$0.00	\$0.00
Services Upgrades	8AMPK- 10-008	\$297,000.00	\$220,000.00	\$77,000.00	\$0.00	\$0.00
Sports Facilities Upgrades	8AMPK- 10-009	\$233,100.00	\$219,000.00	\$14,100.00	\$0.00	\$0.00
Structures Upgrades	8AMPK- 10-011	\$887,100.00	\$740,000.00	\$147,100.00	\$0.00	\$0.00
	<b>Totals</b>	<b>\$11,145,300.00</b>	<b>\$7,468,185.00</b>	<b>\$3,677,114.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

**Table 1 - Source of Funding**

15. Source of funding is shown in Table 2 below:

Budget Description (from annual budget line item) 2010/2011 Financial Year	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance	Potential surplus
Building Maintenance	5160	\$846,451.00	\$620,663.00	\$225,788.00	\$0.00	\$0.00
Weed & Pest Maintenance	5190	\$923,776.00	\$780,814.00	\$142,962.00	\$0.00	\$0.00
Safety and Emergency Works	5200	\$384,563.00	\$205,563.00	\$179,000.00	\$0.00	\$0.00
Structures Maintenance	5210	\$148,464.00	\$40,464.00	\$108,000.00	\$0.00	\$0.00
Services Maintenance	5220	\$419,617.00	\$164,247.00	\$255,370.00	\$0.00	\$0.00
Car Park / Driveway Maintenance	5240	\$190,735.00	\$141,073.00	\$49,662.00	\$0.00	\$0.00
Paths Tracks Walkways	5260	\$220,634.00	\$24,039.00	\$196,595.00	\$0.00	\$0.00
Planting Maintenance	5290	\$1,331,021.00	\$1,131,656.00	\$199,365.00	\$0.00	\$0.00
Passive Grass Maintenance	5320	\$1,699,088.00	\$1,293,748.00	\$405,340.00	\$0.00	\$0.00
Fixtures and Furniture Maintenance	5330	\$605,197.00	\$205,464.00	\$399,733.00	\$0.00	\$0.00
Sports Facility Maintenance	5340	\$356,726.00	\$336,726.00	\$20,000.00	\$0.00	\$0.00
Litter Control	5360	\$567,050.00	\$387,050.00	\$180,000.00	\$0.00	\$0.00
Parks Events Support	5390	\$32,992.00	\$992.00	\$32,000.00	\$0.00	\$0.00
Landscape Maintenance	5480	\$425,803.00	\$60,803.00	\$365,000.00	\$0.00	\$0.00

Budget Description (from annual budget line item) 2010/2011 Financial Year	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance	Potential surplus
Buildings Upgrade	8AMPK-11-002	\$856,864.00	\$639,264.00	\$217,600.00	\$0.00	\$0.00
Fixtures and Furniture Upgrade	8AMPK-11-004	\$401,265.00	\$293,065.00	\$108,200.00	\$0.00	\$0.00
Paths and Tracks Upgrades	8AMPK-11-005	\$483,848.00	\$164,548.00	\$319,300.00	\$0.00	\$0.00
Planting Upgrades	8AMPK-11-007	\$154,650.00	\$119,650.00	\$35,000.00	\$0.00	\$0.00
Services Upgrades	8AMPK-11-008	\$320,126.00	\$243,126.00	\$77,000.00	\$0.00	\$0.00
Sports Facilities Upgrades	8AMPK-11-009	\$183,724.00	\$169,624.00	\$14,100.00	\$0.00	\$0.00
Structures Upgrades	8AMPK-11-011	\$1,103,170.00	\$956,070.00	\$147,100.00	\$0.00	\$0.00
	<b>Totals</b>	<b>\$11,655,764.00</b>	<b>\$7,978,649.00</b>	<b>\$3,677,114.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

**Table 2 - Source of Funding**

### IMPLEMENTATION ISSUES

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

### AUCKLAND COUNCIL TRANSITION ISSUES

17. The decision making proposed in this report is not constrained by section 31 of the Local Government (Tamaki Makaurau Reorganisation) Act 2009, as it does not directly or because of its consequences; significantly prejudice the organisation, significantly constrain the powers or capacity of the Auckland Council or any subsidiary of the Auckland Council following reorganisation, or have a significant negative impact on the assets or liabilities that are transferred to the Auckland Council as a result of the reorganisation.

**Report prepared by:** Matthew Wade, Team Leader, Parks and Open Space.



## 18 CONTRACT NO. PK05001C - PLANT AND ANIMAL PEST MAINTENANCE - APPROVAL TO EXTEND

### GLOSSARY

Techscape Limited  
Bilfinger Berger (New Zealand) Limited

(TL)  
(BBS)

### EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to extend Contract No. PK05001C - Plant and Animal Pest Maintenance from 1 July 2009 to 30 June 2011.

This contract expired on 30 June 2009. A letter was sent to the contractor seeking agreement that business continue as usual. This was agreed to and a variation to the contract was signed by the Chief Executive Officer on 10 July 2009 to cover the interim period.

## RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. PK05001C - Plant And Animal Pest Maintenance - Approval To Extend report.
2. **Approve** that Contract No. PK05001C - Plant and Animal Pest Maintenance as awarded to Bilfinger Berger (New Zealand) Limited be extended in the sum of \$863,740.16 excluding GST for the period 1 July 2009 to 30 June 2011.
3. **Approve** the commitment of \$431,870.08 excluding GST and escalations to the 2010/2011 for Contract No. PK05001C - Plant and Animal Pest Maintenance.
4. **Approve** that authority to extend Contract No. PK05001C - Plant and Animal Pest Maintenance for the period 1 July 2009 to 30 June 2011 on behalf of the Council be delegated to the Deputy Group Manager: Assets

## BACKGROUND

1. The scope of work for Contract No. PK05001C - Plant and Animal Pest Maintenance includes programmed and response work involving the programmed control of environmental weeds within the road reserve and in parks, response to community requests and possum, rodent, wasp and wild bee control. The principal objective of the programme is to maintain or improve the ecological integrity of Council's park and road reserve through the control of environmental weeds and animal pests.
2. Techscape Limited (TL) was awarded Contract No. PK05001C - Plant and Animal Pest Maintenance for a period of 24 months with a right of renewal of 24 months plus 24 months.
3. The Council approved the award of Contract No. PK05001C - Plant and Animal Pest Maintenance at a Tenders Subcommittee meeting held on 27 May 2005 where it was resolved:

- “1. That the Contract No. PK05001C - Plant and Animal Pest Maintenance report be received.
2. That the tender from Techscape Limited for Contract No. PK05001C - Plant and Animal Pest Maintenance in the sum of \$828,881.17 plus \$103,610.15 GST, totalling \$932,491.32 be accepted.
3. That the commitment to the Annual Plan 2005/2006 for Contract No. PK05001C - Plant and Animal Pest Maintenance in the sum of \$434,440.58 plus \$54,305.07 GST, totalling \$488,745.65 be approved.
4. That the commitment to the Annual Plan 2006/2007 for Contract No. PK05001C - Plant and Animal Pest Maintenance in the sum of \$434,440.58 plus \$54,305.07 GST, totalling \$488,745.65 be approved.
5. That authority to extend Contract No. PK05001C - Plant and Animal Pest Maintenance for a further two (2) plus two (2) years subject to satisfactory price and performance, be delegated to the Group Manager: Asset Management.
6. That authority to enter into Contract No. PK05001C - Plant and Animal Pest Maintenance on behalf of Council be delegated to the Group Manager: Asset Management.”

4. The Council approved the extension of Contract No. PK05001C - Plant and Animal Pest Maintenance to TL at a Tenders Subcommittee meeting held on 8 June 2007 where it was resolved:

- “1. That the Contract No. PK05001C - Plant and Animal Pest Maintenance Contract -Extension to Contract Sum and Period report be received.
2. That the renewal of Contract No. PK05001C - Plant and Animal Pest Maintenance in the sum of \$387,275.46 plus \$48,409.43 GST totalling \$435,684.89 be approved.
3. That the commitment to the 2007/2008 financial year for Contract No. PK05001C - Plant and Animal Pest Maintenance in the sum of \$425,976.46 plus \$53,247.05 GST totalling \$479,223.51 be approved.
4. That the commitment to the 2008/2009 financial year for Contract No. PK05001C - Plant and Animal Pest Maintenance in the sum of \$425,976.46 plus \$53,247.05 GST totalling \$479,223.51 be approved.
5. That authority to extend Contract No. PK05001C - Plant and Animal Pest Maintenance, as in recommendation 2 above be delegated to Group Manager: Asset Management.”

1007/2007

5. TL was sold to Bilfinger Berger New Zealand Limited (BBS) during June 2007.

#### **DECISION MAKING**

6. Contract No. PK05001C - Plant and Animal Pest Maintenance is a 24 month contract with provision for up to two 24 month extensions based on the satisfactory performance by the contractor.
7. The period between 1 July 2009 and 30 June 2011 is the second of the 24 month extensions and BBS have advised that they are willing to carry out the contract until 30 June 2011.
8. In order to limit potential disruption to our customers during the transition period into the new Auckland Council it is proposed that Parks term maintenance contracts be considered for extension on the basis that there will be:
  - A retention of the institutional knowledge over the period of transition; and
  - A certainty of service delivery over the period of transition.
9. Cost escalation will be considered on an annual basis.
10. This report has been subject to an independent internal audit process to ensure appropriate process has been followed in contractor selection and contract negotiation.

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

11. An evaluation of BBS performance to date contains the following features:
  - They have developed a good working relationship with relevant Council staff;
  - They are a well resourced company;
  - They respond quickly to customer complaints;

- They have a strong focus on health and safety and have demonstrated ongoing compliance to health and safety requirements; and
- Their workmanship is generally to a very good standard.

### CREDIT CHECK

12. A credit check on BBS dated 27 April 2009 revealed no adverse information.

### JOB COSTS

13.		<b>excl. GST</b>
	Contract sum (12 months 2009/2010) - BBS	\$406,369.10
	Contingency	\$ 25,500.98
		-----
	Total Job Cost	\$431,870.08
		<b>excl. GST</b>
	Contract sum (12 months 2010/2011) - BBS	\$406,369.10
	Contingency	\$ 25,500.98
		-----
	Total Job Cost	\$431,870.08

### SOURCE OF FUNDING

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

Budget Description (from annual budget line item) Annual Plan 2009/2010	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance	Potential surplus
Weed & Pest Maintenance	5190-74000	\$888,000.00	\$509,608.00	\$378,392.00	\$0	\$0
Cemetery Weed Control	8CSCM-010-840	\$32,000.00	\$2,634.02	\$29,365.98	\$0	\$0
Quarry Revegetation	6390-74050	\$79,000.00	\$63,771.28	\$15,228.72	\$0	\$0
Development Works	8PSAF-07-001	\$674,000.00	\$665,116.62	\$8,883.38	\$0	\$0
	<b>Total</b>	<b>\$1,673,000.00</b>	<b>\$1,241,129.92</b>	<b>\$431,870.08</b>	<b>\$0</b>	<b>\$0</b>

**Table 1 - Source of Funding**

15. Source of funding is shown in Table 2 below:

Budget Description (from annual budget line item) 2010/2011 Financial Year	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance	Potential surplus
Weed & Pest Maintenance	5190-74000	\$923,776.00	\$517,608.00	\$378,392.00	\$27,776.00	\$0
Cemetery Weed Control	8CSCM-11-840	\$32,992.00	\$2,634.02	\$29,365.98	\$992.00	\$0
Quarry Revegetation	6390-74050	\$81,607.00	\$63,771.28	\$15,228.72	\$2,607.00	\$0
Development Works	8PSAF-07-001	\$338,824.00	\$329,940.62	\$8,883.38	\$0	\$0
	<b>Total</b>	<b>\$1,377,199.00</b>	<b>\$584,013.30</b>	<b>\$431,870.08</b>	<b>\$31,375.00</b>	<b>\$0</b>

**Table 2 - Source of Funding**

## IMPLEMENTATION ISSUES

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

## AUCKLAND COUNCIL TRANSITION ISSUES

17. The decision making proposed in this report is not constrained by section 31 of the Local Government (Tamaki Makaurau Reorganisation) Act 2009, as it does not directly or because of its consequences; significantly prejudice the organisation, significantly constrain the powers or capacity of the Auckland Council or any subsidiary of the Auckland Council following reorganisation, or have a significant negative impact on the assets or liabilities that are transferred to the Auckland Council as a result of the reorganisation.

**Report prepared by:** Helen Biffin, Parks Contracts Officer - Environmental.



## 19 CONTRACT NO. PK05001B - ROADSIDE VEGETATION MAINTENANCE - APPROVAL TO EXTEND

### GLOSSARY

Aspin Weed Control Limited (AWC)

### EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to extend Contract No. PK05001B - Roadside Vegetation Maintenance from 1 July 2009 to 30 June 2011.

This contract expired on 30 June 2009. A letter was sent to the contractor seeking agreement that business continue as usual. This was agreed to and a variation to the contract was signed by the Chief Executive Officer on 10 July 2009 to cover the interim period.

### RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. PK05001B - Roadside Vegetation Maintenance - Approval To Extend report.
2. **Approve** that the Contract No. PK05001B - Roadside Vegetation Maintenance as awarded to Aspin Weed Control Limited be extended in the sum of \$533,703.94 excluding GST for the period 1 July 2009 to 30 June 2011.
3. **Approve** the commitment of \$266,851.97 excluding GST and any escalations to the 2010/2011 financial year for Contract No. PK05001B - Roadside Vegetation Maintenance.
4. **Approve** that authority to extend Contract No. PK05001B - Roadside Vegetation Maintenance for the period 1 July 2009 to 30 June 2011 on behalf of the Council be delegated to the Deputy Group Manager: Assets.

## BACKGROUND

1. The scope of work includes:
  - Control of vegetative growth in roadside kerb and channel, drains and dish channels on all Council owned roadways;
  - Control of vegetative growth on roadside footpath edges; and
  - Manual control of vegetative growth in the kerb and channel, and roadside footpath edges outside schools and kindergartens.
2. Aspin Weed Control Limited (AWC) was awarded Contract No. PK05001B - Roadside Vegetation Maintenance for a period of 24 months with a right of renewal of 24 months, plus 24 months.
3. The Council approved the award of Contract No. PK05001B - Roadside Vegetation Maintenance to AWC at a Tenders Subcommittee meeting held on 18 February 2005 where it was resolved:

- “1. That Contract No. PK05001B - Roadside Vegetation Maintenance report be received.
2. That the tender from Aspin Weed Control Limited for Contract No. PK5001B Roadside Vegetation Maintenance in the sum of \$417,079.21 plus \$52,134.90 GST, totalling \$469,214.11 be accepted.
3. That the commitment to the 2005/2006 financial year for Contract No. PK05001B Roadside Vegetation Maintenance in the sum of \$221,239.60 plus \$27,654.95 GST, totalling \$248,894.55 be accepted.
4. That the commitment to the 2006/2007 financial year for Contract No. PK05001B Roadside Vegetation Maintenance in the sum of \$215,839.60 plus \$26,979.95 GST, totalling \$242,819.55 be accepted.
5. That authority to extend Contract No. PK05001B Roadside Vegetation Maintenance for a further two (2) plus two (2) years be delegated to the Group Manager: Asset Management, subject to satisfactory price and performance.
6. That authority to enter into Contract No. PK05001B Roadside Vegetation Maintenance on behalf of Council be delegated to the Group Manager: Asset Management.”

158/2005

4. The Council approved the extension of Contract No. PK05001B - Roadside Vegetation Maintenance to AWC at a Tenders Subcommittee meeting held on 8 June 2007 where it was resolved:
  - “1. That the Contract No. PK05001B - Roadside Vegetation Maintenance - Extension to Contract Sum and Period report be received.
  2. That the renewal of Contract No. PK05001B - Roadside Vegetation Maintenance in the sum of \$228,762.48 plus \$28,595.31 GST totalling \$257,357.79 be approved.
  3. That the commitment to the 2007/2008 financial year for Contract No. PK05001B - Roadside Vegetation Maintenance in the sum of \$249,762.48 plus \$31,230.31 GST totalling \$280,982.79 be approved.
  4. That the commitment to the 2008/2009 financial year for Contract No. PK05001B - Roadside Vegetation Maintenance in the sum of \$249,762.48 plus \$31,220.31 GST totalling \$280,982.79 be approved.

5. *That the authority to extend Contract No. PK05001B - Roadside Vegetation Maintenance, as in recommendation 2 above, be delegated to the Group Manager: Asset Management."*

1006/2007

### DECISION MAKING

5. Contract No. PK05001B - Roadside Vegetation Maintenance is a 24 month contract with provision for up to two 24 month extensions based on the satisfactory performance by the contractor.
6. The period between 1 July 2009 and 30 June 2011 is the second of the 24 month extensions and AWC have confirmed in writing that they are willing to carry out the contract for the proposed extension periods until 30 June 2011.
7. In order to limit potential disruption to our customers during the transition period into the new Auckland Council it is proposed that Parks term maintenance contracts be considered for extension on the basis that there will be:
- A retention of the institutional knowledge over the period of transition; and
  - A certainty of service delivery over the period of transition.
8. Cost escalation will be considered on an annual basis.
9. This report has been subject to an independent internal audit process to ensure appropriate process has been followed in contractor selection and contract negotiation.

### CONTRACTOR'S PERFORMANCE

10. An evaluation of AWC performance to date contains the following features:
- They have developed a good working relationship with relevant Council staff;
  - They are a well resourced company;
  - They respond quickly to customer complaints;
  - They have a strong focus on health and safety and have demonstrated ongoing compliance to health and safety requirements; and
  - Their workmanship is generally to a very good standard.

### CREDIT CHECK

11. A credit check on AWC dated 29 April 2009 revealed no adverse information.

### JOB COSTS

12.		<b>excl. GST</b>
	Contract sum (12 months 2009/2010) - AWC	\$239,981.52
	Contingency	\$ 23,998.00
		-----
	Total Job Cost	\$263,979.52
		<b>excl. GST</b>
	Contract sum (12 months 2010/2011) - AWC	\$239,981.52
	Contingency	\$ 23,998.00
		-----
	Total Job Cost	\$263,979.52

## SOURCE OF FUNDING

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

Budget Description (from annual budget line item) Annual Plan 2009/2010	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance	Potential surplus
Vegetation Control (Subsidised)	5490- 74000	\$334,000.00	\$70,020.48	\$263,979.52	\$0	\$0
<b>Total</b>		<b>\$334,000.00</b>	<b>\$70,020.48</b>	<b>\$263,979.52</b>	<b>\$0</b>	<b>\$0</b>

**Table 1 - Source of Funding**

14. Source of funding is shown in Table 2 below:

Budget Description (from annual budget line item) 2010/2011 Financial Year	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance	Potential surplus
Vegetation Control (Subsidised)	5490-74000	\$359,000.00	\$95,020.48	\$263,979.52	\$0	\$0
<b>Total</b>		<b>\$359,000.00</b>	<b>\$95,020.48</b>	<b>\$263,979.52</b>	<b>\$0</b>	<b>\$0</b>

**Table 2 - Source of Funding**

## IMPLEMENTATION ISSUES

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

## AUCKLAND COUNCIL TRANSITION ISSUES

16. The decision making proposed in this report is not constrained by section 31 of the Local Government (Tamaki Makaurau Reorganisation) Act 2009, as it does not directly or because of its consequences; significantly prejudice the organisation, significantly constrain the powers or capacity of the Auckland Council or any subsidiary of the Auckland Council following reorganisation, or have a significant negative impact on the assets or liabilities that are transferred to the Auckland Council as a result of the reorganisation.

**Report prepared by:** Helen Biffin, Parks Contracts Officer, Environmental.



20 **CONTRACT NO. PK09002A - CEMETERY LANDSCAPE MAINTENANCE - APPROVAL TO EXTEND**

**GLOSSARY**

Parks and Maintenance Services Limited (PMS)

**EXECUTIVE SUMMARY**

The purpose of this report is to seek approval from the Tenders Subcommittee to extend Contract No. PK09002A - Cemetery Landscape Maintenance from 1 July 2010 to 30 June 2011.

**RECOMMENDATIONS**

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. PK09002A - Cemetery Landscape Maintenance - Approval To Extend report.
2. **Approve** that the Contract No. PK09002A - Cemetery Landscape Maintenance as awarded to Parks and Maintenance Services Limited be extended in the sum of \$989,824.86 excluding GST for the period 1 July 2010 to 30 June 2011.
3. **Approve** that authority to extend Contract No. PK09002A - Cemetery Landscape Maintenance for the period 1 July 2010 to 30 June 2011 on behalf of the Council be delegated to the Deputy Group Manager: Assets.

**BACKGROUND**

1. The scope of work for Contract No. PK09002A - Cemetery Landscape Maintenance requires the contractor to plan, SP programme and undertake litter collection, turf maintenance, garden maintenance, toilet cleaning and regular cleaning of roads and paths. The contractor is also required to provide monthly work programmes and attend fortnightly meetings.
2. Parks and Maintenance Services Limited (PMS) was awarded Contract No. PK09002A - Cemetery Landscape Maintenance for a period of 12 months with a right of renewal of 12 months.
3. The Council approved the award of Contract No. PK09002A - Cemetery Landscape Maintenance at a Tenders Subcommittee meeting held on 27 March 2009 where it was resolved:

*“The Tenders Subcommittee resolved to:*

1. *Receive the Contract No. PK09002A - Cemetery Landscape Maintenance report.*
2. *Approve that, subject to a satisfactory credit check, the tender from Parks and Maintenance Services Limited for Contract No. PK09002A - Cemetery Landscape Maintenance in the sum of \$329,941.62 plus \$41,242.70 GST, totalling \$371,184.32 be accepted.*
3. *Approve the commitment of \$329,941.62 excluding GST to the draft Annual Plan 2010/2011 for Contract No. PK09002A - Cemetery Landscape Maintenance.*
4. *Approve that authority to enter into Contract No. PK09002A - Cemetery Landscape Maintenance on behalf of the Council be delegated to the Deputy Director: City Services.*

5. *Approve that authority to award cumulative contract variations to Contract No. PK09002A - Cemetery Landscape Maintenance, up to the value of the contingency sum of \$32,994.16 plus GST on behalf of the Council be delegated to the Deputy Director: City Services."*

411a/2009

#### DECISION MAKING

4. Contract No. PK09002A - Cemetery Landscape Maintenance is a 12 month contract with provision for one 12 month extension based on the satisfactory performance by the contractor.
5. PMS has confirmed in writing that they are willing to carry out the contract for the proposed extension periods until 30 June 2011.
6. In order to limit potential disruption to our customers during the transition period into the new Auckland Council it is proposed that Parks term maintenance contracts be considered for extension on the basis that there will be:
- A retention of the institutional knowledge over the period of transition; and
  - A certainty of service delivery over the period of transition.
7. Cost escalation will be considered on an annual basis.
8. This report has been subject to an independent internal audit process to ensure appropriate process has been followed in contractor selection and contract negotiation.

#### CONTRACTOR'S PERFORMANCE

9. An evaluation of PMS performance of similar Council contracts to date contains the following features:
- They have developed a good working relationship with relevant Council staff;
  - They are a well resourced company;
  - They respond quickly to customer complaints;
  - They have a strong focus on health and safety and have demonstrated ongoing compliance to health and safety requirements; and
  - Their workmanship is generally to a very good standard.

#### CREDIT CHECK

10. A credit check on PMS dated 24 March 2009 revealed no adverse information.

#### JOB COSTS

11.		<b>excl. GST</b>
	Contract sum (12 months 2010/2011) - PMS	\$329,941.62
	Contingency	\$ 32,994.16
		-----
	Total Job Cost	\$362,935.78

## SOURCE OF FUNDING

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

Budget Description (from annual budget line item) 2010/2011 Financial Year	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance	Potential surplus
Cemetery Landscape Maintenance	4820-74000	\$386,342.00	0.00	\$362,935.78	\$0	\$23,406.22
	<b>Total</b>	<b>\$386,342.00</b>	<b>\$0.00</b>	<b>\$362,935.78</b>	<b>\$0</b>	<b>\$23,406.22</b>

**Table 1 - Source of Funding**

## IMPLEMENTATION ISSUES

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

## AUCKLAND COUNCIL TRANSITION ISSUES

14. The decision making proposed in this report is not constrained by section 31 of the Local Government (Tamaki Makaurau Reorganisation) Act 2009, as it does not directly or because of its consequences; significantly prejudice the organisation, significantly constrain the powers or capacity of the Auckland Council or any subsidiary of the Auckland Council following reorganisation, or have a significant negative impact on the assets or liabilities that are transferred to the Auckland Council as a result of the reorganisation.

**Report prepared by:** Helen Biffin, Parks Contracts Officer, Environmental.



## 21 CONTRACT NO. PK08015A - SPORTS PARK LANDSCAPE MAINTENANCE - APPROVAL TO EXTEND

### GLOSSARY

Parks and Maintenance Services Limited (PMS)

### EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to decrease the contract sum for Contract No. PK08015A - Sports Park Landscape Maintenance from 1 July 2009 to 30 June 2010, and to extend the contract for 12 months from 1 July 2010 to 30 June 2011.

This contract expired on 30 June 2009. A letter was sent to the contractor seeking agreement that business continue as usual. This was agreed to and a variation to the contract was signed by the Chief Executive Officer on 10 July 2009 to cover the interim period.

## **RECOMMENDATIONS**

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. PK08015A - Sports Park Landscape Maintenance - Approval To Extend report.
2. **Approve** that the Contract No. PK08015A - Sports Park Landscape Maintenance as awarded to Parks and Maintenance Services Limited be extended in the sum of \$1,593,490.40 excluding GST and any escalations for the period 1 July 2009 to 30 June 2011.
3. **Approve** the commitment of \$796,745.20 excluding GST and any escalations to the 2010/2011 financial year for Contract No. PK08015A - Sports Park Landscape Maintenance.
4. **Approve** that authority to extend Contract No. PK08015A - Sport Park Landscape for the period 1 July 2009 to 30 June 2011 on behalf of the Council be delegated to the Deputy Group Manager: Assets.

## **BACKGROUND**

1. Parks Assets currently manage 32 sports parks within the City. In order to successfully manage the maintenance requirements of the City's Sports fields it is necessary to engage a contractor with the necessary resource and management skills to achieve high quality delivery of service to ensure the ongoing use and enjoyment of the City's Sports fields and amenity areas.
2. The City's Sports fields represent an important asset both in relation to resource, recreation and City image.
3. There are 70 active sports clubs within Waitakere with 15 parks having sports clubrooms on parks. These clubs form an important part of the City's identity.
4. Sports field management is a highly specialised and technical field. The management of sports surfaces throughout the City is required to be of a standard that ensures safety of use, adequate usage levels and surface requirements for Waitakere clubs to maximise the facilities.
5. The Draft Parks and Open Spaces Strategy identifies that Council will need to provide 409 playing hours annually per 1,000 people. As a result it is imperative to implement sports field maintenance to a consistently high standard for all seasonal code requirements.
6. The scope of work includes plantings maintenance passive mowing and edging, toilets, litter control, locking of parks and car park sweeping.
7. The contractor is required to maintain the sports park assets within Waitakere. This requires weekly inspections of the high profile parks and to treat any works required within these areas as a high priority and action immediately.
8. The contractor is also required to provide adequate resources to manage park maintenance works at all sports parks within the City.

9. The Council approved and awarded Contract No. PK08015A - Sports Park Landscape Maintenance to Parks and Maintenance Services Limited (PMS) at a Tenders Subcommittee meeting held on 5 September 2008 where it was resolved:

- “1. That the tender from Parks and Maintenance Services Limited for Contract No. PK08015A - Sports Park Landscape Maintenance in the sum of \$2,172,583.84 plus \$271,572.98 of GST, totalling \$2,444,156.82 on the basis of twenty (20) months and one (1) year subject to the contractor’s ongoing performance, the availability of funding and at Council’s sole discretion be accepted.
2. The commitment of \$814,718.94 plus \$101,839.87 of GST against the 2009/2010 Annual Plan for Contract No. PK08015A - Sports Park Landscape Maintenance.
3. The commitment of \$814,718.94 plus \$101,839.87 of GST against the 2010/2011 Annual Plan for Contract No. PK08015A - Sports Park Landscape Maintenance.
4. That authority to enter into Contract No. PK08015A - Sports Park Landscape Maintenance for the period 1 November 2008 to 30 June 2011 on behalf of Council be delegated to the Group Manager: Asset Management.
5. That subject to acceptable contractor performance, the availability of funding and at Council’s sole discretion Contract No. PK08015A - Sports Park Landscape Maintenance be reported back to the Tenders Subcommittee in June 2010 for approval to re-award for the final year of the contract term.”

1494/2008

## DECISION MAKING

10. Contract No. PK08015A - Sports Park Landscape Maintenance is a 20 month contract with provision for up to one 12 month extension based on the satisfactory performance of the contractor and subject to the Council’s approval.
11. PMS has confirmed in writing that they are willing to carry out the contract for the proposed extension periods until 30 June 2011.
12. In order to limit potential disruption to our customers during the transition period into the new Auckland Council it is proposed that Parks term maintenance contracts be considered for extension on the basis that there will be:
  - A retention of the institutional knowledge over the transition period; and
  - A certainty of service delivery over the period of transition.
13. Cost escalation will be considered on an annual basis.
14. This report has been subject to an independent internal audit process to ensure appropriate process has been followed in contractor selection and contract negotiation.

## CONTRACTOR’S PERFORMANCE

15. An evaluation of PMS performance to date contains the following features:
  - They have developed a good working relationship with relevant Council staff;
  - They are a well resourced company;
  - They respond quickly to customer complaints;

- They have a strong focus on health and safety and have demonstrated ongoing compliance to health and safety requirements;
- Their workmanship is generally to a very good standard; and
- They have demonstrated excellence in customer services.

### CREDIT CHECK

16. A credit check on PMS dated 24 March 2009 revealed no adverse information.

### JOB COSTS

17.		<b>excl. GST</b>
	Contract sum (12 months 2009/2010) - PMS	\$796,745.20
		-----
	Total Job Cost	\$796,745.20
		<b>excl. GST</b>
	Contract sum (12 months 2010/2011) - PMS	\$796,745.20
		-----
	Total Job Cost	\$796,745.20

### SOURCE OF FUNDING

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

Budget Description (from annual budget line item) Annual Plan 2009/2010)	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance	Potential Surplus
Building Maintenance	5160	\$813,000.00	\$538,788.00	\$274,212.00	\$0.00	\$0.00
Car Park/Driveway Maintenance	5240	\$179,000.00	\$129,662.00	\$49,338.00	\$0.00	\$0.00
Paths Tracks Walkways	5260	\$213,000.00	\$208,595.00	\$4,405.00	\$0.00	\$0.00
Planting Maintenance	5290	\$1,255,000.00	\$1,107,510.00	\$147,490.00	\$0.00	\$0.00
Passive Grass Maintenance	5320	\$1,628,000.00	\$1,532,968.00	\$95,032.00	\$0.00	\$0.00
Fixture & Furniture Maintenance	5330	\$562,000.00	\$504,733.00	\$57,267.00	\$0.00	\$0.00
Sport Facility Maintenance	5340	\$346,000.00	\$316,000.00	\$30,000.00	\$0.00	\$0.00
Litter Control	5360	\$539,000.00	\$400,000.00	\$139,000.00	\$0.00	\$0.00
	<b>Total</b>	<b>\$5,535,000.00</b>	<b>\$4,738,256.00</b>	<b>\$796,744.00</b>	<b>0.00</b>	<b>0.00</b>

**Table 1 - Source of Funding**

19. Source of funding is shown in Table 2 below:

Budget Description (from annual budget line item) 2010/2011) Financial Year	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance	Potential Surplus
Building Maintenance	5160	\$846,451.00	\$572,239.00	\$274,212.0 0	\$0.00	\$0.00
Car Park/Driveway Maintenance	5240	\$190,735.00	\$141,397.00	\$49,338.00	\$0.00	\$0.00
Paths Tracks Walkways	5260	\$220,643.00	\$216,238.00	\$4,405.00	\$0.00	\$0.00
Planting Maintenance	5290	\$1,331,021.00	\$1,183,531.00	\$147,490.0 0	\$0.00	\$0.00
Passive Grass Maintenance	5320	\$1,699,088.00	\$1,604,056.00	\$95,032.00	\$0.00	\$0.00
Fixture & Furniture Maintenance	5330	\$605,197.00	\$547,930.00	\$57,267.00	\$0.00	\$0.00
Sport Facility Maintenance	5340	\$356,726.00	\$326,726.00	\$30,000.00	\$0.00	\$0.00
Litter Control	5360	\$567,050.00	\$428,050.00	\$139,000.0 0	\$0.00	\$0.00
	<b>Total</b>	<b>\$5,816,911.00</b>	<b>\$5,020,167.00</b>	<b>\$796,744.0 0</b>	<b>0.00</b>	<b>0.00</b>

**Table 2 - Source of Funding**

### IMPLEMENTATION ISSUES

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

### AUCKLAND COUNCIL TRANSITION ISSUES

21. The decision making proposed in this report is not constrained by section 31 of the Local Government (Tamaki Makaurau Reorganisation) Act 2009, as it does not directly or because of its consequences; significantly prejudice the organisation, significantly constrain the powers or capacity of the Auckland Council or any subsidiary of the Auckland Council following reorganisation, or have a significant negative impact on the assets or liabilities that are transferred to the Auckland Council as a result of the reorganisation.

**Report prepared by:** Sonya Riley, Contract Officer, Park Assets.



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

### GLOSSARY

Field Drainage Specialist Limited (FDS)

### EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to extend Contract No. PK05016A - Civil Works for 24 months from 1 July 2009 to 30 June 2011.

This contract expired on 30 June 2009. A letter was sent to the contractor seeking agreement that business continue as usual. This was agreed to and a variation to the contract was signed by the Chief Executive Officer on 10 July 2009 to cover the interim period.

## 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 Contract No. PK05016A - Civil Works as awarded to Field Drainage Specialists Limited be extended in the sum of \$4,571,962.00 excluding GST and escalations for the period 1 July 2009 to 30 June 2011.
3. **Approve** the commitment of \$2,285,981.00 excluding GST and any escalations to the 2010/2011 financial year for Contract No. PK05016A - Civil Works.
4. **Approve** that authority to extend Contract No. PK05016A - Civil Works to Field Drainage Specialists Limited for the period 1 July 2009 to 30 June 2011 on behalf of the Council be delegated to the Deputy Group Manager: Assets.

## **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'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; and
- Car park renewal works and repairs.

2. Council approved the award of Contract No. PK05016A - Civil Works to FDS Limited at a Tenders Subcommittee meeting held on 2 September 2005 for one year where it was resolved:

- “1. That authority to enter into Contract No. PK05016A - Civil Works on behalf of Council be delegated to Group Manager: Asset Management.
2. 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 (FDS) with the view to extend further the contract period of Contract No. PK05016A - Civil Works for a further three years on a one plus one plus one 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 as follows:

- “1. That Parks Term Maintenance Contracts report be received.
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

4. In May 2008, the Tenders Subcommittee resolved as follows:

“The Tenders Subcommittee resolved 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 draft 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.”

803/2008

## DECISION MAKING

5. Contract No. PK05016A - Civil Works was a one year contract with an expiry date of 30 June 2006. The contract allowed for one 12 months plus one 12 months 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 were undertaken with FDS to extend the contract sum and scope for a further 12 months for 2008/2009. The contract has a further one plus one year right of renewal. The purpose of this report is to combine the one plus one year contract sum into a 24 month contract from 1 July 2009 to 30 June 2011.
6. FDS has confirmed in writing that they are willing to carry out the contract for the proposed extension periods until 30 June 2011.
7. In order to limit potential disruption to our customers during the transition period into the new Auckland Council it is proposed that Parks term maintenance contracts be considered for extension on the basis that there will be:
  - A retention of the institutional knowledge over the transition period; and
  - A certainty of service delivery over the period of transition.
8. Cost escalation will be considered on an annual basis.
9. This report has been subject to an independent internal audit process to ensure appropriate process has been followed in contractor selection and contract negotiation.

## CONTRACTOR'S PERFORMANCE

10. An evaluation of FDS 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 and have demonstrated ongoing compliance to health and safety requirements; and
  - Their workmanship is generally to a very good standard.

## CREDIT CHECK

11. A credit check on FDS dated 13 March 2009 revealed no adverse information.

## JOB COSTS

12.		<b>excl. GST</b>
	Contract sum (12 months 2009/2010) - FDS	\$2,285,981.00
		-----
	Total Job Cost	\$2,285,981.00

excl. GST

Contract sum (12 months 2010/2011) - FDS	\$2,285,981.00
Total Job Cost	\$2,285,981.00

### SOURCE OF FUNDING

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

Budget Description (from annual budget line item) Annual Plan 2009/2010	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance	Potential Surplus
Safety & Emergency Works	5200	\$364,000.00	\$179,000.00	\$185,000.00	\$0.00	\$0.00
Services Maintenance	5220	\$396,000.00	\$215,370.00	\$180,630.00	\$0.00	\$0.00
Sport Field Maintenance	5250	\$1,021,000.00	\$921,000.00	\$100,000.00	\$0.00	\$0.00
Sport Facility Maintenance	5340	\$346,000.00	\$315,649.00	\$30,351.00	\$0.00	\$0.00
Building Upgrades	8AMPK-10-002	\$996,600.00	\$972,600.00	\$24,000.00	\$0.00	\$0.00
Car Park Upgrades	8AMPK-10-003	\$522,000.00	\$375,000.00	\$147,000.00	\$0.00	\$0.00
Path & Track Upgrades	8AMPK-10-005	\$469,300.00	\$349,300.00	\$120,000.00	\$0.00	\$0.00
Playground Upgrades	8AMPK-10-006	\$796,400.00	\$596,400.00	\$200,000.00	\$0.00	\$0.00
Services Upgrade	8AMPK-10-008	\$297,000.00	\$252,000.00	\$45,000.00	\$0.00	\$0.00
Sport Facilities Upgrades	8AMPK-10-09	\$233,100.00	\$24,100.00	\$209,000.00	\$0.00	\$0.00
Sports Field Upgrades	8AMPK-10-010	\$911,400.00	\$365,400.00	\$546,000.00	\$0.00	\$0.00
Upgrade Existing Sports Fields	8AMPK-10-014	\$168,000.00	\$0.00	\$168,000.00	\$0.00	\$0.00
Parks Stormwater Drainage Programme	8AMPK-10-022	\$135,000.00	\$15,000.00	\$120,000.00	\$0.00	\$0.00
Ken Maunder No. 1 Field	8AMPK-10-024	\$231,000.00	\$20,000.00	\$211,000.00	\$0.00	\$0.00
<b>Total</b>		<b>\$6,886,800.00</b>	<b>\$4,600,819.00</b>	<b>2,285,981.00</b>	<b>0.00</b>	<b>0.00</b>

**Table 1 - Source of Funding**

14. Source of funding is shown in Table 2 below:

Budget Description (from annual budget line item) 2010/2011 Financial Year	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance	Potential Surplus
Safety & Emergency Works	5200	\$384,563.00	\$199,563.00	\$185,000.00	\$0.00	\$0.00
Services Maintenance	5220	\$419,617.00	\$238,987.00	\$180,630.00	\$0.00	\$0.00
Sport Field Maintenance	5250	\$1,055,744.00	\$852,126.00	\$203,618.00	\$0.00	\$0.00
Sport Facility Maintenance	5340	\$356,726.00	\$326,375.00	\$30,351.00	\$0.00	\$0.00
Building Upgrades	8AMPK-11-002	\$856,864.00	\$832,864.00	\$24,000.00	\$0.00	\$0.00
Car Park Upgrades	8AMPK-11-003	\$455,599.00	\$308,599.00	\$147,000.00	\$0.00	\$0.00

Budget Description (from annual budget line item) 2010/2011 Financial Year	Codes	Budget	Committed to other projects	Allocation to this project	Unallocate d balance	Potential Surplus
Path & Track Upgrades	8AMPK-11- 005	\$483,848.00	\$363,848.00	\$120,000.00	\$0.00	\$0.00
Playground Upgrades	8AMPK-11- 006	\$757,682.00	\$557,682.00	\$200,000.00	\$0.00	\$0.00
Services Upgrade	8AMPK-11- 008	\$320,126.00	\$275,126.00	\$45,000.00	\$0.00	\$0.00
Sport Facilities Upgrades	8AMPK-11- 09	\$183,724.00	\$450.00	\$183,274.00	\$0.00	\$0.00
Sports Field Upgrades	8AMPK-11- 010	\$916,559.00	\$402,559.00	\$514,000.00	\$0.00	\$0.00
Upgrade Existing Sports Fields	8AMPK-11- 014	\$121,658.00	\$0.00	\$121,658.00	\$0.00	\$0.00
Parks Stormwater Drainage Programme	8AMPK-11- 022	\$139,185.00	\$19,185.00	\$120,000.00	\$0.00	\$0.00
<b>Total</b>		<b>\$6,451,895.0</b>	<b>\$4,377,364.00</b>	<b>2,285,531.00</b>	<b>0.00</b>	<b>0.00</b>

**Table 2 - Source of Funding**

### IMPLEMENTATION ISSUES

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

### AUCKLAND COUNCIL TRANSITION ISSUES

16. The decision making proposed in this report is not constrained by section 31 of the Local Government (Tamaki Makaurau Reorganisation) Act 2009, as it does not directly or because of its consequences; significantly prejudice the organisation, significantly constrain the powers or capacity of the Auckland Council or any subsidiary of the Auckland Council following reorganisation, or have a significant negative impact on the assets or liabilities that are transferred to the Auckland Council as a result of the reorganisation.

Report prepared by: Sonya Riley, Contract Officer, Parks Assets.



## 23 CONTRACT NO. PK08011A - ECOSOURCED PLANT SUPPLY - APPROVAL TO EXTEND

### EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to extend Contract No. PK08011A - Ecosourced Plant Supply for 24 months, to 30 June 2011.

This contract expired on 30 June 2009. A letter was sent to the contractor seeking agreement that business continue as usual. This was agreed to and a variation to the contract was signed by the Deputy Group Manager: Assets on 26 June 2009 to cover the interim period.

### RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. PK08011A - Ecosourced Plant Supply - Approval To Extend report.

2. **Approve** that Contract No. PK08011A - Ecosourced Plant Supply as awarded to Bilfinger Berger Services be extended in the sum of \$35,314.00 excluding GST for the period 1 July 2009 to 30 June 2011.
3. **Approve** the commitment of \$17,657.00 excluding GST to the Annual Plan 2010/2011 and any escalations for Contract No. PK08011A - Ecosourced Plant Supply.
4. **Approve** that authority to extend Contract No. PK08011A - Ecosourced Plant Supply for the period 1 July 2009 to 30 June 2011 on behalf of the Council be delegated to the Deputy Group Manager: Assets.

## BACKGROUND

1. As part of the Green Network Community Assistance Programme, Waitakere residents are invited to apply for ecosourced native plants to revegetate their properties and hence grow the Green Network. Successful applicants are provided with a voucher for ecosourced native plants that are appropriate for their properties. The voucher can be redeemed at any of the two nurseries named on the voucher, at the discretion of the voucher holder. This contract outlines the agreement between Waitakere City Council and those two named nurseries supplying ecosourced native plants for this voucher programme.
2. The existing scope of works includes provision of ecosourced native plants of suitable sizes and species for the revegetation of properties within Waitakere and to supply community planting projects on Council land, as chosen by the Parks Community Assistance Co-ordinator. Species required are primarily pioneer or nursery species for revegetation purposes, especially plants suitable for streamsides and bush margins.
3. The award of Contract No. PK08011A - Ecosourced Plant Supply occurred on 1 July 2008.
4. This contract is a component of the Green Network Community Assistance Programme and the Community, Amenity and Streamside planting programme (community planting on parks).
5. The Green Network Community Assistance Programme is proposed to work on a neighbourhood level (rather than individual) from 30 June 2008 and will become the Sustainable Neighbourhoods programme. A report was presented to the Policy and Strategy Committee in June 2009 with these recommended adjustments to the programme. In anticipation of these adjustments being approved by the Policy and Strategy Committee there will be no requirement for any change in the Contract No. PK08011A - Ecosourced Plant Supply (Bilfinger Berger Services).

## DECISION MAKING

6. Contract No. PK08011A - Ecosourced Plant Supply was a one year contract with an expiry date of 30 June 2009. This contract has in the past been renewed on an annual basis.
7. As it is anticipated that the services delivered by Bilfinger Berger Services will remain the same as the current contract over the next two years and provides a high level of community interaction and engagement. It is considered beneficial to ensure consistent service delivery to Council's customers during the period of transition and to retain the existing institutional knowledge over that transition period. As such it is proposed that this contract be considered for extension subject to funding availability, contractor approval and satisfactory contractor performance.

8. Bilfinger Berger Services has a long standing relationship with Council and has been willing to enter into yearly contracts for Ecosourced Plant Supply previously. It is anticipated that Bilfinger Berger Services will be willing to carry out the contract for a further twelve months. This confirmation will be gained from Bilfinger Berger Services after the Tenders Subcommittee meeting and prior to implementation of the contract extension.
9. This report has been subject to an independent internal audit process to ensure appropriate process has been followed in contractor selection and contract negotiation.

#### CONTRACTOR'S PERFORMANCE

10. An evaluation of Bilfinger Berger Services performance to date contains the following features:
  - They have developed a good working relationship with relevant Council staff.
  - They are a well resourced company.
  - Their workmanship is generally to a very good standard.
  - They have worked well with Council over the passed years.
  - They have complied with Health and Safety requirements

#### CREDIT CHECK

11. A credit check on Bilfinger Berger Services dated May 2009 revealed no adverse information.

#### JOB COSTS

12.	<b>excl. GST</b>
Contract sum (12 months 2009/2010)	\$17,657.00
	-----
Total Job Cost	\$17,657.00
Contract sum (12 months 2010/2011)	\$17,657.00
	-----
Total Job Cost	\$17,657.00

#### SOURCE OF FUNDING

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

Budget Description (from annual budget line item) Annual Plan 2009/2010	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance	Potential surplus
Environmental Incentives	8PLPK-10-002	\$116,000.00	\$98,343.00	\$10,500.00	0	0
Community, Amenity and Streamside Planting	8PLPK-10-011	\$58,000.00	\$50,843.00	\$7,157.00	0	0
	<b>Total</b>	\$174,000.00	\$149,186.00	\$17,657.00		

**Table 1 - Source of Funding**

14. Source of funding is shown in Table 2 below:

Budget Description (from annual budget line item) Annual Plan 2010/2011	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance	Potential surplus
Environmental Incentives	8PLPK-11-002	\$119,596.00	\$109,096.00	\$10,500.00	0	0
Community, Amenity and Streamside Planting	8PLPK-11-011	\$59,798.00	\$52,641.00	\$7,157.00	0	0
<b>Total</b>		\$179,394	\$161,737	\$17,657.00		

**Table 2 - Source of Funding**

### IMPLEMENTATION ISSUES

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

### AUCKLAND COUNCIL TRANSITION ISSUES

16. The decision making proposed in this report is not constrained by section 31 of the Local Government (Tamaki Makaurau Reorganisation) Act 2009, as it does not directly or because of its consequences: significantly prejudice the reorganisation, significantly constrain the powers or capacity of the Auckland Council or any subsidiary of the Auckland Council following the reorganisation, or have a significant negative impact on the assets or liabilities that are transferred to the Auckland Council as a result of the reorganisation.

Report prepared by: Renee Davies, Service Manager Parks Planning.



## 24 CONTRACT NO. PK08011B - ECOSOURCED PLANT SUPPLY - APPROVAL TO EXTEND

### EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to extend Contract No. PK08011B - Ecosourced Plant Supply for 24 months, to 30 June 2011.

This contract expired on 30 June 2009. A letter was sent to the contractor seeking agreement that business continue as usual. This was agreed to and a variation to the contract was signed by the Deputy Group Manager: Assets on 26 June 2009 to cover the interim period.

### RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. PK08011B - Ecosourced Plant Supply - Approval To Extend report.
2. **Approve** that Contract No. PK08011B - Ecosourced Plant Supply as awarded to Oratia Native Plants be extended in the sum of \$420,150.00 excluding GST for the period 1 July 2009 to 30 June 2011.

3. **Approve** the commitment of \$21,075.00 excluding GST to the Annual Plan 2010/2011 and any escalations for Contract No. PK08011B - Ecosourced Plant Supply.
4. **Approve** that authority to extend Contract No. PK08011B - Ecosourced Plant Supply for the period 1 July 2009 to 30 June 2011 on behalf of the Council be delegated to the Deputy Group Manager: Assets.

## BACKGROUND

1. As part of the Green Network Community Assistance Programme, Waitakere residents are invited to apply for ecosourced native plants to revegetate their properties and hence grow the Green Network. Successful applicants are provided with a voucher for ecosourced native plants that are appropriate for their properties. The voucher can be redeemed at any of the two nurseries named on the voucher, at the discretion of the voucher holder. This contract outlines the agreement between Council and those two named nurseries supplying ecosourced native plants for this voucher programme.
2. The existing scope of works includes Provision of ecosourced native plants of suitable sizes and species for the revegetation of properties within Waitakere and to supply community planting projects on Council land, as chosen by the Parks Community Assistance Co-ordinator. Species required are primarily pioneer or nursery species for revegetation purposes, especially plants suitable for stream sides and bush margins.
3. The award of Contract No. PK08011B - Ecosourced Plant Supply occurred on 1 July 2008.
4. This contract is a component of the Green Network Community Assistance Programme and the Community, Amenity and Streamside planting programme (Community planting on parks).
5. The Green Network Community Assistance Programme is proposed to work on a neighbourhood level (rather than individual) from 30 June 2008 and will become the Sustainable Neighbourhoods programme. A report was presented to the June 2009 Policy and Strategy Committee with these recommended adjustments to the programme. In anticipation of these adjustments being approved by the Policy and Strategy Committee there will be no requirement for any change in the Contract No. PK08011B - Ecosourced Plant Supply.

## DECISION MAKING

6. Contract No. PK08011B - Ecosourced Plant Supply was a one year contract with an expiry date of 30 June 2009. This contract has in the past been renewed on an annual basis.
7. As it is anticipated that the services delivered by Oratia Native Plants will remain the same as the current contract over the next two years and provides a high level of community interaction and engagement. It is considered beneficial to ensure consistent service delivery to Council's customers during the period of transition and to retain the existing institutional knowledge over that transition period. As such it is proposed that this contract be considered for extension subject to funding availability, contractor approval and satisfactory contractor performance.
8. Oratia Native Plants has a long standing relationship with Council and has been willing to enter into yearly contracts for Ecosourced Plant Supply previously. It is anticipated that Oratia Native Plants will be willing to carry out the contract for a further twelve months. This confirmation will be gained from Oratia Native Plants after the Tenders Subcommittee meeting and prior to implementation of the contract extension.

9. This report has been subject to an independent internal audit process to ensure appropriate process has been followed in contractor selection and contract negotiation.

### CONTRACTOR'S PERFORMANCE

10. An evaluation of Oratia Native Plants performance to date contains the following features:
- They have developed a good working relationship with relevant Council staff.
  - They are a well resourced company.
  - Their workmanship is generally to a very good standard.
  - They have worked well with Council over the passed years.
  - They have complied with Health and Safety requirements

### CREDIT CHECK

11. A credit check on Oratia Native Plants dated May 2009 revealed no adverse information.

### JOB COSTS

12.		<b>excl. GST</b>
	Contract sum (12 months 2009/2010)	\$21,075.00
		-----
	Total Job Cost	\$21,075.00
	Contract sum (12 months 2010/2011)	\$21,075.00
		-----
	Total Job Cost	\$21,075.00

### SOURCE OF FUNDING

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

Budget Description (from annual budget line item) Annual Plan 2009/2010	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance	Potential surplus
Environmental Incentives	8PLPK-10-002	\$116,000.00	\$105,500.00	\$10,500.00	\$0	\$0
Community, Amenity and Streamside Planting	8PLPK-10-011	\$58,000	\$47,425.00	\$10,575.00	\$0	\$0
	<b>Total</b>			\$21,075.00		

**Table 1 - Source of Funding**

14. Source of funding is shown in Table 2 below:

Budget Description (from annual budget line item) Annual Plan 2010/2011	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance	Potential surplus
Environmental Incentives	8PLPK-11- 002	\$119,596.00	\$109,096.00	\$10,500.00	\$0	\$0
Community, Amenity and Streamside Planting	8PLPK-11- 011	\$59,798.00	\$49,223.00	\$10,575.00	\$0	\$0
	<b>Total</b>	\$179,394		\$21,075.00		

**Table 2 - Source of Funding**

### IMPLEMENTATION ISSUES

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

### AUCKLAND COUNCIL TRANSITION ISSUES

16. The decision making proposed in this report is not constrained by section 31 of the Local Government (Tamaki Makaurau Reorganisation) Act 2009, as it does not directly or because of its consequences: significantly prejudice the reorganisation, significantly constrain the powers or capacity of the Auckland Council or any subsidiary of the Auckland Council following the reorganisation, or have a significant negative impact on the assets or liabilities that are transferred to the Auckland Council as a result of the reorganisation.

**Report prepared by:** Renee Davies, Service Manager Parks Planning.



## 25 CONTRACT NO. PK08009A - KEEP WAITAKERE BEAUTIFUL TRUST CONTRACT APPROVAL TO EXTEND 2009 – 2012

### GLOSSARY

Keep Waitakere Beautiful Trust (KWBT)

### EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to extend Contract No. PK08009A - Keep Waitakere Beautiful Trust for 24 months, to 30 June 2011, with a further right of renewal for a 36 month period until 30 June 2014 subject to confirmation by the Auckland Council.

Council and Keep Waitakere Beautiful Trust (KWBT) have signed a Memorandum of Understanding which provides for a partnership relationship. Council has many longstanding funding agreements with a range of organisations, each of which contributes to the delivery of a range of Council's strategic objectives.

The services provided to the community by KWBT are unique because the organisation relies on the voluntary participation of residents to carry out its annual work programme. This provides an added cost saving to Council through volunteer contributions. The KWBT programme carries out its annual work programme almost exclusively on public land including on parks and reserves, streams, beaches and road reserves, further benefiting the City.

Performance in the period 1 July 2008 to 30 April 2009 has been satisfactory and therefore approval to extend the contract is recommended.

This contract expired on 30 June 2009. A letter was sent to the contractor seeking agreement that business continue as usual. This was agreed to and a variation to the contract was signed by the Deputy Group Manager: Assets on 26 June 2009 to cover the interim period.

### **RECOMMENDATIONS**

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. PK08009A Keep Waitakere Beautiful Trust - Approval To Extend 2009 - 2011 report.
2. **Approve** that Contract No. PK08009A - Keep Waitakere Beautiful Trust as awarded to Keep Waitakere Beautiful Trust be extended in the sum of \$456,975 excluding GST for the period 1 July 2009 to 30 June 2011.
3. **Approve** the commitment of \$231,975.00 excluding GST to the 2010/2011 financial year for Contract No. PK08009A - Keep Waitakere Beautiful Trust.
4. **Approve** that authority to extend Contract No. PK08009A - Keep Waitakere Beautiful Trust for the period 1 July 2009 to 30 June 2011 on behalf of the Council be delegated to the Deputy Group Manager: Assets.
5. **Agree** that a right of renewal for Contract No. PK08009A - Keep Waitakere Beautiful Trust from 1 July 2011 to 30 June 2014 be subject to approval by the Auckland Council.

### **BACKGROUND**

1. KWBT has worked in partnership with Council since 1993 to create a beautiful functional environment through community action and pride. In August 2002, KWBT moved outside of Council and was incorporated as a Charitable Trust. In September 2002 a Memorandum of Understanding between KWBT and Council was signed. The purpose of the Memorandum of Understanding is to provide the basis of an ongoing working relationship between KWBT and Council and to manage the delivery of an annual programme of community based events and projects. The Memorandum of Understanding also clarifies and strengthens the relationship and commitment between KWBT and Council.
2. The annual KWBT work programme is agreed and delivered on a yearly basis through a Service Performance Contract. The work includes the supply of all management, supervision, labour, materials, plant and incidental requirements necessary to carry out and complete the tasks described in the contract documents.
3. Performance in the period of the contract from 1 July 2008 to 30 April 2009 has been satisfactory and all required key performance indicators have been met and/or exceeded.
4. KWBT has been chosen as the preferred supplier for this contract due to the Memorandum of Understanding between Council and KWBT.

5. The Memorandum of Understanding states that as partners, KWBT and Council shall agree on an annual work programme for KWBT that compliments the strategic direction of Council and maximises community involvement in KWBT's activities.
6. Council has funded the KWBT annual work programme through the annual plan since its inception in 1993. The budget is allocated to KWBT through a service performance contract and all expenditure is supplied in accordance with the Memorandum of Understanding, the agreed annual work programme and a service performance contract.
7. In addition to the Memorandum of Understanding KWBT warrant preferred supplier status as they offer a unique service and offer the following advantages:
  - Vast experience and known performance in service and project delivery with the KWBT recognised as leaders in their field;
  - Alignment with Council's strategic direction and community partnerships;
  - Many of the activities carried out by KWBT are delivered at considerably lower cost than if they were delivered by Council due to the number of volunteer hours leveraged by KWBT;
  - Familiarity with Waitakere parks and community;
  - Close working relationships with the wider Waitakere community and Council staff;
  - KWBT provides added benefit to Council and the community through volunteer services advertising sponsorship from other companies. Other contractors are less likely to provide these added services.
8. Council resolved on 25 March 2003 to support longer term funding arrangements with selected community organisations. This funding is designed to apply to those organisations Council has a long term or core funding relationship with. Those which meet the criteria were invited to apply for longer term funding by way of submission to the Long Term Council and Community Plan and Annual Plan process. The Council resolved as follows:
9. In June 2003 KWBT applied for longer term funding through the Long Term Council and Community Plan and Annual Plan process in line with the above resolution. On 30 June 2003 at a Special Meeting to approve the Long Term Council Community Plan and Annual Plan the application was approved.
10. The expected benefits of Council providing longer term funding include greater stability for organisations, strengthening the relationships between Council and its key partner organisations.
11. In December 2006 the Tenders Subcommittee passed the following resolutions relating to the contract with KWBT:
  - “2. *That subject to a satisfactory credit check, the tender from Keep Waitakere Beautiful for Contract No. PK06005A - Keep Waitakere Beautiful Trust Projects 2007 in the sum of \$106,380.00 plus \$13,279.00 GST covering the period 1 January 2007 to 30 June 2007 together with renewals for a further one plus one years, subject to performance, be accepted.*

3. *That authority to enter into the Contract No. PK06005A - Keep Waitakere Beautiful Trust Projects 2007 on behalf of Council be delegated to the Group Manager: Planning and Community Services.*
4. *That the renewals for Contract No. PK06005A - Keep Waitakere Beautiful Trust Projects 2007 be brought back to the Tenders Subcommittee for approval.*
5. *That a retrospective variation to extend the 2005/2006 contract awarded to Keep Waitakere Beautiful Trust be approved for the period 1 July 2006 to 31 December 2006 totalling \$136,620.00 plus GST.*
6. *That commitment of funds for the 2007/2008 and 2008/2009 financial years for Contract No. PK06005A - Keep Waitakere Beautiful Trust Projects 2007 in the sum of \$241,120.00 be approved.”*

2541/2006

12. In June 2009 KWBT was considered for a further term of long term funding by the Long Term Council Community Plan and Annual Plan Committee. The following resolutions were passed:

“2. *Agree that after consideration of submissions received, the organisations listed below be approved for two year funding from 1 July 2009 to 30 June 2011, subject to negotiation of appropriate service agreements, and any requirements of Quality Assurance, at the level of funding approved in the Long Term Council Community Plan 2009-2019 and Annual Plan 2009/2010.*

- *Keep Waitakere Beautiful Trust.*

3. *Agree that after consideration of submissions received, the organisations listed below be referred to the Auckland Council for consideration of a further period of three year funding from 1 July 2011 to 30 June 2014.*

- *Keep Waitakere Beautiful Trust.”*

1016/2009

## DECISION MAKING

13. Contract No. PK08009A - Keep Waitakere Beautiful Trust is in the final year of the above three year contract extension approval with an expiry date of 30 June 2009.
14. A report was presented to the Long Term Council Community Plan and Annual Plan Committee in June 2009 to recommend a renewal of the three year funding agreement for all the previously approved partner organisations, including KWBT.
15. In line with the long term funding agreement renewal, it is recommended that the contract with KWBT is extended from 2009/2010 to 2010/2011 with a further extension of 36 months subject to approval by the Auckland Council.
16. It is considered beneficial to ensure consistent service delivery to Council's customers during the period of transition and to retain the existing institutional knowledge over that transition period. As such it is proposed that this contract be considered for extension subject to funding availability, contractor approval and satisfactory contractor performance. It is anticipated that the services delivered by KWBT will remain the same as the current contract over the next three years and provides a high level of community interaction and engagement.

17. KWBT has a long standing relationship with Council and has been willing to enter into a three year contract extension previously. It is anticipated that KWBT will be willing to carry out the contract for a further 24 months. This confirmation will be gained from KWBT after the Tenders Subcommittee meeting and prior to implementation of the contract extension.
18. A Memorandum of Understanding, initially dated 6 September 2002 and reviewed annually, forms the basis of a sole provider relationship for this contract.
19. This report has been subject to an independent internal audit process to ensure appropriate process has been followed in contractor selection and contract negotiation.

### CONTRACTOR'S PERFORMANCE

20. An evaluation of KWBT performance to date contains the following features:
  - They have developed a good working relationship with relevant Council staff;
  - They are a well resourced company;
  - Their workmanship is generally to a very good standard; and
  - They have complied with health and safety requirements.

### CREDIT CHECK

21. A credit check on KWBT dated 4 May 2009 revealed no adverse information.

### JOB COSTS

22.	<b>excl. GST</b>
Contract sum (12 months) (2009/2010) - KWBT	\$225,000.00
	-----
Total Job Cost	\$225,000.00
	<b>excl. GST</b>
Contract sum (12 months) (2010/2011) - KWBT	\$231,975.00
	-----
Total Job Cost	\$231,975.00

### SOURCE OF FUNDING

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

Budget Description (from annual budget line item) Annual Plan 2009/2010	Codes	Budget	Committed to other projects	Allocation to this project	Unallocate d balance	Potential surplus
Keep Waitakere Beautiful Project Funds	47608PLP K-10-013	\$182,000	\$0	\$182,000	\$0	\$0
Keep Waitakere Beautiful Trees For Babies	47608PLP K-10-014	\$12,000	\$0	\$12,000	\$0	\$0
Keep Waitakere Beautiful Trees For Babies	47808PLP K-10-012	\$21,000	\$0	\$21,000	\$0	\$0
Keep Waitakere Beautiful Neat Streets	47808PLP K-10-016	\$10,000	\$0	\$10,000	\$0	\$0
	<b>Total</b>	<b>\$225,000</b>		<b>\$225,000</b>		

**Table 1 - Source of Funding**

24. Source of funding is shown in Table 2 below:

Budget Description (from annual budget line item) 20010/2011 Financial Year	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance	Potential surplus
Keep Waitakere Beautiful Project Funds	47608PLPK-11-013	\$187,642	\$0	\$187,642	\$0	\$0
Keep Waitakere Beautiful Trees For Babies	47608PLPK-11-014	\$12,372	\$0	\$12,372	\$0	\$0
Keep Waitakere Beautiful Trees For Babies	47808PLPK-11-012	\$21,651	\$0	\$21,651	\$0	\$0
Keep Waitakere Beautiful Neat Streets	47808PLPK-11-016	\$10,310	\$0	\$10,310	\$0	\$0
	<b>Total</b>	<b>\$231,975</b>		<b>\$231,975</b>		

**Table 2 - Source of Funding**

### IMPLEMENTATION ISSUES

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

### AUCKLAND COUNCIL TRANSITION ISSUES

26. The Local Government (Tamaki Makaurau Reorganisation) Act 2009 imposes restrictions on Council's decision making capabilities in respect of extending contracts beyond 30 June 2011. In particular, section 31, subsection (5)(d) and (e) apply in this instance.

- (5) This subsection applies to a decision—
  - (d) to enter into any contract (other than an employment agreement)—
    - (i) that imposes, or will continue to impose, any obligation on the organisation after 30 June 2011; and
    - (ii) the consideration for which is, or is equivalent to, \$20,000 or more;
  - (e) to borrow money for a period that extends beyond 30 June 2011.

27. This report is impacted on by section 31 of the Local Government (Tamaki Makaurau Reorganisation) Act 2009, as above. Therefore, this report includes recommendations to ensure compliance with the Local Government (Tamaki Makaurau Reorganisation) Act 2009. The recommendation included is that the Tenders Subcommittee agree that the right of renewal beyond June 2011 be subject to approval of the Auckland Council.

**Report prepared by:** Renee Davies, Service Manager Parks Planning.



26 **CONTRACT NO. PK08013A - WEEDFREE WAITAKERE TRUST - APPROVAL TO EXTEND**

**EXECUTIVE SUMMARY**

The purpose of this report is to seek approval from the Tenders Subcommittee to extend Contract No. PK08013A - Weedfree Waitakere Trust for 24 months, to 30 June 2011.

This contract expired on 30 June 2009. A letter was sent to the contractor seeking agreement that business continue as usual. This was agreed to and a variation to the contract was signed by the Deputy Group Manager: Assets on 26 June 2009 to cover the interim period.

**RECOMMENDATIONS**

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. PK08013A - Weedfree Waitakere Trust - Approval To Extend report.
2. **Approve** that the Contract No. PK08013A - Weedfree Waitakere Trust as awarded to Weedfree Trust be extended in the sum of \$116,000.00 excluding GST for the period 1 July 2009 to 30 June 2011.
3. **Approve** the commitment of \$58,000.00 excluding GST to the Annual Plan 2010/2011 including any escalations for Contract No. PK08013A - Weedfree Waitakere Trust.
4. **Approve** that authority to extend Contract No. PK08013A - Weedfree Waitakere Trust for the period 1 July 2009 to 30 June 2011 on behalf of the Council be delegated to the Deputy Group Manager: Assets.

**BACKGROUND**

1. The existing scope of work includes preparing management plans for individual landowners and mentoring neighbourhood groups to remove weeds across multiple properties. The existing contract expired on 30 June 2009
2. The Council approved the award of Contract No. PK08013A - Weedfree Waitakere Trust to Weedfree Waitakere Trust on 2 September 2008.
3. This contract is a component of the Green Network Community Assistance Programme, and a Memorandum and Understanding has been signed with the Weedfree Waitakere Trust where both parties agree to work together with the community to provide them with support to control their weeds.
4. The Green Network Community Assistance Programme is proposed to work on a neighbourhood level (rather than individual) from 30 June 2008 and will become the Sustainable Neighbourhoods programme. A report was presented to the June 2009 Policy and Strategy Committee with these recommended adjustments to the programme. In anticipation of these adjustments being approved by the Policy and Strategy Committee this will require a slight change in focus with Contract No. PK08013A - Weedfree Waitakere Trust where assistance will no longer be provided to individual landowners but at a neighbourhood level.

**DECISION MAKING**

5. Contract No. PK08013A - Weedfree Waitakere Trust was a one year contract and had an expiry date of 30 June 2009. This contract has in the past been renewed on an annual basis.

6. As it is anticipated that the services delivered by Weedfree Waitakere Trust will remain the same as the current contract over the next three years and provides a high level of community interaction and engagement. It is considered beneficial to ensure consistent service delivery to Council's customers during the period of transition and to retain the existing institutional knowledge over that transition period. As such it is proposed that this contract be considered for extension subject to funding availability, contractor approval and satisfactory contractor performance.
7. In addition to the above, the contract is further supported by the Memorandum of Understanding between Council and Weedfree Waitakere Trust.
8. Weedfree Waitakere Trust has confirmed in writing that they are willing to carry out the contract for a further 24 months.
9. A Memorandum of Understanding, last reviewed 1 July 2008, forms the basis of a sole provider relationship for this contract.
10. This report has been subject to an independent internal audit process to ensure appropriate process has been followed in contractor selection and contract negotiation.

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

11. An evaluation of Weedfree Waitakere Trust performance to date contains the following features:
  - They have developed a good working relationship with relevant Council staff;
  - They are a well resourced company;
  - They respond quickly to customer complaints;
  - They have a strong focus on health and safety;
  - Their workmanship is generally to a very good standard;
  - They have initiated a number of sustainable weed control products that reduce weeds volumes to landfill;
  - They have worked well with Council over the passed years and the Memorandum of Understanding is working very well; and
  - They have complied with health and safety requirements.

#### **CREDIT CHECK**

12. A credit check on Weedfree Waitakere Trust dated May 2009 revealed no adverse information.

#### **JOB COSTS**

13.		<b>excl. GST</b>
	Contract sum (12 months 2009/2010) - Weedfree Waitakere Trust	\$58,000.00 -----
	Total Job Cost	\$58,000.00
	Contract sum (12 months 2010/2011) - Weedfree Waitakere Trust	\$58,000.00 -----
	Total Job Cost	\$58,000.00

## SOURCE OF FUNDING

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

Budget Description (from annual budget line item) Annual Plan 2009/2010	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance	Potential surplus
Environmental Incentives	8PLPK-10-002	\$116,000	\$58,000.00	\$58,000.00	\$0	\$0
	<b>Total</b>	\$116,000	\$58,000.00	\$58,000.00		

**Table 1 - Source of Funding**

15. Source of funding is shown in Table 2 below:

Budget Description (from annual budget line item) Annual Plan 2010/2011	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance	Potential surplus
Environmental Incentives	8PLPK-11-002	\$119,598	\$61,598.00	\$58,000.00	\$0	\$0
	<b>Total</b>	\$119,598	\$61,598.00	\$58,000.00		

**Table 2 - Source of Funding**

## IMPLEMENTATION ISSUES

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

## AUCKLAND COUNCIL TRANSITION ISSUES

17. The decision making proposed in this report is not constrained by section 31 of the Local Government (Tamaki Makaurau Reorganisation) Act 2009, as it does not directly or because of its consequences: significantly prejudice the reorganisation, significantly constrain the powers or capacity of the Auckland Council or any subsidiary of the Auckland Council following the reorganisation, or have a significant negative impact on the assets or liabilities that are transferred to the Auckland Council as a result of the reorganisation.

**Report prepared by:** Danielle Hancock, Parks Ecology and Policy Coordinator.



27 **CONTRACT NO. CY03001E - LOCKSMITH SERVICES - APPROVAL TO EXTEND**

**EXECUTIVE SUMMARY**

The purpose of this report is to seek approval from the Tenders Subcommittee to extend Contract No. CY03001E - Locksmith Services for 1 July 2009 to 30 June 2011.

This contract expired on 30 June 2009. A letter was sent to the contractor seeking agreement that business continue as usual. This was agreed to and a variation to the contract was signed by the Deputy Group Manager: Assets on 30 June 2009 to cover the interim period.

**RECOMMENDATIONS**

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. CY03001E - Locksmith Services - Approval To Extend report.
2. **Approve** that Contract No. CY03001E - Locksmith Services as awarded to Lock Services Limited be extended in the sum of \$25,000.00 excluding GST for the period 1 July 2009 to 30 June 2011.
3. **Approve** the commitment of \$25,000.00 excluding GST to the 2010/2011 financial year for Contract No. CY03001E - Locksmith Services.
4. **Approve** that authority to extend Contract No. CY03001E - Locksmith Services - for the period 1 July 2009 to 30 June 2011 on behalf of the Council be delegated to the Deputy Group Manager: Assets.

**BACKGROUND**

1. The Locksmith Services contract provides lock maintenance and replacement for all Council owned or operated buildings including response and planned maintenance works.
2. Lock Services Limited is a local Waitakere contractor who has undertaken locksmith services for Council for six years.
3. Lock Services Limited have performed the contract to a very good standard.
4. Lock Services Limited currently hold proprietary information for the key systems in a number of Council's buildings. Negotiations for purchase of this information would be required prior to tendering this contract. The decision to utilise a proprietary system was made outside of the scope of the terms and conditions of this contract, the information for the key systems was subsequently transferred to the Locksmith Services contract to allow for ongoing maintenance, it is the work that has subsequently been carried out by Lock Services Limited that will be required to be purchased.

**DECISION MAKING**

5. It is proposed to extend Contact No. CY03001E - Locksmith Services for a period of two years.
6. Lock Services Limited has confirmed that they are willing to carry out the contract until 30 June 2011.

7. In order to limit potential disruption to our customers during the transition period into the new Auckland Council it is proposed that Property term maintenance contracts be considered for extension on the basis that there will be:
- A retention of the institutional knowledge over the period of transition; and
  - A certainty of service delivery over the period of transition.
8. This report has been subject to an independent internal audit process to ensure appropriate process has been followed in contractor selection and contract negotiation.

### CONTRACTOR'S PERFORMANCE

9. An evaluation of Lock Services Limited's performance to date contains the following features:
- They have developed a good working relationship with relevant Council staff;
  - They are a well resourced company;
  - They respond quickly to customer complaints;
  - They have a strong focus on health and safety and have demonstrated ongoing compliance to health and safety requirements; and
  - Their workmanship is generally to a very good standard.

### CREDIT CHECK

10. A credit check on Lock Services Limited dated June 2009 revealed no adverse information.

### JOB COSTS

11.		<b>excl. GST</b>
	Contract sum (12 months 2009/2010) - Locksmith Services	\$25,000.00
		-----
	Total Job Cost	\$25,000.00
		<b>excl. GST</b>
	Contract sum (12 months 2010/2011) - Locksmith Services	\$25,000.00
		-----
	Total Job Cost	\$25,000.00

### SOURCE OF FUNDING

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

Annual Plan 2009/2010	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance	Potential surplus
Response and Property Maintenance	Various	\$829,400	\$804,400	\$25,000	\$0	\$0
	<b>Total</b>	\$829,400	\$804,400	\$25,000		

**Table 1 - Source of Funding**

13. Source of funding for 2010/2011 is shown in Table 2 below:

2010/2011 Financial Year	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance	Potential surplus
Response and Property Maintenance	Various	\$853,049	\$828,049	\$25,000	\$0	\$0
	<b>Total</b>	\$853,049	\$828,049	\$25,000		

**Table 2 - Source of Funding**

### IMPLEMENTATION ISSUES

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

### AUCKLAND COUNCIL TRANSITION ISSUES

15. The decision making proposed in this report is not constrained by section 31 of the Local Government (Tamaki Makaurau Reorganisation) Act 2009, as it does not directly or because of its consequences: significantly prejudice the reorganisation, significantly constrain the powers or capacity of the Auckland Council or any subsidiary of the Auckland Council following the reorganisation, or have a significant negative impact on the assets or liabilities that are transferred to the Auckland Council as a result of the reorganisation.

**Report prepared by:** Tina Hemsworth, Manager: Property Assets.



## 28 CONTRACT NO. PY06046D - RESPONSE MAINTENANCE PLUMBING - APPROVAL TO EXTEND

### EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to extend Contract No. PY06046D - Response Maintenance Plumbing for 12 months, to 30 June 2010 with the right of renewal for a further 12 months.

This contract expired on 30 June 2009. A letter was sent to the contractor seeking agreement that business continue as usual. This was agreed to and a variation to the contract was signed by the Deputy Group Manager: Assets on 30 June 2009 to cover the interim period.

### RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. PY06046D - Response Maintenance Plumbing - Approval To Extend report.
2. **Approve** that Contract No. PY06046D - Response Maintenance Plumbing as awarded to Allwest Plumbing Limited be extended in the sum of \$180,000.00 excluding GST for the period 1 July 2009 to 30 June 2010.

3. **Approve** that authority to extend Contract No. PY06046D - Response Maintenance Plumbing for the period 1 July 2009 to 30 June 2010 on behalf of the Council be delegated to the Deputy Group Manager: Assets.

### BACKGROUND

1. The Response Maintenance Plumbing contract provides plumbing maintenance for all Council owned or operated buildings including response and planned maintenance works.
2. Allwest Plumbing Limited is a local Waitakere contractor who has undertaken response maintenance plumbing services for Council and has an extensive knowledge of Council buildings and relevant plumbing services.
3. Allwest Plumbing Limited have performed the contract to a good standard and consistently provide added value in resolving issues in a cost efficient and effective manner.
4. The Tenders Subcommittee approved the award of Contract No. PY06046D - Response Maintenance Plumbing to Allwest Plumbing Limited at a Tenders Subcommittee meeting held on 2 May 2008 with the following recommendations:

*“The Tenders Subcommittee resolved to:*

1. **Receive** the Contract No. PY06046D - Response Maintenance - Plumbing report.
2. **Approve** that the tender from AllWest Plumbing Ltd for Contract No. PY06046D - Response Maintenance - Plumbing in the sum of \$540,000.00 plus \$67,500.00 GST, totalling \$607,500.00 be accepted for a term of three (3) years.
3. **Approve** committing \$180,000.00 plus GST against the 2008/2009 Annual Plan for Contract No. PY06046D - Response Maintenance - Plumbing.
4. **Approve** committing \$180,000.00 plus GST against the 2009/2010 Annual Plan for Contract No. PY06046D - Response Maintenance - Plumbing.
5. **Approve** committing \$180,000.00 plus GST against the 2010/2011 Annual Plan for Contract No. PY06046D - Response Maintenance - Plumbing.
6. **Agree** that renewals for Contract No. PY06046D - Response Maintenance - Plumbing be brought back to the Tenders Subcommittee for approval.
7. **Approve** that authority to enter into Contract No. PY06046D - Response Maintenance - Plumbing on behalf of Council be delegated to the Group Manager: Asset Management.”

675/2008

### DECISION MAKING

5. On 21 December 2007 approval was received from the Tenders Subcommittee to negotiate a contract for plumbing maintenance with the existing plumbing response maintenance contractor, Allwest Plumbing, for a period of three years from 1 February 2008 to 31 January 2011, at the sole discretion of the Principal.

6. A report was submitted to the Tenders Subcommittee on 9 February 2007 seeking authority to call tenders for a term maintenance contract for plumbing services. Accordingly tenders were advertised on 19 November 2007 with a closing date of 11 December 2007. Only one tender was received and the hourly rate submitted was significantly higher than the current contract rate. Therefore it was recommended that the tender be rejected and authority be granted to negotiate a term maintenance contract with the existing contractor.
7. This contract has provision for two annual extensions up to 30 June 2011, based on the satisfactory performance of the contractor and subject to the Council's approval.
8. This report has been subject to an independent internal audit process to ensure appropriate process has been followed in contractor selection and contract negotiation.

### CONTRACTOR'S PERFORMANCE

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

### CREDIT CHECK

10. A credit check on Allwest Plumbing Limited dated 7 May 2009 revealed no adverse information.

### JOB COSTS

11.		<b>excl. GST</b>
	Contract sum (12 months - 2009/2010) - Allwest Plumbing Limited	\$180,000.00
		-----
	Total Job Cost	\$180,000.00

### SOURCE OF FUNDING

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

Annual Plan 2009/2010	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance	Potential surplus
Response and Property Maintenance	Various	\$829,400.00	\$649,400.00	\$180,000.00	\$0.00	\$0.00
	<b>Total</b>	\$829,400.00	\$649,400.00	\$180,000.00		

**Table 1 - Source of Funding**

## IMPLEMENTATION ISSUES

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

## AUCKLAND COUNCIL TRANSITION ISSUES

14. The decision making proposed in this report is not constrained by section 31 of the Local Government (Tamaki Makaurau Reorganisation) Act 2009, as it does not directly or because of its consequences, significantly prejudice the reorganisation, significantly constrain the powers or capacity of the Auckland Council or any subsidiary of the Auckland Council following the reorganisation, or have a significant negative impact on the assets or liabilities that are transferred to the Auckland Council as a result of the reorganisation.

Report prepared by: Rory Chacko, Facilities Manager.



## 29 CONTRACT NO. EW07047B - ENERGY EFFICIENCY AND WATER DEMAND MANAGEMENT- APPROVAL TO EXTEND

### GLOSSARY

EcoMatters Environmental Trust (EMT)

### EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to extend Contract No. EW07047B - Energy Efficiency and Water Demand Management with EcoMatters Environmental Trust (EMT) for 24 months, to 30 June 2011.

This contract expired on 30 June 2009. A letter was sent to the contractor seeking agreement that business continue as usual. This was agreed to and a variation to the contract was signed by the Deputy Group Manager: Assets on 26 June 2009 to cover the interim period.

### RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. EW07047B - Energy Efficiency And Water Demand Management - Approval To Extend report.
2. **Approve** that Contract No. EW07047B - Energy Efficiency and Water Demand Management as awarded to EcoMatters Environment Trust be extended in the sum of \$618,500.00 excluding GST for the period 1 July 2009 to 30 June 2011.
3. **Approve** the commitment of \$309,250.00 excluding GST to the 2010/2011 financial year for Contract No EW07047B - Energy Efficiency and Water Demand Management.
4. **Approve** that authority to extend Contract No. EW07047B - Energy Efficiency and Water Demand Management for the period 1 July 2009 to 30 June 2011 on behalf of the Council be delegated to the Deputy Group Manager: Assets.

## BACKGROUND

1. Council has a number of programmes around the reduction of water, waste, energy and transport. In previous years these programmes have been provided as stand alone initiatives by Strategy and City Services.
2. Council has previously entered into contracts with EMT to deliver Council's energy efficiency and water demand management programme. The existing contract expired on 30 June 2009.
3. The Council approved the extension of Contract No. EW07047B - Energy Efficiency and Water Demand Management to EMT at a Tenders Subcommittee held on Friday, 8 August 2008, with the following recommendations:

*"The Tenders Subcommittee resolved to:*

2. **Approve** that the Contract No. EW07047B - Energy Efficiency and Water Demand Management as awarded to EcoMatters Environment Trust be extended in the sum of \$309,250.00 excluding GST for the period 1 July 2008 to 30 June 2009.
3. **Approve** that the authority to enter into Contract No. EW07047B Energy Efficiency and Water Demand Management for the period 1 July 2008 to 30 June 2009 on behalf of Council be delegated to the Group Manager: Asset Management."

1315/2008

4. For the 2008/2009 Energy and Water Demand Management Programme contract, EMT mobilised and recruited resources to deliver the contracted programmes. For the schools programme, 45 out of 72 schools have been audited, and 27 detailed reports have been prepared for schools detailing the actions now required to achieve significant water savings identified. The following is a list of what was found at those schools:
  - A number of long term undetected leaks were identified at some 13 schools totalling 35.88 litres per minute; these were investigated and repaired and produced immediate saving of 19,384 cubic meters of water per year;
  - It was found that school toilets, and in particular boys urinals were flushing water down the drain without timers or sensors even during evenings, weekends and school holidays. Toilets were general large single flush and gizmos although offered were not readily accepted by school caretakers;
  - Retrofitting of Laingholm Primary School to waterless urinals completed; and
  - Retrofitting of Glen Eden Intermediate School to waterless urinals completed.
5. A summary of measurable achievements by the Sustainable Homes Programme since the start of the Project is shown below:

• Homes seen since start of contract	1254
• Toilets retrofitted with gizmo	532
• Savings from toilets in cubic metres of water per year	7233
• Showerheads installed	286
• Flow restrictors installed	362
• Aerators installed	546
• Savings from aerators in cubic metres of water per year	5460

6. Large water users have been audited comprising Housing New Zealand high users. Working with Housing New Zealand management it has been found that there is a high incidence of leaks that have not been addressed, a majority of single flush toilets and high flow showers up to 23 litres per minute. Addressing these leaks and usage rates has been part of the programmed works and will continue as there are over 2,600 homes within Waitakere.

### **DECISION MAKING**

7. EMT manages the Sustainable Living Centre based at Olympic Park. This contract contains the Council's contribution towards the management of this valuable centre.
8. It is desirable to extend the contract for a further two years to allow efficiencies and the learning developed during the contract to deliver the energy and water efficiencies to the community.
9. The contract is priced for delivering project management in a number of areas of the demand management programme. Water checks also include the cost of retrofitting homes with toilet gizmos, water efficient shower heads or flow restrictors and aerators to taps as appropriate. The Sustainable Homes programme focuses on the behavioural change aspect of changing habits and education around sustainability including water use and energy efficiency. High water use businesses and the schools programme retrofitting of urinals to waterless urinals.
10. Contract No. EW07047B - Energy Efficiency and Water Demand Management is originally an eight month contract with an expiry of 30 June 2008. The contract also has provision for up to two annual extensions based on satisfactory performance by the contractor and subject to Council's approval. The contract was extended to 30 June 2009.
11. It is desirable to extend the contract for a further two years to allow efficiencies and the learning developed during the previous contract to deliver the energy and water efficiencies to the community. This also provides for developing longer term relationships and engagement with the existing community groups. It is recognised that community engagement takes time to build. EMT has confirmed that they are willing to carry out the contract for a further 24 months.
12. This report has been subject to an independent internal audit process to ensure appropriate process has been followed in contractor selection and contract negotiation.

### **CONTRACTORS PERFORMANCE**

13. EMT has delivered the water demand management work programme efficiently and there has been positive feedback from the community. An evaluation of EMT performance to date contains the following features:
  - They have developed a good working relationship with relevant Council staff;
  - They have resourced the programmes satisfactorily;
  - They have complied with the conditions of the contract;
  - They respond quickly to customer issues; and
  - They have a strong focus on health and safety.

## CREDIT CHECK

14. A credit check on EMT dated 2 April 2009 revealed no adverse information.

## JOB COSTS

15.		<b>excl. GST</b>	
		<b>2009/2010</b>	<b>2010/2011</b>
	Project Management	\$50,000	\$50,000
	Water checks and retrofits	\$45,600	\$58,500
	Schools programme	\$25,000	\$25,000
	Businesses water use investigations	\$12,000	\$12,000
	Sustainable Homes Programme	\$65,000	\$65,000
	Sustainable Living Centre	<u>\$80,000</u>	<u>\$80,000</u>
	Total Job Cost	<u>\$277,600</u>	<u>\$290,500</u>

## SOURCE OF FUNDING

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

Budget Description Annual Plan 2009/2010	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance
Demand Management	7670	\$220,000	0	\$197,600.00	\$22,400.00
Sustainable Living Centre	WBS 7LTES-07-030	\$110,000	\$30,000.00	\$80,000.00	\$0
<b>Total</b>		\$330,000.00	\$30,000.00	\$277,600	\$22,400.00

**Table 1 – Source of Funding**

17. Source of funding is shown in Table 2 below:

Budget Description 2010/2011 Financial Year	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance
Demand Management	7670	\$515,234.00	0	\$210,500	\$304,734.00
Sustainable Living Centre	WBS 7LTES-07-030	\$113,630.00	\$30,000.00	\$80,000	\$0
<b>Total</b>		\$628,864.00	\$30,000.00	\$309,250	\$304,734.00

**Table 2 - Source of Funding**

## IMPLEMENTATION ISSUES

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

## AUCKLAND COUNCIL TRANSITION ISSUES

19. The decision making proposed in this report is not constrained by section 31 of the Local Government (Tamaki Makaurau Reorganisation) Act 2009, as it does not directly or because of its consequences; significantly prejudice the organisation, significantly constrain the powers or capacity of the Auckland Council or any subsidiary of the Auckland Council following reorganisation, or have a significant negative impact on the assets or liabilities that are transferred to the Auckland Council as a result of the reorganisation.

Report prepared by: Martin Glover, Manager: Services Delivery.



30 **CONTRACT NO. EW07006A - SERVICE CONNECTION FOR WATER SUPPLY, WASTEWATER AND STORMWATER - APPROVAL TO EXTEND**

**GLOSSARY**

Downer EDI Works Limited (Downer EDI)

**EXECUTIVE SUMMARY**

The purpose of this report is to seek approval from the Tender Subcommittee to extend Contract No. EW07006A - Service Connection for Water Supply, Wastewater and Stormwater for 24 months to 30 June 2011.

This contract expired on 30 June 2009. A letter was sent to the contractor seeking agreement that business continue as usual. This was agreed to and a variation to the contract was signed by the Deputy Group Manager: Assets on 30 June 2009 to cover the interim period.

**RECOMMENDATIONS**

It is recommended that the Tender Subcommittee resolve to:

1. **Receive** the Contract No. EW07006A - Service Connection For Water Supply, Wastewater And Stormwater - Approval To Extend report.
2. **Approve** that Contract No. EW07006A - Service Connection for Water Supply, Wastewater and Stormwater as awarded to Downer EDI Works Limited (Downer EDI) be extended in the sum of \$2,067,200.00 excluding GST for the period 1 July 2009 to 30 June 2011.
3. **Approve** the commitment of \$1,033,600.00 excluding GST to the 2010/2011 financial year for Contract No. EW07006A - Service Connection for Water Supply, Wastewater and Stormwater.
4. **Approve** that authority to extend Contract No. EW07006A - Service Connection for Water Supply, Wastewater and Stormwater to Downer EDI Works Limited for the period 1 July 2009 to 30 June 2011 on behalf of the Council be delegated to the Deputy Group Manager: Assets.

**BACKGROUND**

1. Council awarded the service connection contract for water supply, wastewater and stormwater contract to the Excell Corporation Limited commencing on 1 July 2007. The contract stipulates two separable periods as below:
  - Separable Portion 1: Years One and Two, 1 July 2007 - 30 June 2009; and
  - Separable Portion 2: Years Three and Four, 1 July 2009 - 30 June 2011.
2. The first separable portion covered the first two years of the contract. The second portion covers the second two year period.
3. The contract is awarded at contract sum of \$1,885,511.10 for the duration of first separable portion.
4. Excell Corporation Limited sold its infrastructure services business to Downer EDI Works Limited (Downer EDI) since 30 September 2008.

5. At the Tenders Subcommittee meeting, 25 May 2007, it was resolved:

- “1. That the Contract No. EW07006A - Service Connections for Water Supply, Wastewater and Stormwater report be received
2. That it be recommended to the Long Term Council Community and Annual Plan Special Committee that the budgets for the service connections be increased for 2007/2008 and 2008/2009 to be committed for Contract No. EW07006A - Service Connections for Water Supply, Wastewater and Stormwater as follows:  

<u>Expenditure</u>	
Wastewater	\$ 255,300
Stormwater	\$ 159,700
Water Supply	<u>\$ 618,600</u>
	\$1,033,600
Revenue	\$1,033,600
3. That the tender from Excell Corporation Ltd for Contract No. EW07006A - Service Connections for Water Supply, Wastewater and Stormwater in the sum of \$1,885,511.10 plus \$235,688.88 GST, totalling \$2,121,199.98 be approved subject to budget being increased in recommendation 2.
4. That authority to enter into Contract No. EW07006A - Service Connections for Water Supply, Wastewater and Stormwater on behalf of Council be delegated to the Group Manager: Asset Management.
5. That a report be submitted to Council, to recommend new connection fees for water supply, wastewater and stormwater, for public notification.”

890/2007

## DECISION MAKING

6. Contract No. EW07006A - Service Connection for Water Supply, Wastewater and Stormwater is a two year contract which expired on 30 June 2009. The contract also has provision for a two year extension based on the satisfactory performance by the Contractor and subject to the Council's approval.
7. Downer EDI Works Limited has confirmed in writing that they are willing to carry out the contract for a further 24 months.
8. The main reasons that Downer EDI should continue this work are that:
  - There are benefits to Council if Downer EDI staff carry out this work, as these staff are available to deal with work overload when multiple water main bursts occur during the peak summer months, and this results in ensuring that level of service to customers is maintained;
  - The staff involved have a proven track record in carrying out this work; and
  - It is beneficial to Council that Downer EDI maintenance staff increase their knowledge of the network, as this assists in an emergency response situation.
9. This report has been subject to an independent internal audit process to ensure appropriate process has been followed in contractor selection and contract negotiation.

## CONTRACTOR'S PERFORMANCE

10. An evaluation of Downer EDI performance to date contains the following features:

- They have developed a good working relationship with relevant Council staff;
- They are a well resourced company;
- They respond quickly to customer complaints;
- They have a strong focus on health and safety; and
- Their workmanship is generally to a very good standard.

## CREDIT CHECK

11. A credit check on Downer EDI dated 31 March 2009 revealed no adverse information.

## JOB COSTS

	<b>excl. GST</b>
Tender sum - Downer EDI Works (formerly Excell)	\$1,885,587.00
Contingency (not required)	Nil
Engineering and Supervision (in-house)	Nil
Provision for maximum allowable at risk profit (7.5%)	\$ 141,413.00
Other (Estimated value of rate only items)	\$ 40,000.00
	-----
Total Job Cost	\$2,067,200.00

## SOURCE OF FUNDING

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

Budget Description (from annual budget line item) Annual Plan 2009/2010	Codes	Budget	Committed to other projects	Allocation to this project	Unalloca ted balance	Potential surplus
New Development Connections	74000 / 6690	\$258,000	\$2,700	\$255,300	\$0	\$0
New Development Connections	74000 / 7160	\$162,000	\$300	\$159,700	\$0	\$0
Connections 15-25 mm	74000 / 7790	\$625,000	\$400	\$618,600	\$0	\$0
<b>Total</b>				<b>\$1,033,600.00</b>		

**Table 1 - Source of Funding**

14. Source of funding is shown in Table 2 below:

Budget Description (from annual budget line item) 2010/2011 Financial Year	Codes	Budget	Committed to other projects	Allocation to this project	Unalloca ted balance	Potential surplus
New Development Connections	74000 / 6690	\$269,860	\$6,700	\$255,300	\$0	\$0
New Development Connections	74000 / 7160	\$167,890	\$2,300	\$159,700	\$0	\$0
Connections 15-25 mm	74000 / 7790	\$651,990	\$6,400	\$618,600	\$0	\$0
<b>Total</b>				<b>\$1,033,600</b>		

**Table 2 - Source of Funding**

## IMPLEMENTATION ISSUES

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

## AUCKLAND COUNCIL TRANSITION ISSUES

16. The decision making proposed in this report is not constrained by section 31 of the Local Government (Tamaki Makaurau Reorganisation) Act 2009, as it does not directly or because of its consequences; significantly prejudice the organisation, significantly constrain the powers or capacity of the Auckland Council or any subsidiary of the Auckland Council following reorganisation, or have a significant negative impact on the assets or liabilities that are transferred to the Auckland Council as a result of the reorganisation.

**Report prepared by:** Martin Glover, Manager: Services Delivery.



## 31 CONTRACT NO. EW07004A – THREE WATERS ELECTRICAL INSPECTION AND MAINTENANCE - APPROVAL TO EXTEND

### EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to extend Contract No. EW07004A - Three Waters Electrical Inspection and Maintenance for a period of three months to 30 September 2009.

This contract expired on 30 June 2009. A letter was sent to the contractor seeking agreement that business continue as usual. This was agreed to and a variation to the contract was signed by the Deputy Group Manager: Assets on 30 June 2009 to cover the interim period.

### RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. EW07004A - Three Waters Electrical Inspection And Maintenance - Approval To Extend report.
2. **Approve** that Contract No. EW07004A - Three Waters Electrical Inspection and Maintenance as awarded to R H Jacobsen be extended in the sum of \$24,080.00 excluding GST for the period 1 July 2009 to 30 September 2009.
3. **Approve** that authority to extend Contract No. EW07004A - Three Waters Electrical Inspection and Maintenance to R H Jacobsen for the period 1 July 2009 to 30 September 2009 pending an open tender process upon the same terms and conditions as presently apply, on behalf of the Council be delegated to the Deputy Group Manager: Assets.

## BACKGROUND

1. The scope of work includes the provision of ongoing electrical inspection and maintenance services for all Three Waters electrically powered sites, including the backup generator at Civil defence headquarters in Elcoat Avenue. The contractor will maintain the necessary support and resources in order to provide a 24 hour on call reactive maintenance service, regular preventative maintenance inspections, minor renewal and upgrade services, operations manuals, up to date wiring diagrams, supply and installation of components and materials as necessary.

2. At the Tenders Subcommittee meeting held on 15 December 2006, it was resolved:

“2. That approval be given to the Assets and Network Manager to enter into negotiations with Riteway Electrical Limited for a two-year contract, with an option for extension for a further two years, for Three Waters Electrical Inspection and Maintenance work in the City.

3. That the outcome of contract negotiations for Three Waters Electrical Inspection and Maintenance work with Riteway Electrical Limited be reported back to the Tenders Subcommittee for approval.”

2542/2006

3. At the Tenders Subcommittee meeting held on 8 June 2007, it was resolved:

“That the tender from Riteway Electrical Services for Contract No. EW07004A - Three Waters Electrical Inspection and Maintenance in the sum of \$132,052.00 plus \$16,506.50 GST, totalling \$148,558.50 be approved.”

1012/2007

## DECISION MAKING

4. Contract No. EW07004A - Three Waters Electrical Inspection and Maintenance 2007/2008 and 2008/2009 is a two year contract with an expiry date of 30 June 2009. The contract also has provision for a two year extension based on the satisfactory performance of the contractor and subject to the Council's approval.
5. The contractor has confirmed in writing that they are willing to carry out the contract for a further three months pending open tender process.
6. A contract for Three Waters Electrical Inspection and Maintenance from 1 October 2009 to 30 June 2011 will be publicly tendered.
7. This report has been subject to an independent internal audit process to ensure appropriate process has been followed in contractor selection and contract negotiation.

## CONTRACTOR'S PERFORMANCE

8. An evaluation of R H Jacobsen (trading as Riteway Electrical Services) performance to date contains the following features:
  - They have developed a good working relationship with relevant Council staff;
  - They are a well resourced company;
  - They respond quickly to requested from Council staff and Council's network maintenance contractor;

- They have a strong focus on health and safety and have demonstrated ongoing compliance to health and safety requirements; and
- Their workmanship is generally to a very good standard.

### CREDIT CHECK

9. A credit check on RH Jacobsen Limited dated 7 May 2009 revealed no adverse information.

### JOB COSTS

10.		<b>excl. GST</b>
	Contract sum (3 months) - R H Jacobsen Ltd Engineering and Supervision	\$24,080.00 Nil
		-----
	Total Job Cost	<u>\$24,080.00</u>

### SOURCE OF FUNDING

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

Budget Description (from annual budget line item) Annual Plan 2009/2010	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance	Potential surplus
Wastewater Maintenance	74000 / 6450	\$1,526,000	\$1,514,000	\$12,000	\$0	\$0
Stormwater Maintenance	74000 / 6840	\$1,095,000	\$1,093,920	\$1,080	\$0	\$0
Water Supply Maintenance	74000 / 7400	\$2,169,000	\$2,158,000	\$11,000	\$0	\$0
	<b>Total</b>			<b>\$24,080</b>		

Table 1 - Source of Funding

### IMPLEMENTATION ISSUES

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

### AUCKLAND COUNCIL TRANSITION ISSUES

13. The decision making proposed in this report is not constrained by section 31 of the Local Government (Tamaki Makaurau Reorganisation) Act 2009, as it does not directly or because of its consequences; significantly prejudice the organisation, significantly constrain the powers or capacity of the Auckland Council or any subsidiary of the Auckland Council following reorganisation, or have a significant negative impact on the assets or liabilities that are transferred to the Auckland Council as a result of the reorganisation.

Report prepared by: Brendon Harkness, Water Supply Engineer.

