



Waitakere City Council
Te Taiao o Waitakere

NOTICE OF MEETING

TENDERS SUBCOMMITTEE

I hereby give notice that a meeting of the Tenders Subcommittee will be held on:-

DATE: Friday, 27 November 2009 **TIME:** 9.00 am
MEETING
ROOM: Manukau Room
VENUE: Waitakere Central, 6 Henderson Valley Road, Henderson,
 Waitakere

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

20 November 2009

pp. Sharlene Riley
SENIOR COMMITTEE ADMINISTRATOR

Telephone (09) 836 8000 extn 8851

MEMBERSHIP:

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

Chief Executive Officer
Director: City Services
Director: Corporate and Business Services
Director: Community Wellbeing
Director: Strategic Planning
Director: Public Affairs
Director: Finance

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

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

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(Meeting Room could be subject to change)

(The reports and recommendations contained in all agendas are reports and recommendations only and are not to be construed, in any way, as Council policy until adopted.)

**AGENDA FOR A MEETING OF THE TENDERS SUBCOMMITTEE TO BE HELD IN THE
MANUKAU ROOM AT WAITAKERE CENTRAL, 6 HENDERSON VALLEY ROAD,
HENDERSON, WAITAKERE, ON FRIDAY, 27 NOVEMBER 2009,
COMMENCING AT 9.00 AM**

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**AGENDA FOR A MEETING OF THE TENDERS SUBCOMMITTEE TO BE HELD IN THE
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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 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 - 13 November 2009

RECOMMENDATION

It is recommended that the Tenders Subcommittee resolve to:

Receive the minutes of the meeting of the Tenders Subcommittee held on Friday, 13 November 2009, as circulated, and that they be taken as read and now be confirmed.



5 **CONTRACT NO. EW05061A – WATER SUPPLY, WASTEWATER AND STORMWATER DRAINAGE TERM MAINTENANCE CONTRACT: COST FLUCTUATIONS, REVISED CONTRACT SUM AND VARIATIONS**

GLOSSARY

Tenders Subcommittee

(the Subcommittee)

EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee (the Subcommittee) for revision of the contract sum for Contract No. EW05061A – Water Supply, Wastewater and Stormwater Drainage Term Maintenance Contract for the period 1 July 2009 to 30 June 2010 and approval for the issue of variation works associated with the contract.

The contract sum revision is to allow for annual cost fluctuations under the contract as well as additional scheduled job volumes due to increases in the asset base combined with increased service expectations from customers.

There are a number of variation works issued each year within the scope and purpose of the contract and the cumulative value of these variations requires Tenders Subcommittee approval.

RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. EW05061A – Water Supply, Wastewater and Stormwater Drainage Term Maintenance Contract: Cost Fluctuations, Revised Contract Sum and Variations report.
2. **Approve** an amended contract sum for Contract No. EW05061A – Water Supply, Wastewater and Stormwater Drainage Term Maintenance Contract for the period 1 July 2009 to 30 June 2010 of \$7,357,882.00 excluding GST to account for cost fluctuations and increases in contract work volumes, noting that this is within the funding provided for in the Annual Plan 2009/2010.
3. **Approve** the issue of variations to Contract No. EW05061A – Water Supply, Wastewater and Stormwater Drainage Term Maintenance Contract as listed in the report up to the cumulative value of \$730,000.00 excluding GST.
4. **Approve** that authority to issue notice of the amended contract sum and to order the listed variation works for Contract No. EW05061A – Water Supply, Wastewater and Stormwater Drainage Term Maintenance Contract be delegated to the Deputy Group Manager: Assets, City Services.
5. **Approve** that authority to award additional contract variations to Contract No. EW05061A – Water Supply, Wastewater and Stormwater Drainage Term Maintenance Contract, up to the cumulative value of \$600,000.00 excluding GST within approved Annual Plan 2009/2010 budget line items be delegated to the Deputy Group Manager: Assets, City Services.

BACKGROUND

1. Council awarded a five year term maintenance contract to Bilfinger Berger Services Limited for water supply, wastewater and stormwater drainage, commencing 1 July 2007.

2. The contract was awarded at an annual contract sum of \$5,859,211.72 per year for year one to year five, with an escalation clause included in the contract. There was no allowance for increased work volumes built into the contract schedule for years two to five.
3. There are no contingency sums included in the contract sum of \$5,859,211.72.
4. A variation to the Term Maintenance Contract was approved by the Subcommittee on 19 December 2008 for the payment of escalated annual costs to the contract value for 2008/2009. The Subcommittee resolved as follows:

“The Tenders Subcommittee resolved to:

1. **Receive** the Contract No. EW05061A - Water Supply, Wastewater And Stormwater Drainage Term Maintenance Contract; Variations for Application of Cost Fluctuations and Water Supply Programmes report.
2. **Approve** a variation to Contract No. EW05061A - Water Supply, Wastewater And Stormwater Drainage Term Maintenance Contract for payment of escalated annual costs to the contract value totalling \$259,973 excluding GST.
3. **Approve** a variation to Contract No. EW05061A - Water Supply, Wastewater And Stormwater Drainage Term Maintenance Contract for water supply programme works comprising Water Supply Asset Assessment and Repair, Water Quality Improvement Work, and compliance with the Health (Drinking Water) Amendment Act 2007 for \$950,000 excluding GST.
4. **Approve** that authority to issue the Variation Orders to Contract No. EW05061A - Water Supply, Wastewater And Stormwater Drainage Term Maintenance Contract for payment of escalated annual costs to the contract value, and for water supply programme works comprising Water Supply Asset Assessment and Repair, Water Quality Improvement Work, and review of compliance with the Health (Drinking Water) Amendment Act 2007 be delegated to the Deputy Director: City Services.”

(2159/2008)

5. A variation to the Term Maintenance Contract was also approved by the Subcommittee on 26 June 2009 for water supply programmes. The Subcommittee resolved as follows:

“The Tenders Subcommittee resolved to:

1. **Receive** the Contract No. EW05061A - Water Supply, Wastewater And Stormwater Drainage Term Maintenance Contract; Variations for Water Supply Programmes report.
2. **Approve** a variation to Contract No. EW05061A - Water Supply, Wastewater And Stormwater Drainage Term Maintenance Contract for water supply programme works comprising Water Supply Asset Assessment and Repair and Water Quality Improvement Work for \$956,400 excluding GST covering work during the period 1 July 2009 to 30 June 2010.
3. **Approve** that authority to issue the Variation Orders to Contract No. EW05061A - Water Supply, Wastewater And Stormwater Drainage Term Maintenance Contract for water supply programme works comprising Water Supply Asset Assessment and

Repair and Water Quality Improvement Work be delegated to the Deputy Director: City Services.”

(1109/2009)

DECISION MAKING

Cost Fluctuation

6. In order to account for the fluctuations to the costs of contract, it was specified in the contract that annual adjustments to contract rates would be applied using a cost fluctuation percentage factor calculated using a formula stated in the contract.
7. The overall cost fluctuation percentage for 2008/2009 (to be applied to the 2009/2010 year) is 3.261%. A 3.1% increase in the labour index (labour component 51%) and a 4.5% increase in material costs (material component 14%) has contributed to this overall figure. For the preceding 12 months the Consumer Price Index increased by 3.5% (as published by Statistics New Zealand). The total amount of cost fluctuations for the contract applying for 2009/2010 is \$459,520 which is inclusive of the previous annual cost fluctuation approved on 19 December 2008.

Volume Indicators

8. Increases in the asset base combined with increased service expectations from customers lead to increased volumes of preventative maintenance and reactive maintenance that need to be accommodated in the contract sum.
9. There has been a consistent increase in the volume of Preventative Maintenance work year on year from 2007 as indicated by the values summarised in Table 1 below. The most significant increase has occurred in wastewater. The forecast amount for 2009/2010 for wastewater works is \$364,610.62 which is an increase of \$133,624.96 (or 58%) from the contract schedule amount of \$230,985.66.

Category	Amount as per Contract Schedule	Actual amount for 2007/2008	Actual amount for 2008/2009	Forecast amount for 2009/2010	Increase for 2009/2010 compared to Contract Schedule
Wastewater	230,985.66	240,624.23	353,096.15	364,610.62	133,624.96
Stormwater	172,069.64	140,269.25	171,047.16	176,625.01	4,555.37
Water Supply	63,189.48	63184.00	49,687.72	84,999.48	21,810.00
TOTAL	\$466,244.78	\$475,876.00	\$573,831.03	\$626,235.10	\$159,990.32

Table 1: Trend in preventative maintenance work volumes for 2007/2008, 2008/2009 and forecast 2009/2010

A1-A4

10. The graphs attached at pages A1 to A3 show the trend of increase of costs for contract works excluding recoverable works and minor renewals and capital work for wastewater (Figure 1 attached at page A1), stormwater (Figure 2 attached at page A2) and water supply (Figure 3 attached at page A3) over the years 2004/2005 to 2008/2009 and forecast values for 2009/2010. These figures also show the comparison of the annual costs with reference to the provision for those works within the original contract sum (shown as the horizontal line). Appendix 1 attached at page A4 provides details of the full contract costs for the three waters for each year.
11. With reference to the actual contract costs in year 2008/2009, the trend shows that wastewater costs have increased by 55%, stormwater costs by 31% and water

supply costs by 13% compared to the contract scheduled amounts. These increases are principally driven by volume of work requests, a more comprehensive response to wastewater overflows, and increased flushing requirements.

12. In addition to an increase in preventative maintenance work there has been a significant increase in reactive maintenance cost items generally, as mentioned above. Table 2 below shows the trends of increase for a selection of reactive maintenance works items from 2007/2008 until 2008/2009 along with a forecast amount for 2009/2010 to demonstrate this point.

Description	Section in Contract	Amount as per Contract Schedule	Actual amount for 2007/2008	Actual amount for 2008/2009	Forecast amount for 2009/2010	Increase for 2009/2010 compared to Contract Schedule
Wastewater						
Sewer main CCTV inspection	B	58,223	64,102	85,702	88,497	30,274
Sewer manhole repair	B	11,529	20,135	39,632	40,924	29,395
Sewer onsite advice	B	10,348	41,755	67,672	69,878	59,530
Sewer main repairs	C	25,000	32,893	99,857	103,113	78,113
Stormwater						
SW main clean blockages	B	15,584	19,579	83,144	85,855	70,271
SW channel/stream clearance	B	38,015	10,463	28,889	48,015	10,000
SW cesspit minor replacements	C	8,000	4,240	15,632	16,142	8,142
SW main minor replacements	C	10,000	6,302	44,459	45,909	35,909
SW erosion control	C	40,000	46,273	71,597	73,932	33,932
Water supply						
Water leak detect - on request	C	2,500	8,569	32,521	33,582	31,082
Water network operations	C	500	2,500	22,690	23,430	22,930
Sub Total – Selected Items from Section B		133,699	156,034	305,039	333,169	199,470
Sub Total – Selected Items from Section C		86,000	100,777	286,756	296,108	210,108
Total		219,699	256,811	591,795	629,277	409,578

Table 2: Trends in costs for a selection of reactive maintenance work items with reference to the original contract schedule

13. Table 3 below provides a summary of the proposed cost fluctuation and volume based increases for each section of the contract with an overall increase in the contract sum of \$1,498,670.00 being required. Section B of the contract includes preventative maintenance work (\$159,990.32 increase shown in Table 1) and some reactive maintenance work (\$199,470 increase from selected reactive maintenance items from Table 2 above). Section C includes the balance of the reactive maintenance work (\$210,108 from selected reactive maintenance items as shown in Table 2 above).

Category	Amount as per Contract Schedule	Cost Fluctuation Increase	Volume Based Increase	Increase for 2009/2010 compared to Contract Schedule	Forecast amount for 2009/2010
Section A - Preliminary & General	1,659,119	130,120	Nil	130,120	1,789,239
Section B - Programmed Maintenance	2,194,986	172,146	484,448	656,594	2,851,580
Section C - Provisional Sum Work	751,000	58,899	394,496	453,395	1,204,395
Section D - Recoverable /Reimbursable Work	375,130	29,420	160,206	189,626	564,756
Section E - Minor Renewal/Capital Work	878,977	68,935	Nil	68,935	947,912
Total	5,859,212	459,520	1,039,150	1,498,670	7,357,882

Table 3: Total forecast contract sum for 2009/2010

Other Variation Works

14. It is also proposed to undertake the following works as variations to the contract as these works are not included in the contract schedule but are within the scope and purpose of the contract.

No.	Description of work	Reason for including this work as a Variation	Budgeted amount
1	Renewal of water meters (15 and 20 mm diameter) for testing.	Only Bilfinger Berger Services Ltd (BBS) is permitted to replace meters.	\$30,000
2	Cleaning and painting of the water valves in zones three, nine, eleven and sixteen.	It is desirable that BBS do this work at they become familiar with these important operational valves.	\$30,000
3	Drinking water quality improvements to reservoirs.	BBS have the expertise for this work, which also requires work on the live network.	\$20,000
4	Responding to Road Flooding Emergency jobs and to complete the clearing, removing the blockages, and carry out CCTV inspections and repairs.	This variation covers work not included in the main road maintenance contract and which was previously carried out by BBS who have the resources and	\$50,000

No.	Description of work	Reason for including this work as a Variation	Budgeted amount
		experience to carry out this work.	
5	Stormwater network upgrading	Previous work on site undertaken by BBS.	\$90,000
6	For the Tram Valley Road flooding issue; responding to road flooding emergency jobs, install and maintain pumps, clearing of debris, carry out CCTV inspections, etc.	Previous work on site undertaken by BBS.	\$180,000
7	Wastewater overflow reduction strategy works – preventative programme of inspections, cleaning and repairs.	This is part of an ongoing programme undertaken by BBS.	\$80,000
8	Install and test backflow prevention devices	Requires work on the live network.	\$210,000
9	Wastewater pipe spot repairs: work will include dig up and replacement of short sections of pipe to prevent ground water ingress and remove and structural protrusion inside the main pipe that will prevent lining in future.	BBS have the resources and experience to carry out this work. In most cases, prior work (reactive maintenance) has been carried out on site.	\$40,000
	Total (excluding GST)		\$730,000

15. Bilfinger Berger Services Limited are required to submit a competitive price for the work prior to committing the variations.
16. It is anticipated that further variation work will be required during the remaining part of the financial year for work on the three water networks where the work is best carried out by Bilfinger Berger Services Limited because the contractor has the necessary skills, knowledge, experience, expertise, and resources to carry out the work. In addition, there is a risk if inexperienced contractors are allowed to work on the live network for health, safety and asset reliability reasons.
17. During the course of the year, a large number of such variations are anticipated. However, the limit of delegated financial authority of officers is applied not per variation but on the cumulative value of successive variations issued under any officer's delegation. For a contract of the scale of the Term Maintenance Contract this limitation introduces operational difficulties. The Tenders Subcommittee is therefore being asked to approve that authority to award additional contract variations to the Term Maintenance Contract, up to the cumulative value of \$600,000.00 excluding GST, and within approved Annual Plan 2009/2010 budget line items be delegated to the Deputy Group Manager: Assets. No individual variation approved under this proposed delegation would be in for an amount that was in excess of the limit of delegated financial authority held by the Deputy Group Manager: Assets.

CREDIT CHECK

18. A credit check is not required for contract variations.

SOURCE OF FUNDING

19. The funds necessary for payment of the proposed increased contract sum and contract variations are outlined below:

Budget description (from Annual Plan 2009/2010 line item)	SAP Code	Budget Amount	Committed to other projects	Allocation to this project	Unallocated balance
WW Techscope (Maintenance & Operations)	6450	1,526,000	726,008	600,062	199,930
Techscope-Maintenance contract (Renewals)	8AMEW-07-032	545,000	493,018	51,982	Nil
SW Techscope (Maintenance & Operations)	6840	1,095,000	778,885	106,658	209,458
Techscope-Maintenance contract (Renewals)	8AMEW-07-116	473,000	426,062	46,938	Nil
WS Techscope (Maintenance & Operations)	7400	2,169,000	1,385,791	585,371	197,838
Techscope Waitakere Holding Coy (Renewals)	8AMEW-07-240	1,142,000	1,041,400	100,600	Nil
Water supply water main renewals	78008AMEW-07-242	2,347,000	1,987,788	4,706	354,506
Water supply Network upgrade programme	78008AMEW-07-281	894,000	148,101	2,353	743,546
	TOTAL	\$10,191,000	\$6,987,053	\$1,498,670	\$1,705,277
Variation Works					
Water Meter Testing	7520	40,000	10,000	30,000	0
Valve & Hydrant Maint	7450	300,000	270,000	30,000	0
Drinking Water Quality Improvements	78108AMEW-07-269	200,000	168,601	20,000	11,399
Flood Damage miscellaneous	8AMTA-07-124	1,653,435	500,263	50,000	1,103,172
Stormwater Network Upgrade Programme	8AMEW-07-163/31/01	250,000	51,647	90,000	108,353
SW Techscope	6840	1,095,000	885,542	180,000	29,458
Sewer Overflows Remedial Renewals	67408AMEW-09-002	110,000	13,367	80,000	16,633
Compliance costs Health DW Act	78108AMEW-09-006	700,000	7,556	140,000	552,444
Backflow Programme Installations	78108AMEW-07-279	80,000	6,413	70,000	3,587
Structural repairs from Videos	674088AMEW-07-0 41	144,000	10,000	40,000	94,000
	TOTAL	\$4,422,435	\$1,871,742	\$730,000	\$1,820,693

20. There is no provision for contingency expenditure in the above figures.

IMPLEMENTATION ISSUES

21. There are no expected implementation issues with this report.

AUCKLAND COUNCIL TRANSITION ISSUES

22. 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: Richard Taylor, Manager, EcoWater.



6 CONTRACT NO. TA09007B - CANDIA ROAD BEND TREATMENTS – APPROVAL TO AWARD

EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. TA09007B – Candia Road Bend Treatments.

RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. TA09007B – Candia Road Bend Treatments – Approval to Award report.
2. **Approve** that, the tender from HEB Construction Limited for Contract No. TA09007B – Candia Road Bend Treatments in the sum of \$468,470.91 plus \$58,558.86 GST, totalling \$527,029.77 be accepted.
3. **Approve** that authority to enter into Contract No. TA09007B – Candia Road Bend Treatments on behalf of the Council be delegated to the Group Manager: Project Services.

BACKGROUND

1. Contract No TA09007B – Candia Road Bend Treatments forms part of the Council's traffic safety improvements program. The work addresses the community outcome for sustainable and integrated transport to provide a safe network that supports quality urban design.
2. Funding was approved by the Council in the Annual Plan 2009/2010 for this work.

SCOPE OF WORK

3. The scope of the work includes shape correcting two bends from 170 to 180 Candia Road (approximately 600 metres long) including high friction surfacing, stormwater drainage, guard rail, road signs, road marking and other associated work.

TENDERS RECEIVED

4. Tenders were publicly advertised on Tenderlink with 30 sets of documents being uplifted. Four tenders were received by the closing date of 13 October 2009. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
HEB Construction Limited	17 Hall Street, Pukekohe, Franklin	\$468,470.91
Fulton Hogan Limited	40 Flexman Place, Silverdale, Auckland	\$498,286.32
Traffic Systems Limited	681e Rosebank Road, Avondale, Auckland	\$533,407.40
Blacktop Construction Limited	3 Bolderwood Place, Manukau City	\$742,697.84
Pre-tender contract estimate (based on most up-to-date tender rate)		\$500,512.50
Budget estimate		\$520,000.00

Table 1 - Summary of Tender Prices

TAGS, ERRORS OR OMISSIONS

5. The tender from Fulton Hogan Limited contained two letters with four tags attached to each letter. Three tags of the first letter were subsequently removed prior to completing the tender evaluation process and one tag was accepted by the Council. In the second letter, Fulton Hogan Limited offered an alternative tender with the same tags included in the first letter. These were subsequently removed or accepted.
6. All tenderers were requested to confirm that they had included a tender price for high friction surfacing using polyurethane binder and it was confirmed.
7. There were no other tags, errors or omissions in the other 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.
10. In this contract the value of provisional sums is \$2000.
11. The "two envelope process" as described in Section 2.7 of the above manual was followed. Under this method, only the first tender envelope is opened and the non-price attributes evaluated for all tenders before the second envelope containing the tender price is opened, and the tender prices duly included in the evaluation.
12. A summary of the evaluation results is shown in Table 2:

Tender Evaluation	Attributes	Experience.	Track Record	Tech. Skill	Resources	Management Skill	Method.	Price	Contract Number TA09007B
	Weights	8	8	3	2	2	7	70	Total Weights 100
Tenderer	Tender Sum	Grades							INDEX
HEB Construction Limited	\$466,470.91	74	72	71	70	72	77	59	63
Fulton Hogan Limited	\$496,286.32	74	74	75	69	75	75	53	60
Traffic Systems Limited	\$531,407.40	75	65	75	73	73	78	47	54
Blacktop Construction Limited	\$740,697.84	77	74	73	73	74	67	6	26
Med.n Tender Price	\$513,846.86								

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 each tenderer and consideration of recent contract experience with the Council.
14. Fulton Hogan Limited submitted an alternative tender which proposed an alternative surfacing aggregate. The alternative tender was considered to be non-conforming as the surfacing proposed did not meet the specification requirements and therefore was not further evaluated.
15. The results of the tender evaluation, as summarised in Table 2, shows that the tender submitted by HEB Construction Limited achieved the highest index of 63. This tender is also the lowest priced tender.
16. HEB Construction Limited has completed a large number of contracts with the Council to a high standard. The verbal referees for HEB Construction Limited indicated that they were a good contractor to work with and they would recommend using them to others.
17. A tender clarification meeting was held with HEB Construction Limited to discuss their resourcing and methodologies.
18. The lowest tender is 6.4% below the pre-tender contract estimate.
19. 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

20. A credit check on HEB Construction Limited dated 6 October 2009 revealed no adverse information.

JOB COSTS

21.		<u>Excl. GST</u>
	Tender sum – HEB Construction Limited	\$468,470.91
	Contingency	\$46,847.09
	Engineering and Supervision	\$47,100.00
	Other (Disbursements)	\$18,200.00

	Total Job Cost	\$580,618.00

SOURCE OF FUNDING

22. The source of funding is shown in Table 3 below:

AIS Safety Work	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance	Potential surplus
AIS Safety Work	8AMTA-07-110	\$1,654,092.00	\$1,020,000.00	\$580,618.00	\$53,474.00	\$51,911.00
	Total			\$580,618.00		

Table 3 – Source of Funding

IMPLEMENTATION ISSUES

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

AUCKLAND COUNCIL TRANSITION ISSUES

24. 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 Keerthi Mayakaduwa, Senior Roading Engineer, Project Services.



7 CONTRACT NO. IM03087B – VOICE SERVICES AND CONTRACT NO. IM03087D – DATA SERVICES – APPROVAL TO EXTEND

GLOSSARY

Request for Proposal (RFP)

EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to extend Contract No. IM03087B – Voice Services and Contract No. IM03087D – Data Services for 24 months, to 30 June 2011.

RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. IM03087B – Voice Services and Contract No. IM03087D – Data Services Contract - Approval to Extend report.
2. **Approve** Contract No. IM03087B – Voice Services and Contract No. IM03087D – Data Services Contract as awarded to Telecom New Zealand Limited be extended in the sum of \$1,404,000 excluding GST for Voice Services and \$975,840 excluding GST for Data Services for the period 1 July 2009 to 30 June 2011.
3. **Approve** the commitment of \$1,197,840 excluding GST as provided in the 2010/2011 financial year for Contract No. IM03087B – Voice Services and Contract No. IM03087D – Data Services.
4. **Approve** that authority to extend Contract No. IM03087B – Voice Services and Contract No. IM03087D – Data Services for the period 1 July 2009 to 30 June 2011 on behalf of the Council be delegated to the Group Manager: Information Management.

BACKGROUND

1. The scope of work includes supply and maintenance of voice and data lines for connectivity of the remote sites within Waitakere as well as the supply of voice and data feeds for internet and email services and voice services external to Council infrastructure.
2. A request for proposal process (RFP) was undertaken in 2007/2008. However, as there was no reasonable outcome it was deemed by the Directors Group that the RFP process, in full, had ended and Council has continued to use the existing Telecom New Zealand Limited contract on a monthly rollover basis until a new RFP process, planned for 2009, was undertaken.
3. Confirmation has been given that although staff may be relocated as part of the new Auckland Council, systems and applications located in the existing Council computing infrastructures will need to be maintained for a period of time after 1 November 2010.
4. The Council approved the award of Contract No. IM03087B – Voice Services and Contract No. IM03087D – Data Services to Telecom New Zealand Limited at a Tenders Subcommittee meeting held on 21 November 2003 where it was resolved:

- “1. *That the information be received.*
2. *That Telecom New Zealand Limited be awarded a three-year preferred supplier contract for Council’s voice services and that approval be given to make financial commitments against the 2004/2005, 2005/2006 and 2006/2007 financial years.*
3. *That the Director: Corporate & Civic Services be delegated authority to enter into the preferred supplier contract with Telecom New Zealand Limited on behalf of Council.”*

4172/2003

- “1. That the information be received.
2. That Telecom New Zealand Limited be awarded a three-year preferred supplier contract for Council’s data services and that approval be given to make financial commitments against the 2004/2005, 2005/2006 and 2006/2007 financial years.
3. That the Director: Corporate & Civic Services be delegated authority to enter into the preferred supplier contract with Telecom New Zealand Limited on behalf of Council.”

4173/2003

DECISION MAKING

5. Contract No. IM03087B – Voice Services and Contract No. IM03087D – Data Services Contract are three year contracts and in terms of the contracts have been running on a monthly rollover basis.
6. A full and complete tender process was undertaken prior to the contract(s) being issued on 21 November 2003 and again in 2007/2008.
7. The infrastructure supplying voice and data services is part of Council’s core computing infrastructure. Provision has been made in the Annual Plan 2009/2010 and in the 2010/2011 financial year.
8. With the new Council becoming operational on 1 November 2010 it would be prudent for the new entity to run a regional based tender for these services and not proceed with the planned 2009 tender process.
9. The extensions have been costed using existing contract rates plus escalation allowance. Council has engaged the services of TeleConsultants New Zealand Limited to ensure that the best contract rates, based on industry benchmarking, are obtained for Council.
10. The total accumulation of these contracts and the proposed contract extensions, showing the cost of the contracts sum to date are shown in Table 1 below:

2003/2004	Annual Costs	\$673,568.06
2004/2005	Annual Costs	\$848,328.26
2005/2006	Annual Costs	\$832,112.43
2006/2007	Annual Costs	\$1,048,870.07
2007/2008	Annual Costs	\$1,097,588.53
2008/2009	Annual Costs	\$1,103,993.70
2009/2010	Extension – Year 1	\$1,182,000.00
2010/2011	Extension – Year 2	\$1,197,840.00
	Total	\$ 7,984,301.05

Table 1 – Total accumulative amount

11. Telecom New Zealand Limited has confirmed in writing that they are willing to carry out the contract for a further 24 months.

CONTRACTOR'S PERFORMANCE

12. An evaluation of Telecom New Zealand Limited'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;
 - Confirmation that the rationale for extension provides 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 generally to a very good standard.

CREDIT CHECK

13. A credit check on Telecom New Zealand Limited dated 2 November 2009 revealed no adverse information.

JOB COSTS

14.		<u>Excl. GST</u>
	Contract sum (24 months) – (Telecom New Zealand Limited)	\$2,379,840

	Total Job Cost	\$2,379,840

SOURCE OF FUNDING

15. Source of funding for 2009/2010 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
Telephone Charges	71110	\$702,000	\$0	\$702,000	\$0	\$0
Computer Datalines	72020	\$480,000	\$0	\$480,000	\$0	\$0
	Total			\$1,182,000		

Table 2 – Source of Funding

16. Source of funding for 2010/2011 is shown in Table 3 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
Telephone Charges	71110	\$702,000	\$0	\$702,000	\$0	\$0
Computer Datalines	72020	\$495,840	\$0	\$495,840	\$0	\$0
	Total			\$1,197,840		

Table 3 – 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.

Report prepared by Steve McIntosh, IT Manager, Information Management.



8 CONTRACT NO. EW08005A – PROJECT TWIN STREAMS – RIPARIAN REHABILITATION PROJECT; WAIKUMETE STREAM – APPROVAL TO AMEND CONTRACT SUM AND EXTEND CONTRACT PERIOD

GLOSSARY

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

EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to extend Contract No. EW08005A – Project Twin Streams – Riparian Rehabilitation Project; Waikumete Stream for 24 months, to 30 June 2012.

RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. EW08005A – Project Twin Streams – Riparian Rehabilitation Project; Waikumete Stream - Approval to Amend Contract Sum and Extend Contract Period report.
2. **Approve** that, subject to a satisfactory credit check, the Contract No. EW08005A – Project Twin Streams – Riparian Rehabilitation Project; Waikumete Stream as awarded to Te Ngahere Limited be extended in the sum of \$1,102,56.90 excluding GST for the period 1 July 2010 to 30 June 2012.
3. **Approve** the commitment of \$601,401.36 excluding GST as provided in the draft Annual Plan 2010/2011 for Contract No. EW08005A – Project Twin Streams – Riparian Rehabilitation Project; Waikumete Stream.
4. **Approve** the commitment of \$501,167.64 excluding GST as provided in the draft Annual Plan 2011/2012 for Contract No. EW08005A – Project Twin Streams – Riparian Rehabilitation Project; Waikumete Stream.

5. **Agree**, subject to resolution 5 below, that the extension to Contract No. EW08005A – Project Twin Streams – Riparian Rehabilitation Project; Waikumete Stream for a further one plus one year for 2010/2011 and 2011/2012 be brought back to the Tenders Subcommittee for approval subject to funding availability and contractor approval.
6. **Approve** that authority to extend Contract No. EW08005A – Project Twin Streams – Riparian Rehabilitation Project; Waikumete Stream for the period 1 July 2010 to 30 June 2012 on behalf of the Council be delegated to the Acting Director: City Services.
7. **Agree** that resolution 5 above be subject to final confirmation by the Auckland Council.

BACKGROUND

1. Project Twin Streams (PTS) has regional funding of \$39.5 million over ten years from 2002 -2012, which is held by Auckland Regional Holdings Limited (ARH), (formerly Infrastructure Auckland). In order to facilitate and enhance the stream restoration programme and community participation process, technical assistance in the form of contractors is required to support the community groups, engaged by the PTS Community Coordinator for each group, to provide them with experienced mentors/supervisors who can provide:
 - Weed identification knowledge;
 - Weed removal skills;
 - An understanding of plant species and communities and their distribution zones; and
 - Proper planting techniques.
2. PTS is a large, innovative project with a focus on restoring six streams: Waikumete Stream, Opanuku Stream, Henderson Creek, Oratia Stream, Swanson Stream and Pixie Stream and their environs, principally through innovative stormwater management and the weeding and planting of stream banks. Over time this focus has broadened into a Quadruple Bottom Line approach which recognizes and weaves together the social, economic, cultural, spiritual and environmental aspects of the project. Works undertaken are in close association with the local community contracted organisation & relationships between community groups and contractors are pivotal to the success of this project.
3. At the end of 2004, a local community organisation was contracted to engage local residents in the aims of PTS, including stewardship of the streams. There are currently six community organisations contracted in five areas within the catchments to work with local residents to restore the streams and improve the sustainability of our ecosystems.
4. Local community organisations have been contracted out on the Waikumete stream until 2012. From 1 July 2008 Te Ngahere Limited has provided support to the local community and has built and developed important relationships with the community groups, this ongoing contractor support through this period is vital to the ongoing success of this programme.
5. Community groups are constantly being engaged by PTS Community contracted organisations to assist with, and take responsibility for, the restoration of their local streams. While community groups may have the interest to become involved and grow their skill sets it is essential that the groups are provided with resources that impart these skills and knowledge. Te Ngahere Limited has successfully worked

along side community groups and has shared their experience in weed management, revegetation and stream restoration with community groups, providing training for the community in these fields.

6. In terms of the ARH grant terms and conditions, PTS is required to successfully deliver the stream restoration programme on the Waikumete Stream by 2012. To achieve this the contractor is required to carry out the weed control and revegetation programme as well as assist community groups where necessary.
7. Some areas of the Waikumete Stream are too dangerous for community groups to work in due to stream bank stability, stream flows, or stream bank topography. Te Ngahere Limited has successfully completed physical works on the stream over the last two years and has local knowledge of the area. Te Ngahere Limited is a competent contractor experienced in dealing with these conditions.
8. The Council approved the award of Contract No. EW08005A – Project Twin Streams – Riparian Rehabilitation Project; Waikumete Stream 2009/2010 to Te Ngahere Limited at a Tenders Subcommittee meeting held on 12 June 2009 with the following resolutions:

“The Tenders Subcommittee resolved to:

1. **Receive** the Contract No. EW08005A - Project Twin Streams – Riparian Rehabilitation Project Waikumete Stream - Approval To Extend report.
2. **Approve** that the Contract No. EW08005A - Project Twin Streams – Riparian Rehabilitation Project Waikumete Stream as awarded to Te Ngahere Limited be extended for the period 1 July 2009 to 20 December 2010.
3. **Approve** the commitment of \$458,400.65 excluding GST as provided in the draft Annual Plan 2009/2010 for Contract No. EW08005A - Project Twin Streams -Riparian Rehabilitation Project Waikumete Stream.
4. **Approve** that authority to extend Contract No. Contract No. EW08005A – Project Twin Streams - Riparian Rehabilitation Project Waikumete Stream for the period 1 July 2009 to 30 June 2010 on behalf of the Council be delegated to the Deputy Director: City Services.”

(970/2009)

DECISION MAKING

9. Contract No. EW08005A – Project Twin Streams – Riparian Rehabilitation Project; Waikumete Stream 2009/2010 is a two year contract with an expiry date of 30 June 2010.
10. The Contractor/Community relationship is critical to the integrity and success of the PTS riparian rehabilitation programme. Consistency in the delivery of service to both community and the Waikumete stream riparian rehabilitation project is paramount to the future success of this project.
11. The contract has been managed by Te Ngahere Limited which has the necessary local knowledge and understanding of the works required on the stream.
12. Te Ngahere Limited has confirmed in writing that they are willing to carry out the contract for a further 24 months.

13. Funding for this contract will be provided by ARH. Based on the nature of these works, Council will be able to claim the full amount from ARH.
14. Extension of the current contract for a further two years allows efficiencies in the learning, development and support for the community that are aligned to the Waikumete Stream and the riparian rehabilitation works.
15. In order to limit potential disruption to our customers during the transition period into the new Auckland Council it is proposed that PTS Riparian Rehabilitation Project: Waikumete Stream, be considered for extension on the basis that there will be:
 - A retention of the institutional knowledge over the period of transition;
 - A certainty of service delivery over the period of transition;
 - Consistency in service delivery to Community groups involved in the stream; and
 - Consistency in future developments on the stream.
16. Cost escalation will be considered on an annual basis.
17. The extension was valued using existing contract rates plus allowance for escalation. These rates were compared against rates received recently in other contracts and, as they compared favourably, it was considered most beneficial to Council to extend the contract for a further 24 months.
18. 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	\$455,400.86
2009/2010	Extension 1 Current	\$501,168.65
2010/2011	Extension 2 Proposed	\$601,401.36
2011/2012	Extension 3 Proposed	\$501,167.64
	Total	\$2,059,138.40

Table 1 – Total accumulative amount

CONTRACTOR'S PERFORMANCE

19. An evaluation of Te Ngahere Limited'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;
 - Confirmation that the rationale for extension provides 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;
 - Their workmanship is generally to a very good standard;

- They have local knowledge of the stream area and are familiar with the works required on the stream; and
- They have worked with and formed good relationships with the community groups on the stream.

CREDIT CHECK

20. A credit check on Te Ngahere Limited has been requested.

JOB COSTS

21.		<u>Excl. GST</u>
	Contract sum - Te Ngahere Limited 2010/2011	\$601,401.36

	Total Job Cost	\$601,401.36
		 <u>Excl. GST</u>
	Contract sum– Te Ngahere Limited 2011/2012	\$501,167.64

	Total Job Cost	\$501,167.64

SOURCE OF FUNDING

22. 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
Project Twin Streams – Riparian Rehabilitation Project: Waikumete Stream EW08005A	8AMEW-07-191/02/01/02	\$601,401.36	\$0	\$601,401.36	\$0	\$0
Total		\$601,401.36	\$0	\$601,401.36	\$0	\$0

Table 2 – Source of Funding

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

Budget Description (from annual budget line item) Annual Plan 2011/2012	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance	Potential surplus
Project Twin Streams – Riparian Rehabilitation Project: Waikumete Stream EW08005A	8AMEW-07-191/02/01/02	\$501,167.64	\$0	\$501,167.64	\$0	\$0
Total		\$501,167.64	\$0	\$501,167.64	\$0	\$0

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 KPIs, demonstrating efficiency gains, and maintaining a good working relationship with the Council.

AUCKLAND COUNCIL TRANSITION ISSUES

25. 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.
26. 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, 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 agrees that the right of renewal beyond June 2011 be subject to agreement of the Auckland Council.

Report prepared by: Gill Thurlow, Parks Contract Officer: Environment



9 CONTRACT NO. EW08005B – PROJECT TWIN STREAMS – RIPARIAN REHABILITATION PROJECT; OPANUKU STREAM – APPROVAL TO AMEND CONTRACT SUM AND EXTEND CONTRACT PERIOD

GLOSSARY

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

EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to extend Contract No. EW08005B – Project Twin Streams – Riparian Rehabilitation Project; Opanuku Stream for 24 months, to 30 June 2012.

RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. EW08005B – Project Twin Streams – Riparian Rehabilitation Project; Opanuku Stream - Approval to Amend Contract Sum and Extend Contract Period report.
2. **Approve** that, subject to a satisfactory credit check, the Contract No. EW08005B – Project Twin Streams – Riparian Rehabilitation Project; Opanuku Stream as awarded to Wildland Consultants Limited be extended in the sum of \$522,469.97 excluding GST for the period 1 July 2010 to 30 June 2012.

3. **Approve** the commitment of \$290,702.50 excluding GST as provided in the draft Annual Plan 2010/2011 for Contract No. EW08005B – Project Twin Streams – Riparian Rehabilitation Project; Opanuku Stream.
4. **Approve** the commitment of \$231,767.47 excluding GST as provided in the draft Annual Plan 2011/2012 for Contract No. EW08005B – Project Twin Streams – Riparian Rehabilitation Project; Opanuku Stream
5. **Agree** that the extension to Contract No. EW08005B – Project Twin Streams – Riparian Rehabilitation Project; Opanuku Stream for a further one plus one year for 2010/2011 and 2011/2012 be brought back to the Tenders Subcommittee for approval subject to funding availability and contractor approval.
6. **Approve** that authority to extend Contract No. EW08005B– Project Twin Streams – Riparian Rehabilitation Project; Opanuku Stream for the period 1 July 2010 to 30 June 2012 on behalf of the Council be delegated to the Acting Director: City Services.
7. **Agree** that the resolution in 5 above subject to final confirmation by the Auckland Council.

BACKGROUND

1. Project Twin Streams (PTS) has regional funding of \$39.5 million over ten years from 2002 -2012, which is held by Auckland Regional Holdings Limited (ARH), (formerly Infrastructure Auckland). In order to facilitate and enhance the stream restoration programme and community participation process, technical assistance in the form of contractors is required to support the community groups engaged by PTS Community Coordinators for each area to provide them with experienced mentors/supervisors who can provide:
 - Weed identification knowledge;
 - Weed removal skills;
 - An understanding of plant species and communities and their distribution zones; and
 - Proper planting techniques.
2. PTS is a large, innovative project with a focus on restoring six streams: Waikumete Stream, Opanuku Stream, Henderson Creek, Oratia Stream, Swanson Stream and Pixie Stream and their environs, principally through innovative stormwater management and the weeding and planting of stream banks. Over time this focus has broadened into a Quadruple Bottom Line approach which recognizes and weaves together the social, economic, cultural, spiritual and environmental aspects of the project. Works undertaken are in close association with the local community contract organisation & relationships between community groups and contractors are pivotal to the success of this project.
3. At the end of 2004 a local community organisation was contracted to engage local residents in the aims of PTS, including stewardship of the streams. There are currently six community organisations contracted in five areas within the catchments to work with local residents to restore the streams and improve the sustainability of our ecosystems.
4. Local community organisations have been contracted out on the Opanuku stream until 2012. From 1 July 2008 Wildland Consultants Limited has provided support to the local community and has built and developed important relationships with the community groups, this ongoing contractor support and relationship through this period is vital to the ongoing success of this programme.

5. Community groups are constantly being engaged by PTS community contract organisation to assist with, and take responsibility for, the restoration of their local streams. While community groups may have the interest to become involved and grow their skill sets it is essential that the groups are provided with resources that impart these skills and knowledge. Wildland Consultants Limited has successfully worked along side community groups and has shared their experience in weed management, revegetation and stream restoration with community groups, providing training for the community in these fields.
6. In terms of the ARH grant terms and conditions, PTS is required to successfully deliver the stream restoration programme on the Opanuku Stream by 2012. To achieve this the contractor is required to carry out the weed control and revegetation programme as well as assist community groups where necessary.
7. Some areas of the Opanuku Stream are too dangerous for community groups to work in due to stream bank stability, stream flows, or stream bank topography. Wildland Consultants Limited has successfully completed physical works on the stream over the last two years and has local knowledge of the area. Wildland Consultants Limited is a competent contractor experienced in dealing with these conditions.
8. The Council approved the extension of Contract No. EW08005B – Project Twin Streams – Riparian Rehabilitation Project; Opanuku Stream 2009/2010 to Wildland Consultants Limited at a Tenders Subcommittee meeting held on 12 June 2009 with the following resolutions:

“The Tenders Subcommittee resolved to:

1. **Receive** the Contract No. EW08005B - Project Twin Streams – Riparian Rehabilitation Project Opanuku Stream - Approval To Extend report.
2. **Approve** that the Contract No. EW08005B - Project Twin Streams Riparian Rehabilitation Project Opanuku Stream as awarded to Wildland Consultants Limited be extended for the period 1 July 2009 to 20 December 2010.
3. **Approve** the commitment of \$327,411.23 excluding GST as provided in the draft Annual Plan 2009/2010 for Contract No. EW08005B - Project Twin Streams -Riparian Rehabilitation Project Opanuku Stream.
4. **Approve** that authority to extend Contract No. Contract No. EW08005B – Project Twin Streams - Riparian Rehabilitation Project Opanuku Creek for the period 1 July 2009 to 30 June 2010 on behalf of the Council be delegated to the Deputy Director: City Services.”

966/2009

DECISION MAKING

9. Contract No. EW08005B – Project Twin Streams – Riparian Rehabilitation Project; Opanuku Stream 2009/2010 is a two year contract with an expiry date of 30 June 2010.
10. The Contractor/Community relationship is critical to the integrity and success of the PTS riparian rehabilitation programme. Consistency in the delivery of service to both community and the Opanuku stream riparian rehabilitation is paramount to the future success of this project.

11. The contract has been managed by Wildland Consultants Limited which has the necessary local knowledge and understanding of the works required on the stream.
12. Wildland Consultants Limited has confirmed in writing that they are willing to carry out the contract for a further 24 months.
13. Funding for this contract will be provided by ARH. Based on the nature of these works, Council will be able to claim the full amount from ARH.
14. Extension of the current contract for a further two years allows efficiencies in the learning, development and support for the community that are aligned to the Opanuku Stream and the riparian rehabilitation works.
15. In order to limit potential disruption to our customers during the transition period into the new Auckland Council it is proposed that PTS Riparian Rehabilitation Project: Opanuku Stream contract be considered for extension on the basis that there will be:
 - A retention of the institutional knowledge over the period of transition;
 - A certainty of service delivery over the period of transition;
 - Consistency in service delivery to community groups involved in the stream; and
 - Consistency in future developments on the stream.
16. Cost escalation will be considered on an annual basis.
17. The extension was valued using existing contract rates plus escalation allowance. These rates were compared against rates received recently in other contracts and, as they compared favourably, it was considered most beneficial to Council to extend the contract for a further 24 months.
18. 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	\$297,646.57
2009/2010	Extension 1 Current	\$297,646.60
2010/2011	Extension 2 Proposed	\$290,702.50
2011/2012	Extension 3 Proposed	\$231,767.47
	Total	\$1,117,763.10

Table 1 – Total accumulative amount

CONTRACTOR'S PERFORMANCE

19. An evaluation of Wildland Consultants Limited performance to date contains the following features:
 - During the course of the contractor relationship with the Council, there have been no performance related issues;
 - Confirmation that 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;
- Their workmanship is generally to a very good standard;
- They have local knowledge of the stream area and are familiar with the works required on the stream; and
- They have worked with and formed good relationships with the community groups on the stream.

CREDIT CHECK

20. A credit check on Wildland Consultants Limited has been requested.

JOB COSTS

21.	Contract sum – Wildland Consultants Limited 2010/2011	<u>Excl. GST</u> \$290,702.50
	Total Job Cost	----- \$290,702.50
	Contract sum – Wildland Consultants Limited 2011/2012	<u>Excl. GST</u> \$231,767.47
	Total Job Cost	----- \$231,767.47

SOURCE OF FUNDING

22. 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
Project Twin Streams – Riparian Rehabilitation Project Opanuku Stream EW080500B	8AMEW-07-191/02/01/03	\$290,702.50	\$0	\$290,702.50	\$0	\$0
	Total	\$290,702.50	\$0	\$290,702.50	\$0	\$0

Table 2 – Source of Funding

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

Budget Description (from annual budget line item) Annual Plan 2011/2012	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance	Potential surplus
Project Twin Streams – Riparian Rehabilitation Project Opanuku Stream EW080500B	8AMEW-07-191/02/01/03	\$231,767.47	\$0	\$231,767.47	\$0	\$0
	Total	\$231,767.47	\$0	\$231,767.47	\$0	\$0

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 KPIs, demonstrating efficiency gains, and maintaining a good working relationship with the Council.

AUCKLAND COUNCIL TRANSITION ISSUES

25. 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.
26. 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: Gill Thurlow Parks Contract Officer: Environment



10 CONTRACT NO. EW08005D – PROJECT TWIN STREAMS – RIPARIAN REHABILITATION PROJECT; ORATIA STREAM – APPROVAL TO AMEND CONTRACT SUM AND EXTEND CONTRACT PERIOD

GLOSSARY

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

EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to extend Contract No. EW08005D – Project Twin Streams – Riparian Rehabilitation Project; Oratia Stream for 24 months, to 30 June 2012.

RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. EW08005D – Project Twin Streams – Riparian Rehabilitation Project; Oratia Stream - Approval to Amend Contract Sum and Extend Contract Period report.
2. **Approve** that, subject to a satisfactory credit check, the Contract No. EW08005D – Project Twin Streams – Riparian Rehabilitation Project; Oratia Stream as awarded to Wildland Consultants Limited be extended in the sum of \$535,574.40 excluding GST for the period 1 July 2010 to 30 June 2012.

3. **Approve** the commitment of \$309,920.47 excluding GST as provided in the draft Annual Plan 2010/2011 for Contract No. EW08005D – Project Twin Streams – Riparian Rehabilitation Project; Oratia Stream.
4. **Approve** the commitment of \$225,653.93 excluding GST as provided in the draft Annual Plan 2011/2012 for Contract No. EW08005D – Project Twin Streams – Riparian Rehabilitation Project; Oratia Stream.
5. **Agree** that the extension to Contract No. EW08005D – Project Twin Streams – Riparian Rehabilitation Project; Oratia Stream for a further one plus one year for 2010/2011 and 2011/2012 be brought back to the Tenders Subcommittee for approval subject to funding availability and contractor approval.
6. **Approve** that authority to extend Contract No. EW08005D – Project Twin Streams – Riparian Rehabilitation Project; Oratia Stream for the period 1 July 2010 to 30 June 2012 on behalf of the Council be delegated to the Acting Director: City Services.
7. **Agree** that the resolution in 5 above subject to final confirmation by the Auckland Council.

BACKGROUND

1. Project Twin Streams (PTS) has regional funding of \$39.5 million over ten years from 2002 -2012, which is held by Auckland Regional Holdings Limited (ARH), (formerly Infrastructure Auckland). In order to facilitate and enhance the stream restoration programme and community participation process, technical assistance in the form of contractors is required to support the community groups engaged by PTS Community contracted for each area, to provide them with experienced mentors/supervisors who can provide:
 - Weed identification knowledge;
 - Weed removal skills;
 - An understanding of plant species and communities and their distribution zones; and
 - Proper planting techniques.
2. PTS is a large, innovative project with a focus on restoring six streams: Waikumete Stream, Opanuku Stream, Henderson Creek, Oratia Stream, Swanson Stream and Pixie Stream and their environs, principally through innovative stormwater management and the weeding and planting of stream banks. Over time this focus has broadened into a Quadruple Bottom Line approach which recognizes and weaves together the social, economic, cultural, spiritual and environmental aspects of the project. Works undertaken are in close association with the local community contracted organisations and relationships between community groups and contractors are pivotal to the success of this project.
3. At the end of 2004 a local community organisation was contracted to engage local residents in the aims of PTS, including stewardship of the streams. There are currently six community organisations contracted in five areas within the catchments to work with local residents to restore the streams and improve the sustainability of our ecosystems.
4. Local community organisations have been contracted out on the Oratia stream until 2012. From 2008 Wildland Consultants Limited has provided support to the local community and has built and developed important relationships with the community groups, this ongoing contractor support and relationship through this period is vital to the ongoing success of this programme.

5. Community groups are constantly being engaged by PTS community contracted organisation to assist with, and take responsibility for, the restoration of their local streams. While community groups may have the interest to become involved and grow their skill sets it is essential that the groups are provided with resources that impart these skills and knowledge. Wildland Consultants Limited has successfully worked along side community groups and has shared their experience in weed management, revegetation and stream restoration with community groups, providing training for the community in these fields.
6. In terms of the ARH grant terms and conditions, PTS is required to successfully deliver the stream restoration programme on the Oratia Stream by 2012. To achieve this the contractor is required to carry out the weed control and revegetation programme as well as assist community groups where necessary.
7. Some areas of the Oratia Stream are too dangerous for community groups to work in due to stream bank stability, stream flows, or stream bank topography. Wildland Consultants Limited has successfully completed physical works on the stream over the last two years and has local knowledge of the area. Wildland Consultants Limited is a competent contractor experienced in dealing with these conditions.
8. The Council approved the award of Contract No. EW08005D – Project Twin Streams – Riparian Rehabilitation Project; Oratia Stream 2009/2010 to Wildland Consultants Limited at a Tenders Subcommittee meeting held on 12 June 2009 with the follow resolutions:

“The Tenders Subcommittee resolved to:

1. **Receive** the Contract No. EW08005D - Project Twin Streams – Riparian Rehabilitation Project Oratia Stream - Approval To Extend report.
2. **Approve** that the Contract No. EW08005D - Project Twin Streams – Riparian Rehabilitation Project Oratia Stream as awarded to Wildland Consultants Limited be extended for the period 1 July 2009 to 30 June 2010.
3. **Approve** the commitment of \$338,500 excluding GST as provided in the draft Annual Plan 2009/2010 for Contract No. EW08005D - Project Twin Streams -Riparian Rehabilitation Project Oratia Stream.
4. **Approve** that authority to extend Contract No. Contract No. EW08005D – Project Twin Streams - Riparian Rehabilitation Project Oratia Stream for the period 1 July 2009 to 30 June 2010 on behalf of the Council be delegated to the Deputy Director: City Services.”

967/2009

DECISION MAKING

9. Contract No. EW08005D – Project Twin Streams – Riparian Rehabilitation Project; Oratia Stream 2009/2010 is a one year contract with an expiry date of 30 June 2010.
10. The Contractor/Community relationship is critical to the integrity and success of the PTS rehabilitation programme. Consistency in the delivery of service to both community and the Opanuku stream is paramount to the future success of this project.

11. The contract has been managed by Wildland Consultants Limited which has the necessary local knowledge and understanding of the works required on the stream.
12. Wildland Consultants Limited has confirmed in writing that they are willing to carry out the contract for a further 24 months.
13. Funding for this contract will be provided by ARH. Based on the nature of these works, Council will be able to claim the full amount from ARH.
14. 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;
 - A certainty of service delivery over the period of transition;
 - Consistency in service delivery to community groups involved in the stream; and
 - Consistency in future developments on the stream.
15. Extension of the current contract for a further two years allows efficiencies in the learning, development and support for the community that are aligned to the Oratia Stream and the riparian rehabilitation works.
16. Cost escalation will be considered on an annual basis.
17. The extension was valued using existing contract rates plus escalation allowance. These rates were compared against rates received recently in other contracts and, as they compared favourably, it was considered most beneficial to Council to extend the contract for a further 24 months.
18. 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	\$307,243.16
2009/2010	Extension 1	\$307,243.16
2010/2011	Extension 2	\$309,920.47
2011/2012	Extension 3	\$225,653.93
	Total	\$1,150,060.70

Table 1 – Total accumulative amount

CONTRACTOR'S PERFORMANCE

19. An evaluation of Wildland Consultants Limited performance to date contains the following features:
 - During the course of the contractor relationship with the Council, there have been no performance related issues;
 - Confirmation that 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;
- Their workmanship is generally to a very good standard;
- They have local knowledge of the stream area and are familiar with the works required on the stream; and
- They have worked with and formed good relationships with the community groups on the stream.

CREDIT CHECK

20. A credit check on Wildland Consultants Limited has been requested.

JOB COSTS

	<u>Excl. GST</u>
21. Contract sum – Wildland Consultants Limited 2010/2011	\$309,920.47

Total Job Cost	\$309,920.47
	<u>Excl. GST</u>
Contract sum – Wildland Consultants Limited 2011/2012	\$225,653.93

Total Job Cost	\$225,653.93

SOURCE OF FUNDING

22. 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
Project Twin Streams – Riparian Rehabilitation Project: Oratia Stream EW080500D	8AMEW-07- 191/02/01/01	\$309,920.47	\$0	\$309,920.47	\$0	\$0
	Total	\$309,920.47	\$0	\$309,920.47	\$0	\$0

Table 2 – Source of Funding

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

Budget Description (from annual budget line item) Annual Plan 2011/2012	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance	Potential surplus
Project Twin Streams – Riparian Rehabilitation Project: Oratia Stream EW080500D	8AMEW-07- 191/02/01/01	\$225,653.93	\$0	\$225,653.93	\$0	\$0
	Total	\$225,653.93	\$0	\$225,653.93	\$0	\$0

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 KPIs, demonstrating efficiency gains, and maintaining a good working relationship with the Council.

AUCKLAND COUNCIL TRANSITION ISSUES

25. 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.
26. 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, 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: Gill Thurlow Parks Contract Officer: Environment



11 CONTRACT NO. EW08005E – PROJECT TWIN STREAMS – RIPARIAN REHABILITATION PROJECT; SWANSON STREAM – APPROVAL TO AMEND CONTRACT SUM AND EXTEND CONTRACT PERIOD

GLOSSARY

Project Twin Streams	(PTS)
Auckland Regional Holdings Limited	(ARH)
Park Maintenance and Services	(PMS)

EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to extend Contract No. EW08005E – Project Twin Streams – Riparian Rehabilitation Project; Swanson Stream for 24 months, to 30 June 2012.

RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolve to:

1. **Receive** the Contract No. EW08005E – Project Twin Streams – Riparian Rehabilitation Project; Swanson Stream - Approval to Amend Contract Sum and Extend Contract Period report.
2. **Approve** that, subject to a satisfactory credit check, the Contract No. EW08005E– Project Twin Streams – Riparian Rehabilitation Project; Swanson Stream as awarded to Park Maintenance and Services Limited be extended in the sum of \$338,133.18 excluding GST for the period 1 July 2010 to 30 June 2012.

3. **Approve** the commitment of \$193,218.96 excluding GST as provided in the draft Annual Plan 2010/2011 for Contract No. EW08005E – Project Twin Streams – Riparian Rehabilitation Project; Swanson Stream.
4. **Approve** the commitment of \$144,914.22 excluding GST as provided in the draft Annual Plan 2011/2012 for Contract No. EW08005E – Project Twin Streams – Riparian Rehabilitation Project; Swanson Stream.
5. **Agree** that the extension to Contract No. EW08005E – Project Twin Streams – Riparian Rehabilitation Project; Swanson Stream for a further one plus one year for 2010/2011 and 2011/2012 be brought back to the Tenders Subcommittee for approval subject to funding availability and contractor approval.
6. **Approve** that authority to extend Contract No. EW08005E – Project Twin Streams – Riparian Rehabilitation Project; Swanson Stream for the period 1 July 2010 to 30 June 2012 on behalf of the Council be delegated to the Acting Director: City Services.
7. **Agree** that the resolution in 5 above subject to final confirmation by the Auckland Council.

BACKGROUND

1. Project Twin Streams (PTS) has regional funding of \$39.5 million over ten years from 2002 -2012, which is held by Auckland Regional Holdings Limited (ARH), (formerly Infrastructure Auckland). In order to facilitate and enhance the stream restoration programme and community participation process, technical assistance in the form of contractors is required to support the community groups engaged by the PTS Community Coordinator for each area, to provide them with experienced mentors/supervisors who can provide:
 - Weed identification knowledge;
 - Weed removal skills;
 - An understanding of plant species and communities and their distribution zones; and
 - Proper planting techniques
2. PTS is a large, innovative project with a focus on restoring six streams: Waikumete Stream, Opanuku Stream, Henderson Creek, Oratia Stream, Swanson Stream and Pixie Stream and their environs, principally through innovative stormwater management and the weeding and planting of stream banks. Over time this focus has broadened into a Quadruple Bottom Line approach which recognizes and weaves together the social, economic, cultural, spiritual and environmental aspects of the project. Works undertaken are in close association with the local community contract organisation & relationships between community groups and contractors are pivotal to the success of this project.
3. At the end of 2004 a local community organisation was contracted to engage local residents in the aims of PTS, including stewardship of the streams. There are currently six community organisations contracted in five areas within the catchments to work with local residents to restore the streams and improve the sustainability of our ecosystems.
4. Local community organisations have been contracted out on the Swanson stream until 2012. PMS has provided support to the local community and has built and developed important relationships with the community groups, this ongoing contractor support and relationship through this period is vital to the ongoing success of this programme.

5. Community groups are constantly being engaged by PTS community contract organisations to assist with, and take responsibility for, the restoration of their local streams. While community groups may have the interest to become involved and grow their skill sets it is essential that the groups are provided with resources that impart these skills and knowledge. Parks Maintenance and Services Limited (PMS) has successfully worked along side community groups and has shared their experience in weed management, revegetation and stream restoration with community groups, providing training for the community in these fields.
6. In terms of the ARH grant terms and conditions, PTS is required to successfully deliver the stream restoration programme on the Swanson Stream by 2012. To achieve this the contractor is required to carry out the weed control and revegetation programme as well as assist community groups where necessary.
7. Some areas of the Swanson Stream are too dangerous for community groups to work in due to stream bank stability, stream flows, or stream bank topography. PMS Limited has successfully completed physical works on the stream over the last two years and has local knowledge of the area. PMS is a competent contractor experienced in dealing with these conditions.
8. The Council approved the award of Contract No. EW08005E – Project Twin Streams – Riparian Rehabilitation Project; Swanson Stream 2009/2010 to PMS at a Tenders Subcommittee meeting held on 12 June 2009 with the following recommendations:

“The Tenders Subcommittee resolved to:

1. **Receive** the Contract No. EW08005E - Project Twin Streams – Riparian Rehabilitation Project Swanson Creek - Approval To Extend report.
2. **Approve** that the Contract No. EW08005E - Project Twin Streams – Riparian Rehabilitation Project Swanson Creek as awarded to Parks and Maintenance Services be extended for the period 1 July 2009 to 30 June 2010.
3. **Approve** the commitment of \$241,523.70 excluding GST as provided in the draft Annual Plan 2009/2010 for Contract No. EW08005E - Project Twin Streams -Riparian Rehabilitation Project Swanson Creek.
4. **Approve** that authority to extend Contract No. Contract No. EW08005E – Project Twin Streams - Riparian Rehabilitation Project Swanson Creek for the period 1 July 2009 to 30 June 2010 on behalf of the Council be delegated to the Deputy Director: City Services.

968/2009

DECISION MAKING

9. Contract No. EW08005E – Project Twin Streams – Riparian Rehabilitation Project; Swanson Stream 2009/2010 is a one year contract with an expiry date of 30 June 2010.
10. The Contractor/Community relationship is critical to the integrity and success of the PTS rehabilitation programme. Consistency in the delivery of service to both community and the Swanson stream is paramount to the future success of this project.

11. The contract has been managed by PMS which has the necessary local knowledge and understanding of the works required on the stream.
12. PMS has confirmed in writing that they are willing to carry out the contract for a further 24 months.
13. Funding for this contract will be provided by ARH. Based on the nature of these works, Council will be able to claim the full amount from ARH.
14. 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;
 - A certainty of service delivery over the period of transition;
 - Consistency in service delivery to Community groups involved in the stream; and
 - Consistency in future developments on the stream.
15. Extension of the current contract for a further two years allows efficiencies in the learning, development and support for the community that are aligned to the Waikumete Stream and the riparian rehabilitation works.
16. Cost escalation will be considered on an annual basis.
17. The extension was valued using existing contract rates plus escalation allowance. These rates were compared against rates received recently in other contracts and, as they compared favourably, it was considered most beneficial to Council to extend the contract for a further 24 months.
18. 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	\$219,567.00
2009/2010	Extension 1 Current	\$219,557.00
2010/2011	Extension 2 Proposed	\$193,218.96
2011/2012	Extension 3 Proposed	\$144,914.22
	Total	\$777,267.18

Table 1 – Total accumulative amount

CONTRACTOR'S PERFORMANCE

19. An evaluation of Park Maintenance and Services Limited'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;
 - Confirmation that 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;
- Their workmanship is generally to a very good standard;
- They have local knowledge of the stream area and are familiar with the works required on the stream; and
- They have worked with and formed good relationships with the community groups on the stream.

CREDIT CHECK

20. A credit check on PMS has been requested.

JOB COSTS

	<u>Excl. GST</u>
21. Contract sum – PMS 2010/2011	\$309,920.47

Total Job Cost	\$309,920.47
	<u>Excl. GST</u>
Contract sum – PMS 2011/2012	\$225,653.93
Total Job Cost	\$225,653.93

SOURCE OF FUNDING

22. 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
Project Twin Streams – Riparian Rehabilitation Project: Swanson Stream EW08005E	8AMEW-07- 191/02/01/04	\$309,920.47	\$0	\$309,920.47	\$0	\$0
	Total	\$309,920.47	\$0	\$309,920.47	\$0	\$0

Table 2 – Source of Funding

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

Budget Description (from annual budget line item) Annual Plan 2011/2012	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance	Potential surplus
Project Twin Streams – Riparian Rehabilitation Project: Swanson Stream EW08005E	8AMEW-07- 191/02/01/04	\$225,653.93	\$0	\$225,653.93	\$0	\$0
	Total	\$225,653.93	\$0	\$225,653.93	\$0	\$0

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 KPIs, demonstrating efficiency gains, and maintaining a good working relationship with the Council.

AUCKLAND COUNCIL TRANSITION ISSUES

25. 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.
26. 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, 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: Gill Thurlow Parks Contract Officer: Environment



12 **CONTRACT NO. SP09002G – STURGES ROAD BRIDGE REPLACEMENT STAGE 1-
ENABLING PHYSICAL WORKS**

This report was not available at the time of printing and will be circulated under separate cover.

