

Chairperson and Committee Members
CORPORATE BUSINESS COMMITTEE

15 MAY 2014

Meeting Status: **Public**

Purpose of Report: For Information

CONTRACTS UNDER DELEGATED AUTHORITY

PURPOSE OF REPORT

- 1 To report on contracts over \$250,000 accepted under delegated authority for the period 1 February to 30 April 2014.

SIGNIFICANCE OF DECISION

- 2 The Council's significance policy is not triggered.

CONSIDERATIONS

Contract to Audit Kāpiti Coast District Council on behalf of the Auditor-General for the 2014, 2015 and 2016 Financial Years

- 3 The Council is a public entity under the Public Audit Act 2001. The Auditor-General is the auditor of every public entity and has the responsibility for the appointment of bodies to carry out audits on their behalf.
- 4 Ernst & Young is the current auditor for Kāpiti Coast District Council.
- 5 The Auditor-General has proposed the appointment of Ernst & Young to carry out the audit for the next three years. Fees are set under Section 42 of the Act, but are generally agreed between the parties.
- 6 The Contract was awarded to Ernst & Young for the price of \$506,791 over three financial years.

Contract C021 – Kapiti Road, Te Roto Drive and Milne Drive Constructions Works

- 7 Three tenders were received, ranging in price from \$1,809,616 to \$2,122,668.
- 8 The Contract was awarded to Downers NZ for the sum of \$1,809,616 (excluding GST) based on the Price Quality method in accordance with NZTA Procurement Manual.
- 9 There were no tenders received from local contractors.
- 10 Downers NZ estimated 15% local content from wages and materials.

Delegation

- 11 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.*

Financial Considerations

- 12 There are no financial, legal, consultation and publicity considerations.

RECOMMENDATIONS

- 13 That the Corporate Business Committee notes that two contracts over \$250,000 were approved under delegated authority for the period 1 February to 30 April 2014.

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 2013/14 year previously reported to the Corporate Business Committee

CBC meeting	Contract
15-Aug-13	Contract 2013/C0015: Stormwater Upgrade Ocean/Middle/Seaview Roads. The Contract was awarded to Wanganui Drainage Contractors Limited for the tender price of \$737,709.28.
19-Sep-13	None
21-Nov-13	Contract 2013/C052 - Otaki Pool Roof Repair. The Contract was awarded to Crowe Construction Limited for the tender price of \$286,000.
20-Feb-14	Contract CN027 - Paraparaumu WWTP thin film dryer replacement. The Contract was awarded to Allied Industrial Engineering for the tender price of \$400,500.
20-Feb-14	Contract 2013/C031 - Water Meter Reading Service for 2014-17. The Contract was awarded to DataCol NZ Ltd for the tender price of \$341,410.
20-Feb-14	Contract C039 - Paekakariki Bore Number 2. The Contract was awarded to Wanganui Welldrillers Ltd for the tender price of \$288,017.33.
20-Feb-14	Contract C040 - KCDC Wastewater Renewals. The Contract was awarded to Contstruction Contracts Ltd for the tender price of \$297,750.
20-Feb-14	Contract 2013/C055 - Otaki Wastewater Treatment Plant Secondary Lagoons and Sludge Lagoon Remedial Works. The Contract was awarded to Hydracare for the tender price of \$681,952.