

Chairperson and Committee Members
CORPORATE BUSINESS COMMITTEE

13 AUGUST 2015

Meeting Status: **Public**

Purpose of Report: For Information

CONTRACTS UNDER DELEGATED AUTHORITY

PURPOSE OF REPORT

- 1 This report provides an update on contracts over \$250,000 accepted under delegated authority for the period 1 April to 30 June 2015.

Delegation

- 2 The Corporate Business Committee has delegated authority to consider this issue. Reference B.3.7 of the Governance Structure which reads:

Without limiting the generality of this delegation, the committee has the following functions, duties and powers.

Financial and Asset Management

- 7.5 *Authority to monitor performance of the Council's financial activities, including income, operating and capital expenditure against budgets, remissions, key financial indicators and investment and debt/borrowings management.*

CONSIDERATIONS

Issues

Contract 2014/C004 Ōtaki Beach Stormwater Upgrade

- 3 Four tenders were received, ranging in price from \$2,735,541 to \$3,761,182.
- 4 The Contract was awarded to Action Civil Limited for the sum of \$2,735,541 based on the weighted attribute method.
- 5 One tender was received from a Kapiti based contractor.
- 6 Action Civil Limited estimated that 60% of the total contract would be local content (materials and labour).

Contract 2014/C031 Tilley Road Stormwater Upgrade

- 7 Two tenders were received, ranging in price from \$435,380 to \$499,418.
- 8 The Contract was awarded to Advanced Pipeline Services Limited for the sum of \$435,380.
- 9 No local tenders were received due to the specialised nature of the methodology (structural lining of existing stormwater drains which are in poor condition). Only a few contractors are available in New Zealand with structural lining capabilities.

- 10 Advanced Pipeline Services Limited estimated that 15-20% of the total contract would be local content (sub-contractors, contribution to local economy in various ways as the contractor's site staff stay in Kapiti during the contract duration)
- 11 There are no financial, legal, consultation, policy, tāngata whenua and publicity considerations.

SIGNIFICANCE AND ENGAGEMENT

- 12 This matter has a low level of significance under the council Policy.

RECOMMENDATIONS

- 13 That the Corporate Business Committee notes that there were two contracts accepted under delegated authority over \$250,000 for the period 1 April to 30 June 2015.

Report prepared by:

Approved for Submission by:

**Mark de Haast
Financial Controller**

**Wayne Maxwell
Group Manager Corporate Services**

Approved for Submission by:

**Sean Mallon
Group Manager Infrastructure**

- Appendix 1 Contracts over \$250,000 approved under delegated authority for 2014/15 year previously reported to the Corporate Business Committee

CBC meeting	Contract
14-Aug-14	Contract 2013/C003 Milne Drive and Te Roto Drive Rising Main and Pump Station Upgrade. The contract was awarded to E. Carson & Sons Ltd for the sum of \$680,549.
9-Oct-14	Contract 2013/C028 50mm Water Meter Installation. The contract was awarded to Thomas Plumbing & Gas Ltd for the sum of \$281,410.
13-Nov-14	No Contracts.
19-Feb-14	Contract C015 Streetlight Maintenance and Renewal. The contract was awarded to Electra Limited for the sum of \$867,090.
14-May-15	Contract 2014/C025 Watermain Renewals Ames Street, Paekākāriki and Manly Street, Paraparaumu. The contract was awarded to Dews Construction Limited for the sum of \$447,802.
14-May-15	Contract 2014/C019 Wastewater Renewals 2014/15. The contract was awarded to Interflow (NZ) Ltd for the sum of \$461,583.