

Mayor and Councillors
CORPORATE BUSINESS COMMITTEE

20 FEBRUARY 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 November to 31 January 2014.

SIGNIFICANCE OF DECISION

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

CONSIDERATIONS

Issues

Contract CN027 – Paraparaumu WWTP thin film dryer replacement

- 3 Two tenders were received, ranging in price from \$400,550 to \$1,021,000.
- 4 The Contract was awarded to Allied Industrial Engineering for the tender price of \$400,500 based on the weighted attributes method.
- 5 The total budget for this project is \$494,230 over the 2013/14 year.
- 6 There were no tenders received from local contractors. The project was for the design and construction of specialist wastewater treatment equipment and there are limited companies with this particular expertise.
- 7 Allied Industrial Engineering estimated 2% local content from materials purchased locally.

Contract 2013/C031 – Water Meter Reading Services for 2014-17

- 8 Three tenders were received, ranging in price from \$369,758 to \$1,531,500 including provisional items.
- 9 The Contract was awarded to DataCol NZ Ltd for the tender price of \$341,410 based on the weighted attributes method.
- 10 The total budget for this project is \$360,000 spread over three years (2013/14 to 2016/17).
- 11 DataCol NZ Ltd is a wholly owned subsidiary of the local power supplier Electra and estimates 10% local content from meter reading disbursements.

Contract C039 – Paekākāriki Bore Number 2

- 12 Four tenders were received, ranging in price from \$288,017 to \$340,850.
- 13 The Contract was awarded to Wanganui Welldrillers Limited for the tender price of \$288,017.33 based on the weighted attributes method.
- 14 The total budget for this project is \$169,128. \$97,000 will be reimbursed by NZTA and the remaining balance covered by the Paekākāriki water budget.
- 15 The contract was advertised on the open market but there were no tenders received from local contractors.
- 16 Wanganui Welldrillers Limited estimated 10% local content from materials purchased locally.

Contract C040 – KCDC Wastewater Renewals

- 17 Three tenders were received, ranging in price from \$667,933 to \$724,143.
- 18 The Contract was awarded to Construction Contracts Limited for the tender price of \$297,750 based on the weighted attributes method. The awarded scope of work was reduced to match budget constraints.
- 19 The Engineer's estimate for this project is \$535,434.
- 20 The contract was advertised on the open market but there were no tenders received from local contractors.
- 21 Construction Contracts Limited estimated 10% local content from materials purchased locally.

Contract 2013/C055 – Otaki Wastewater Treatment Plant Secondary Lagoons and Sludge Lagoon Remedial Works

- 22 Three tenders were received, ranging in price from \$376,612 to \$869,150.
- 23 The Contract was awarded to Hydracare for the tender price of \$681,952 based on the weighted attributes method.
- 24 The total budget \$945,736.
- 25 One tender was received from a local contractor.
- 26 Hydracare estimated 20% local content from local disbursements and hires.

Delegation

- 27 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

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

RECOMMENDATIONS

29 That the Corporate Business Committee notes that three contracts over \$250,000 was approved under delegated authority for the period 1 November to 31 January 2014.

Report prepared by:

Wayne Maxwell
Group Manager Corporate Services

Appendix 1 Contracts over \$250,000 approved under delegated authority for 2013/14 year previously reported to the Corporate Business Committee