



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, 24 March 2020 at 9am. (9am – 10.31am, 10.52am – 12.21pm) (Public Excluded 11.12am – 12.21pm))

PRESENT

Chairperson Ebel Kremer
Mayor Gary Tong

Councillors John Douglas
Paul Duffy (10.07am - 10.31am, 10.52am – 12.21pm)
Darren Frazer
George Harpur (via audio link 9.26am – 10.31am, 10.52am – 12.21pm)
Julie Keast (via audio link 9.40am – 10.31am, 10.52am – 12.21pm)
Christine Menzies
Karyn Owen
Margie Ruddenklau
Rob Scott

APOLOGIES

Councillor Ford

ABSENT:

Councillor Byars

IN ATTENDANCE

Group Manager, Services and Assets - Matt Russell
Chief Executive – Steve Ruru
Committee Advisor - Fiona Dunlop
Publications Specialist – Chris Chilton

1 Apologies

There were apologies from Councillor Ford.

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

That the Council accept the apology.

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

Philip Todd – Manager of the Invercargill Top 10 Holiday Park was unable to attend the meeting but provided a written note to the meeting regarding his concerns with freedom campers and the covid-19 virus issue that New Zealand is facing.

5 Extraordinary/Urgent Items

There were no Extraordinary/Urgent items.

6 Confirmation of Minutes

Resolution

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

That the Services and Assets Committee confirms the minutes of the meeting held on 11 February 2020 as a true and correct record of that meeting.

Reports

7.1 Services and Assets Programme Report

Record No: R/20/3/5424

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

Resolution

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

That the Services and Assets Committee:

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

7.2 17A Community Facilities tender process update

Record No: R/20/3/5507

Contracts and Projects Administrator – Trudy Saunders and Community Facilities Manager – Mark Day were in attendance for this item.

The officers advised that the purpose of the report was to update the Committee on the work completed to date and next steps on the progress for the Community Facilities Service Delivery Review.

The Committee noted that the Community Facilities 17A Review outcomes were identified and endorsed by Council in February 2017. There have been multiple discussions with elected members and Council regarding the appropriate process for achieving the recommended outcomes.

(During discussion on the report, Councillor Keast joined the meeting via audio link at 9.26am and also Councillor Harpur at 9.40am.)

(Councillor Duffy joined the meeting at 10.07am.)

Resolution

Moved Cr Douglas, seconded Cr Ruddenklau **recommendations a to d, e with changes (as indicated), f and g and a new h (as indicated) and resolved:**

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 – after consultation with Community Boards to confirm service levels and scope, either by direct negotiation with existing contractors or by considering further options.**
 - 4. Gardening contracts – after consultation with Community Boards to confirm service levels and scope, either by direct negotiation with existing contractors or by considering further options.**
- ~~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.**
- New h Agree that the Committee recognises the implications of the covid 19 virus emergency and the potential for service provision to be jeopardised and as such acknowledges interim service provision solutions may be required and delegates authority to the Chief Executive to make these decisions through this period.**

(The meeting adjourned for morning tea at 10.31am and reconvened at 10.52am.)

(Mayor Tong, Councillors Douglas, Duffy, Frazer, Harpur (via audio link), Keast (via audio link), Menzies, Owen, Ruddenklau and Scott were present when the meeting reconvened.)

7.3 Alternative Procurement of Stewart Island Wind Power Predevelopment Consultant

Record No: R/20/3/5494

Group Manager Services and Assets – Matt Russell was in attendance for this item.

Mr Russell advised that the purpose of the report was 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.

The Committee noted that the Council has entered in to a funding agreement with the Ministry of Business, Innovation and Employment for the development of wind power generation on Stewart Island.

Resolution

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

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.**

7.4 Roothing Operations - January and February 2020

Record No: R/20/3/5576

Strategic Manager Transport – Hartley Hare was present for this item.

Mr Hare advised that the purpose of the report was to update the committee on the progress of the major roading maintenance contracts and provide some context to the 2019/20 budget.

Resolution

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

That the Services and Assets Committee:

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

Public Excluded

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

Resolution

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

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.

That the Chief Executive, Group Manager, Services and Assets, Publications Specialist and Committee Advisor be permitted to remain at this meeting, after the public has been excluded, because of their knowledge of the items C8.1 Lake Monowai Road Canal Bridge Tender Award, C8.2

Alternative Procurement for Supplier of Services to Stewart Island Electricity Supply Authority (SIESA) and C8.3 Structural Engineering Services Contract for Transport. This knowledge, which will be of assistance in relation to the matters to be discussed, is relevant to those matters because of their knowledge on the issues discussed and meeting procedure.

That Strategic Manager Transport – Hartley Hare be permitted to remain at this meeting, after the public has been excluded, because of their knowledge of the items C8.1 Lake Monowai Road Canal Bridge Tender Award and C8.3 Structural Engineering Services Contract for Transport. This knowledge, which will be of assistance in relation to the matters to be discussed, is relevant to those matters because of their knowledge on the issues discussed.

The public were excluded at 11.12am.

Resolutions in relation to the confidential items are recorded in the confidential section of these minutes and are not publicly available unless released here.

The meeting concluded at 12.21pm.

CONFIRMED AS A TRUE AND CORRECT RECORD AT A MEETING OF THE SERVICES AND ASSETS COMMITTEE HELD ON TUESDAY 24 MARCH 2020.

DATE:.....

CHAIRPERSON:.....