



Notice is hereby given that a Meeting of the Services and Assets Committee will be held on:

Date: Tuesday, 24 March 2020
Time: 9am
Meeting Room: Council Chamber
Venue: 15 Forth Street
Invercargill

Services and Assets Committee Agenda OPEN

MEMBERSHIP

Chairperson Ebel Kremer
Mayor Gary Tong

Councillors Don Byars
John Douglas
Paul Duffy
Bruce Ford
Darren Frazer
George Harpur
Julie Keast
Christine Menzies
Karyn Owen
Margie Ruddenklau
Rob Scott

IN ATTENDANCE

Group Manager, Services and Assets Matt Russell
Committee Advisor Fiona Dunlop

Contact Telephone: 0800 732 732
Postal Address: PO Box 903, Invercargill 9840
Email: emailsdc@southlanddc.govt.nz
Website: www.southlanddc.govt.nz

Full agendas are available on Council's Website
www.southlanddc.govt.nz

Note: The reports contained within this agenda are for consideration and should not be construed as Council policy unless and until adopted. Should Members require further information relating to any reports, please contact the relevant manager, Chairperson or Deputy Chairperson.

Terms of Reference – Services and Assets Committee

TYPE OF COMMITTEE	Council standing committee
RESPONSIBLE TO	Council
SUBCOMMITTEES	None
LEGISLATIVE BASIS	Committee constituted by Council as per schedule 7, clause 30 (1)(a), LGA 2002. Committee delegated powers by Council as per schedule 7, clause 32, LGA 2002.
MEMBERSHIP	The Services and Assets Committee is a committee of the whole Council. The mayor and all the councillors will be members of the Services and Assets Committee.
FREQUENCY OF MEETINGS	Six weekly or as required
QUORUM	Not less than seven members
SCOPE OF ACTIVITIES	<p>The Services and Assets Committee is responsible for ensuring that Council delivers its infrastructural asset based services in an effective and efficient manner that meets the needs of its communities and protects the investment that Council has in these assets.</p> <p>The committee is responsible for overseeing the following Council activities:</p> <ul style="list-style-type: none"> • transport • property management including community facilities, acquisitions and disposals (including land dealings) • forestry • water supply, wastewater and stormwater • solid waste management • flood protection • waste management • Te Anau airport • Stewart Island Electrical Supply Authority • Stewart Island Jetties and Riverton Harbour • water supply schemes.
DELEGATIONS	<p>The Services and Assets Committee shall have the following delegated powers and be accountable to Council for the exercising of these powers:</p> <p>Power to Act</p> <p>The committee has the delegated authority to:</p> <ol style="list-style-type: none"> a) assess and provide advice to Council on the strategic issues relating to the delivery of infrastructural asset services b) reviewing and recommending to Council strategies on how it should go about managing the delivery of the infrastructural asset services that it provides

	<p>c) monitor the condition and performance capability of the infrastructural assets owned by Council so as to ensure that it protects its investment in these assets in accordance with accepted professional standards</p> <p>d) monitor the delivery of capital works projects and the implementation of the capital works programme</p> <p>e) monitor the delivery of operations and maintenance contracts</p> <p>f) approve and/or assign all contracts for work, services or supplies where those contracts relate to work within approved estimates. Where the value of the work, services, supplies or business case or the value over the term of the contract is estimated to exceed \$2 million a prior review and recommendation of the business case by the Finance and Assurance Committee is required. The business case shall include as a minimum; risk assessment, a procurement plan and financial costings. If there is a different recommendation from the Finance and Assurance Committee the matter will be referred to Council for a decision</p> <p>g) monitor the return on all Council's investments including forestry</p> <p>h) monitor and track Council contracts and compliance with contractual specifications.</p> <p>Power to Recommend</p> <p>The Services and Assets Committee is responsible for considering and making recommendations to Council regarding:</p> <p>a) policies relating to the scope of activities of the Services and Assets Committee</p> <p>b) changes to Council's adopted levels of service</p> <p>c) the dividend from the forestry business unit</p>
<p>FINANCIAL DELEGATIONS</p>	<p>Council authorises the following delegated authority of financial powers to Council committees in regard to matters within each committee's jurisdiction.</p> <p>Contract Acceptance:</p> <ul style="list-style-type: none"> • accept or decline any contract for the purchase of goods, services, capital works or other assets where the total value of the lump sum contract does not exceed the sum allocated in the Long Term Plan/Annual Plan and the contract relates to an activity that is within the scope of activities relating to the work of the Services and Assets committee • accept or decline any contract for the disposal of goods, plant or other assets other than property or land. <p>Budget Reallocation.</p> <p>Committee is authorised to reallocate funds from one existing budget item to another. Reallocation of this kind must not impact on current or future levels of service and must be:</p> <ul style="list-style-type: none"> • funded by way of savings on existing budget items • within the jurisdiction of the committee • consistent with the Revenue and Financing Policy.

<p>LIMITS TO DELEGATIONS</p>	<p>Matters that must be processed by way of recommendation to Council include:</p> <ul style="list-style-type: none"> • amendment to fees and charges relating to all activities • powers that cannot be delegated to committees as per the Local Government Act 2002 and sections 2.4 and 2.5 of this manual. <p>Delegated authority is within the financial limits in section 9 of this manual.</p>
<p>STAKEHOLDER RELATIONSHIPS</p>	<p>This committee shall maintain relationships including, but not limited to the following organisations:</p> <ul style="list-style-type: none"> • Community Boards • Regional Land Transport Committee • WasteNet • FENZ (Fire and Emergency New Zealand) <p>The committee will also hear and receive updates to Council from these organisations, as required.</p>
<p>CONTACT WITH MEDIA</p>	<p>The committee chairperson is the authorised spokesperson for the committee in all matters where the committee has authority or a particular interest.</p> <p>Committee members do not have delegated authority to speak to the media and/or outside agencies on behalf of Council on matters outside of the board’s delegations.</p> <p>The group manager services and assets will manage the formal communications between the committee and the people of the Southland District and for the committee in the exercise of its business.</p> <p>Correspondence with central government, other local government agencies or official agencies will only take place through Council staff and will be undertaken under the name of Southland District Council.</p>

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1 Apologies

At the close of the agenda no apologies had been received.

2 Leave of absence

At the close of the agenda no requests for leave of absence had been received.

3 Conflict of Interest

Committee Members are reminded of the need to be vigilant to stand aside from decision-making when a conflict arises between their role as a member and any private or other external interest they might have.

4 Public Forum

Notification to speak is required by 5pm at least two days before the meeting. Further information is available on www.southlanddc.govt.nz or phoning 0800 732 732.

5 Extraordinary/Urgent Items

To consider, and if thought fit, to pass a resolution to permit the committee to consider any further items which do not appear on the Agenda of this meeting and/or the meeting to be held with the public excluded.

Such resolution is required to be made pursuant to Section 46A(7) of the Local Government Official Information and Meetings Act 1987, and the Chairperson must advise:

- (i) the reason why the item was not on the Agenda, and
- (ii) the reason why the discussion of this item cannot be delayed until a subsequent meeting.

Section 46A(7A) of the Local Government Official Information and Meetings Act 1987 (as amended) states:

"Where an item is not on the agenda for a meeting,-

- (a) that item may be discussed at that meeting if-
 - (i) that item is a minor matter relating to the general business of the local authority; and
 - (ii) the presiding member explains at the beginning of the meeting, at a time when it is open to the public, that the item will be discussed at the meeting; but
- (b) no resolution, decision or recommendation may be made in respect of that item except to refer that item to a subsequent meeting of the local authority for further discussion."

6 Confirmation of Minutes

6.1 Meeting minutes of Services and Assets Committee, 11 February 2020



Services and Assets Committee

OPEN MINUTES

Minutes of a meeting of Services and Assets Committee held in the Council Chamber, 15 Forth Street, Invercargill on Tuesday, 11 February 2020 at 9am. (9.01am – 9.14am)

PRESENT

Chairperson	Ebel Kremer Mayor Gary Tong
Councillors	Don Byars John Douglas Paul Duffy (9.01am – 9.14am) Bruce Ford Darren Frazer George Harpur Julie Keast Christine Menzies Karyn Owen Rob Scott

APOLOGIES

Councillor Ruddenklau

IN ATTENDANCE

Chief Executive – Steve Ruru
Group Manager, Services and Assets – Matt Russell
Group Manager, Community and Futures – Rex Capil
Group Manager – Service Delivery – Trudy Hurst
Committee Advisor – Fiona Dunlop

1 Apologies

There were apologies from Councillor Ruddenklau.

Moved Mayor Tong, seconded Chairperson Kremer **and resolved:**

That the Services and Assets Committee accept the apology.

(Councillor Duffy joined the meeting at 9.01am.)

2 Leave of absence

There were no requests for leave of absence.

3 Conflict of Interest

There were no conflicts of interest declared.

4 Public Forum

There was no public forum.

5 Extraordinary/Urgent Items

There were no Extraordinary/Urgent items.

6 Confirmation of Minutes

Resolution

Moved Chairperson Kremer, seconded Cr Douglas **and resolved:**

That the Services and Assets Committee confirms the minutes of the meeting held on 3 December 2019 as a true and correct record of that meeting.

Reports

7.1 Downer Water and Wastewater Maintenance Contract 10/01 - Monthly Report for November 2019

Record No: R/19/12/30826

Manager Operations Water and Waste – Bill Witham was in attendance for this item.

Mr Witham advised that the purpose of the report was to update the Committee on the water and wastewater maintenance contract 10/01 up to the end of November 2019.

Resolution

Moved Cr Frazer, seconded Cr Scott **and resolved:**

That the Services and Assets Committee:

- a) **Receives the report titled "Downer Water and Wastewater Maintenance Contract 10/01 - Monthly Report for November 2019" dated 17 January 2020.**

7.2 Services and Assets Programme Report

Record No: R/20/1/1170

Project Delivery Manager – Nick Hamlin was in attendance for this item.

Mr Hamlin advised that the purpose of the report was to update the Committee on the Services and Assets department projects.

Resolution

Moved Chairperson Kremer, seconded Cr Ford **and resolved:**

That the Services and Assets Committee:

- a) **Receives the report titled "Services and Assets Programme Report" dated 17 January 2020.**

The meeting concluded at 9.14am.

CONFIRMED AS A TRUE AND CORRECT RECORD AT A
MEETING OF THE SERVICES AND ASSETS
COMMITTEE HELD ON TUESDAY 11 FEBRUARY 2020.

DATE:.....

CHAIRPERSON:.....

Services and Assets Programme Report

Record No: R/20/3/5424

Author: Trudy Saunders, Contracts and Projects Administrator

Approved by: Matt Russell, Group Manager Services and Assets

Decision

Recommendation

Information

Summary

- 1 CAMMS Project tracks all Services and Assets projects. This report seeks to update the status of these projects to this Committee.
- 2 Please see attached report for your information.

Recommendation

That the Services and Assets Committee:

- a) **Receives the report titled “Services and Assets Programme Report” dated 13 March 2020.**

Attachments

- A Services and Assets Programme Report as at 3 March 2020 [↓](#)

Services and Assets Programme Report

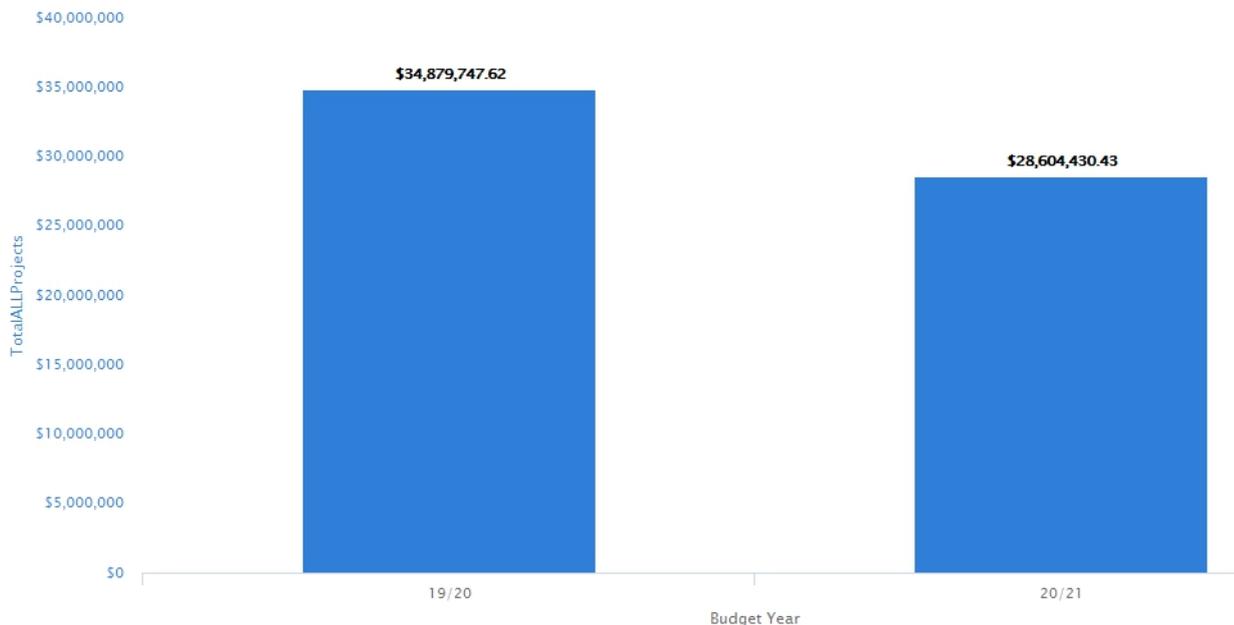
Date: 03/03/2020

Author: Trudy Saunders, Nick Hamlin

Projects Count and Expenditure Totals for 2019 – 2020 – open projects

Total Project Count: 81 Total Project Expenditure: \$26,726,083.47

Total Budgets for Projects by Financial Year



Approximately \$8 million of works have been completed so far this financial year.

Executive Overview

- Below is a summary of the overall asset programme of works

Currently \$26m of works is underway in the 19/20 works programme

\$1.6m is in Initiation phase

\$5m in business case phase

\$3.7m is in pre delivery phase (design / tender and consents)

\$16.3m is in construction delivery

- Total current project counts is as follows

- Community Facilities 40
- Waste and water 51
- Roading 23
- Commercial Infrastructure 2

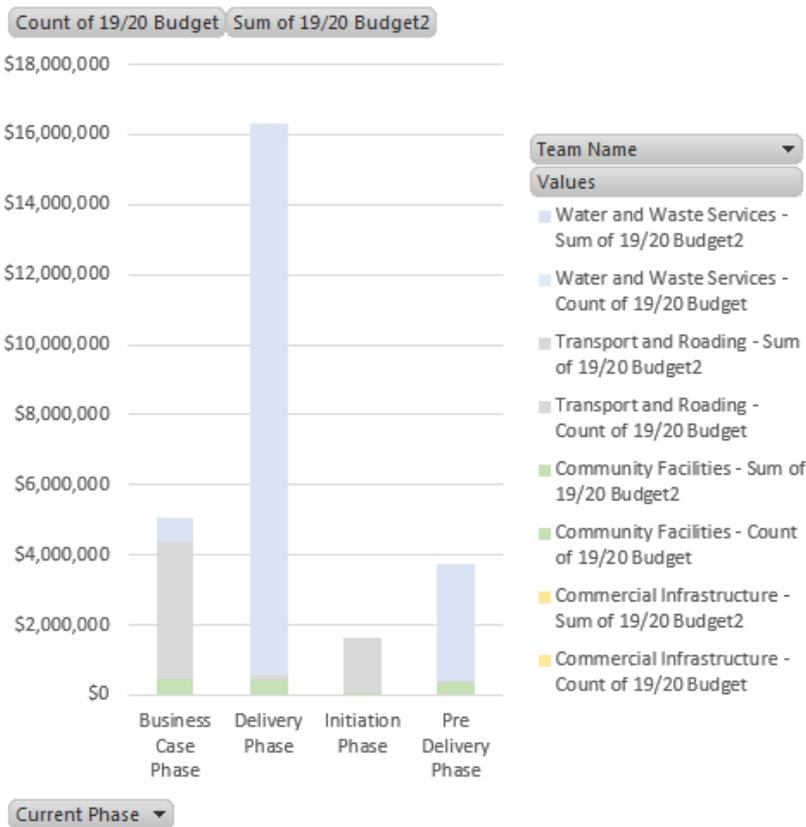
- Completed projects in the last month include

- Cemetery beams throughout district
- Flying fox at Manapouri playground
- Five Rivers hall repaint
- Thornbury toilet refurbishment and landscaping.

4. Key Projects due to start in construction over next 2 months
 - a. Te Anau Waste water processing plant
 - b. Stage 1 of the Bridge replacement
 - c. Te Anau watermain replacements
 - d. Athol railway project
 - e. SDC Head office tower block roof replacement

2019-20 by Activity and Phase

Row Labels	Commercial Infrastructure Count of 19/20		Community Facilities Count of 19/20		Transport and Rooding Count of 19/20		Water and Waste Services Count of 19/20		Total Count of 19/20 Budget	Total Sum of 19/20 Budget2
	Budget	Sum of 19/20 Budget2	Budget	Sum of 19/20 Budget2	Budget	Sum of 19/20 Budget2	Budget	Sum of 19/20 Budget2		
Business Case Phase	1	\$ 20,000.00	21	\$ 458,180.00	17	\$ 3,892,887.00	18	\$ 683,783.00	57	\$ 5,054,850.00
Delivery Phase			6	\$ 386,724.00	2	\$ 173,740.00	13	\$ 15,758,537.02	21	\$ 16,319,001.02
Initiation Phase			2	\$ 76,650.00	1	\$ 1,544,121.00	2	\$ -	5	\$ 1,620,771.00
Pre Delivery Phase	1	\$ 14,000.00	11	\$ 346,614.45	3	\$ 67,583.00	18	\$ 3,303,264.00	33	\$ 3,731,461.45
Grand Total	2	\$ 34,000.00	40	\$ 1,268,168.45	23	\$ 5,678,331.00	51	\$ 19,745,584.02	116	\$ 26,726,083.47



Major Projects

Water and Waste

Activity Name	Current Phase	Code	Project Name	19/20 Budget	20/21 Budget
Waste Water	Delivery Phase	P-10155	Te Anau Waste Water Treatment Plant	\$ 12,819,852.00	\$ 7,270,531.00
Water Supply	Delivery Phase	P-10257	Te Anau- Water Mains Quintin Mokoroa Renewal	\$ 1,518,000.00	\$ 500,000.00
Water Supply	Pre Delivery Phase	P-10256	Otautau- Water Main Replacement north of bridge	\$ 1,425,000.00	\$ 475,000.00

Roading

Activity Name	Current Phase	Code	Project Name	19/20 Budget	20/21 Budget
Roads and Footpaths	Business Case Phase	P-10329	2019/20 Bridge replacement programme - Southern	\$ 1,610,182.00	
Roads and Footpaths	Initiation Phase	P-10369	2019/20 Bridge replacement programme - Northern	\$ 1,544,121.00	

Activity by Status

Community Facilities

2019-20

Row Labels	Monitor		Off Track		On Track		Total Count of 19/20 Budget	Total Sum of 19/20 Budget2
	Count of 19/20 Budget	Sum of 19/20 Budget2	Count of 19/20 Budget	Sum of 19/20 Budget2	Count of 19/20 Budget	Sum of 19/20 Budget2		
Community Facilities	3	\$ 28,105.00	4	\$ 317,619.00	11	\$ 260,389.45	18	\$ 606,113.45
Parks and Reserves	1	\$ 25,000.00	3	\$ 55,990.00	8	\$ 122,549.00	12	\$ 203,539.00
Public Toilets			5	\$ 383,991.00	4	\$ 74,525.00	9	\$ 458,516.00
Grand Total	4	\$ 53,105.00	12	\$ 757,600.00	23	\$ 457,463.45	39	\$ 1,268,168.45

The Community Facilities works programme for 2019-20 will be completed by the end of the financial year apart from two main projects which are Monkey Island currently waiting on approval to continue construction works and the Golden Bay wharf replacement works which is on hold.

Water and Waste

2019-20

Row Labels	Monitor		Off Track		On Track		Total Count of 19/20 Budget	Total Sum of 19/20 Budget2
	Count of 19/20 Budget	Sum of 19/20 Budget2	Count of 19/20 Budget	Sum of 19/20 Budget2	Count of 19/20 Budget	Sum of 19/20 Budget2		
Solid Waste					3	\$ -	3	\$ -
Storm Water			1	\$ 12,834.00	3	\$ 10,000.00	4	\$ 22,834.00
Waste Water	4	\$ 435,664.00	7	\$ 737,619.00	8	\$ 13,496,861.02	19	\$ 14,670,144.02
Water Supply	5	\$ 2,990,282.00	4	\$ 787,527.00	16	\$ 1,274,797.00	25	\$ 5,052,606.00
Grand Total	9	\$ 3,425,946.00	12	\$ 1,537,980.00	30	\$ 14,781,658.02	51	\$ 19,745,584.02

The Te Anau Waste Water project is continuing to be re-designed from CPI to SDI. The Te Anau Membrane filtration tender is currently going through a value engineering process with the preferred tenderer. A report updating programme and cost will be presented to Council on 22 April 2020.

The Te Anau Watermain contract has now been awarded to Te Anau Earthworks and construction will begin in early April.

Otautau watermain renewals is progressing well.

Roading

2019-20

Row Labels	Monitor		Off Track		On Track		Total Count of 19/20 Budget		Total Sum of 19/20 Budget2	
	Count of 19/20 Budget	Sum of 19/20 Budget2	Count of 19/20 Budget	Sum of 19/20 Budget2	Count of 19/20 Budget	Sum of 19/20 Budget2				
Roads and Footpaths	6	\$939,465.00	6	\$748,240.00	11	\$3,990,626.00	23	\$	5,678,331.00	
Grand Total	6	\$939,465.00	6	\$748,240.00	11	\$3,990,626.00	23	\$	5,678,331.00	

The bridges design and build replacement programme contracts have been awarded and initial pre-start meetings have been held. The Bridge replacement programmes (with culverts) contracts have been awarded – Northern package to SouthRoads and Southern package to Downers.

There has been good progress for the pavement rehab programme the 2019-20 reseal programme is behind schedule due to weather conditions but it is expected that the contractors will catch up now the weather has improved.

Lake Monowai Road canal bridge replacement is due to be awarded within the next few weeks.

Otapiri Gorge Road Rehabilitation is due to be completed in the near future.

Some projects have been delayed due to contractors prioritising flood damage works. It is anticipated that this will not affect the completion dates.

Commercial Infrastructure

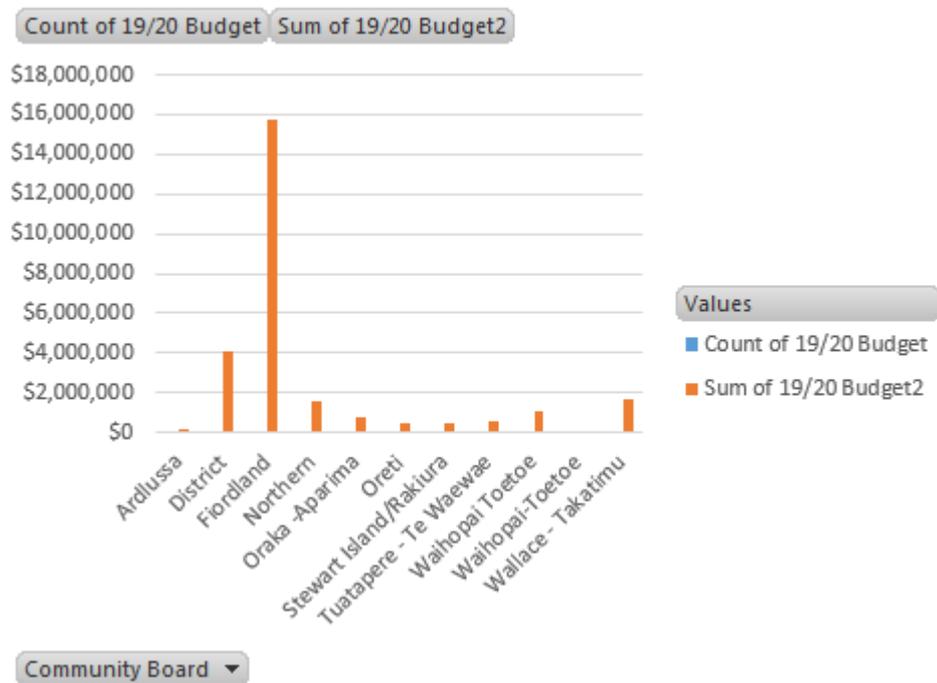
2019-20

Row Labels	Off Track		On Track		Total Sum of 19/20 Budget2	
	Count of 19/20 Budget	Sum of 19/20 Budget2	Count of 19/20 Budget	Sum of 19/20 Budget2		
Stewart Island Electricity Supply Authority	1	\$20,000.00	1	\$20,000.00	2	\$40,000.00
Te Anau Airport	1	\$14,000.00	1	\$14,000.00	2	\$28,000.00
Grand Total	2	\$34,000.00	2	\$34,000.00	4	\$68,000.00

The majority of projects for SIESA are to be cancelled and report is due in front of Council to approve this decision.

Projects by Location 2019-20

Row Labels	Count of 19/20 Budget	Sum of 19/20 Budget2
Ardlussa	2	\$ 201,482.00
District	12	\$ 4,040,137.02
Fiordland	29	\$ 15,788,996.00
Northern	12	\$ 1,569,180.00
Oraka -Aparima	13	\$ 787,498.00
Oreti	11	\$ 498,565.45
Stewart Island/Rakiura	12	\$ 482,845.00
Tuatapere - Te Waewae	5	\$ 549,398.00
Waihopai Toetoe	14	\$ 1,097,902.00
Waihopai-Toetoe	1	\$ 44,800.00
Wallace - Takatimu	5	\$ 1,665,280.00
Grand Total	116	\$ 26,726,083.47

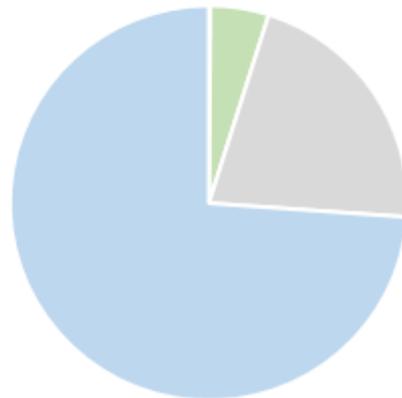


Projects by Activity Group – 2019-20

Row Labels	Sum of 19/20 Budget
Commercial Infrastructure	\$ 34,000.00
Community Facilities	\$ 1,268,168.45
Transport and Roading	\$ 5,678,331.00
Water and Waste Services	\$ 19,745,584.02
Grand Total	\$ 26,726,083.47

Sum of 19/20 Budget

Total



Team Name

- Commercial Infrastructure
- Community Facilities
- Transport and Roding
- Water and Waste Services

Projects by Activity Name and Expenditure – 2019-20

Row Labels	Count of 19/20 Budget	Sum of 19/20 Budget2
Community Facilities	18	\$ 606,113.45
Parks and Reserves	12	\$ 203,539.00
Public Toilets	9	\$ 458,516.00
Roads and Footpaths	23	\$ 5,678,331.00
Solid Waste	3	\$ -
Stewart Island Electricity Supply Authority	1	\$ 20,000.00
Storm Water	4	\$ 22,834.00
Te Anau Airport	1	\$ 14,000.00
Waste Water	19	\$ 14,670,144.02
Water Supply	25	\$ 5,052,606.00
Grand Total	115	\$ 26,726,083.47

17A Community Facilities tender process update

Record No: R/20/3/5507

Author: Trudy Saunders, Contracts and Projects Administrator

Approved by: Matt Russell, Group Manager Services and Assets

Decision

Recommendation

Information

Purpose

- 1 To update the Services and Assets Committee on progress for the Community Facilities Service Delivery Review with work completed to date and next steps. Further, to propose a two phase procurement approach and seek endorsement from Council for the intended procurement approach.

Executive Summary

- 2 The Community Facilities 17A Review outcomes were identified and endorsed by Council in February 2017. Since this time, there have been multiple discussions with elected members and Council regarding the appropriate process for achieving the recommended outcomes.
- 3 Initially, it was anticipated that a more aggressive process would be employed to consolidate and amend the Contracting landscape for Community Facilities maintenance and operations. However, it became evident over time that this process needed to carefully consider the implications for each individual community and contract to ensure the best collective outcome was achieved balancing efficiency, affordability, health and safety improvements and social outcomes.
- 4 At a Council meeting held on 27 September 2019, Council endorsed the following:
 - d) Endorses the proposed approach 'Enhanced Status Quo' by staff in relation to the funding, rollout and implementation of the revisions to contract arrangements and service provision for mowing, gardening and cleaning across the district based on:
 - calling for tenders for separable portions of a contract by mowing, gardening and cleaning based on the nine community board boundaries
 - the principle that the District rate would be used to supplement differences in cost, if any, between the budgeted costs and the tendered prices received for mowing and gardening contracts.
 - e) Determines that it will make a final decision on the funding of these activities once the tender prices are received.
- 5 After further analysis and discussions internally, the enhanced status quo approach has been modified further and detailed within this report. The proposed approach recommends a mixture of both direct negotiation with existing contractors and competitive tendering where it is envisioned that better social outcomes are able to be achieved whilst still improving efficiency and health and safety and maintaining affordability. This approach will improve the resilience and quality of the service provision and introduce a degree of consistency and a standardised contract management framework.

Recommendation

That the Services and Assets Committee:

- a) **Receives the report titled “17A Community Facilities tender process update” dated 16 March 2020.**
- b) **Determines that this matter or decision be recognised as not significant in terms of Section 76 of the Local Government Act 2002.**
- c) **Determines that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with Section 79 of the act determines that it does not require further information, further assessment of options or further analysis of costs and benefits or advantages and disadvantages prior to making a decision on this matter.**
- d) **Agrees with the proposal for an enhanced status quo procurement approach to enable Community Board consultation and direct negotiations with existing contractors.**
- e) **Endorses the procurement plan for Community Facilities Service Delivery as follows:**
 1. **Cleaning contracts – Office / hall cleaning and Fiordland cleaning to go to tender in April 2020.**
 2. **Toilet cleaning contracts – split into two separable portions via direct negotiation.**
 3. **Mowing contracts – split into 6 separable portions with some direct negotiation with existing contractors and some being publically tendered.**
 4. **Gardening contracts – after consultation with Community Boards to confirm service levels and scope either directly negotiate with existing contractors or consider further options after the consultation.**
- f) **Approves under Section 7.3 of the Procurement Policy (2010) Alternative Procurement method of direct negotiation with selected existing contractors in principle.**
- g) **Understands that there may be changes made to the procurement plan between direct negotiation and open tender for certain separable portions based on market service availability, and as such, the identified proposal may not necessarily reflect the final procurement packages.**

Background

- 6 Southland District Council (SDC) currently has 38 contracts for the provision of community facilities activity services across the District. Further to this, a number of services are provided within the three roading alliance contracts. Some other services are not delivered through a contract but via a purchase order, donation funding or provided by volunteers.

- 7 Morrison Low were commissioned in 2017 to complete a Section 17A Service Delivery Review for community facilities. Key findings from this review identified a number of issues with our current contract approach, most notably:
- health and safety competence of contractors
 - high contract administration costs carried by Council and funded from general overheads
 - lack of formal performance management, monitoring and consistency
 - lack of alignment with, or visibility of levels of service
 - wide variability of level of service provision.
- 8 The review went on to identify a number of improvement recommendations including:
- a reduction in the number of contracts
 - development of standardised contracts
 - improved and consistent approach to time management and contract administration
 - further development of contractor performance management actions
 - a review of governance arrangements of the services within the activity.
- 9 Council resolved to support the review outcomes and recommendations.
- 10 Since this report was presented and endorsed in February 2017 staff have been working internally on addressing these shortcomings and reviewing options and timing for implementation. In view of the Representation Review, it was determined that it was prudent to await the outcome of this process, as the representative structure would determine contract areas which in turn has the potential to impact funding streams and rating boundaries over the longer term. As such, any contracts that have expired since this time have been extended until 30 June 2020 only to enable a revised structure to be implemented from this date.
- 11 Initially, it was anticipated that a more aggressive process would be employed to consolidate and amend the Contracting landscape for Community Facilities maintenance and operations. However, it became evident over time that this process needed to carefully consider the implications for each individual community and contract to ensure the best collective outcome was achieved balancing efficiency, affordability, health and safety improvements and social outcomes.
- 12 In February 2020, the Project team met with six of the existing major contractors to discuss options around future delivery of these services. These discussions included best ways to split the areas to ensure viable packages of work and to gauge the level of support for the proposal.

- 13 There are a number of risks associated with the proposed consolidation of services and contracts in conjunction with the revised nine community board boundaries including (but not limited to):
- proposed service levels may differ from existing service levels and result in additional cost
 - scope may be missed as a result of staff being unaware of local arrangements
 - market pricing may differ from existing service provision costs
 - community boards may wish to review scope and service levels (beyond minimum service levels)
 - market interest may be minimal without economy of scale and longevity of service provision.
- 14 In order to mitigate the risks identified above, staff are proposing a procurement approach of direct negotiation with existing contractors, utilising Roading Alliance contracts and consolidating services by areas to reduce the number of existing contracts where appropriate. Where it is considered that the current service provision and contract mechanism is appropriate, staff do not propose amendments beyond an updated contract capturing consistent service levels.
- 15 It is anticipated that this approach would provide confidence in the procurement process, whilst providing the new community boards an opportunity to better understand the service levels provision, scope and budgets for their board areas in the lead up to the 2024 LTP. At that point any revisions and the cost implications would be better understood within their rating boundaries. Through this proposed service provision transition, staff are working to strike the right balance between a robust procurement process that maximises value to the ratepayer, while ensuring appropriate information and transparency is available to the different levels of governance to inform decision-making.
- 16 Based on existing service provision arrangements, staff subjectively estimate an increase in the overall price. It is evident that some areas of the District are more susceptible to this risk than others based on scope, scale and geographical isolation. It is noted that there may be opportunities to reduce this cost impact through the utilisation of our internal work scheme resource.
- 17 Further improvements in service delivery which have occurred since the completion of the Morrison Low review include:
- a community facilities restructure incorporating three contract managers
 - implementation of a consistent service level agreement framework
 - development of minimum service levels
 - establishment of a commercial infrastructure team to further strengthen procurement and contract administration practices
 - Increased focus on contract health and safety performance monitoring.
 - Merging service provision into existing contracts when contractors have retired or decided to exit their contracts.
- 18 After discussions with Senior Management an enhanced status quo approach has been decided on which will include direct negotiation with existing contractors, utilising the SDC workforce

Services and Assets Committee

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team and incorporating some works within the Roding Alliances. Where it is deemed better for the community or financially advantageous a public tender process will occur to enable a reduction in the number of contracts.

- 19 It is proposed that this process occur in phases which will enable a more manageable procurement process:
1. Cleaning contracts – split into 4 separable portions to go to tender in April 2020.
 2. Mowing contracts– split into 6 separable portions with some direct negotiation with existing contractors and some being publically tendered.
 3. Gardening contracts – after consultation with Community Boards to confirm service levels and scope to directly negotiate with existing contractors.
- 20 The proposal aligns with the recommendations made within the Morrison Low Review and include:
- Enhanced status quo
 - enable accurate forecasting for 2021-31 LTP for these services
 - allows for smaller and local contractors to bid for separable portions
 - use of standardised contracts
 - better time management for Council staff
 - lower contract management costs
 - Improved contractor performance management and monitoring.

PROPOSED PROCUREMENT METHODOLOGY

CLEANING

- 21 It is proposed to go to public tender for separable portions in April with a contract start date of 1 July 2020. Alternative proposals will be accepted to enable cost savings if a tenderer submits for more than one portion.

Separable portions, for example:

Via Public Tender

1. Office cleaning for six offices and two halls
 - Scope: Invercargill, Wyndham, Winton, Lumsden, Riverton, and Otautau. RSA and Winton Memorial Hall.

Exceptions - Stewart Island office and library which is currently being undertaken under an employment contract with a staff member.

- Te Anau office and library will be included in the Fiordland Cleaning tender
2. Fiordland cleaning
 - Scope: Te Anau Library, Te Anau office, Lions Park Toilets (30 pans), 8 public toilets (22 pans)

Toilet cleaning areas are proposed to align with the existing Roding Alliances with the exception of Fiordland.

Via Direct Negotiation

- 22 It is proposed that direct negotiation occur with the Roding Contractors which will enable utilisation of their cyclic programme and include toilet maintenance which they already undertake.
1. Cleaning of toilets – Waimea and Central (Ardlussa, Northern, Oreti, Wallace Takitimu, Oraka Aparima, Tuatapere Te Waewae, Cycle Trail). With the exception of Dunsdale Reserve which will be included with mowing.
 2. Cleaning of toilets – Foveaux Alliance area (Waihopai Toetoe, Stewart Island/Rakiura)

MOWING

- 23 It is proposed to workshop the scope of works and levels of service with Community Boards in March / April 2020.

Six Separable portions, for example:

1. Fiordland (Te Anau / Manapouri)
It is proposed that toilet cleaning be removed from the current township maintenance contract and merge the two townships into one contract. This will include mowing, gardening, litter removal and street cleaning. This will be done via direct negotiation with the existing contractor.
2. Waihopai Toetoe – via direct negotiation with existing contractors.
3. Stewart Island / Rakiura– keep within Foveaux Roding alliance.
4. & 5 Split rest of district into two portions via open tender.
 - a. **Option 1:** East(Northern, Tuatapere Te Waewae, Oraka Aparima, Wallace Takitimu) and West (Oreti, Ardlussa)
 - b. **Option 2:** North (Northern, Ardlussa) and South (Tuatapere Te Waewae, Oraka Aparima, Wallace Takitimu, Oreti)
6. Monowai- keep status quo with volunteer.

GARDENING

- 24 It is proposed to workshop the scope of works and levels of service with Community Boards in March / April 2020.
- 25 To enable this to happen, it is proposed that the Community Facilities team will contact all current contractors requesting a three month extension at current costs.

Procurement options

1. Direct negotiation with existing local contractors.
2. Further options to be considered after consultation with Community Boards.

Issues

- 26 Contractors may not agree with a three month rollover as SDC have already rolled some of the contracts over twice for one year each.
- 27 After discussions with current toilet cleaning contractors, it has been suggested that unless maintenance is included they may decline to tender. These included the Roding Alliance and major cleaning contractor.

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- 28 If it is agreed to rollover the existing Te Anau and Manapouri township maintenance contracts (taking out toilet cleaning), it could be seen to be unfair as SDC will not go to market.
- 29 These contracts are funded through existing rating boundaries that are not aligned with new Community Board areas. This will complicate pricing, procurement and contract claims, but is able to be dealt with by staff.
- 30 After consultation with Community Boards, there is a risk that an increase in additional local funding may not be approved.
- 31 Separable portions that are proposed to be directly negotiated with existing contractors are:

Separable portion	Current 2019/20 budget.
a) Cleaning of toilets – Waimea and Central (Ardlussa, Northern, Oreti, Wallace Takitimu, Oraka Aparima, Tuatapere Te Waewae, Cycle Trail). With the exception of Dunsdale Reserve which will be included with mowing.	\$267,531
b) Cleaning of toilets – Foveaux Alliance area (Waihopai Toetoe, Stewart Island / Rakiura)	\$ 84,677
c) Mowing Fiordland (Te Anau / Manapouri) - It is proposed that toilet cleaning be removed from the current township maintenance contract and merge the two townships into one contract. This will include mowing, gardening, litter removal and street cleaning. This will be done via direct negotiation with the existing contractor.	\$ 84,825
d) Mowing Waihopai Toetoe – via direct negotiation with existing contractors.	\$ 68,826
e) Mowing Stewart Island / Rakiura – keep within Foveaux Roding alliance.	\$ 29,860
f) Mowing Monowai- keep status quo with volunteer.	\$ 550
g) Gardening negotiation potentially with existing local contractors – TBC after consultation with Community Boards	\$217,783

- 32 This approach to directly negotiate for toilet cleaning with the Roding Contractors will enable utilisation of their cyclic programme and include toilet maintenance which they already

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undertake. Currently overheads for toilet cleaning and maintenance done by the Roding Alliances is funded through NZTA therefore providing cost savings for Community Facilities.

- 33 With regards to existing mowing contracts, the incumbent contractors have proved over the lengths of their existing contracts to provide excellent service and coverage of the district as well and having high levels of health and safety compliance and appropriate plant.
- 34 As per SDC's Procurement Policy, dated 29 September 2010, Section 7.3 Alternative procurement methods allow and have provision for procurement aside from the competitive tender process. This report outlines reasons for preferring a non-competitive process in fulfilment of Section 7.3 and shall be submitted to whomever responsible, as per Section 9 of the Policy.
- 35 As per Section 9, 3. (b) Decision to use direct negotiation shall be documented clearly and will require the following authorisation: (i) Any goods, services or works expected to have a value over \$200,000 is to be approved by Activities Performance and Audit Committee (APAC). The APAC Committee is no longer in operation. This authorisation would now be sought by the Services and Assets Committee.
- 36 On the basis of the above issues, there may be changes made to the procurement plan between direct negotiation and open tender for certain separable portions, if for example negotiations are not successful or tendering is not successful. The identified examples above may not necessarily reflect the final procurement packages. The recommendation is for a mixture of open tender and direct negotiation and utilisation of internal SDC Workforce scheme.

Factors to Consider

Legal and Statutory Requirements

- 37 Section 17A of the Local Government Act (LGA) requires Council review service delivery arrangements for their activities and implement improvements where appropriate. The review outcomes identified by Morrison Low have been forefront as part of developing the proposed way forward.
- 38 In relation to section 101 of the LGA it is considered that the proposed approach accords with and balances appropriately Councils responsibilities in relation to financial prudence with Council's health and safety obligations.
- 39 The Employment Relations Act is considered to be relevant in terms of how the proposal deals with staff who are technically employed by Council to undertake cleaning contracts. Any restructuring will need to be undertaken in accordance with the requirements of this act. As cleaners are classified as vulnerable workers any new contractors will have to offer the existing cleaners positions within the new contract.
- 40 Previously Council agreed in principle to the concept of a district contribution if significant short fall resulted in a requirement for unbudgeted expenditure.
- 41 Section 80 of the LGA requires that significantly inconsistent decisions clearly identify the inconsistency, the reasons for the inconsistency and any plan to amend relevant policies to address the inconsistency.

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- 42 If a significant shortfall arose and Council were of a mind to fund this shortfall utilising district funding this would be contrary to Council's current Revenue and Financing Policy and as such would constitute an inconsistent decision. It is not proposed to amend the Revenue and Financing Policy to address the inconsistency if it were to arise as it is considered an anomaly that is able to be resolved through the 2024 LTP process.

Community Views

- 43 The community would expect Council to utilise procurement approaches that will ensure the required services are delivered to the agreed level of service at an efficient cost. The procurement approach should also be in keeping with good commercial practices.
- 44 Community views will be integrated into this process to review service levels and funding approaches when they are reviewed through the 2021 and 2024 LTP processes.
- 45 Further, ongoing discussions with community boards regarding contractor performance will be required as the review outcomes are rolled out.

Costs and Funding

- 46 An overview of current 2019/20 budgets by revised community board areas is provided in the table below:

Row Labels	Sum of MOWING		Sum of BEAUT sub-total	Sum of Toilets Sum of Office		Sum of Cleaning Totals	Sum of TOTAL
	SUB TOTAL	Sum of Gardening					
⊕ Ardlussa	\$ 34,412.88	\$ 3,707.04	\$ 38,119.92	\$ 17,259.00		\$ 55,378.92	\$ 127,911.72
⊕ Fiordland	\$ 60,509.04	\$ 24,315.96	\$ 84,825.00	\$ 132,746.08	\$ 6,642.96	\$ 224,214.04	\$ 369,548.08
⊕ Head Office	\$ -		\$ -		\$ 36,281.04	\$ 36,281.04	\$ 36,281.04
⊕ Northern	\$ 53,326.20	\$ 31,187.92	\$ 84,514.12	\$ 81,677.04	\$ 4,125.00	\$ 170,316.16	\$ 308,156.48
⊕ Oraka-Aparima	\$ 57,152.04	\$ 29,019.96	\$ 86,172.00	\$ 51,532.04	\$ 4,959.00	\$ 142,663.04	\$ 285,987.08
⊕ Oreti	\$ 60,462.96	\$ 68,838.12	\$ 129,301.08	\$ 45,002.04	\$ 2,600.04	\$ 176,903.16	\$ 366,667.20
⊕ Si / Rakiura	\$ 28,160.04	\$ 1,700.00	\$ 29,860.04	\$ 21,965.65	\$ 879.00	\$ 52,704.69	\$ 110,724.77
⊕ Tuatapere-Te Waewae	\$ 21,128.04	\$ 9,108.96	\$ 30,237.00	\$ 51,093.00		\$ 81,330.00	\$ 132,695.04
⊕ Waihopai-Toetoe	\$ 69,826.80	\$ 25,348.92	\$ 95,175.72	\$ 62,711.88	\$ -	\$ 157,887.60	\$ 322,890.12
⊕ Wallace-Takitimu	\$ 54,543.84	\$ 24,557.04	\$ 79,100.88	\$ 20,968.08	\$ 11,096.00	\$ 111,164.96	\$ 244,809.68
Grand Total	\$ 439,521.84	\$ 217,783.92	\$ 657,305.76	\$ 484,954.81	\$ 66,583.04	\$ 1,208,843.61	\$ 2,305,671.21

- 47 The budgets identified above were established through the 2018 LTP process. It is important to note that there is an expectation that these costs will increase in some areas based on the aggregation of contract scope. This is anticipated primarily as a result of the introduction of minimum service levels, greater distances to cover, increased overhead costs for contractors and more stringent health and safety standards (eg increasing traffic management obligations).
- 48 Some areas of the District are more susceptible to these cost increases as a result of isolation and minimal scope, or due to the nature of the existing service provision. Monowai grass mowing is a good example of this given that the service is currently provided by a local resident at a very low cost. However, there are areas of the District, such as Te Anau which has had new contract arrangements put in place in recent years where this risk is lowered as a result of the existing service provision.
- 49 Provided Council endorse the proposed implementation and funding principles, it is intended to undertake the procurement process in the next 3 months leading into 1 July 2020.

Policy Implications

- 50 As is indicated above, SDC’s Procurement Policy, dated 29 September 2010, Section 7.3 Alternative procurement methods allows for procurement aside from the competitive tender process. This report outlines reasons for preferring a non-competitive process in fulfilment of Section 7.3 and shall be submitted to whomever responsible, as per Section 9 of the Policy.
- 51 As per Section 9, 3. (b) Decision to use direct negotiation shall be documented clearly and will require the following authorisation: (i) Any goods, services or works expected to have a value over \$200,000 is to be approved by the Activities Performance and Audit Committee (APAC). The APAC Committee is no longer in operation. This authorisation is sought from the Services and Assets Committee.

Four Well-beings

- 52 Under the Local Government Act 2002, local authorities have a responsibility to promote the social, economic, cultural and environmental well-being of the communities they serve.
- 53 Council is also required under section 14 of the Act to undertake any commercial transactions in accordance with sound business practices. Procurement of goods and services is clearly a commercial transaction, which raises a question about how Council might best find the right balance between a ‘pure’ commercial approach and the promotion of the four well-beings.
- 54 The Ministry for Business, Innovation and Employment (MBIE) have recently released updated Government Procurement Rules, which provide further guidance for central government entities, on how through procurement processes can also support the delivery of “public value” and “broader outcomes”. The rules note that the Government is committed to:
- The delivery of public value (including broader outcomes)
 - Does not discriminate against suppliers (whether domestic or international)
 - Meets agreed international standards.
- 55 Rule 16 of the Government Procurement Rules then talks about broader outcomes being the secondary benefits that are generated from the procurement activity. These include benefits such as reducing carbon emissions, increasing access for NZ businesses to government contracts, improving skill levels within the NZ workforce and improving conditions for NZ workers.
- 56 Implicit in the Government Procurement Rules is a discussion about the ‘fine line’ to be walked between maintaining a competitive and commercially neutral approach to procurement whilst also recognising that there is a broader set of outcomes that can be delivered through the procurement decisions that public entities make. Hence, while there is merit, for example, in structuring contracts in such a way that a wider range of contractors (from small to large) can participate, Council shouldn’t do that at the expense of not being able to obtain a competitive price nor at the expense of employing contractors who do not meet agreed minimum standards such as those which are set for health and safety purposes. There is a balance to be found in planning each procurement decision. Council needs to be conscious of the need to find that balance in relation to the procurement of its community facilities maintenance services.

Analysis

Options Considered

- 57 Staff have identified two different options for implementation:
- 58 **Option One** - involves the retention of the status quo and reduce and merge services into existing contracts as and when renewal timeframes arise.
- 59 **Option Two** - involves a staged implementation of the three contract types – mowing, gardening and cleaning across multiple years (aligning with LTP and/or annual planning processes)

Analysis of Options

Option 1 – Status Quo

<ul style="list-style-type: none"> no disruption for current contractors. 	<ul style="list-style-type: none"> will need to extend 38 contracts for the third time will not provide opportunities to implement improvements as per Morrison Low recommendations.

Option 2 – Enhanced Status Quo

<ul style="list-style-type: none"> reduce the number of contracts from 38 to between 10 to 21 dependant on outcomes from consultation with Community Boards. ability to directly negotiate with existing contractors to enable cost savings by incorporating further services within the Roading Alliances. enable a two phase process where cleaning and mowing new contracts will be in place on 1 July 2020 and provide an opportunity to consult with Community Boards regarding gardening. provide a degree of consistency and standardised contract management framework. 	<ul style="list-style-type: none"> some contracts will need to be extended again for mowing and gardening

Recommended Option

- 60 Staff recommend Option 2 – enhanced status quo.

Next Steps

61 Provided the Committee agree with the proposed approach, the next steps are as follows:

Proposed timeline:

WHAT	WHEN
Services and Assets committee to approve alternative procurement approach.	24 March
Communications plan approved	By end of March
Consultation with Community Boards re gardening and mowing to confirm scope and levels of service.	March / April
Letters to existing contractors communicating upcoming process	By end of March
Finalising scope and levels of service for each Community Board area.	End of April
Finalising tender documentation	End of April
Letters to existing contractors confirming process.	April
Direct negotiation with existing contractors	April / May
Public tender process	April to May
Tender evaluation, negotiation and recommendations to award contracts.	
Relevant contracts to be extended where necessary	By end of May
Approval to award contracts	June
- Finance and Assurance Committee (where total contract value over life of contract exceeds \$2 million)	
Finalising new contracts	Early June
Contracts fully signed by contractors and SDC	Mid-June
New Contract commencement date	1 July 2020

Attachments

There are no attachments for this report.

Alternative Procurement of Stewart Island Wind Power Predevelopment Consultant

Record No: R/20/3/5494

Author: Ashby Brown, Commercial Infrastructure Manager

Approved by: Matt Russell, Group Manager Services and Assets

Decision

Recommendation

Information

Purpose

- 1 To outline the background and issues around engaging a consultant to undertake the predevelopment phase of the Stewart Island wind power project and determine the most suitable approach within the Council's current procurement policy.

Executive Summary

- 2 Southland District Council (SDC) has entered in to a funding agreement with the Ministry of Business, Innovation and Employment (MBIE) for the development of wind power generation on Stewart Island.
- 3 A portion of this funding is associated with engaging a consultant for the predevelopment phase of the project.
- 4 For a several reasons, including market conditions, project history, and previous documentation, direct negotiation with a consultant, Roaring 40s Wind Power is recommended as the most efficient and lowest risk procurement approach for this service.
- 5 A decision to proceed with alternative procurement, for provision of predevelopment consulting services in relation to the above, and to an estimated value of \$495,000 is sought.

Recommendation

That the Services and Assets Committee:

- a) **Receives the report titled “Alternative Procurement of Stewart Island Wind Power Predevelopment Consultant” dated 13 March 2020.**
- b) **Determines that this matter or decision be recognised as not significant in terms of Section 76 of the Local Government Act 2002.**
- c) **Determines that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with Section 79 of the act determines that it does not require further information, further assessment of options or further analysis of costs and benefits or advantages and disadvantages prior to making a decision on this matter.**
- d) **Approves the alternative procurement method to directly negotiate with a consultant, Roaring 40s Wind Power, for the predevelopment phase of the Stewart Island wind power project to be funded from the Ministry of Business, Innovation and Employment Provincial Growth Fund funding received for this project.**

Background

- 6 The Ministry of Business, Innovation and Employment (MBIE) has been a key party to investigate wind power as an alternative generation option on Stewart Island and has provided assistance to Southland District Council (SDC) with recent investigation and a report carried out by a consultant, Roaring 40s Wind Power. Subsequent to the Roaring 40s Wind Power Report (report) and in communication with MBIE, SDC made an application to MBIE for funding from the Provincial Growth Fund (PGF) to progress this project.
- 7 The project and application for funding is structured in two phases – a pre-development phase undertaken primarily by a single consultant, potentially followed by a development phase based on the pre-development conclusions. The \$530K of funding sought for pre-development and \$2.7M sought for development phase was based on estimates within the report.
- 8 On 17 January 2020, a funding agreement between MBIE and SDC to develop wind generation capacity on Stewart Island was executed.

Issues

- 9 There are several considerations in making a recommendation to pursue an alternative procurement process, as follows:
- 10 In developing their report, Roaring 40s Wind Power already has substantial history on this project and are considered to have significant knowledge and intellectual property specific to this project. An alternative consultant would require time (cost) to reach an equivalent background and the cost for duplicitous work would necessarily be borne by the project.
- 11 Due to the specialised nature of the project, and the intention to engage a single supplier, the market for consultants has a limited number of viable suppliers. The benefits of a competitive tender process are not obvious in this case and furthermore, a competitive tender process is not

without significant investment of time and money – which is not covered under the PGF agreement. Investment in a tender process would risk poor outcomes such as lack of interest or unaffordable prices and require funding of additional cost, without any clear benefit.

- 12 Due to advice received by SDC, the application for PGF funding explicitly proposed Roaring 40s Wind Power as the consultant. Furthermore, the cost breakdown identified in the application was prepared by Roaring 40s Windpower. Thus, there is a degree of expectation for both SDC to honour the delivery approach (within the constraints of SDC Procurement Policy) and for Roaring 40s Windpower to honour the pre-development costs advised.
- 13 A number of due diligence actions have been completed to establish a reasonable level of confidence in Roaring 40s suitability for the task. Resumes of key staff and a capability statement have been obtained which outline a successful track record completing other similar wind projects. Background documents, research and cost assumptions were provided. Additionally, SDC staff have had the opportunity to speak with Roaring 40s Wind Power staff on several occasions, and this demonstrates a credible level of knowledge, value and interest from Roaring 40s Wind Power beyond the report itself.

Factors to Consider

Legal and Statutory Requirements

- 14 No legal or statutory issues have been identified.

Community Views

- 15 No community views have been sought specifically on this procurement issue.

Costs and Funding

- 16 The pre-development phase of this project is to be funded entirely from the PGF as per the aforementioned funding agreement. This provides an initial \$300K upon the agreement being executed and a further \$200K once the pre-development consultant has been contracted. A final \$30K is available once the pre-development report has been completed and submitted to MBIE.

Policy Implications

- 17 Although under review, SDC's current procurement policy, dated 29 September 2010, is in effect regarding engagement of a supplier(s) for the pre-development phase of the project.
- 18 The value of the pre-development contract with Roaring 40s Wind Power is estimated at \$495K as per the report and the PGF application.
- 19 As per SDC's procurement policy, dated 29 September 2010, Section 7.3 Alternative procurement methods allow and have provision for procurement aside from the competitive tender process. This memo outlines above, reasons for preferring a non-competitive process in fulfilment of Section 7.3 and shall be submitted to whomever responsible, as per Section 9 of the policy.
- 20 As per Section 9, 3. (b) Decision to use direct negotiation shall be documented clearly and will require the following authorisation: (i) Any goods, services or works expected to have a value over \$200,000 is to be approved by Activities Performance and Audit Committee (APAC) – now replaced by the Services and Assets Committee.

Analysis

Options Considered

- 21 Option 1: Proceed to directly negotiate a contract with Roaring 40s Wind Power for the predevelopment phase of the Stewart Island Wind Power Project.
- 22 Option 2: Proceed with a competitive procurement process to establish a consultant for the predevelopment phase of the Stewart Island Wind Power Project.
- 23 Option 3: Do nothing, SDC does not engage a predevelopment consultant and does not exercise the Provincial Growth Fund agreement.

Analysis of Options

Option 1 – Direct Negotiation

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none"> • procurement costs are minimised • timeframe to execute a contract with a predevelopment consultant is minimised. A competitive tender process would require SDC to cover significant expenditure of time and expense before PGF funding is unlocked. 	<ul style="list-style-type: none"> • there is a small possibility that other viable consultants have not been considered.

Option 2 – Competitive Tender

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none"> • achieve greater confidence of achieving a competitive price. 	<ul style="list-style-type: none"> • increased time and expense for a tender process is not covered by the PGF funding agreement and would instead have to be covered by SDC • improved value may not be realised because either tender costs outweigh the benefits or the market is not competitive enough to support this approach.

Option 3 –Do Nothing

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none"> • risks and costs associated with embarking on this project are not realised by SDC, noting that only internal costs are borne by SDC during the predevelopment phase as external costs are fully funded. 	<ul style="list-style-type: none"> • wind power generation on Stewart Island, and the potential benefits associated with such, is not contemplated any further.

Assessment of Significance

- 24 This alternative procurement decision is not deemed significant.

Recommended Option

- 25 Option 1 – Direct Negotiation.

Next Steps

- 26 Council will proceed to develop a contract for the predevelopment phase via direct negotiation with Roaring 40s Wind Power. It is expected the final contract will be executed under delegated authority of Council staff.

Attachments

There are no attachments for this report.

Roading Operations - January and February 2020

Record No: R/20/3/5576

Author: Rob Hayes, Roading Engineer

Approved by: Matt Russell, Group Manager Services and Assets

Decision

Recommendation

Information

Purpose

- 1 The purpose of this report is to update the committee on the progress of the major roading maintenance contracts and provide some context to the 2019/20 budget.
- 2 SouthRoads currently have the Waimea and Central Alliance maintenance contracts with Fulton Hogan having the Foveaux Alliance Contract.

Executive Summary

- 3 Due to the flooding during February we have agreed not to report on January due to workloads at this time.
- 4 Customer satisfaction; 165 Requests for Service (RFS), across the three Alliance contracts were received in February 2020 compared to 99 in 2018/19, an increase of 67 or 67%. This is a significant increase compared to the same time last year and well above historic averages (81).
- 5 These figures are distorted because of the flooding event. This number could have been higher but Southland District Council customer service staff were filtering many calls during the flooding which was a great team effort.
- 6 The flood response dominated work activities through February.
- 7 In relation to health and safety; 5 safety audits were completed in February with no lost time injuries and 3 near misses reported.
- 8 Activity performance:
 - metalling, 31369m³ (61%) has been placed of a total 2019/20 budget of 50,755m³.
 - grading, 8,780km (65%) have been graded by October of a total 2019/20 budget of 13,400 km for the year.
 - the general focus has been getting reseal sites ready and drainage works completed including culvert clearing.
 - focus will start shifting towards pavement repairs as weather conditions improve including commencing work on the 20/21 preseal programme.

Pavement Rehabilitation / Resurfacing

- 9 The Roading Company have completed works on Edendale Wyndham Road/Brydone Glencoe Road and have also started at Niagara Tokanui Road. SouthRoads have completed 75% of the work on Otapiri Gorge Road and sealed the first 1km.



Brydone Glencoe Road

- 10 The 2019/20 resurfacing had a slow start due to the unsettled weather. Downer were 76% complete at the end of February after a big effort post Christmas. The work is programmed to be completed by the end of March as scheduled.

Bridges

- 11 The tender evaluation processes for two bridge design/build packages were completed and awarded in December with SouthRoads the successful tenderer for the Northern package and Downer the successful tenderer for the Southern. We have completed our site meetings with affected parties at each bridge. Our contractors are currently finalising design and the project delivery team working through site specific planning including alternative access.
- 12 The Lake Monowai Road Bridge over Pioneer Energy's hydro canal has been designed and tendered. This is the site we installed a Bailey bridge late last year to provide alternative access during construction. The outcome of the tender process is reported separately.



- 13 Mararoa Bridge has had some setbacks due to river levels and during the floods. SouthRoads are back on track and will be completed in April.



- 14 McDonald Road Bridge was completed and opened in December.



- 15 A bespoke design for Waghorn Road Bridge at Waituna Lagoon is underway.

Flood event

Strategic Transport staff and our Alliance contractors have had a challenging February dealing with flooding with 64 roads closed or under restriction at its peak. Although there has been a huge effort to date there is still a number of roads that still need our attention. The worst affected area was the Maitava river catchments. Below are a few photos from around Maitava Island and Fortrose.





Financial

- 16 We are still counting the cost of flood damage, which is currently sitting at \$600K however, we are estimating this cost to reach approximately \$3 million. For our Alliance contracts the “business as usual” turnover is down by \$200K for February. This was expected and there are no outstanding claims or variations to the maintenance contracts. All claims and invoices for completed work were certified and accepted.

Recommendation

That the Services and Assets Committee:

- a) **Receives the report titled “Roading Operations - January and February 2020” dated 13 March 2020.**

Attachments

- A Waimea A3 Report - Feb 2020 [↓](#)
- B Central A3 - February 2020 [↓](#)
- C Foveaux A3 - Feb 2020 [↓](#)



Summary Report January 2020

PERFORMANCE

RFS	Number of Sign RFS's	Monthly	6
	Total number received since last report cycle (Excluding Signs)	Monthly	47
	# Not completed on time within the required timeframe	Monthly	1
	# Customers contacted (where possible excluding signs)	Monthly	46
	# Non-performance related - where we provide customer support (e.g. farmers mess, incident response etc.)	Monthly	23
	RFS Contract Management Resource (hours)	Monthly	4

PERFORMANCE SCORECARD

KEY RESULT AREA	TREND	WEIGHTING	PRELIM SCORE
COMMERCIAL	-	10%	10%
CUSTOMER AND COMMUNITY GOVERNANCE	-	10%	10%
HEALTH & SAFETY	-	40%	36%
ALLIANCE EFFECTIVENESS AND EFFICIENCY	-	40%	40%
NETWORK SAFETY & RISK		MONITORED	RoadRoid and monthly Audits partially completed.
ALLIANCE RESOURCES MANAGEMENT		MONITORED	No significant issues. Currently reviewing some sub-contractor specs.
REPORTING AND GOVERNANCE		MONITORED	Management Plans to be reviewed.

Well, well, well, what can you say about what was experienced at the start of this month. The first time in a long time Southland was under a "State of Emergency" as February was another month with wide extremes of weather over not only the lower South Island, but continuing and deepening drought further north.

A slow moving and very active front lay over Fiordland, Southland and Otago from the 2nd - 4th with widespread and very heavy rainfalls. In Invercargill some 95mm fell in the first week of the month, and large areas further inland recorded falls of 150-200mm+ in just two or three days. These falls resulted in large floods in the main rivers, especially the Mataura where the communities along the river were lucky that the flood protection work undertaken after 1984 largely performed very well. At the same time, massive rainfalls falls over much of Northern Fiordland, up to 1000mm, resulted in chaos for the great mountain walks and the Milford Road, with massive damage in some places.

The drainage crew have been straight into tidying up the flood damage around the area which will keep them busy for a few weeks to come.

The stabilising crew have been doing seal repairs following the recent flood which has put the stabilising back a couple of weeks but all pre reseal repairs and non pre reseal stabilising repairs will be completed in March.

Township cyclic work continues around the towns with minor projects being completed also and RFS's completed.

We have finished marking up the 2020/21 pre reseal repairs. The flood event has not helped the start of this work, but we will be still on track to complete all repairs in the required time frames. The preliminary list has 62 kilometres of reseal, but these are predominantly in towns which generally don't have a huge amount of work or failures. The premix crew will come to the Waimea Contract in March for a couple of months before heading back to the Central Contract.

PROGRESS

Item	% Completed	Comments
Non-Reseal Stabs 2,500m ² Programmed	50%	Have stabilising crew March
Maintenance Metaling (22,000m ²)	46 %	10,218 m ² YTD
Grading (400km target month)	133 km (MTH) 2,650 km (YTD)	Flood Damage Repairs
Verge Spraying	85%	March/April Completed
Noxious Spraying	100%	Completed
Bridge Repairs	On-going	Working closely with SDC Roding Team in delivering key bridging work identified Currently have a cyclic crew working 2 days a week on bridges.
Drainage Repairs	PRR	100% Completed

0 of the 133 (0%) sites have been released for inspection. This equates to 0 km out of a possible 66,208 km released.

Activity	Prog Qty	Comp Qty	Remaining Qty
Depressions (m ²)	4,474	0(0%)	100 (0%)
Edge Breaks (m)	10,246	0 (0%)	100 (0%)
Dig Outs (m ²)	0	0 (100%)	0 (0%)
Stabilising (m ²)	2,535m ²	978 (39%)	61 (0%)
WCC (m)	0	0 (100%)	0 (0%)

RISK & STRATEGY UPDATES

	Identified Risks	Update
Roads	Riversdale Waikaia Road	A section of this road has corrugated likely due to tree roots under the road. An Opus tree specialist is to advise options. Warning signs have been installed. Currently trying to contact landowners.
	Waiau Street Manapouri Slip	Opus are currently investigating and provide feedback.
Strategic	RAMM Contractor / Dispatch	The rollover to RAMM has been a success with only minor teething issues as expected. In monitoring and process improvement phase of the project.
	Alliance Plans	Focus will shift towards completing updating agreed plans to help manage several identified risks with staff t/o clarification of LOS etc.
	Grader Overweight Permits	Graders have now been weighed. Next step under review.

CUSTOMER SERVICE MANAGER REPORT

The phones were red hot at the start of the month with a natural disaster at the beginning of February. When the "State of Emergency" was declared we received great support from SDC customer service that let the public know as they were ringing in that we were out of signs, cones and that we would not be ringing back to acknowledge the call. PNCC were also told not to call the on-call manager so they could rest up and carry on the next day.

RFS GRAPHS



MONTHLY AUDIT RESULTS

No audit was completed in the Waimea Contract this month due to the floods and the damage needing assessed and work programmed. We will endeavor to get around the audit area missed in March.

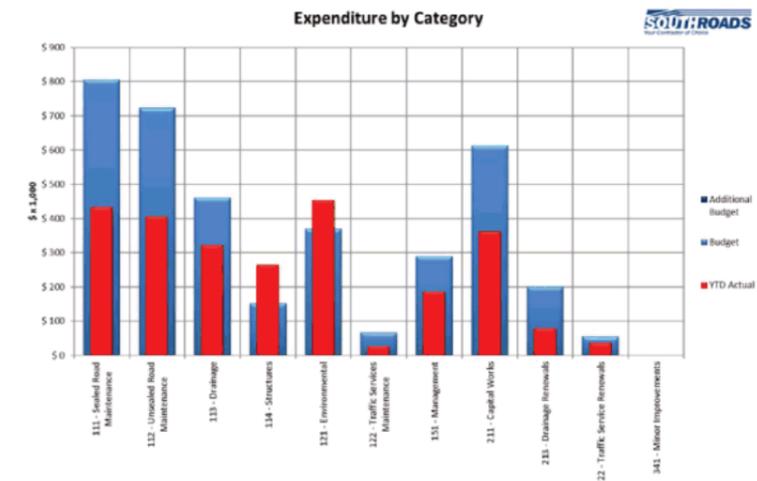
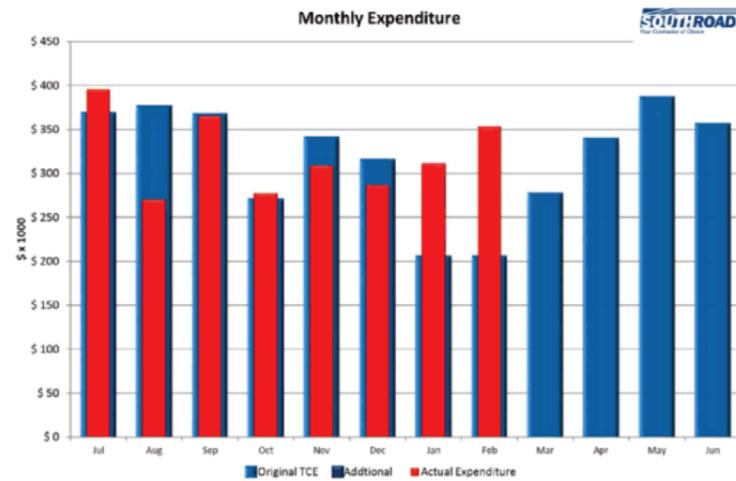
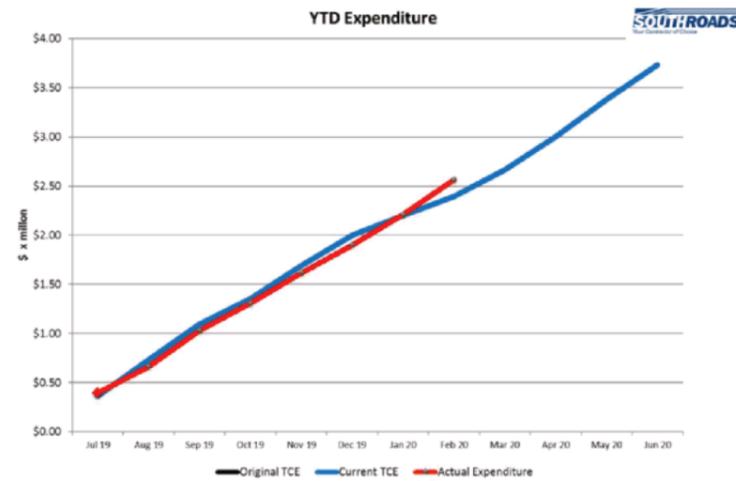
GOLD STAR INITIATIVES -

Utilizing RAMM Inspection module to track bridge and culvert inspections. Training has been held with SDC. More training in RAMM with SDC staff to be arranged in coming months.

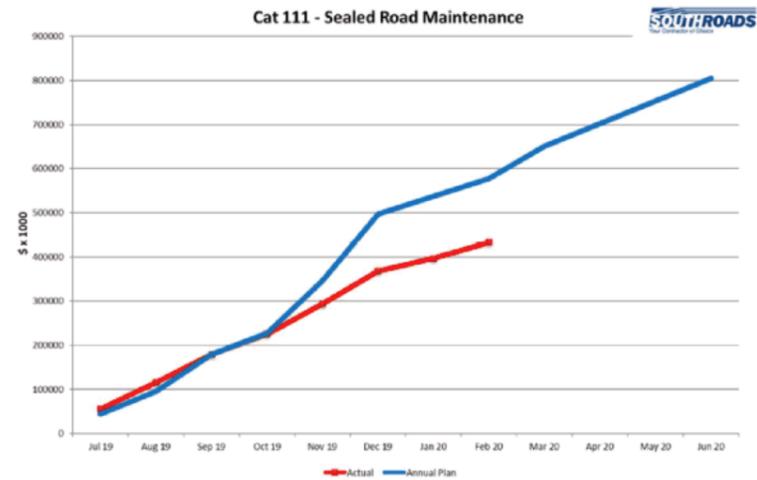
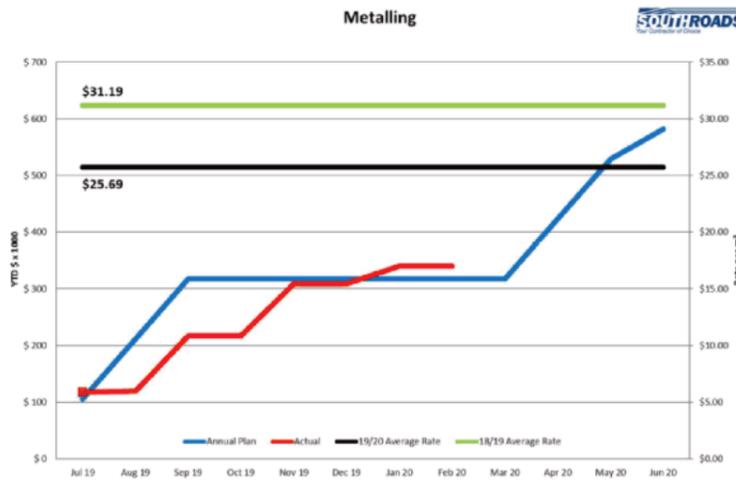
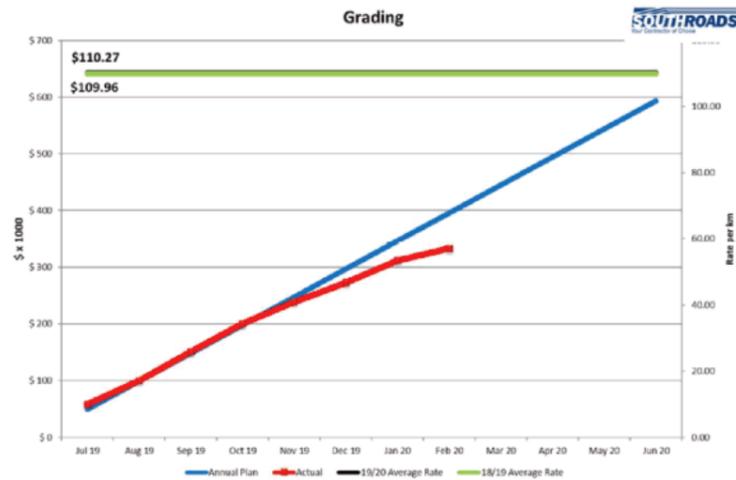
AROUND THE MOUNTAIN CYCLE TRAIL/FACILITIES

With significant rain at the start of February there is severe damage to some parts of the cycle trail. We have been asked to price the repairs for SDC.

FINANCIAL GRAPHS



KEY PERFORMANCE INDICATOR GRAPHS



FINANCIAL SUMMARY

NZTA Subsidised Summary	Ann Amt	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total	Under(-ve)/ Over (+ve)	%age Under(-ve)/ Over (+ve)
Original TCE	\$ 3,825,059	361,884	369,686	360,861	263,645	334,576	308,529	198,776	198,776	270,700	333,004	380,031	349,590	3,730,059		
Additional		0	0	0	0	0	0	0	0	0	0	0	0	-		
Current TCE		361,884	369,686	360,861	263,645	334,576	308,529	198,776	198,776	270,700	333,004	380,031	349,590	3,730,059		
Actual Expenditure		394,685	270,128	364,632	277,369	307,956	286,009	311,097	353,161	0	0	0	0	2,565,037	1,165,022	31%

FINANCIAL COMMENTARY
 There was a huge portion of Emergency Work in this month's claim. Over \$200k of this month's claim was emergency repairs. Routine maintenance and signs work was completed. The Stabbie crew have also been working on the Waimea beat over the month. The Second Round of Shoulder mowing was also completed.



Summary Report – February 2020

PERFORMANCE

RFS	Number of Sign RFS's	Monthly	17
	Total number received since last report cycle (Excluding Signs)	Monthly	77
	# Not completed on time within the required timeframe	Monthly	5
	# Customers contacted (where possible excluding signs)	Monthly	57
	# Non-performance related - where we provide customer support (e.g. farmers mess, incident response etc.)	Monthly	33
	RFS Contract Management Resource (hours)	Monthly	10

PERFORMANCE SCORECARD

KEY RESULT AREA	TREND	WEIGHTING	PRELIM SCORE
COMMERCIAL	-	10%	10%
CUSTOMER AND COMMUNITY GOVERNANCE	-	10%	10%
HEALTH & SAFETY	-	40%	22%
ALLIANCE EFFECTIVENESS AND EFFICIENCY	-	40%	40%
NETWORK SAFETY & RISK		MONITORED	
ALLIANCE RESOURCES MANAGEMENT		MONITORED	No significant issues. Currently reviewing some sub-contractor specs.
REPORTING AND GOVERNANCE		MONITORED	Management Plans to be reviewed.

RISK & STRATEGY UPDATE

	Identified Risks	Update
Roads	Flooding Slip Sites – (Browns Settlers, Gill Roads)	Browns Settlers has had a sight rail built for safety purposes. Gill Road slip site is completed.
	Richard Street (Moores Reserve)	The AMT have decided to slightly pull back the grading cycle from two to three weeks. Will monitor.
	Makawera Browns Road – shoulder slumping	Shoulders are slumping at Wilsons Crossing end - To be monitored for further movement.
	Otapiri Gorge Area.	Flood repairs have been repaired. Additional Dig-outs required which be completed next financial year.
Strategic	RAMM Contractor / Dispatch	The rollover to RAMM has been a success with only minor teething issues as expected. In monitoring and process improvement phase of the project.
	Alliance Plans	Focus will shift towards completing updating agreed plans to help manage several identified risks with staff t/o clarification of LOS etc.
	Grader Overweight Permits	Work currently ongoing in regard to Grader permits. Currently evaluating network risk.

PROGRESS

Item	% Completed	Comments
Non-Reseal Stabilisations 2,995m ²	4%	160m ² . With other priorities this will now form part of the 20/21 programme.
Metalling (18,467m ³)	67.2%	12415m ³ completed
Grading (400 km target)	403 km (MTH) 3491 km (YTD)	2.75 Graders
Verge Spraying	66%	2 nd just about completed
Noxious Spraying	90%	In Progress
Bridge Repairs	On-going	Working closely with SDC Roading Team in delivering key bridging work identified Cyclic crew established will currently working in Central area
Drainage Repairs		Culvert cleaning and culvert extensions ongoing

1st Reseal Target Release 75% Area Prior 1 October 2021
Pre Reseal Repairs 0 of the 197 sites (100%) are fully completed this equates to 0 Lm of the 58140Lm total

Activity	Programme Qty	Completed Qty	Remaining Qty
Depressions m ²	7455m²	0 (0%)	0
Edge Breaks m	9015m	0 (0%)	0
Dig Outs m ²	0m²	100 (0%)	0
Stabilisation m ²	2175 m²	0 (0%)	0
Verge Cleaning m	5,970 m	0 (0%)	0

Februarys weather was a mixed bag again but far better than January, to be fair the premix crew was effected by wind and wet weather and we lost approx 7 days, but they were able to carry on with Pot hole repair and various other activities, they have about 3 days left at Riverton before heading to Waimea. The reseal sites are underway for the 2020/21. The stabi crew started their 20/21 pre reseal repairs in the Waimea area. Then coming back to Central

Delta has completed township spraying with a touch up round in April to finish the season

Mowing has finished its 3rd round, with the rampant growing season we will be starting 4th round about mid-March and may require a 5th round

Noxious spraying operations have been completed but they will be coming back to respray Orepuke - Riverton Highway

Foreman for digger crew is back on deck and is catching up on unsealed and sealed road digouts across the network. We have intensified the training of this crew and are seeing good results. Failures mostly been due to intensive farming operations in areas such as silage contractors and building operations.

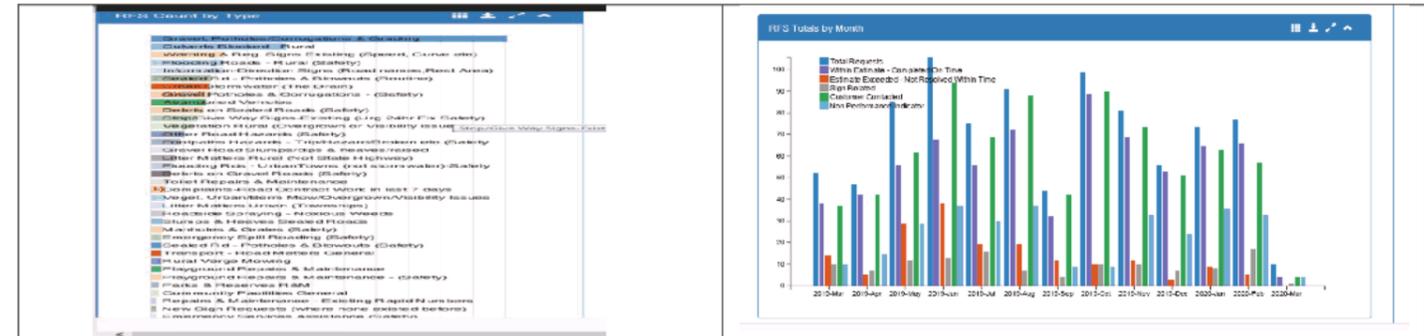
Of Note was the strain placed on camping grounds and amenities, especially Rubbish, this is due to the increased number of tourists we are seeing in the area.

Logging is quiet due to Corona Virus

CUSTOMER SERVICE MANAGER REPORT

There are some discrepancies with the RFS Data, due to the flooding in Feb. On going issues are that we are receiving a lot of State Highway RFS

RFS GRAPHS



MONTHLY AUDIT RESULTS

Still a work in progress with emphasis shifting towards maintaining a regular schedule.

GOLD STAR INITIATIVES

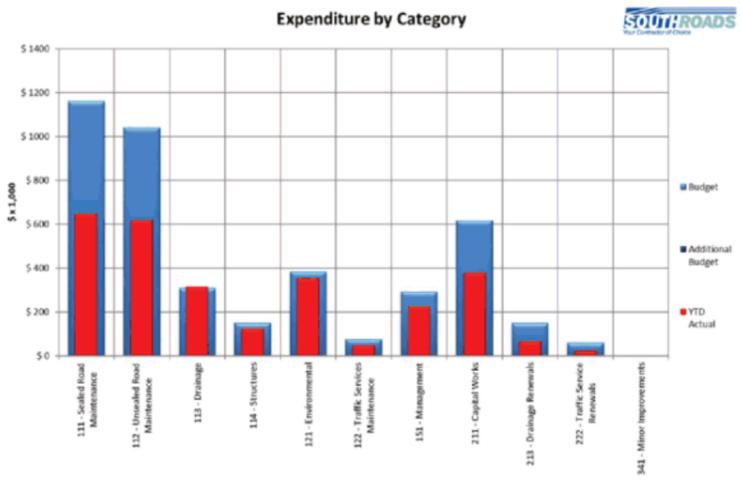
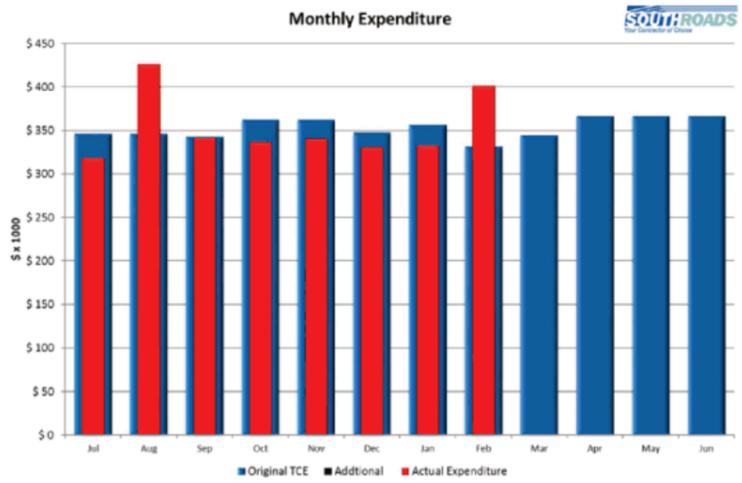
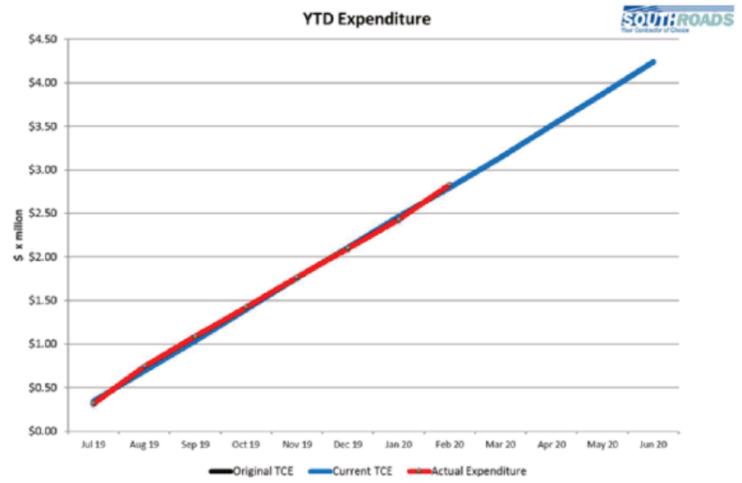
Utilizing RAMM Inspection module to track bridge and culvert inspections. Training has been held with SDC. More training in RAMM with SDC staff to be arranged in coming months.

FACILITIES

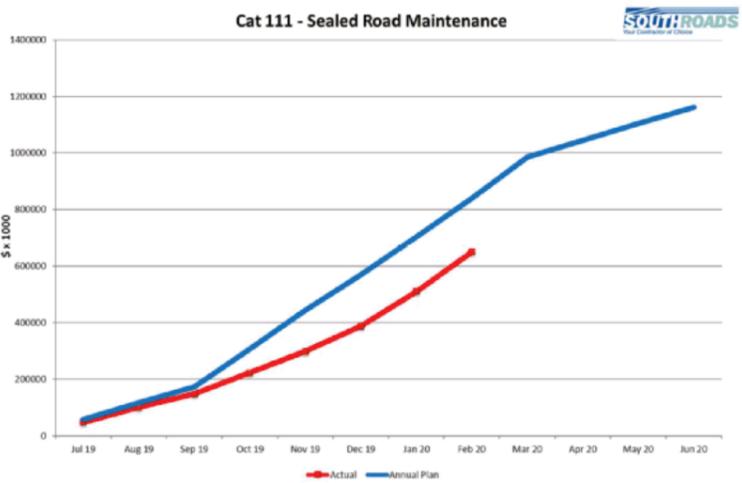
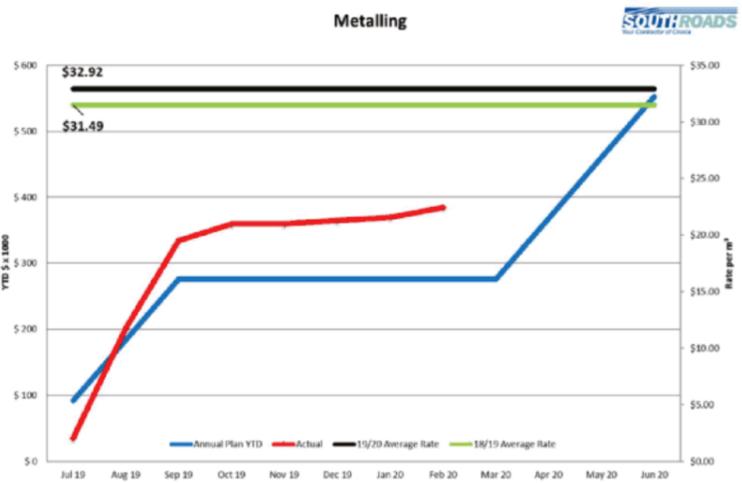
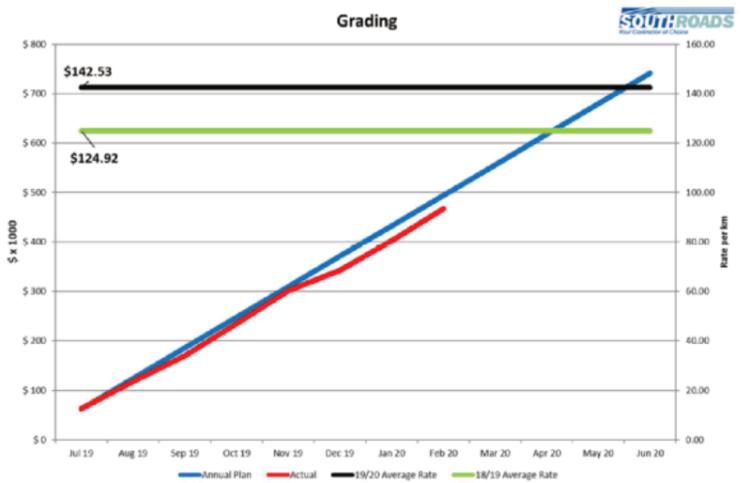
Requests for services from the facilities team are increasing as we see the weather improving and an increase in people using facilities in the areas. The soft fall material at the Dipton Playground was replaced in November.

We are working closely with the facilities team to provide additional resource in regards to more detailed audits.

FINANCIAL GRAPHS



KEY PERFORMANCE INDICATOR GRAPHS



FINANCIAL SUMMARY

NZTA Subsidised Summary	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total	Remaining	%age Remaining
Original TCE	346,249	346,249	343,030	362,138	362,138	347,429	356,852	331,877	344,517	367,011	367,011	367,011	4,241,512		
Additional	0	0	0	0	0	0	0	0	0	0	0	0	-		
Current TCE	346,249	346,249	343,030	362,138	362,138	347,429	356,852	331,877	344,517	367,011	367,011	367,011	4,241,512		
Actual Expenditure	318,592	426,168	341,856	336,728	341,010	330,848	333,080	401,280	0	0	0	0	2,829,563	1,411,949	33%
Remaining Cyclic	0	0	0	0	0	0	0	0	239,650	239,650	239,650	239,650	958,600		
Tasked Forward Work	0	0	289	0	0	0	0	0	0	110,439	246,258	246,258	356,986		
Projected Expenditure	318,592	426,168	342,144	336,728	341,010	330,848	333,080	401,280	239,650	239,650	350,089	485,908	4,145,149	96363	2%

FINANCIAL COMMENTARY
 The claim for the month was \$440,291.00. Year to date expenditure is \$3,034,748.00 (including township work). Monitoring management costs. This claim was made up for Premix Work, Drainage, shoulder mowing, Routine Township work and flood damage



Summary Report – Feb 2020



PERFORMANCE

EFFECTIVENESS	RFS	Number of Sign RFS's	monthly	5	
		Total number received since last report cycle (Excluding Signs)	monthly	41	
		# Not completed on time within the required timeframe	monthly	7	
		# Customers contacted (where possible)	monthly	38	
		# Non-performance related - where we provide customer support (e.g. farmers mess, incident response etc.)	Monthly	2	
		RFS Contract Management Resource (hours)	monthly	20	
CONDITION RATING	Field Audit	monthly	95.85%		
	Monthly score Card (under trial)	Annual	This Mth 87%	YTD Ave 90%	
PROGRAMME	Activity Calendar	Quarterly	All on track		

PEOPLE / CULTURE	TEAM SAFETY	Medical Treatment Intervention - #	monthly	MTD	YTD
		Lost Time Injury - #	monthly	0	1
		Near Miss/OFI - #	monthly	0	0
		Site Safety Audits	As completed	3	32
	TEAM HEALTH / AMT	Satisfaction - 3 monthly measure	Quarterly	95%	
		Team Harmony - 3 monthly measure	Quarterly	98%	
	ROAD USER SATISFACTION	SDC survey, as completed	As completed	0	0
		# complaints (not normal RFS) vs. compliments	Monthly	0 Complaints 0 Compliments	2 Complaints 5 Compliments

February turned into a very busy month for the Foveaux team, the state of emergency early in the month left us with significant damage to Edendale Wyndham Road, Mataura Island & Tokanui George Road. Not only was this a very busy time we had Waitangi day in the middle of this event with several of our team already on holidays – this left us with not only fewer people to call on but it meant those remaining at work had some big shoes to fill with both of our Supervisor's on leave. We are pleased to report that not only did those on the front line step up, they managed the work and response extremely well – proving the development of our people over the years on this contract has had a very positive effect.

The clean-up work is well under way, the team managed to divert the contractor already committed to an area wide treatment contract at Quarry hills to the Edendale Wyndham road – this was reinstated within 2 weeks of its loss – this also gave us the space we needed – as reported last month the team had organised to re-use the "cut to waste" material on the above area wide contract to build up some of the local gravel roads, our resource would not have been able to complete all these jobs at once, however with co-operation across 3 organisations we have managed to do just that.

The stabi crew, through lost time and extra repair time was 2 weeks off their planned work, at the time they were ahead of plan and have now managed to only be 1 week behind pre flood plans – meaning we are still confident to complete all pavement repairs this season (the team are managing to bring the cost /m2 down as well).

Verge & noxious spraying continue behind program, the plan now has all roads sprayed by Easter with sealed roads having their normal twice yearly spray

Grading beats are being covered by 2 graders while our 3rd helps with flooding repairs.

PROGRESS

Item	Completed	Comments
Non-Reseal Stabi's Budget 4,000m2	1,141m2 flood & 165m2 planned mth 2,889 m2 YTD	Flood repair work
Metalling Budget: 13,797m3	394m3 mth, 8,736 m3 YTD	10,290m3 programed, additional Budget now approved
Grading Budget: 3,800km	272 km mth, 2,639 km YTD	On track
Verge Spraying Budget: 1,800km	311 km mth 1150 km YTD	Behind, new plan to fin by Easter
Noxious Spraying Budget:1,313km	0 km mth 517 km YTD	Behind full focus after Easter
Bridge Repairs Budget \$82,317	\$6,600 mth \$44,192 YTD	\$ exclude Evans Road /Scrubby Hill, routine program now received
Drainage Repairs Budget 30km watertable	5.6km water table	

20 / 21 - Pre Reseal Repairs

Activity	Original Prog Qty	Comp Qty	Remaining Qty
Depressions (Leveling) m²	165m2	0	165m2
Edge Breaks/low shoulder m	6903m	0	6903m
Clear watertables m	700m	0	700m
Stabilisation m²	1670m2	1327m2	726m2
Texturing/flushing	270m2	0	270m2
Hi Lipping m	3312m	0	3312m
0 of 41 Sites Completed -100%		0km of 38km Completed -100%	

RAMM Update

SDC Roading team update needed

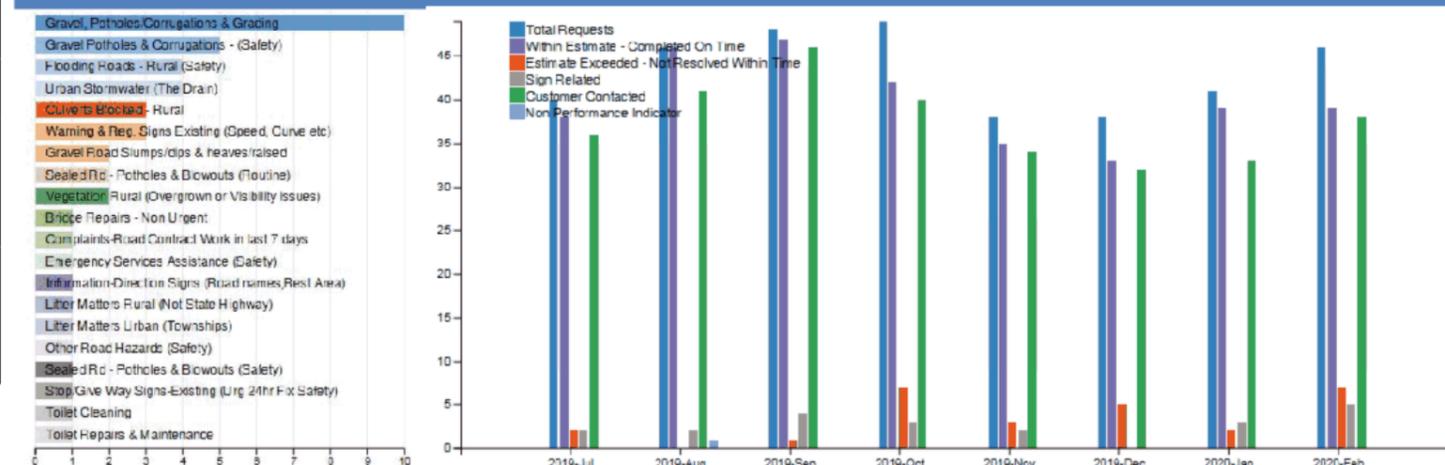
RISK & STRATEGY UPDATES NB NO CHANGE HERE FROM JUNE REPORT

	Identified Risks	Update
Roads	Waikawa Curio Bay Otta Seal	Major rock protection work completed to protect against tidal wash, however the Otta seal continues to break break up – In holding pattern now – more gravel spread at start of Dec until Council decides what they want to do with the seal.
	Brydone Glencoe slip	Under AWPT now
Slips	Waikawa Curio Bay Road	Funds now partially committed to complete repairs after Xmas 2019
	Ringa Ringa Bay - SI	Tidal Erosion is steadily increasing - Graham and Brendan are keeping an eye on this. Concerns over the last month. Drone footage is available. (Weekly inspection cost are starting to add up)
Strategic	Non Maintained Roads	Roads that are currently in RAMM but have not been maintained for whatever reason in the past (some 43KM), at \$30K/km this represent \$1.3M risk (worst case) – action – to follow up on agreement and update RAMM.

SUPERVISOR – CUSTOMER RELATIONS

The number of RFS has slightly increased this month, primarily due to some delays around spraying and the major event that occurred, although there was a large amount of RFS's SDC filtered out to allow the contractors to focus on the event itself. 28% of the RFS's we received we Safety's with the majority of our customers please with our quick response time. Our normal trend has continued with 37% of our RFS's relating to grading and again our customers leaving happy knowing their roads are already planned to be graded within the next few weeks.

RFS GRAPHS - RFS MONTHLY TOTAL BY TYPE (LEFT) AND YEAR TO DATE REQUESTS (RIGHT)



FINANCIAL REPORT

The claim for the month was \$542,879
 Year to date expenditure is \$2,691,885

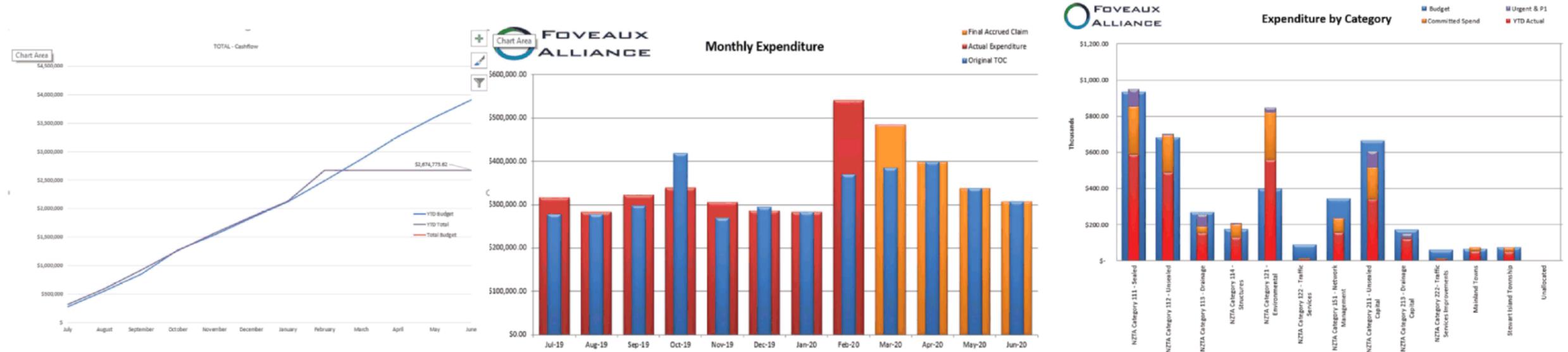
GOLD STR INITIATIVES

- ✓ More recycled material used, pipes and bridge beams for garden plots

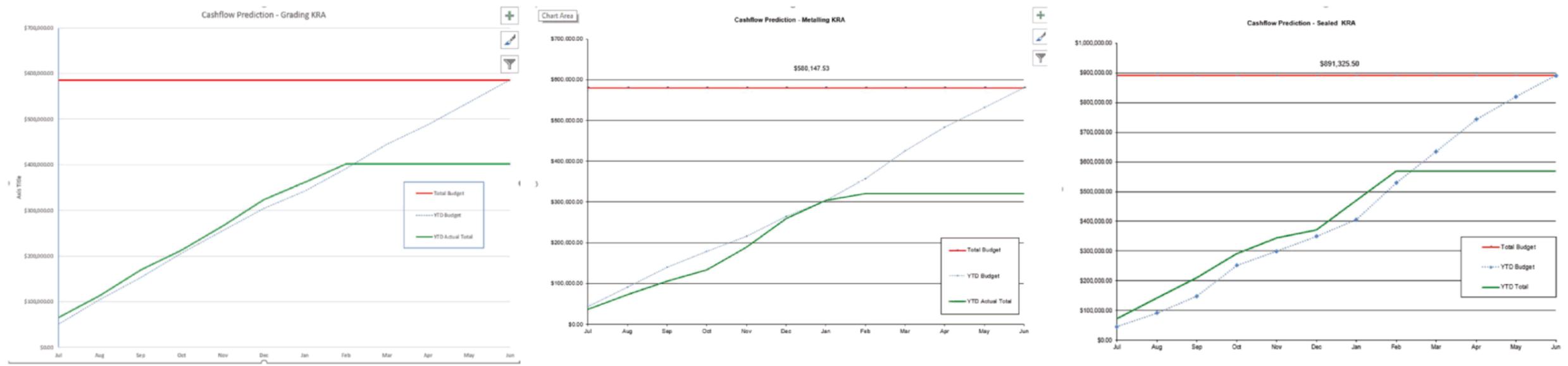
AMT ACTIONS

- Next year's budgets over the next few months

FINANCIAL GRAPHS



KEY PERFORMANCE INDICATOR GRAPHS



Exclusion of the Public: Local Government Official Information and Meetings Act 1987

Recommendation

That the public be excluded from the following part(s) of the proceedings of this meeting.

C8.1 Lake Monowai Road Canal Bridge Tender Award

C8.2 Alternative Procurement for Supplier of Services to Stewart Island Electricity Supply Authority (SIESA)

C8.3 Structural Engineering Services Contract for Transport

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
Lake Monowai Road Canal Bridge Tender Award	s7(2)(i) - The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).	That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists.
Alternative Procurement for Supplier of Services to Stewart Island Electricity Supply Authority (SIESA)	s7(2)(i) - The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).	That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists.
Structural Engineering Services Contract for Transport	s7(2)(h) - The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.	That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists.