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

Date:	**Wednesday, 9 August 2017**
Time:	**9am**
Meeting Room:	**Council Chambers**
Venue:	**15 Forth Street, Invercargill**

Services and Assets Committee Agenda

OPEN

MEMBERSHIP

Chairperson	Brian Dillon
	Mayor Gary Tong
Councillors	Stuart Baird
	John Douglas
	Paul Duffy
	Bruce Ford
	Darren Frazer
	George Harpur
	Julie Keast
	Ebel Kremer
	Gavin Macpherson
	Neil Paterson
	Nick Perham

IN ATTENDANCE

Group Manager Services and Assets	Ian Marshall
Committee Advisor	Kirsten Hicks

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

Terms of Reference – Services and Assets Committee

The Services and Assets Committee is responsible for overseeing the following Council activities:

- 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;
- Rural fire management;
- Te Anau Airport;
- Stewart Island Jetties and Riverton Harbour Committee;
- Water supply schemes.

The Services and Assets Committee shall have the following delegated powers and be accountable to Council for the exercising of these powers:

(a) Monitoring the delivery of capital works projects and the implementation of the capital works programme.
(b) Monitoring the delivery of operations and maintenance contracts.
(c) To approve and/or assign all contracts for work, services or supplies where the value is in excess of $200,000 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 $2M a prior review and recommendation of the business case by the Finance and Audit Committee is required. The business case shall include as a minimum; risk assessment, a procurement plan and financial costings.
(d) To monitor the return on all the Council's investments including forestry;
(e) To monitor and track Council contracts and compliance with contractual specifications.

The Services and Assets Committee is responsible for considering and making recommendations to Council regarding:
(a) Policies relating to the scope of activities of the Services and Assets Committee;
(b) Changes to Council's adopted Levels of Service;
(c) The dividend from the Forestry Business Unit.

The Services and Assets Committee may delegate the management and control of all Riverton harbour assets vested in the Southland District Council to the Riverton Harbour Committee.

The Services and Assets Committee may delegate the responsibility to oversee the development and maintenance of jetties located at Fred's Camp, Millars Beach, Ulva Island, Port William and Little Glory Cove to the Stewart Island Jetties Subcommittee.

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1 Apologies

Cr Bruce Ford
Cr Neil Paterson

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, 21 June 2017

Services and Assets Committee

OPEN MINUTES

Minutes of a meeting of Services and Assets Committee held in the Council Chambers, 15 Forth Street, Invercargill on Wednesday, 21 June 2017 at 9.04am.

PRESENT

Chairperson	Brian Dillon
Councillors	Stuart Baird
	John Douglas
	Bruce Ford (9.48am – 11am, 11.03am – 11.12am)
	Darren Frazer
	George Harpur
	Gavin Macpherson
	Neil Paterson

IN ATTENDANCE

Group Manager Services and Assets	Ian Marshall
Group Manager, Community and Futures	Rex Capil
Group Manager, Environmental Services	Bruce Halligan
Communications Manager	Louise Pagan
Governance and Democracy Manager	Clare Sullivan
Committee Advisor	Fiona Dunlop

1 Apologies

Apologies for absence were received from Mayor Tong, Councillors Duffy, Keast, Kremer and Perham.

Apologies for lateness were received from Councillor Ford.

Resolution

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

That the Services and Assets Committee accept the apologies.

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

Jim Hargest (Chair) Greg Buzzard and Allan Beck - Southland Warm Homes Trust Representatives addressed the meeting regarding the Trusts Annual Report for the year ended 30 June 2016.

5 Extraordinary/Urgent Items

There were no Extraordinary/Urgent items.

6 Confirmation of Minutes

Resolution

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

That the Services and Assets Committee confirms the minutes of meeting held on 5 April 2017 as a true and accurate record of that meeting.

Reports for Resolution

7.1 New Professional Services Contract

Record No: R/17/6/12143

Roading Asset Management Engineer – Hartley Hare, Commercial Lead Roading – Dylan Rabbidge and Strategic Manager Transport – Joe Bourque were in attendance for this item.

The Officers advised that the purpose of the report was to outline the proposed procurement strategy for Southland District Council Transport Professional Services and seeks affirmation from the Services and Asset Committee for the procurement of this services.

The Meeting noted that the report covered the Transport Professional Services requirements and outlined the proposed procurement methodology of these services and also the technical, specialised and support services for the Council's Transport activity.

(During discussion on the report Councillor Ford joined the meeting at 9.48am.)

Moved Councillor Douglas, seconded Councillor Paterson, the following motion with an amendment to recommendation e (as indicated):

That the Services and Assets Committee:

a) Receives the report titled "New Professional Services Contract" dated 13 June 2017.

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 procurement of Transport Professional Services.

e) Endorse that delegation be provided to the Chief Executive to award the contract based on an estimated tender value of $1.950million subject to the matter being considered by the Finance and Audit Committee prior to letting.

The motion was put and declared LOST on a show of hands (2:5).
Councillor Dillon abstained from voting.

The recommendations contained in the officers report were then put.

Resolution

Moved Cr Baird, seconded Cr Macpherson

That the Services and Assets Committee:

a) Receives the report titled "New Professional Services Contract" dated 13 June 2017.

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 procurement of Transport Professional Services.

e) Endorse that delegation be provided to the Chief Executive to award the contract based on an estimated tender value of $1.950million.

The motion was put and declared CARRIED on a show of hands (5:2). Councillor Dillon abstained from voting.

Reports

8.1 Forestry Operations - Financial Report to 31 March 2017

Record No: R/17/5/11530

IFS Growth Forest Manager – Reece McKenzie and Group Manager, Services and Assets – Ian Marshall were in attendance for this item.

Mr McKenzie advised that the report to the Committee was up to 31 March 2017. Forestry activity is gaining momentum with a strong finish expected for the year. This past period has seen the start of the main harvest program in Dipton Forest, with production in excess of 10,000 tonnes per month. The annual harvest target this year is 46,000, with 45% cut so far.

The Committee noted that the year to date position reflects a surplus of $907,000 and that the expected the net surplus at year end will be $2.1million, compared to a budget of $813,000. This $1.3million variation is reflective of stronger log prices.

Resolution

Moved Cr Harpur, seconded Cr Paterson **and resolved:**

That the Services and Assets Committee:

a) Receives the report titled "Forestry Operations - Financial Report to 31 March 2017" dated 13 June 2017.

8.2 Downer Water and Wastewater Maintenance Contract 10/01 - Monthly Report for April 2017

Record No: R/17/5/11529

Operations Manager, Water and Waste Services – Bill Witham and Group Manager, Services and Assets – Ian Marshall were in attendance for this item.

Mr Witham advised that the purpose of the report was to update the Committee on the progress of the contract 10/01 for delivery of water and wastewater services to Council for the Southland District.

The Meeting noted that the contract was awarded in 2010 for a maximum period of 12 years.

Resolution

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

That the Services and Assets Committee:

a) Receives the report titled "Downer Water and Wastewater Maintenance Contract 10/01 - Monthly Report for April 2017" dated 13 June 2017.

8.3 Roading Operations May 2017

Record No: R/17/4/8728

Roading Asset Management Engineer – Hartley Hare and Commercial Lead Roading – Dylan Rabbidge were in attendance for this item.

Officers advised that the purpose of the report was to update the Committee on the progress of the major roading maintenance and capital contracts.

Resolution

Moved Cr Paterson, seconded Cr Ford **and resolved:**

That the Services and Assets Committee:

a) Receives the report titled "Roading Operations May 2017" dated 13 June 2017.

8.4 Services and Assets Contracts Update

Record No: R/17/6/12625

Group Manager, Services and Assets – Ian Marshall were in attendance for this item.

Mr Marshall advised that the purpose of the report was to update the Committee on the progress on the status of all Contracts within Services and Assets Department except where the Water and Waste and Roading opex and capex contracts are reported through their respective operations reports.

Resolution

Moved Cr Ford, seconded Cr Macpherson **and resolved:**

That the Services and Assets Committee:

a) Receives the report titled "Services and Assets Contracts Update" dated 13 June 2017.

Public Excluded

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

Resolution

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

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

C9.1 Southland District Council Resurfacing Programme

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
Southland District Council Resurfacing Programme	s7(2)(h) - The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities. 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.

That the Group Manager, Community and Futures, Group Manager – Services and Assets, Communications Manager, Group Manager, Environmental Services, Governance and Democracy Manager, Committee Advisor, Commercial Lead Roading and Roading Asset Management Engineer be permitted to remain at this meeting, after the public has been excluded, because of their knowledge of the items C9.1 Southland District Council Resurfacing Programme. 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.

The public were excluded at 10.50am.

The meeting adjourned at 11am and reconvened at 11.03am.

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 11.12am.

CONFIRMED AS A TRUE AND CORRECT RECORD AT A MEETING OF THE SERVICES AND ASSETS COMMITTEE HELD ON WEDNESDAY 21 JUNE 2017.

DATE:.....

CHAIRPERSON:.....

District Wide LED Streetlight Replacement

Record No: R/17/7/16806
Author: Hartley Hare, Roading Asset Management Engineer
Approved by: Ian Marshall, Group Manager Services and Assets

☒ Decision ☐ Recommendation ☐ Information

Purpose

1 To outline to the Services and Assets Committee, the approach to procurement and installation of LED street lighting units across the Southland District Council street lighting network.

Executive Summary

2 This report outlines the approach to procurement and installation of LED street lighting units across the Southland District that will be tendered.

3 The upgrade is required to replace outdated street lighting units to modern LED lights with significantly improved efficiencies and safety.

4 Endorsement is sought from the Services and Assets Committee for procurement and award of a contract to suitably qualified suppliers.

Recommendation

That the Services and Assets Committee:

a) Receives the report titled "District Wide LED Streetlight Replacement" dated 2 August 2017.

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) Resolve that upgrade programme for LED be accelerated to maximise NZTA funding assistance for this activity (85%).

e) Resolve that a tender be put to market for the instillation of the LED lights.

f) Endorse that the outstanding quantity of light units be purchased from Council's previously approved suppliers.

g) Approve delegated authority to the Chief Executive Officer or Group Manager Services and Assets, to award contracts based on the estimated project value of $1M, subject to satisfactory tenders being received that provide value to the Southland District Council.

Content

Background

5 The Southland District Council's Strategic Transport Department have investigated the benefits of moving to LED street lights to replace Council's current High Pressure Sodium (HPS) lights.

6 There has been a push from Central Government for Local Authorities to convert street lighting networks to LED, and to date there has been significant upgrades happening all over New Zealand.

7 There are significant financial benefits by converting to an LED street lighting network, namely via reduced power consumption and reduced maintenance efficiencies that can be gained.

8 Council's current HPS lights have a maximum bulb life of around 4 years, in comparison a LED light has a warranty of 10 years and an expected life of 20 years. LED lights also operate on significantly less power consumption, where a typical 70 watt HPS on the network can now be reduced to a 27 watt LED lighting unit for a similar level of service.

9 In 2016, the Waitaki District Council (WDC) approached the Strategic Transport Department to see if Council was interested in forming a buying group to procure the supply of the new LED lighting units. Essentially, buying in larger numbers to reduce costs for both parties.

10 A report was put forward and approved previously by the Activities Performance and Audit Committee (APAC) to enter into this buying group with WDC. As a result, SDC purchased approximately 700 LED streetlighting units, and to date Wallacetown has been retrofitted.

11 The reason for slow progress is due to a change in the NZTA Funding Assistance Rate (FAR), where originally only 53% subsidy was available there is now an 85% subsidy available. The Strategic Transport Department held off completing significant works until this higher subsidy could be confirmed.

12 As a result of the increased subsidy, the Strategic Transport Department are proposing to let a tender to install lights across the entire district. Previously, (under the lower subsidy rate) Council proposed to retrofit the District over three phases to spread the cost and complete this work as minor improvement projects.

Issues

13 While there may be some minor issues associated with retrofitting LED streetlights on the network, these issues are not deemed to be significant.

14 Recently, Council retrofitted the Wallacetown Township to LED street lighting units and found only minor issues during this process.

15 It is worth noting that the Council have a small number of decorative (also referred to as heritage) street lighting units across the District, there is currently no cost effective LED replacement on the market for these existing lights.

16 It is the Strategic Transport's Department intention to let a separate procurement and installation contract in future when cost effective options are available. There will be no decorative/heritage light fittings replaced in this tender.

17 As part of the original buying group, a tender document and specification was put together by Opus to meet both Southland and Waitaki District's specific needs, a tender review was undertaken by an Opus streetlighting specialist who is NZTA approved in procurement. SDC also had staff members involved as part of the tender review team.

18 There is always a risk that greater technology may come to fruition, however worldwide LED street lighting is being embraced on a very large scale with no apparent competition from alternative options.

19 In New Zealand, all large councils are being converted to LED and this is now flowing down to smaller cities and districts nationwide.

Factors to Consider

Legal and Statutory Requirements

20 No unusual legal or statutory considerations are involved with the procurement and installation of LED lighting units.

Community Views

21 Although no community views have been sought on this topic, the Strategic Transport Department ran an Investment Logic Mapping (ILM) sessions in 2015 where some Councillors and community organisations were present to discuss the benefits of moving to an LED street lighting network.

22 The proposed LED street lighting replacement aligns well with key messages formed within the Long Term Plan Community Outcomes, such as:

- *Deliver our own services and activities in a sustainable manner.*
- *Support initiatives which reduce impacts on the environment.*
- *Ensure that infrastructure and services are provided and maintained consistent with community needs and provide value for money in a sustainable manner.*
- *Look for opportunities to increase value of our services.*

Costs and Funding

23 The Strategic Transport Department estimate the cost to replace the existing HPS street lights to LED will be $1.0M.

24 NZTA are offering a FAR of 85% for Local Authorities to retrofit their existing networks to LED by 30 June 2018. This exposes Council to cover the remaining 15% (approximately $150,000).

25 A business case to complete this work has been submitted and approved by NZTA to retrofit the network to LED street lights. The Strategic Transport Department are confident this allows enough time to retrofit our network of around 2000 light units.

Policy Implications

26 There are no substantive Policy or District Plan considerations relevant to this matter but this process is subject to the following:

- Council's Procurement Policy.
- Council's NZTA Procurement Strategy.

27 The NZTA tender evaluation process will be followed along with Council's Procurement Policy.

Analysis

Options Considered

28 Options considered for the retrofitting to LED Street Lights include:

- Option 1 - Retrofit current HPS street lights to LED street lights.
- Option 2 - Do nothing, leave network as HPS street lights.

29 Options considered for procurement include:

- Option 1 - Lowest price conforming.
- Option 2 - Price quality.

Analysis of Options

Option 1 - Retrofit Current HPS Street Lights to LED Street Lights

Advantages	*Disadvantages*
• Significant power consumption efficiencies gained by LED lighting. • Significant maintenance efficiencies gained by LED lighting, bulbs last much longer and reduced inspections required. • Levels of service remain largely unchanged, but significant efficiencies gained. • As an example, less power demand on Stewart Island power scheme as street lighting network converted to LED, so there will be at a reduced consumption requirement on this power supply network. • Although there is an initial cost to purchase an LED unit, they typically pay themselves off over a seven year period due to maintenance and power savings, three years before the warranty expires (and with an expected remaining life of around 13 years). • Significantly reduced street light maintenance contract moving into the future, LEDs don't have the labour requirements HPS lights require.	• Up front capital cost to purchase the new lighting units. • No use for old HPS unit, they hold no value to on-sell.

Advantages	*Disadvantages*
• Old HPS street light units are fully recyclable, but only have a value of around $1.00 each. They can also be safely disposed of at a standard landfill.	

Option 2 - Do nothing, leave network as HPS Street Lights

Advantages	*Disadvantages*
• No initial capital cost in purchasing of LED units.	• No maintenance efficiencies gained, as HPS lights require more frequent bulb replacement and attendance. • HPS lights need regular and ongoing inspections due to short bulb life. • No power consumption saving efficiencies gained, as LED use significantly less power to operate. • As LED becomes the new normal, HPS equipment will be hard to source (if at all, in future). • A HPS unit may use up to 6 bulbs when compared to the expected life of an LED, which equals almost double the initial cost of an LED unit (excludes the labour cost to physically change each bulb).

Option 1 - Lowest Price Confirming

Advantages	*Disadvantages*
• Quicker to evaluate as only the lowest price tender is assessed to confirm conformance to the tender requirements • Reduced evaluation time and cost	• Does not take account of non-price attributes. • Makes no allowance for potential added value that tenderers may offer.

Option 2 - Price Quality

Advantages	*Disadvantages*
• Focus is on both price and quality. • Non price attributes are considered and assessed as part of the tendering process. • Can allow for 'added value' of a proposal to be considered.	• Requires a longer timeframe to evaluate as all tender proposals need to be reviewed and assessed.

Assessment of Significance

30 The tender for the procurement and installation of these street light units to upgrade the network is not considered significant.

Recommended Option

31 The Strategic Transport Department recommends that the District wide replacement of streetlights to LED is approved for tender, as they offer the best value for money to Council.

32 It is also recommended that the contract procurement method is lowest price conforming due to the simplistic nature of the retrofitting works proposed.

Next Steps

33 Services and Assets Committee endorse procurement and installation to retrofit the Southland District's streetlighting network.

34 Tender documents finalised and Tender Let for the installation of LED lights - August 2017.

35 Tender Close and awarded to successful supplier - October 2017.

36 LED Street lights supplied - mid to late 2017 (approximately 900 available already of the required 2000).

37 Entire Southland District streetlighting network to be retrofitted by 30 June 2018.

Attachments

A Southland District Council LED Streetlighting Upgrade Business Case ⇩

LED Street Lighting Upgrade
Business Case

r/17/7/17361

Introduction

This document is to look at the NZTA Present Value (PV) analysis of Southland District Council existing road lighting network and to review the financial viability of an 'accelerated renewal LED conversion programme'.

This encompasses

1. Existing lighting infrastructure
2. Maintenance costs and procedures
3. Costing
4. Energy Considerations
5. Additional local NZTA network details.

The above information has be modelled using NZTA PV spreadsheets encompassing the whole network. The decision to model the whole network as one is based off the large area that SDC covers and that the 90% of the network are High Pressure Sodium (HPS) and are 70W. The remainder of the lights are a mixture of 150W HPS and Heritage / Decorative lighting which are scattered throughout the District.

Large scale LED upgrades have occurred throughout New Zealand helping in reducing the cost along with advances in technology have made LED affordable and cheaper to run than HPS.

Existing Network

The existing network consists of 2,850 lighting units of which 2400 are owned by SDC with the remainder by NZTA (highway lighting), these are predominantly HPS.

The bulk of the road lighting installed within the Southland District are traditional New Zealand made product and were installed on the overhead electrical reticulation network with a variety of bracket arm combinations. The existing luminaires are approaching the end of their intended service life and a significant quantity will have already passed this milestone.

Network Maintenance

The Southland District Council spent $97K or 12% of the Depreciated Replacement Cost ($829K) in the 2015/16 financial year. Normal maintenance figures for a network are approximately 5% and this raises further concerns about the condition of existing assets going forward. It is likely that maintenance visits will increase significantly without investment into the network over the next 3 years and beyond.

LED Technology

LED's have been used for street light applications across New Zealand in recent years. LED offer significant advantages over existing HPS fittings which make up the vast majority of SDC's network. Switching to LED lighting has occurred across many cities in New Zealand with the technology reducing in cost as the lights continue to be more common place. NZTA have also seen the benefits by providing an 85% Funding Assistance Rate.

In various case studies it has been proven that LED's offer significant financial savings from decreased energy consumption and reduced maintenance costs. Additional benefits include the light emitted being more direct with reduced light spill. The light emitted is also brighter which improves safety for road users.

LED Product Selection

Southland District Council joined forces with Waitaki District Council in the procurement process for LED's outcome report attached as appendix 1. The process was run in conjunction with Opus who prepared the business case for WDC. The data from the two suppliers selected (Ibex and OrangeTek), has been used as part of the NPV calculations using NZTA PV spreadsheets. Both of the suppliers are on the NZTA M30 accepted list.

Project Scope, Objectives and Programme

The proposed LED retrofit project is to achieve the following outcomes:

1. Realise the benefits of white light therefore improving safety.
2. Reduce overall energy consumption.
3. Reduce Lighting Associated CO2 emissions.
4. Reduce the amount of existing maintenance procedures.
5. Safeguard against an increase in future maintenance processes.
6. Reduce upward waste light.
7. Renew the ageing Street Lighting Network.
8. Improve the lighting service provided to the end users.
9. Provide best value for money.

Project Scope:

SDC propose to retrofit approximately 96% of the local NZTA road lighting network whilst only excluding certain types of lighting stock such as some decorative equipment.

In order to reduce project cost, SDC have elected not to pursue a lighting design programme to bring the residential lighting network up to compliance with AS/NZS 1158 – Lighting for Roads and Public Spaces. As such, the intention is to select a luminaire type which provides the same level of performance or exceeds that of the existing 70W and 100W HPS equivalents. The selected luminaire type will then be installed on a 'one for one' principle and any additional fixtures will be assessed and provided outside of this framework on a 'case by case' basis. The NZTA portion of the lighting network will be subject to consultation between SDC and NZTA as to whether this aspect of the programme is carried out separately.

Project Programme:

It is proposed that the lighting upgrade will occur over 2017/18 given the size of the network this might not be possible to complete in one financial year. However with the increase in the funding assistance rate provided by NZTA, SDC intend to complete as much of the network as possible.

Beyond the availability of the additional NZTA funding programme any remaining fittings will be replaced using the normal asset replacement procedures.

Lighting Upgrade Considerations

Re-use of Existing Infrastructure:

SDC intend to re-use as much of the existing road lighting asset as possible. Where luminaires are installed on overhead reticulation poles the existing bracket arms are to be re-used unless they are not in serviceable condition. In the event that additional replacement is required of asset associated with luminaire mounting, this will be facilitated outside of this funding stream. The same approach will be applied to lighting columns found unsuitable for retrofit during the installation process.

Inventory and Energy Billing:

As with most RCA's in New Zealand, SDC calculate and pay their energy bills using a declared inventory system, this includes the NZTA portion of the network. The accuracy of this system will be increased significantly after any upgrade to the network has been completed. A full network replacement programme will provide an opportunity for each installation to be reviewed, amended and recorded individually.

Financial Analysis

The financial assessment of the SDC street lighting network is in line with the terms of the NZTA PV assessment framework and the financial modelling is taken over a 20 year asset life. The 20 year life is the minimum life expectancy of LED luminaires on the NZTA M30 Accepted List. The PV inputs have been developed considering a 'one for one' replacement strategy with equivalent LED luminaires to the corresponding HPS luminaire group. The selection of LED luminaire costing and energy consumption is based on current market design experience and pricing information provided by luminaire suppliers.

It should be noted that the NZTA PV model assumes an asset life of 20 years for existing luminaires.

Summary Figures based on 2,400 units:

1. Maintain the existing network = $1,151M
2. LED Replaced Network Cost = $1,011M
3. PV Cost Savings after 20 years at 6% discount rate = $140K
4. Average Annual Cost Savings = $40K

Replacement:

The 70W HPS category of the joint lighting network accounts for 95% of the lighting stock proposed for upgrade.

Specific Inputs to PV Analysis

Inputs for PV Analysis 70W HPS		
Energy consumption - HPS	83	Watts
Energy consumption - LEDs	24	Watts
Supply cost HPS luminaire	371	$ per unit
Supply cost LED luminaire	382	$ per unit
Number of HPS units - SDC	2400	Units
Number of LED units SDC	2400	Units

Network Option - SDC	Present value (PV) cost of option - 20 year investment at 6% discount rate
Option 1 - Maintain HPS Network	$1,151,063
Option 2 - Replace Network With LED	$1,010,928

PV Analysis	Savings
PV Cost Saving	140,134
Annual Average Cost Saving	40,421
Year of Payback	11

Financial Considerations

SDC has combined with Waitaki District Council and made an initial purchase of LED's, SDC will purchase from the two suppliers in future. For consistency across the network it is envisaged that only two types of lights will be purchased.

Recommendations

LED luminaires offer a real opportunity to Southland District to reduce maintenance costs, energy consumption and unlock the social and environmental benefits that the application of this technology offers. The results of the financial analysis provide confidence that large savings will be made by completing a retrofit programme. Southland District street lighting network requires investment to ensure that the existing levels of service are maintained while balancing a value for money approach.

It is the recommendation of this report that:

1. The whole Southland District Council Street Lighting Network proceed with an 'accelerated renewal LED conversion programme'.
2. The programme of replacement should be initiated with the intention of completing the network by 30 June 2018.
3. The PV Analysis provided to NZTA should be as per the Financial Section also attached as Appendix 1.

APPENDIX 2

PV method calculations – For road lighting network Part 1
Name of this part of the road lighting network:
Southland District Council
Total Network

Ref #	Inputs for calculations	Input values	Unit	
1	Energy (energy supply only – excluding Lines Co charge)	0.24	c/kWh	Based off actuals YTD (Feb 17)
2	Energy consumption – HPS units	83	Watts	Including Balast
3	Energy consumption – LEDs units – full output	24	Watts	Split the Watts Orange Tek 20.4 Watts, Ibex 28 Watts.
4	Hours/year	4,380	hours	
5	HPS lamp replacement cost	103	$ per unit – labour, plant & lamp supply – including traffic management	Have also included Inspection costs.
6	HPS lamp life	4	years	
7	Annual rate of replacement of HPS luminaires (end of service life)	4	Percent	
8	Supply cost LED luminaire	268	$ per unit	Used the Higher Rate – Orange Tek $230, Ibex $245 (Used average as expected to have both types as one is better for coastal application due to copper content)
9	Installation cost LED luminaire	114	$ per unit – Rate supplied by Powernet	
10	LED unit cleaning	38	$ per unit – labour & plant – including traffic management	
11	Number of HPS units	2,400	Units	
12	Number of LED units	2,400	Units	
13	Reduced Lines Company charge per LED unit	-	$/unit/annum	
14	Reduction in total energy use if LEDs are dimmed	-	Percent	

	Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Option 1 – Maintain HPS																					
20	Energy costs	2,094	2,094	2,094	2,094	2,094	2,094	2,094	2,094	2,094	2,094	2,094	2,094	2,094	2,094	2,094	2,094	2,094	2,094	2,094	2,094
21	Lamp replacement	61,637	61,637	61,637	61,637	61,637	61,637	61,637	61,637	61,637	61,637	61,637	61,637	61,637	61,637	61,637	61,637	61,637	61,637	61,637	61,637
22	End of service life luminaire replacement programme	36,624	36,624	36,624	36,624	36,624	36,624	36,624	36,624	36,624	36,624	36,624	36,624	36,624	36,624	36,624	36,624	36,624	36,624	36,624	36,624
	Annual cash flow	100,355	100,355	100,355	100,355	100,355	100,355	100,355	100,355	100,355	100,355	100,355	100,355	100,355	100,355	100,355	100,355	100,355	100,355	100,355	100,355
	Cumulative cash flow	100,355	200,710	301,065	401,420	501,774	602,129	702,484	802,839	903,194	1,003,549	1,103,904	1,204,259	1,304,613	1,404,968	1,505,323	1,605,678	1,706,033	1,806,388	1,906,743	2,007,098
	Present value (PV) cost of HPS option – 20 year investment at 6% discount rate	**1,151,063 = A**																			
	Average annual cost	100,355																			
	PV – 8% discount rate	985,299																			
	PV – 4% discount rate	1,363,856																			
	Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Option 2 – Replace with LED																					
30	Initial cost – supply and install new luminaires	915,600																			
31	Energy costs – lights on full output – no dimming	611	611	611	611	611	611	611	611	611	611	611	611	611	611	611	611	611	611	611	611
32	Lines Company charge reduction for LED	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
33	Cleaning costs						90,288						90,288						90,288		
34	Energy cost savings through dimming	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Annual cash flow	916,211	611	611	611	611	90,899	611	611	611	611	611	90,899	611	611	611	611	611	90,899	611	611
	Cumulative cash flow	916,211	916,821	917,432	918,042	918,653	1,009,551	1,010,162	1,010,772	1,011,383	1,011,993	1,012,604	1,103,502	1,104,113	1,104,724	1,105,334	1,105,945	1,106,555	1,197,454	1,198,064	1,198,675
	Present value (PV) cost of LED option – 20 year investment at 6% discount rate	**1,010,928 = B**																			
	Average annual cost	59,934																			
	PV – 8% discount rate	969,118																			
	PV – 4% discount rate	1,061,000																			
40	Present value of energy cost savings through dimming	0																			
Options compared																					
41	Year in which the additional cost of LED conversion is paid back	11										Paid back	Paid back	Paid back	Paid back	Paid back	Paid back	Paid back	Paid back	Paid back	Paid back
		0	0	0	0	0	0	0	0	0	0	1	1	1	1	1	1	1	1	1	1
42	**Present value (PV) cost saving (A–B) – 6% discount rate**	**140,134**																			
43	PV cost saving (A–B) – 8% discount rate	16,181																			
44	PV cost saving (A–B) – 4% discount rate	302,855																			
45	Annual average cost saving	40,421																			

Professional Services Contract for Transport Core Service

Record No: R/17/7/16980
Author: Hartley Hare, Roading Asset Management Engineer
Approved by: Ian Marshall, Group Manager Services and Assets

☒ Decision ☐ Recommendation ☐ Information

Purpose

1 This report outlines the outcome of the procurement of the Southland District Council Transport Professional Services – Core Services tender contract 17/04.

Executive Summary

2 The current contract for the provision of Professional Services for Roading, Contract 12/03 expires on 30 September 2017. The incumbent is Stantec (ex MWH Global).

3 Tenders were called in June and closed on 6 July 2017. Tenders were received from Stantec and from Opus.

4 The tender proposals have now been evaluated in accordance with Council's Procurement Policy and the provisions of the Request for Tenders (RFT). This report presents the outcome of the evaluations.

5 The two tenders were initially checked for compliance with the provisions of the RFT and both were assessed as being acceptable for the purposes of evaluation.

6 The tenders were evaluated using an NZTA approved Price Quality Method which takes both non-price attributes and price into account. The Evaluation Team (ET) comprised three Council officers and a highly experienced independent chair.

7 The outcome of the evaluation is that Opus is the highest ranked tenderer and the ET recommends Contract No.17/04, Opus International Consultants.

Recommendation

That the Services and Assets Committee:

a) Receives the report titled "Professional Services Contract for Transport Core Service" dated 2 August 2017.

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) Notes the outcome of the tender evaluation and endorses the awarding of Contract 17/04 for Professional Services for Transport Core Services to Opus.

Content

Background

8 The current contract held by Stantec (previously MWH Global) for Professional Services for Roading, Contract 12/03 expires on 30 September 2017.

9 The scope of the professional services contracts was reviewed prior to going to the market. The purpose of the review was to improve flexibility and the range and capacity of resources available to Council to enable higher outputs to fully meet Council's programme of work and to also recognise some extended scope of the three new Maintenance Alliances which was an outcome of the "Roading Service Delivery Review" undertaken in 2015. This has resulted in the services being divided into three packages being:

- **Core Services** - comprising technical advice and professional support for Transport's asset management, pavement renewals capital works and reseal programmes, management of sealing contracts, maintenance intervention strategies, network controls and network safety.

- **Structural Engineering Services** - comprising specialist technical advice and asset management support regarding Council's stock of (circa) 1000 bridges and other structures, renewals programming and design and delivery management of the bridge renewal programme.

- A small panel of pre-qualified consultants to competitively undertake **Pavement Renewal Projects** (design and contract management).

10 The Transport Core Services is the subject of the tenders under consideration in this report. The Structural Engineering Services are currently being separately tendered and will be reported to Council when evaluated and the invitation to pre-qualify for Pavement Renewal Projects is about to be issued.

11 Tenders were called in June and closed on 6 July 2017 for a three year initial term with two possible extensions of one year each subject to performance and Council's discretion. Two tenders were received, from Stantec and from Opus.

12 The two tenders were initially checked for compliance with the provisions of the RFT and both were assessed as being acceptable for the purposes of evaluation. Two matters were noted in the compliance check that required consideration by the ET.

13 Firstly, the body of the Opus tender exceeded the maximum page limit by two pages and the Chair advised the ET that the material on the excess pages was not to be taken into account in accordance with the provisions of the RFT.

14 Secondly, the Stantec tender was tagged to request a change in the way escalation of prices would be adjusted based on actual movement in wages as opposed to the RFT provisions which tied escalation to an index published by Statistics NZ. Stantec were requested to withdraw the tag and if they so wished to adjust their price accordingly. Stantec subsequently withdrew the tag and confirmed their price unchanged.

15 The RFT set out the basis on which the successful tender would be selected using a NZTA standard Price Quality Method which is well recognised within the industry. The method requires the evaluation of non-price related attributes and determination of a Supplier Quality Premium that the Council would be prepared to pay to secure tenders that are higher ranked based on the non-price assessment. When this has been determined the price files for each tender is opened and the Supplier Quality Premium deducted from the tender price of the higher ranked tenderers. In this case there were only two tenderers.

16 Evaluation of the non-price attributes was individually done by the members of the ET and then moderated through debate in a meeting to achieve a consensus score for each attribute which was then weighted as per the table below to yield a ranking of the tenders.

Attribute	**Weighting**
Relevant experience and track record	20%
Technical skills and management skills	20%
Methodology	40%
Health and safety	Pass/Fail
Insurance	Pass/Fail
Price	20%

17 The Evaluation Team (ET), formed to evaluate tenders and recommend the preferred tender to Council comprised:

Evaluation Team
Doug Low, Morrison Low (Chair)
Joe Bourque, Southland District Council
Hartley Hare, Southland District Council
Dylan Rabbidge, Southland District Council

18 The Non-Price evaluation was supported by referee checks using referees nominated in the tenders. It is noted that both tenderers are well established over a long period in Southland and are well known to Council. They are both familiar with network issues and have both recently undertaken work for the Transport Team. The non-price moderated scores are set out below. Both tenderers satisfied the Health and Safety and Insurance requirements.

		Opus			**Stantec**	
	Weight %	Consensus Score	Weighted Score		Consensus Score	Weighted Score
Experience & Track Record	20	82.5	16.5		79.75	15.95
Technical & Management Skills	20	81.0	16.2		80.5	16.1
Methodology	40	79.0	31.6		76.25	30.5
Total Non-Price Weighted Score			**64.3**			**62.55**

19 The non-price weighted scoring established a lead by Opus of 1.75% and this is known as the "Weighted Sum Margin" to be used in the formula below.

20 The RFT had provided an indicative budget estimate for the core services being bid of $650k per year. The tender amounts were for the three year initial term of the contract yielding and estimate of $1,950k for the term. This estimate was used to calculate the Supplier Quality Premium according to the formula:

SQP = Contract Estimate x weighted sum margin ÷ Price Weight
= $1,950,000 x 1.75% ÷ 20%
= $170,625 which is 8.75% of the estimate.

21 The recognised formula is intended to provide a guide on the Supplier Quality Premium and can be moderated. It was considered by the ET that the premium was excessive and should be moderated down to 5% of the estimate being $97.5k. In other words this is the amount that could be deducted from the Opus core service price before comparing it to the Stantec price to determine which would be the successful tenderer.

22 At this point the price files that had been locked down and password protected were opened yielding the following results.

	Opus	Stantec
Total Core Services Tender Price	$1,943,520	$2,112,500
Less Supplier Quality Premium for Opus	$97,500	
Adjusted Price for tender comparison	**$1,846,020**	**$2,112,500**

23 The outcome favours Opus as the preferred tenderer. It is noted that the application of the Supplier Quality Premium was not required to achieve this result due to the very competitive price submitted by Opus which was within 0.3% of the estimate.

24 It is noted that tenderers were also invited to provide hourly rates to be used as the basis for pricing of any work that was allied to but outside of the prescribed scope of the Core Services. This was to provide for flexibility in the contract for (say) emergency events or other unforeseen circumstances. The Opus rates submitted for nominated skills are considered both competitive and sustainable.

25 Accordingly, the Evaluation Team recommends the award of the contract to Opus International Consultants in the sum of $1,943,520 for Transport Core Services.

Issues

26 There are no specific or unusual issues to note beyond those discussed elsewhere in the report.

Factors to Consider

Legal and Statutory Requirements

27 No significantly unusual legal considerations are involved with this tender. As with all contracts projects, there is the risk of a legal challenge regarding the tender results from unsuccessful tenderers. To reduce this risk the Tender Evaluation Team diligently followed the NZ Transport Agency methodology and Council's procurement policy.

Community Views

28 No specific community views have been sought outside of Council's Long Term Plan or Annual Plan process due to the nature of the works being business as usual transport activities.

29 This style of contract aims to enhance the service provided to the community and boost responsiveness to their issues.

Costs and Funding

30 The costs will continue to be part of the overall roading management budgets with the NZTA share being apportioned to qualifying roading activities.

Policy Implications

31 As outlined above in the report NZTA tender evaluation process has been followed along with Council's procurement policy. Consideration was also given to the outcome of the 'Roading Service Delivery' review undertaken in 2015.

Analysis

Options Considered

32 The options considered for the tendering of this contract where discussed in the report presented on 21 June 2017.

Assessment of Significance

33 Roading professional services is provided for within the 2015 LTP and representatives a 'business as usual' matter. As such a decision in accordance with the recommendation is not considered significant.

Next Steps

34 Formalise the contract.

Attachments

There are no attachments for this report.

Contract 17/5 Mackinnon Loop Watermain Renewal

Record No: R/17/7/16088
Author: Matthew Keil, Operations/Project Engineer-Water and Waste Services
Approved by: Ian Marshall, Group Manager Services and Assets

☒ Decision ☐ Recommendation ☐ Information

Purpose

1 The purpose of this report is to recommend the award of contract and commence the programmed watermain renewal in Mackinnon Loop, Te Anau, as presented under staff submission to the Annual Plan during 2016 to occur in 2017-2018 as per Council's current 2015-2025 Long Term Plan.

Executive Summary

2 This report outlines the proposal to undertake a watermain renewal of an existing 100 mm asbestos cement pipeline where failures are occurring, specifically on service connections off this pipeline within Mackinnon Loop, Te Anau.

Recommendation

That the Services and Assets Committee:

a) Receives the report titled "Contract 17/5 Mackinnon Loop Watermain Renewal" dated 30 July 2017.

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 Mackinnon Loop Watermain Renewal project to proceed for a total district funded cost of $373,581.54.

e) Approves the award of contract to Te Anau Earthworks Ltd for the sum of $328,581.54 including the total contingency amount of $25,000.00.

Content

Background

3 The existing asbestos cement watermain is located within Mackinnon Loop between Pompolona Street and Howden Street, within the township of Te Anau, totalling a distance of 854 lineal metres.

4 The current pipeline is a Class C 100 mm fibrolite asbestos cement pipeline which was installed in 1967 giving it an asset age of 50 years.

5 Due to the number of re-active failures around this pipeline and associated shallow service connections within the Mackinnon Loop area. We have a current record of 41 re-active repairs having been undertaken on these assets since January 2011.

6 A renewal design to rectify these issues includes the installation of 730 lineal metres of DN 63 HDPE rider-main which will service the outer properties within the loop. This design will mitigate the number of pipeline crossings under road within Mackinnon Loop.

7 The design also incorporates a new DN 125 (100 mm internal diameter) HDPE SDR 13.6 PE 100 watermain within Mackinnon Loop to replace the current asbestos cement pipeline. The new pipeline alignment of this watermain will be 1 metre offset from the existing watermain, this means conflict during construction between the two pipelines will be minimal.

8 The proposed high density polyethylene pipeline will provide a minimum asset life of 80 years.

Issues

9 Water and Waste staff knowledge of the Mackinnon Loop watermain and its associated service connections is that the main pipeline is assessed as a grade 4 pipeline in ‘poor condition’ as tested and reported by Opus International Consultants in March 2017.

10 The existing service connections are of extremely poor condition. This is due to poor bedding and low density pipe material, resulting in re-occurring failures (water leaks). These failures are throughout Mackinnon Loop and not in one specific location.

Factors to Consider

Legal and Statutory Requirements

11 All work to be undertaken within Contract 17/5 is within Council’s roading corridor within Mackinnon Loop.

Community Views

12 Contract 17/5 has been programed to occur, as presented under staff submission to the Annual Plan during 2016 to occur in 2017-2018 as per Council’s current 2015-2025 Long Term Plan.

13 Water and Waste staff have also informed the Te Anau Community Engineer and also the Te Anau Community Partnership Leader in writing of this project proposal, and to inform the Te Anau Community Board of the commencement of this project.

Costs and Funding

14 The project is to be funded via loan. It was budgeted in the 2017-2018 Annual Plan at $427,656.00.

15 Contract 17/5 was publicly advertised for tender for a period of three weeks. Tender prices received are as outlined below within Table 1.

16 Tender Prices:

Contract 17/5 Tender Prices	Te Anau Earthworks (conforming)	Downer (conforming)	Downer (alternative)	Fulton Hogan (conforming)
Section A	$318,285.86	$526,432.48	$423,180.29	$612,173.80
Section B	$10,295.68	$13,597.35	$13,525.96	$11,330.00
Tender Total-Ex GST (Including contingencies)	**$328,581.54**	**$540,029.83**	**$436,706.25**	**$623,503.80**

Table 1

Total project costs for Contract 17/5 are as outlined below in Table 2.

Contract 17/5 Total Project Costs	
Te Anau Earthworks- conforming tender total	$328,581.54
SDC Water and Waste Project and Design Fees	$45,000.00
Total Price- Ex GST (including contingencies)	$373,581.54

Table 2

Policy Implications

17 Contract 17/5 has been programmed to occur within the 2017-2018 financial year and through consultation to the public as outlined within the current 2015-2025 Long Term Plan.

Analysis

Options Considered

18 The following options have been considered as outlined below in Options 1-3.

Analysis of Options

Option 1 - A full pipeline renewal including all associated services connections

Advantages	*Disadvantages*
• A significant reduction in re-active pipeline failures. • A far more robust and reliable reticulation supply to Mackinnon Loop consumers. • Minimal long term disruption to Mackinnon Loop residents. • Correct installation and QA of the new HDPE pipeline/s.	• Project costs (although it is planned work to occur as outlined within the current LTP). • Intermitted disruptions to the public/traffic entering Mackinnon Loop during the project. • A longer establishment to complete the project.

Option 2 - A partial pipeline renewal

Advantages	*Disadvantages*
• A short term reduction in costs to the project. • A shorter establishment on-site during the project. • Correct installation and QA of the new HDPE pipeline/s.	• Due to the current condition rating of the existing pipeline/s in Mackinnon Loop future failures will be imminent and likely to escalate. • Expensive re-active repair costs to rectify the failure/s (including pavement reinstatements). • Intermitted public/traffic disruptions. • Potential water disruptions to Mackinnon Loop water consumers.

Option 3 - Do nothing

Advantages	*Disadvantages*
• A short term reduction in costs.	• Due to the current condition rating of the existing pipeline/s in Mackinnon Loop future failures will be imminent to Council and the Te Anau ratepayers. • Expensive re-active repair costs to rectify the failure/s (including pavement reinstatements). • Intermitted public/traffic disruptions. • Potential water disruptions to Mackinnon Loop water consumers.

Assessment of Significance

19 Contract 17/5 has been programmed to occur within the 2017-2018 financial year and through consultation to the public as outlined within the current 2015-2025 Long Term Plan.

Recommended Option

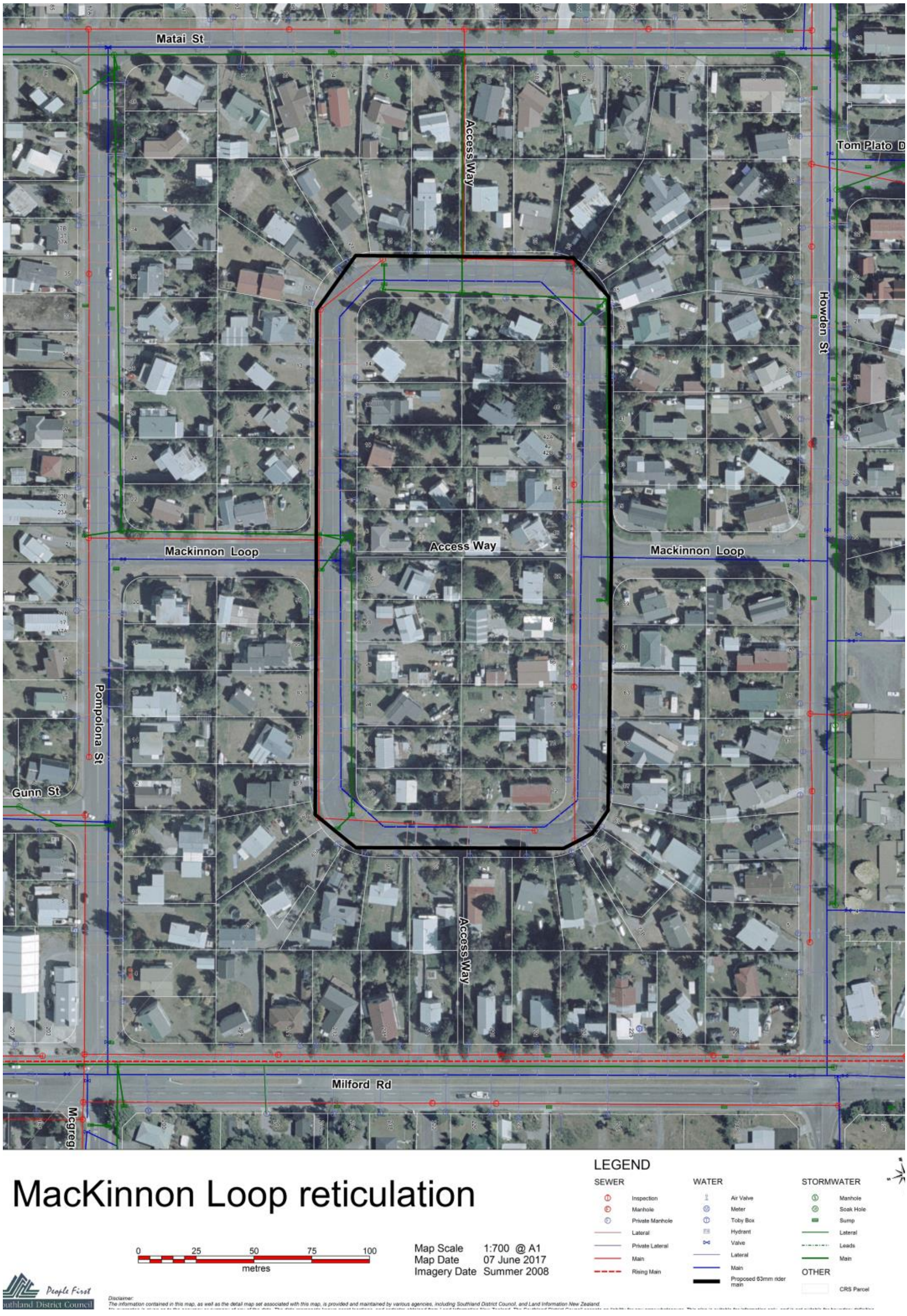
20 Council's Water and Waste Department recommend a full pipeline replacement as outlined within Option 1.

Next Steps

21 The Services and Assets Committee award Contract 17/5 Mackinnon Loop Watermain Renewal to Te Anau Earthworks for a tendered amount of $328,581.54 excluding GST and a project cost of $373,581.54 excluding GST.

Attachments

A Te Anau Services MacKinnon Loop with Proposed Rider Main A1P 1 700 ⇩



Item 8.1 Attachment A

Item 9.1

IFS Growth Forest Manager's Report of Forestry Activity for the period to 30 June 2017

Record No: R/17/7/16864
Author: Ian Marshall, Group Manager Services and Assets
Approved by: Ian Marshall, Group Manager Services and Assets

☐ Decision ☐ Recommendation ☒ Information

Report Summary

1 The IFS Growth Forest Manager's Reports advise of forestry activity for the period to 30 June 2017.

Southland District Council Forestry Activity

2 The IFS Growth Forest Manager's reports received are attached.

Recommendation

That the Services and Assets Committee:

a) Receives the report titled "IFS Growth Forest Manager's Report of Forestry Activity for the period to 30 June 2017" dated 2 August 2017.

Attachments

A IFS Forest Managers Report for Period Ending 30 June 2017 ⇩
B IFS Forest Managers Report for Period Ending 31 May 2017 ⇩
C IFS Health and Safety Report - Received from IFS 24 July 2017 ⇩
D IFS Health and Safety Report - Received from IFS 16 June 2017 ⇩

Item 9.1 Attachment A

IFS Growth
LIVING, BREATHING INVESTMENTS

MEMORANDUM TO SERVICES & ASSETS COMMITTEE

Meeting Date: 9 August 2017

Subject: FORESTRY REPORT
FOR PERIOD TO 30 JUNE 2017

File No.:

Memorandum by: **REECE MCKENZIE** | Forest Manager
IFS GROWTH - *Living, Breathing Investments*

Signature

Author

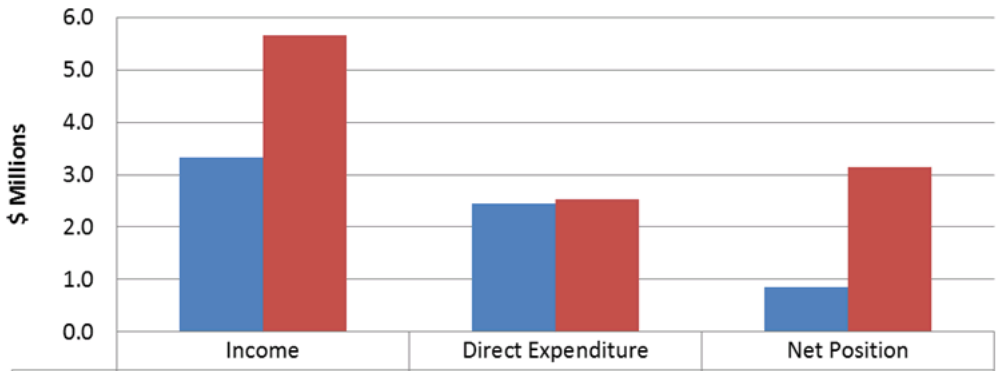
MEMORANDUM

This report covers activity for the year to date, as at 30th June 2017.

Financial Summary

The full year performance for the forestry business has been exceptional, with all budget targets easily exceeded.

With logs sales at $5.7M and stable expenditure to budget ($2.5M) a massive $3.1M net position has been achieved. This improvement is the result of stunning log prices, improved yields and various costs saving in various programs.

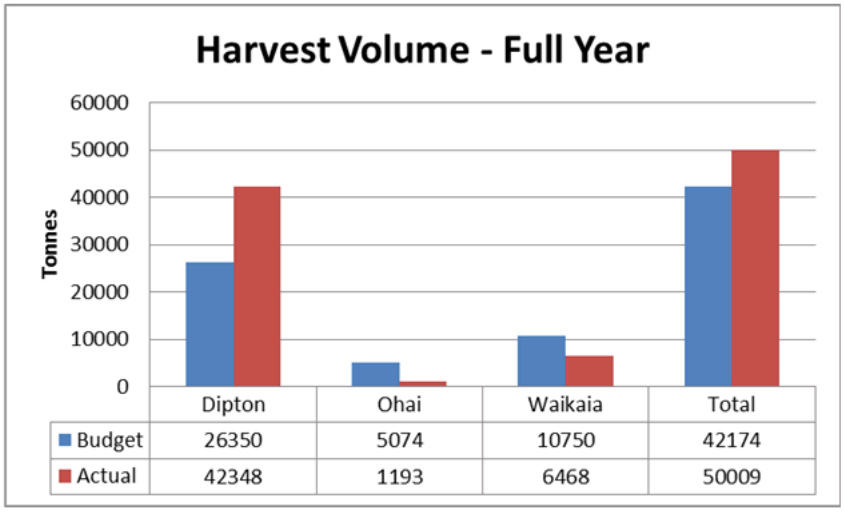


	Income	Direct Expenditure	Net Position
Budget	$3,322,340.00	$2,459,204.00	$863,136.00
Actual	$5,662,319.86	$2,522,456.49	$3,139,863.37

Main Issues

Harvesting

The 2016/17 year has seen 50,000 tonnes harvested, up 19% on budget. This includes roadline harvesting in Waikaia Forest, harvesting in Dipton and a weeks production in Ohai.



SDC Longterm Plan

The Forestry Long Term Plan was updated and drafted during May; this covers a 25 year period between 2018 – 2043. This update is based on the same objectives and constraints set in the 2015 – 25 Asset Management Plan and on revised yield and prices.

Some of the outputs for the next 10 year period include:

- A positive cash flow for the next seven years,
- Operating surplus ranging between $600K and $50K.
- The 2024 and 2025 years have a deficit due to low harvest volumes available.
- An average of 21,000 tonnes per annum,
- Annual yields lower from 2024 until the next rotation comes online.
- Harvesting in the Southland District Council estate over the short term will likely occur before the peak of domestic over-supply.

Trees shading Ohai Highway

New Zealand Transport Agency have been working with us to arrange removal of trees shading the highway which are ice spots during winter. This work is currently being done with Anderson Logging.

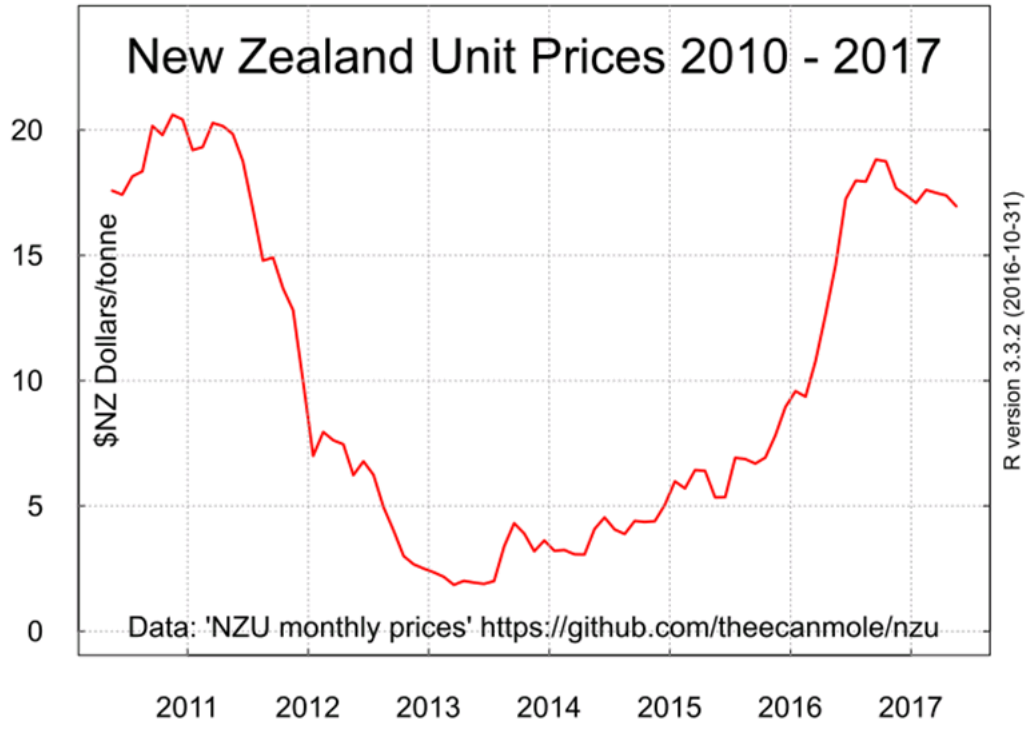
Carbon Units Available

The Council's currently have the following New Zealand Units in their holding account:

Pre-1990 = 82,914 New Zealand Units. Current value = $1.4M.
Being a one off allocation there is no future liabilities arising when sold.

Post 1989 = 33,891 New Zealand Units.

The NZ carbon market has remains in the $17 – 18 price range for a New Zealand Unit.



Source: Listed above in graph

Log Prices

Domestic Log Prices

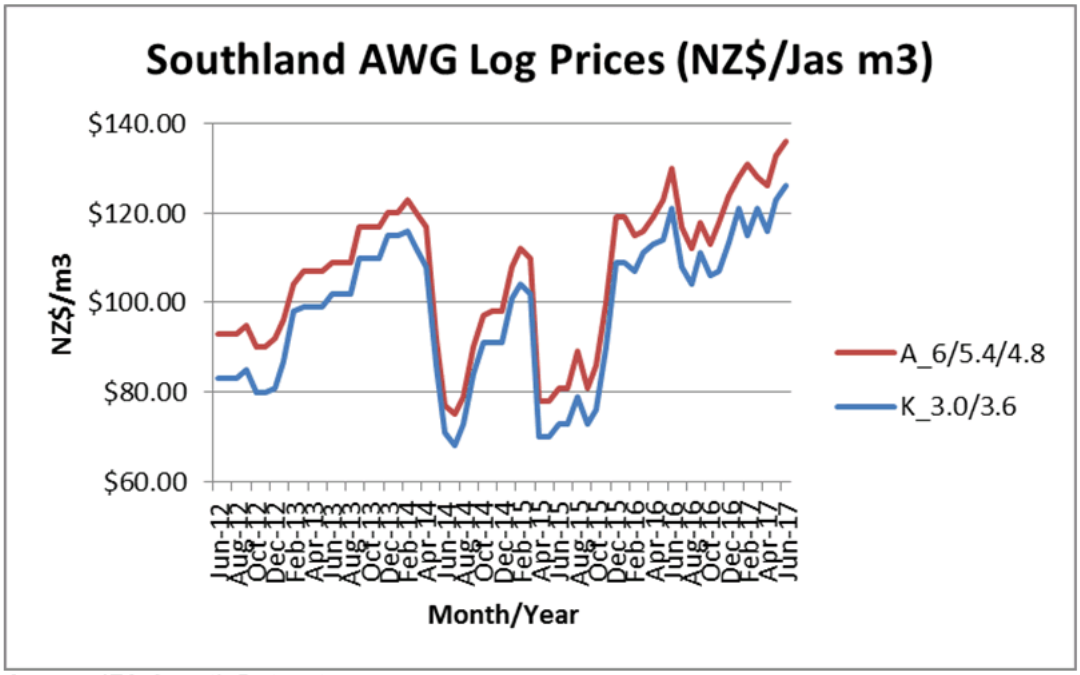
Domestic log prices have increased recently to secure winter supply and compete with export. P1 are up $2/t and S & L grade sawlogs are up $10/t from last quarter.

Export Prices

Export prices continue to peak, which has been great timing for the SDC harvest.

Regional Log Price Summary

Southland Log Prices June 2017 NZ$/tonne or NZ$/Jas m^3 delivered to mill or wharf						
Grade	Price Point	This Month	Last Month	3 months ago	1 year ago	2 year ago
P1	Domestic (t)	165	165	163	163	140
A (Long)	Export (Jas m^3)	134	133	126	117	81
K (Short)	Export (Jas m^3)	124	123	116	108	73
KIS	Domestic (t)	112	111	104	95	-
Chip	Domestic (t)	45	45	45	45	47



Source: IFS Growth Dataset

REECE MCKENZIE | Forest Manager

IFS GROWTH - *Living, Breathing Investments*

2016 Deloitte Fast 50 – National Winners – Fastest Growing Agriculture Business

Item 9.1 Attachment B

IFS Growth
LIVING, BREATHING INVESTMENTS

MEMORANDUM TO SERVICES & ASSETS COMMITTEE

Meeting Date: 21 June 2017

Subject: FORESTRY REPORT
FOR PERIOD TO 31 MAY 2017

File No.:

Memorandum by: **REECE MCKENZIE** | Forest Manager
IFS GROWTH - *Living, Breathing Investments*

Signature

Author

MEMORANDUM

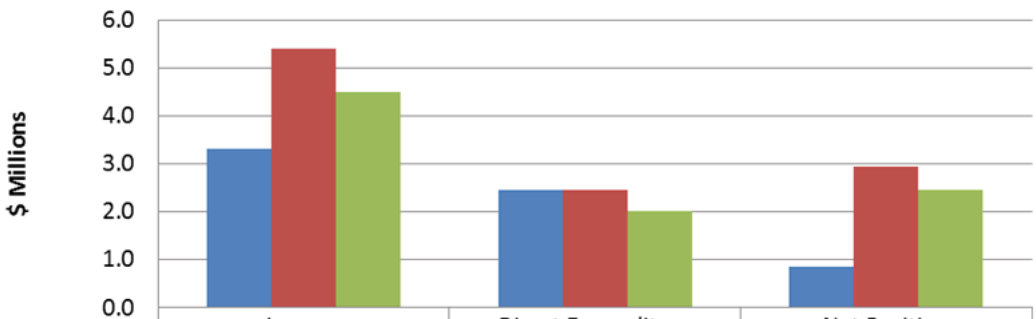
This report covers activity for the year to date, as at 31 May 2017.

Financial Summary

The projected full year performance for the forestry business remains exceptional, with all budget targets to be exceeded. This result is primarily related strong log prices which continue to hit new monthly highs. Current stumpage results are coming in at $69/t versus $36/t budgeted. Additional to this has been the increased yields in Dipton Forest, up 18% on planned tonnage.

With log sales of $4.5M received to date, there is still another $1M of income forecast for June with the completion of the Dipton harvest program.

A forecast net position of $2.9M should be achieved by the end of the year.

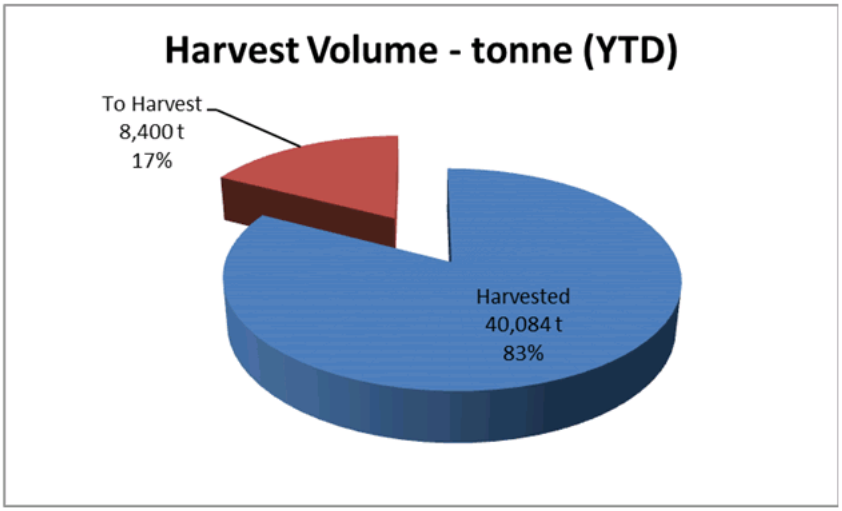


	Income	Direct Expenditure	Net Position
Budget	$3,322,340.00	$2,459,204.00	$863,136.00
Forecast	$5,416,308.56	$2,464,671.15	$2,951,637.41
Actual YTD	$4,492,308.56	$2,026,085.48	$2,466,223.08

Main Issues

Harvesting

There has been 40,000 tonnes harvested to date of the 48,000 tonne program. This includes roadline harvesting in Waikaia Forest and harvesting in Dipton. Anderson Logging will complete the Dipton harvest area during June; and then likely move to Ohai in July.



SDC Longterm Plan

The Forestry LTP was updated and drafted during May; this covers a 25 year period between 2018 – 2043. This update is based on the same objectives and constraints set in the 2015 – 25 Asset Management Plan and on revised yield and prices.

Some of the outputs for the next 10 year period include:

- A positive cash flow for the next 7 years,
- Operating surplus ranging between $600K and $50K.
- The 2024 and 2025 years have a deficit due to low harvest volumes available.
- An average of 21,000 tonnes per annum,
- Annual yields lower from 2024 until the next rotation comes online.
- Harvesting in the SDC estate over the short term will likely occur before the peak of domestic over-supply.

Trees shading Ohai Highway

NZTA have been working with us to arrange removal of trees shading the highway – which are ice spots during winter. This work will be done alongside harvesting scheduled for Ohai in July.

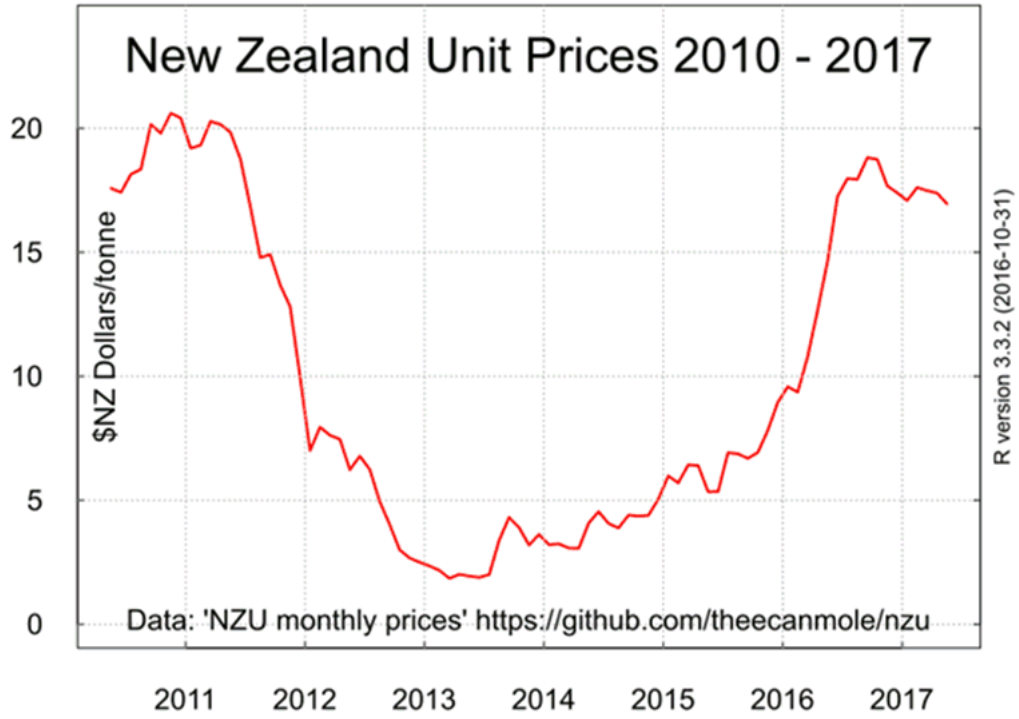
Carbon Units Available

The Councils currently have the following NZUs in their holding account:

Pre-1990 = 82,914 NZU. Current value = $1.4M.
Being a one off allocation there is no future liabilities arising when sold.

Post-1989 = 33,891 NZU. Still to claim 2016 NZUs.

The NZ carbon market has remains in the $16 – 17 price range for a NZU.



Source: Listed above in graph

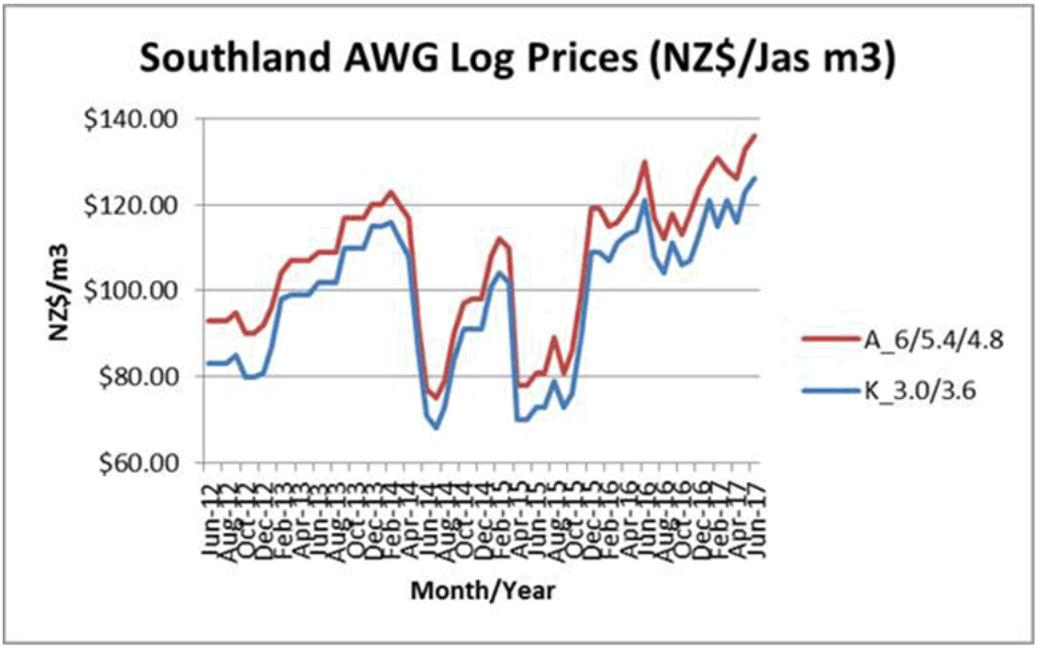
Log Prices

Domestic Log Prices
Domestic log prices have increased recently to secure winter supply and compete with export. P1 are up $2/t and S & L grade sawlogs are up $10/t from last quarter.

Export Prices
Export prices continue to peak, which has been great timing for the SDC harvest.

Regional Log Price Summary

Southland Log Prices June 2017 NZ$/tonne or NZ$/Jas m^3 delivered to mill or wharf						
Grade	Price Point	This Month	Last Month	3 months ago	1 year ago	2 year ago
P1	Domestic (t)	165	165	163	163	140
A (Long)	Export (Jas m^3)	134	133	126	117	81
K (Short)	Export (Jas m^3)	124	123	116	108	73
KIS	Domestic (t)	112	111	104	95	-
Chip	Domestic (t)	45	45	45	45	47



Source: IFS Growth Dataset

REECE MCKENZIE | Forest Manager

IFS GROWTH - *Living, Breathing Investments*

2016 Deloitte Fast 50 – National Winners – Fastest Growing Agriculture Business

Item 9.1 Attachment C

SDC SAFETY PERFORMANCE & STATISTICS 2016/17

IFS Growth — LIVING, BREATHING INVESTMENTS

People First — Southland District Council — Te Rohe Pōtae O Murihiku

Hours Worked			Lost Time Injury *	Medical Treatment Injury *	Hours Lost	LTI Frequency Rate	MTI Frequency Rate	Minor Injury *	Contact No Injury *	Property Damage *	Enviro *	Corrective Action Requests	Total *
2016/17	YTD	29,575	0	0	0	0	0	0	1	3	0	0	4

Lag Indicators

Lead Indicators

	Near Hit	Completed CAR's	Site Audit	Safety Tours/ Meetings	Toolbox Meetings	Risk/ Hazards	Total
YTD	0	0	10	75	273	13	371

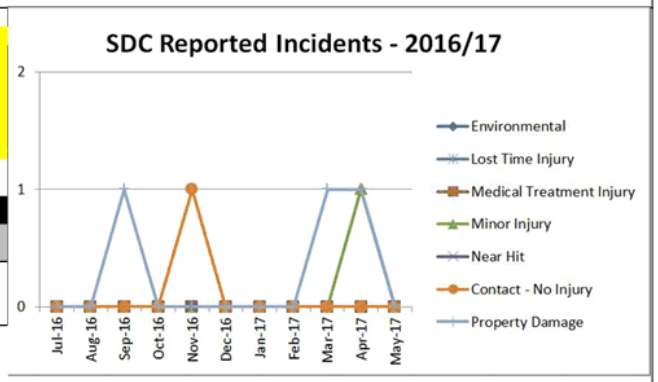
Year	Month	Hours Worked	Lost Time Injury *	Medical Treatment Injury *	Hours Lost	LTI Frequency Rate	MTI Frequency Rate	Minor Injury *	Contact No Injury *	Property Damage *	Enviro *	Corrective Action Requests	Total *
2017	April	1,469	0	0	0	0	0	0	0	1	0	0	1
2017	May	2,603	0	0	0	0	0	0	0	0	0	0	0
2017	June	1,943	0	0	0	0	0	0	0	0	0	0	0

Month	Near Hit	Completed CAR's	Site Audit	Safety Tours/ Meetings	Toolbox Meetings	Risk/ Hazards	Total
March	0	n/a	1	16	23	0	40
April	0	n/a	2	12	40	0	54
May	0	n/a	1	5	25	0	31

Commentary

IFS Growth is continually improving all Health and Safety systems and recently completed a Culture and Engagement Survey with our overall indicator being 80 % which is high.

I-Auditor is also currently being rolled out for auditing our contractors via a phone app which allows us to send directly back to the office.



Incident Register

Date of Incident	Description	Event Type	Reporting Line	Status
11/04/17	While loading truck a very bent log was loaded and the end landed on the drivers side chrome guard denting it. Take more care when loading bent logs.	Property Damage	Dynes	Closed

Definitions of Lag Indicators

Minor Injury - minor physical injury inflicted to a person's body.

Medical Treatment Injury - defined as an injury or disease that resulted in a certain level of treatment given by a physician or other medical personnel under standing orders of a physician.

Lost Time Injury - lost time accident is an accident occurring at work that results the worker not being able to turn up for work on the next scheduled day.

Property - incident involving plant or property.

Contact No Injury - incident where contact has been made with a person but no injury resulted.

Environmental - Any environmental incident whether caused by human or environmental factors

Corrective Action Request - corrections noted that need to be addressed - whether resulting from incident or audit.

Definitions of Lead Indicators

Site Audit - full safety audit as per the safety audit form.

Near Hit - for any unplanned event where there were no consequences, but under slightly different circumstances there would have been injury or damage.

Risk/Hazard - Any risks/hazards identified on site or in the course of the work being carried out.

Safety Tour/Meeting - Conducted by Forest Manager when visiting site.

Toolbox Meetings - Informal group discussion that focuses on safety generally conducted daily.

Completed CAR's - Any action requests that have been completed.

SDC SAFETY PERFORMANCE & STATISTICS 2016/17

IFS Growth — Living, Breathing Investments

People First — Southland District Council — Te Rohe Pōtae O Murihiku

		Hours Worked	Lost Time Injury *	Medical Treatment Injury *	Hours Lost	LTI Frequency Rate	MTI Frequency Rate	Minor Injury *	Contact No Injury *	Property Damage *	Enviro *	Corrective Action Requests	Total *
			Lag Indicators										
2016/17	YTD	27,632	0	0	0	0	0	0	1	3	0	0	4

	Near Hit	Completed CAR's	Site Audit	Safety Tours/ Meetings	Toolbox Meetings	Risk/ Hazards	Total
Lead Indicators							
YTD	0	0	9	70	248	13	340

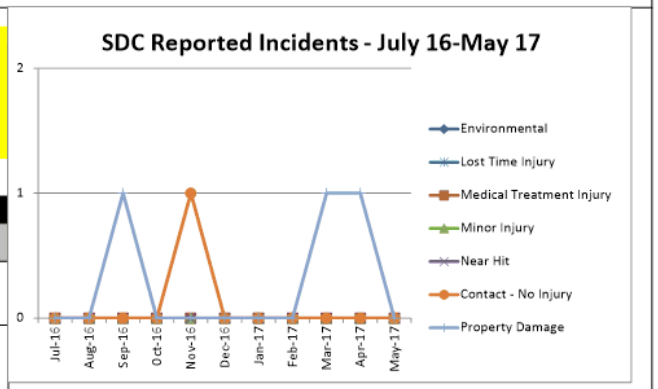
Year	Month	Hours Worked	Lost Time Injury *	Medical Treatment Injury *	Hours Lost	LTI Frequency Rate	MTI Frequency Rate	Minor Injury *	Contact No Injury *	Property Damage *	Enviro *	Corrective Action Requests	Total *
2017	March	1,757	0	0	0	0	0	0	0	1	0	0	1
2017	April	1,469	0	0	0	0	0	0	0	1	0	0	1
2017	May	2,603	0	0	0	0	0	0	0	0	0	0	0

Month	Near Hit	Completed CAR's	Site Audit	Safety Tours/ Meetings	Toolbox Meetings	Risk/ Hazards	Total
March	0	n/a	2	10	25	0	37
April	0	n/a	1	16	23	0	40
May	0	n/a	2	12	40	0	54

Commentary

IFS Growth is continually improving all Health and Safety systems and recently completed a Culture and Engagement Survey with our overall indicator being 80 % which is high.

I-Auditor is also currently being rolled out for auditing our contractors via a phone app which allows us to send directly back to the office.



Incident Register

Date of Incident	Description	Event Type	Reporting Line	Status
7/03/17	Was asked to move was watching traffic around me and moved to far forward hitting bumper on log.	Property Damage	Dynes	Closed
11/04/17	While loading truck a very bent log was loaded and the end landed on the drivers side chrome guard denting it. Take more care when loading bent logs.	Property Damage	Dynes	Closed

Definitions of Lag Indicators

Minor Injury - minor physical injury inflicted to a person's body.

Medical Treatment Injury - defined as an injury or disease that resulted in a certain level of treatment given by a physician or other medical personnel under standing orders of a physician.

Lost Time Injury - lost time accident is an accident occurring at work that results the worker not being able to turn up for work on the next scheduled day.

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Completed CAR's - Any action requests that have been completed.

Item 9.1 Attachment D

Item 9.2

Downer Water and Wastewater Maintenance Contract 10/01 - Monthly Report for June 2017

Record No: R/17/7/15470
Author: Bill Witham, Operations Manager - Water and Waste Services
Approved by: Ian Marshall, Group Manager Services and Assets

☐ Decision ☐ Recommendation ☒ Information

Background

1 Downer was awarded Contract 10/01 for delivery of water and wastewater services to Council for the Southland District. The contract was awarded in 2010 for a maximum period of 12 years.

Purpose

2 The purpose of this report is to update the Committee on the progress of this contract. A representative of Water and Waste Services will be in attendance to speak to the report.

Summary

3 KPI scoring of 79%.

Compliance (Drinking-water)

4 All drinking water compliance testing was completed and carried out as per New Zealand Drinking-water Standards. All samples were absent of Escherichia Coli, thus meeting the required bacteriological standards.

Compliance (Environmental)

5 There were no non-compliant tests reported. However, three planned analysis tests at Nightcaps were omitted due to operator error.

Operations and Maintenance

6 Service request calls for the month were 57; which is consistent with historical trends and significantly lower than the previous reporting period.

Financial

7 There were no outstanding claims or variations to the contract. All claims and invoices for completed work were certified and accepted.

Customer Service

8 There were 100 service requests received with 94 inspected within response time, no odour complaints.

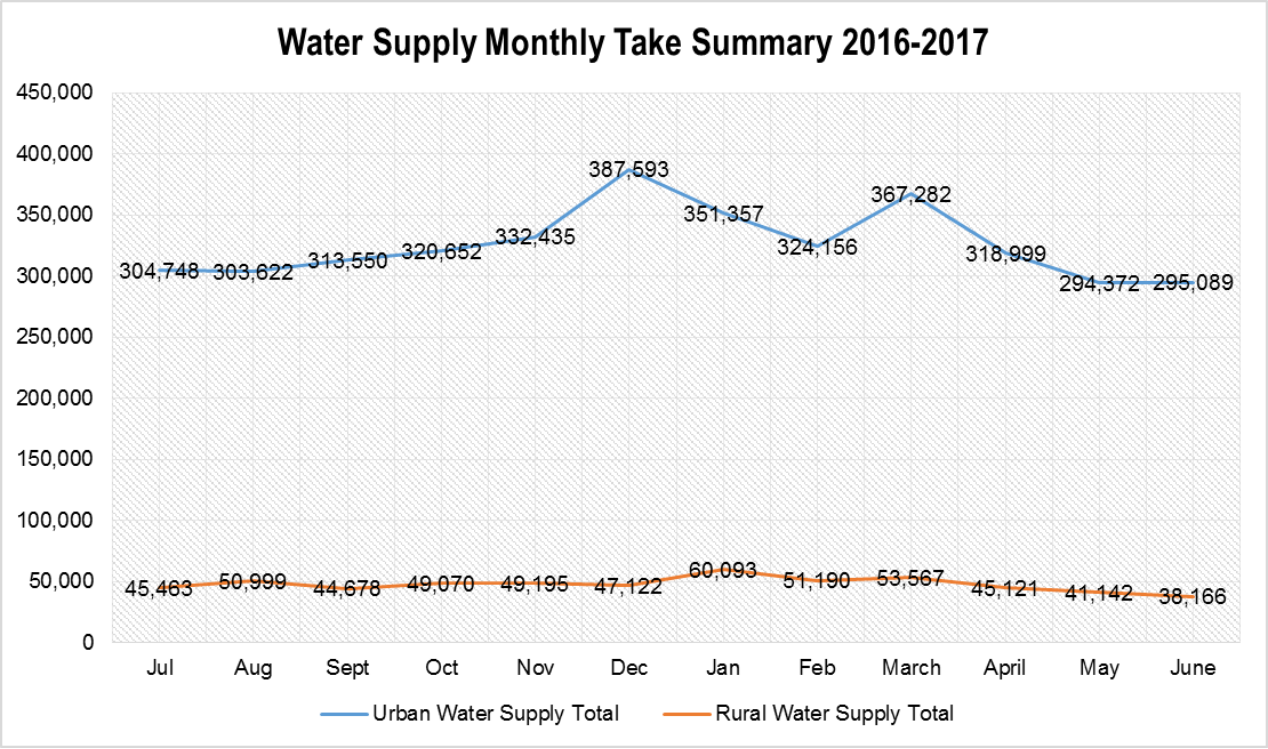
Health and Safety

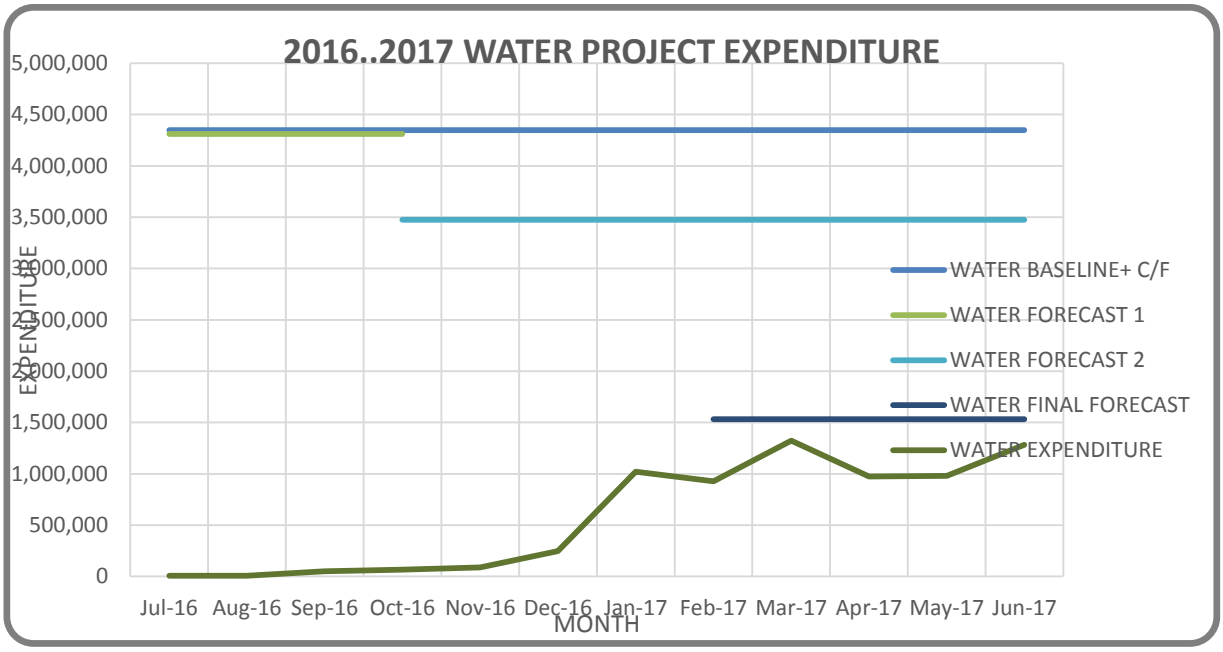
9 There were no incidents reported.

Quality Assurance

10 Zero Non Conformance/Opportunity for Improvement Reports were issued and no instances of rework or product failure during the month.

11 Water Consumption

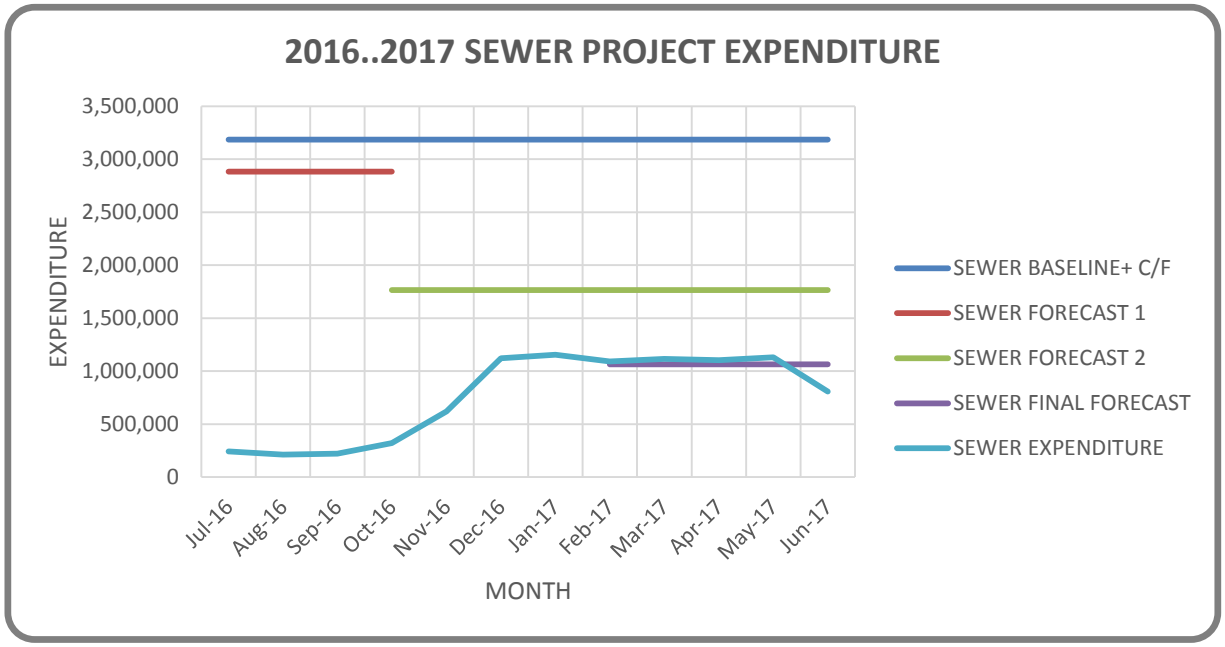




12 Explanation of Differential - Water

Rural water projects let but awaiting suitable weather window.	$318,000
Winton water main residual to be used for following staged work.	$400,000
Riverton water treatment plant residual enhancement costs.	$527,011
Eastern Bush upgrade is a multi-year project.	$76,503

Te Anau lateral replacements awaiting tender closing.	$179,630
District monitoring.	$150,100
Residual projects - various minor projects yet to be started or awaiting synergy of another project to commence.	$56,531
	$1,707,775



13 **Explanation of Differential – Sewer**

Note: The negative value in the June quarter is due to the desludging projects not proceeding as anticipated. This work is rescheduled for 2017/2018 subject to weather conditions and disposal approvals from Environment Southland.

CCTV awaiting availability of limited resource in Southland.	$101,900
Otautau pump station upgrades not yet carried out due to subcontractor availability.	$153,096
Riverton Bay Street main replacement carried out in 2015/2016 year.	$93,420
Riversdale sewer option.	$44,986
Stewart Island sewer treatment and disposal upgrade - awaiting subcontractor availability.	$119,140
Adjustment for Te Anau treatment and disposal contract taken at different cost centre.	$194,642
Residual projects - various minor projects yet to be started.	$90,992
	$798,176

Recommendation

That the Services and Assets Committee:

a) Receives the report titled "Downer Water and Wastewater Maintenance Contract 10/01 - Monthly Report for June 2017" dated 30 July 2017.

Attachments

There are no attachments for this report.

Roading Operations June 2017

Record No: R/17/7/15541
Author: Dylan Rabbidge, Commercial Lead Roading
Approved by: Ian Marshall, Group Manager Services and Assets

☐ Decision ☐ Recommendation ☒ Information

Background

1 SouthRoads currently have the Waimea and Central Alliance maintenance contracts with Fulton Hogan having the Foveaux Alliance. The Tendering process has been completed and approved by Council with no change to any of the Alliances. These new contracts begin on 1 July 2017.

Purpose

2 The purpose of this report is to update the Committee on the progress of the major roading maintenance and capital works contracts.

Summary

3 Customer Satisfaction; 114 Requests for Service (RFS), across the three Alliance contracts were received in June with two not completed on time. In 2015/16 82 RFS's were received in June. For the full year 1,138 RFS's were received compared to 1,172 for 2015/16.

4 Health and Safety; 4 near missis were reported for June with no Lost Time Injuries reported. 6 Site Safety Audits were completed in June.

5 Activity Performance:

- Metalling, 73,233m^3 or 99% was completed for 2016/17.
- Grading, 14,500 km or 100% was completed for 2016/17.
- 2017/18 Pre-Reseal Repairs, 113 of 153 sites have been released for inspection. The length completed is 104.3 km of 156.71 km or 66.56%.
- Stabilisations, 10,135 m^2 (100%) have been completed of a total programmed 10,135 m^2.
- Edge Break, 21,760 m (76%) of a programmed 28,513 m.

6 Risk and Strategy:

- Slips, Brydone Glencoe and Chaslands Highway have both completed an ILM (Investment Logic Mapping) which is the first step in developing a Business Case. Waiarikiki Mimihau Road, Temporary repairs holding well with approval for permanent repairs being worked on.
- Roads, *Mandeville Kingston Crossing Road high crash site with Roy Clearwater (Safety Engineer) investigating this site is to be monitored for a solution.* The hedge has been removed from this site and additional signs are to be erected.
- Coastal Route, "High Crash Rate" signage and 50 kph signs helping to reduce the number and severity of crashes. Road has been approved for seal extension.

Financial

7 There were no outstanding claims or variations to the contract. All claims and invoices for completed work were certified and accepted.

Capital Projects

8 The Alternative Coastal Route Seal Extension is progressing well with The Roading Company currently on schedule. The Project Status Report is attached.

9 Resource consent has been granted for the Bridges that were held up in 2016/17. These have been approved with various conditions and construction is expected to commence shortly. These were held up by the Department of Conservation not providing written approval as an "affected party" on the resource consent.

Recommendation

That the Services and Assets Committee:

a) Receives the report titled "Roading Operations June 2017" dated 2 August 2017.

Attachments

A June Project Status Report - Alternative Coastal Route Seal Extension ⇩
B 12-01 Waimea Alliance A3 monthly report June 2017 ⇩
C 06-26 Foveaux Alliance A3 report June 2017 ⇩
D 13-01 Central Alliance June 2017 A3 Central ⇩
E Roading Operational Overview June 2017 ⇩

Item 9.3 Attachment A

Project Status Report

Project Name	Alternative Coastal Route Seal Extension
Project Work Order	16092
Project Team	Hartley Hare, James McCallum, Dylan Rabbidge
Status Date	13/07/2017

Earthworks are 75% complete for Slope Point Road. There is one significant cut remaining on Slope Point Road but overall progress is very good and TRC are still sitting ahead of their programme. Weather has been a mixed bag again for June, some fine weather but also periods of heavy rainfall slowing progress. Culverts and subsoil drains continue to be installed and rockfill and bulk fill placement continues. Fencing reinstatement is well underway and feedback from neighbouring landowners is all positive.

Project Health & Safety

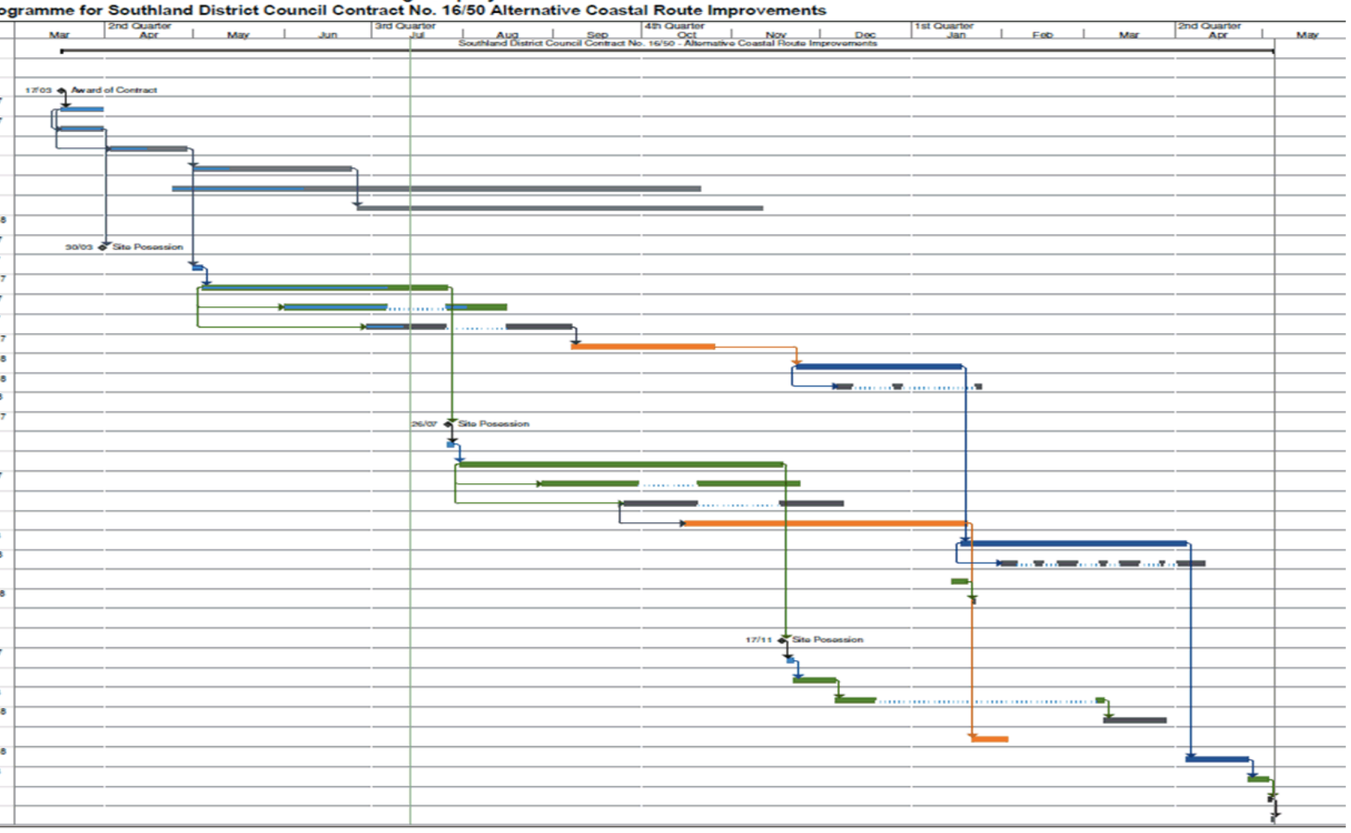
Team Safety	MTD	PTD
Medical Treatment Intervention	-	-
Lost Time Injury	-	-
Near Miss	-	-
Safety Audit (including Traffic Management) - SDC	4	9

Commentary: Project information boards have been installed at each end of the project, a letter drop has been completed including backpackers, cafes etc to advise of delays and closures. There has also been information put on SDC website, Facebook advising of delays and closures.

Project Schedule

The Roading Company
Programme for Southland District Council Contract No. 16/50 Alternative Coastal Route Improvements

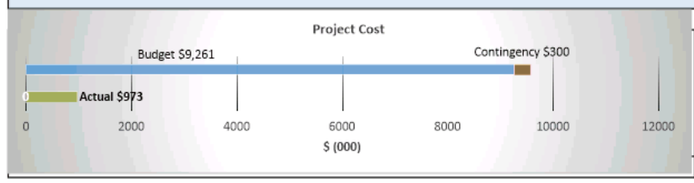
ID	Task Name	Duration	Start	Finish
1	Southland District Council Contract No. 16/50 - Alternative Coastal Route Improvements	296 days	Fri 17/03/17	Fri 4/05/18
2	Contract Works	296 days	Fri 17/03/17	Fri 4/05/18
3	Award of Contract	0 days	Fri 17/03/17	Fri 17/03/17
4	Order Materials and Service Locates	10 days	Fri 17/03/17	Thu 30/03/17
5	CQP, HSP & TMP	10 days	Fri 17/03/17	Thu 30/03/17
6	Consents	20 days	Mon 3/04/17	Fri 28/04/17
7	Rock and Bulkfill	40 days	Mon 1/05/17	Fri 23/06/17
8	AP65 Production	130 days	Mon 24/04/17	Fri 20/10/17
9	M4 AP40 Production	100 days	Mon 26/06/17	Fri 10/11/17
10	Slope Point	214 days	Thu 30/03/17	Wed 24/01/18
11	Site Posession	0 days	Thu 30/03/17	Thu 30/03/17
12	Initial Site Meeting & Establishment	3 days	Mon 1/05/17	Wed 3/05/17
13	Earthworks & Drainage	60 days	Thu 4/05/17	Wed 26/07/17
14	Cut to Waste/Fill & Fencing	40 days	Thu 1/06/17	Tue 15/08/17
15	Rock & Bulkfill	35 days	Thu 29/06/17	Wed 6/09/17
16	Subbase	35 days	Thu 7/09/17	Wed 25/10/17
17	Basecourse	40 days	Thu 23/11/17	Wed 17/01/18
18	Seal, Roadmarking & Signage	8 days	Thu 7/12/17	Wed 24/01/18
19	Haldane - Curio Bay	184 days	Wed 26/07/17	Tue 10/04/18
20	Site Posession	0 days	Wed 26/07/17	Wed 26/07/17
21	Initial Site Meeting & Establishment	2 days	Thu 27/07/17	Fri 28/07/17
22	Earthworks & Drainage	80 days	Mon 31/07/17	Fri 17/11/17
23	Cut to Waste/Fill	50 days	Mon 28/08/17	Thu 23/11/17
24	Rock & Bulkfill	35 days	Mon 25/09/17	Fri 8/12/17
25	Subbase	70 days	Mon 16/10/17	Fri 19/01/18
26	Basecourse	55 days	Thu 18/01/18	Wed 4/04/18
27	Seal, Roadmarking & Signage	27.5 days	Thu 1/02/18	Tue 10/04/18
28	Otta Seal Pre	5 days	Mon 15/01/18	Fri 19/01/18
29	Otta Seal	1 day	Mon 22/01/18	Mon 22/01/18
30	Waipapa Point	120 days	Fri 17/11/17	Fri 4/05/18
31	Site Posession	0 days	Fri 17/11/17	Fri 17/11/17
32	Initial Site Meeting & Establishment	2 days	Mon 20/11/17	Tue 21/11/17
33	Earthworks & Drainage	10 days	Wed 22/11/17	Tue 5/12/17
34	Cut to Waste/Fill	13 days	Wed 6/12/17	Wed 7/03/18
35	Rock & Bulkfill	15 days	Thu 8/03/18	Wed 28/03/18
36	Subbase	10 days	Mon 22/01/18	Fri 2/02/18
37	Basecourse	15 days	Thu 5/04/18	Wed 25/04/18
38	Otta Seal Pre	5 days	Thu 26/04/18	Wed 2/05/18
39	Otta Seal	1 day	Thu 3/05/18	Thu 3/05/18
40	Seal, Roadmarking & Signage	1 day	Fri 4/05/18	Fri 4/05/18



Item 9.3 Attachment A

Project Key Parameters		Comments
Schedule	On-Track	Earthworks and Drainage are still on track, the lead on these has been cut back due to wet weather in June. Production of the aggregates is behind with the first blast at Mairs Pit complete and crushing is underway (started mid June) . Second blast is not far off - mid July estimate. The Roading Company will move their Crushing plant onsite to the Dumbletons Pit (Edendale) to begin to produce AP40 (Base Course) in the near future. The delay in aggregates is not expected to have any major impact on the delivery of the project at this point in time.
Quality	On-Track	See the QA Section Below
Scope	On-Track	Currently no changes to the Scope of the project.
Budget	On-Track	Total **$9.561M** Spent $973K Remaining $8.588M
Issues	Currently No Issues	

Project Finance



	Total	Spent	Remaining
Design	406,000	365,181	40,819
Safety Review	19,120	17,868	1,252
Probity (Tendering)	28,620	24,177	4,443
Construction	8,906,288	540,551	8,365,737
Advertising	1,429	1,429	-
MSQA	200,000	23,936	176,064
Total	9,561,458	973,143	8,588,315

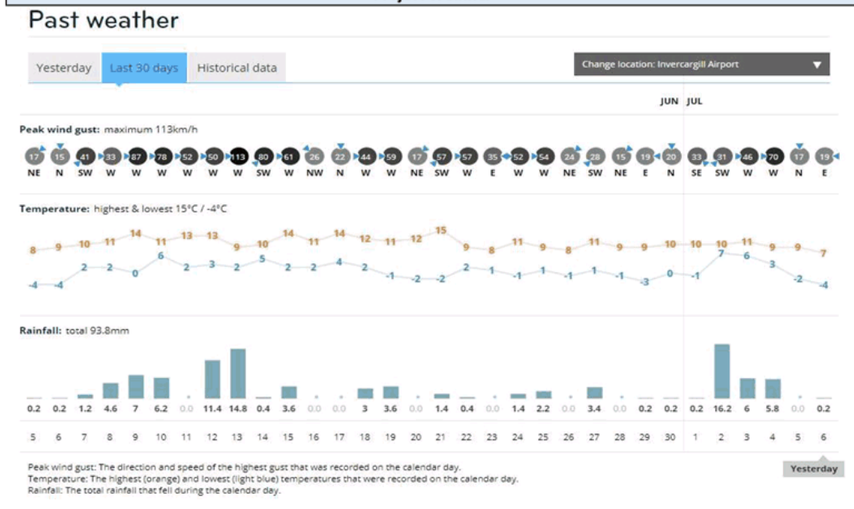
Project Quality Assurance

1) Project's resource consent has been completed and lodged to SDC planning Department, land owner consultation is complete (waiting for some forms to be sent back).
2) Fence reinstatements have started and the work is very tidy. Power poles have been relocated on Slope Point and a meeting has been completed with SDC/TRC/PowerNet determining the next lot on the main route. Relocation is esitmated start of mid July.
3) Drone mapping/survey of Slope Point Road is Complete. Approx 1/3 of the main route has now been mapped also. Car park design for end of Slope Point Rd is complete, these works will be funded from the Tourist Fund (NZTA) and treated as a seperate project.
4) Scala penetrometer testing of site has started - design target CBR of 3.5 minimum is achieved with the minimum so far being 6 and generally sitting up around 6-10+
5) Heritage NZ and Te Ao Marama Inc have been approached for written consent around areas of interest on Waipapa Point (related to SDC's consent application). An archaeologist site visit has been undertaken with the report being received in July.
6) Construction drawings for Slope Point Road have been completed from Stantec. Awaiting construction drawings for main route and the design for Waipapa.
7) Contract meeting was held 06/06/2017 and 20/06/2017

Project Risks

	Risk Level	Implication	Cost	Strategy
1) Weather, has been identified as a risk from the projects inception.	Medium / High	Project completion delayed	Zero	Monitor and adjust programme as required.
2) Land ownership issues.	Low	Re-Design	$20k	On-going consultation and written agreement.
3) Resource Consent issues.	Low	Project completion delayed	TBD	Obtain approvals from affected parties.
4) Accidential finds (historic artifacts)	Low	Project completion delayed	TBD	
5) Unforeseen ground conditions	Low/Medium	Project completion delayed	TBD (based off schedule of prices)	Contract Contingency
6) NZTA Funding	Low	Additional Cost to SDC	$1.2M	Verbal approval given for the additional funds from NZTA, a "Cost Scope Adjustment" to be completed.

Project Weather



Project Photos

Waimea alliance

Summary Report June 2017

PERFORMANCE

EFFECTIVENESS	RFS	Number of Sign RFS's	Monthly	8
		Total number received since last report cycle (Excluding Signs)	Monthly	26
		# Not completed on time within the required timeframe	Monthly	0
		# Customers contacted (where possible excluding signs)	Monthly	26
		# Non-performance related - where we provide customer support (e.g. farmers mess, incident response etc.)	Monthly	12
		RFS Contract Management Resource (hours)	Monthly	9
	CONDITION RATING	Road Trip	Monthly	April Road Trip Completed.
		Roadroid	Annual	TBC.
		Roadroid	Monthly	Roadroid Completed
	PROGRAMME	3 month effective programme	Quarterly	On-going

				Month	YTD
PEOPLE / CULTURE	TEAM SAFETY	Medical Treatment Intervention - #	Monthly	0	0
		Lost Time Injury - #	Monthly	0	0
		Near Miss/IOF	Monthly	3	30
		Safety Audits/Tours completed	Monthly	2	47
	TEAM HEALTH / AMT	Satisfaction - 3 monthly measure	Quarterly	92%	
		Team Harmony - 3 monthly measure	Quarterly	92%	
	ROAD USER SATISFACTION	SDC survey, as completed	As Completed		
		# complaints (not normal RFS') vs. compliments	Monthly	0 Complaints 0 Compliments	0 Complaints 2 Compliments

Winter has continued with steady rain and regular frosts throughout the network. All the leaves have now dropped so we have completed all township sweeping in the network. The snow has not come to anything significant as yet but we had some frosts. This is the first year we can remember the air temperatures being so different. An example was one morning it was 10° in Lumsden and yet it was -4° in Waikaia.

There was a big push to meet budget which included the additional$400,000 budget we spent on Unsealed Road Drainage and another 8,000m³ on Maintenance Metal. We were successful in meeting this target and have come in under budget excluding the unplanned Waikaia Flooding Event in January.

All three drainage crews completed their programs so at the start of the new financial year there will just be the SouthRoads Drainage crew working on the network. There has been a drainage package released for the sealed road network but only 1.76km is in the Waimea Area.

7,182m³ of Maintenance metal was applied from Sarginson's Pit near Athol. This allowed us to do every road in the Five Rivers north of the Five Rivers Café. So with a total of 28,486m³ over the year this was significant and given us a good head start moving into 17/18.

Premix repairs continued with another 2.7km of edge break repairs completed and 194m² of depressions also completed. This just leaves 7 sites left to complete work on. All of these sites are around the Riversdale Area and some of these sites are on the same road. We see no reason weather permitting that all repairs will be completed by the end of July.

Some township projects have been completed recently as well over the last month with the most substantial being the gravelling in front of the Athol Hall to prevent travellers that are stopping turning the lawn into mud.

Flank grading continued throughout the month on all roads with metal shoulders and some of the worst under width grass shoulder. There was also some shoulder gravelling programmed to be done.

Signs continued to be installed, repaired and replaced throughout the network with a big push on painting of posts while the weather allows.

PROGRESS

Item	% Completed	Comments
Non-Reseal Stabs	100%	Completed for the season
Maintenance Metaling (29,400m³)	7,182 m³	28,486m³ YTD
Grading (400km target)	331 km (MTD) 5,121 km (YTD)	2 graders
Verge Spraying	100%	Finished last round of sealed roads.
Noxious Spraying	100%	
Bridge Repairs		24 bridges painted. Emergency repairs to be only completed remainder of season.
Drainage Repairs		3 Full Drainage Crews operating

17/18 Pre Reseal Repairs - 30 of the 30sites (100%) are marked up and ready for work to begin. 23 of the 30 (77%) site have been released for inspection. This equates to 21.5 Km out of a possible 32.6km released.

Activity	Prog Qty	Comp Qty	Remaining Qty
Depressions (m²)	2,200	1,657 (75%)	543 (25%)
Edge Breaks (m)	9,122	6,924 (76%)	2,198 (24%)
Dig Outs (m²)	0	0	0
Stabilising (m²)	3,114	3,114 (100%)	0 (0%)
WCC (m)	0	0	0

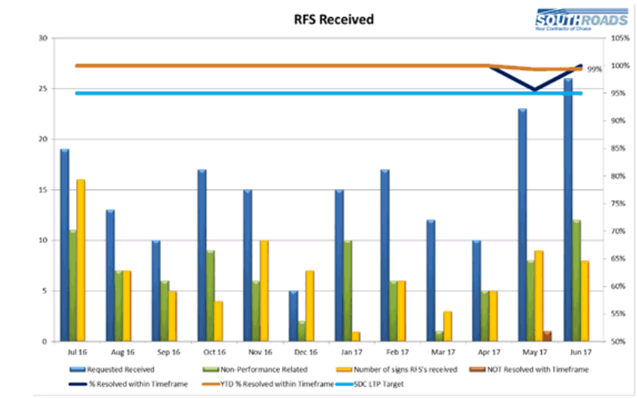
RISK & STRATEGY UPDATES

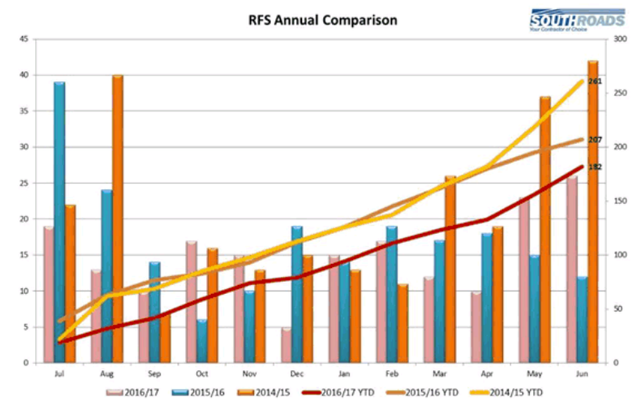
	Identified Risks	Update
Roads	Hillas Road Unsealed Section	Dig outs due to logging.
	Mandeville Kingston Crossing Road	Hedge removed. Signs to be erected.
	Ramparts Road	Passed onto the SDC Roading to look into interventions.
	Lilburn Valley Road	Not proceeding with any intervention at this stage.
Slips	Ohai Clifden Hwy	Levelling in March. Passed onto MWH to look at long term solutions.
Strategic	RAMM Data	During the new Alliances establishment phase we will review requirements and add this process as part of the Alliance Quality Plan
	New Alliance Establishment	We will be working very closely with Roading and Community Engineering teams over the coming months, in putting together a plan to implement over the coming months.
	Risk Management Plan	

CUSTOMER SERVICE MANAGER REPORT

We received 26 RFS's for the month of June. Almost half of these were non-performance related, which mainly consisted of mud on the roads, something that is fairly common this time of the year. The rest of the RFS's were a bit of a mixed bag right across the park, mainly for potholes in gravel roads, but we have also had a couple footpath and vegetation issues around the townships. Majority of the RFS's we have been having lately are not just a simple fix, there is generally a lot of planning behind the scenes to get the issues sorted in a timely manner.

RFS GRAPHS





Item 9.3 Attachment B

Item 9.3 Attachment B

MONTHLY AUDIT RESULTS –

The Annual Network Audits was completed in May. A report of the results will be presented to the ALT at the next meeting in August.

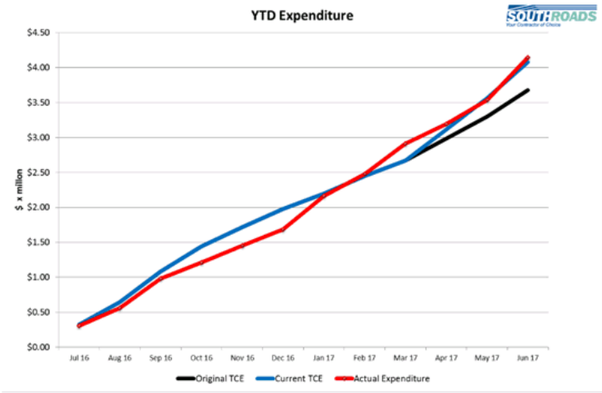
GOLD STAR INITIATIVES.

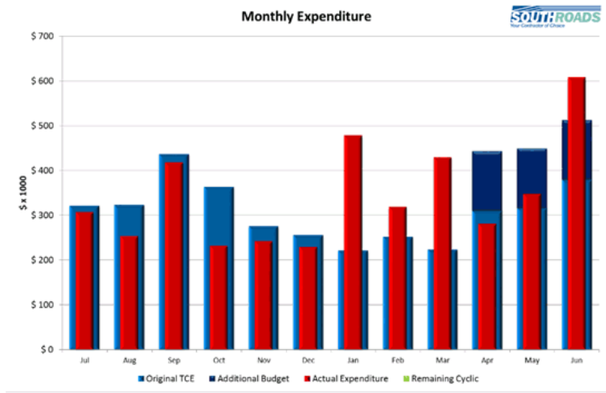
✓ Claycrete trials have been completed. These sites are currently been monitored over the next few months.

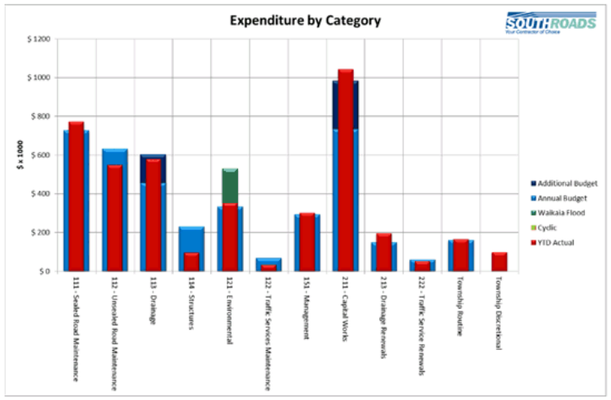
ALT ACTIONS

1. Liaison with ES to determine parameters around river erosion impacting on SDC road asset at what stage do ES fund repairs or contribute. There are a number of Central sites that are at risk with significant financial implications.

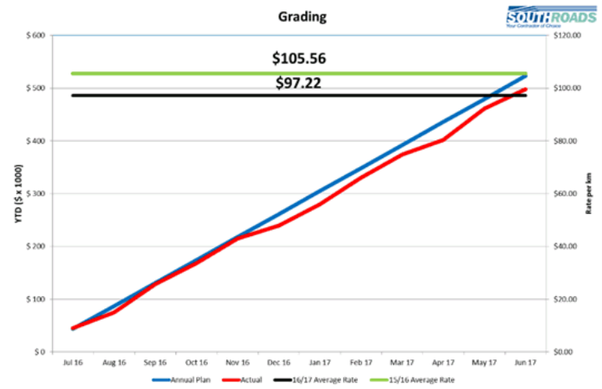
FINANCIAL GRAPHS

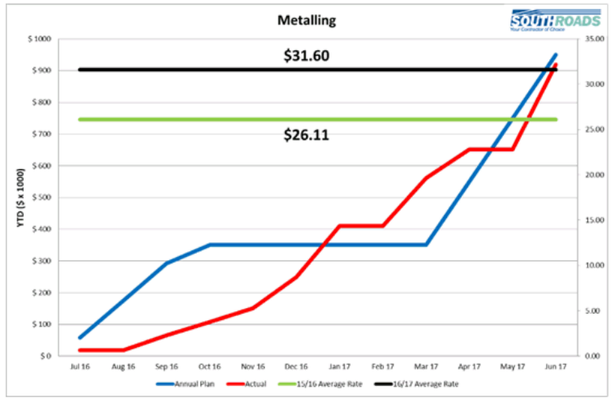


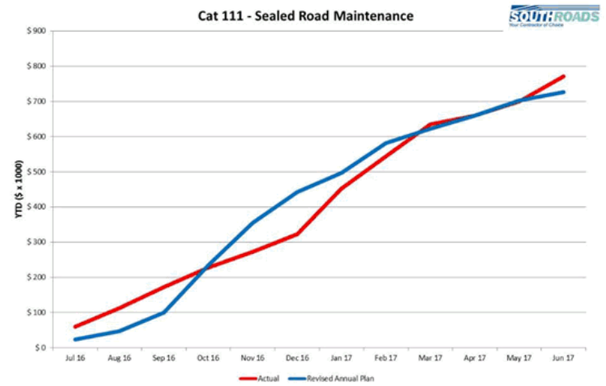




KEY PERFORMANCE INDICATOR GRAPHS







FINANCIAL SUMMARY

NZTA Subsidised Works Summary	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total	Remaining	%age Remaining
Original TCE	321,215	323,023	436,103	363,653	275,722	256,030	221,325	252,719	223,336	310,005	316,345	379,520	3,678,997		
Current TCE	321,215	323,023	436,103	363,653	275,722	256,030	221,325	252,719	223,336	443,338	449,678	512,853	4,078,997		
Actual Expenditure	307,761	254,377	417,548	231,890	242,305	229,965	478,538	318,856	429,287	280,882	348,193	607,909	4,147,509	- 68,513	-2%

FINANCIAL COMMENTARY

The year completed expenditure is $4,147,509.00. The claim for the month was $607,909.00 (including township works) and consisted of mainly routine activities. It also included an extra drainage crew, roadside spraying and a big push on Maintenance Metaling activities. The total cost estimate now includes the additional bridging, drainage and metaling budget.

People First
Southland District Council
Te Rohe Pōtae O Murihiku

Summary Report –June 2017

FOVEAUX ALLIANCE

PERFORMANCE

EFFECTIVENESS	RFS	Number of Sign RFS's	monthly	5
		Total number received since last report cycle (Excluding Signs)	monthly	38
		# Not completed on time within the required timeframe	monthly	2
		# Customers contacted (where possible)	monthly	43
		# Non-performance related - where we provide customer support (e.g. farmers mess, incident response etc.)	Monthly	3
		RFS Contract Management Resource (hours)	monthly	15
	CONDITION RATING	RCAMS	6 monthly	Completed June
		HSD	Annual	Hartley to circulate
	PROGRAMME	Activity Calendar	Quarterly	All on track

				MTD	YTD
PEOPLE / CULTURE	TEAM SAFETY	Medical Treatment Intervention - #	monthly	0	2
		Lost Time Injury - #	monthly	0	0
		Near Miss/OFI - #	monthly	0	8
		Site Safety Audits	As completed	June 100% - Great example of a safety audit	
	TEAM HEALTH / AMT	Satisfaction - 3 monthly measure	Quarterly	99%	
		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	0 Complaints 4 Compliments

A big hit on Edgebreak and asphalt levelling has seen good progress on 17/18 prereseal sites, data still shows 11 sites needing to be completed – most of this work will be tidied up in July as it is high/low shoulder work – the remainder will be completed in spring after a post winter inspection ready for 100% release on 1st Oct.

Although June claim has been submitted there were significant invoices received after the cut off and therefore have been accrued – the final claim ($80-$90K) for this contract will be submitted mid-July, we expect this will bring numbers within 2% of budgeted T.O as per the AMT's targets.

Good progress has been made on the new contract with all budgets and contract set up complete pending final approval by the ALT.

SDC Roading team have been given a copy of our maintenance intervention Guidelines (MIG) for the new contract, we expect agreement on these by the end of the week which will enable our Supervisors/inspectors to refocus back on network inspections so we can start to gain a better picture of expected cost to maintain.

The proposed "non-maintained" roads list has come into question again with work now required to be done on Progress Valley road to bring it back to an acceptable standard after having once been accepted as "non-maintained", all be it an unwritten understanding – this highlights the need to gain full acceptance with some urgency – the ball in in the AMT's hands to confirm back with team Roading in July for SDC approval – signs can then be erected at the end of "maintained roads".

Overall it is pleasing to note that with the addition of rollers behind graders, new gravel sources & a more focused grading program – we have been able to deliver significant savings in unsealed roads to invest back into sealed roads with no loss of service for the year.

PROGRESS

Item	Completed	Comments
Non-Reseal Stabi's	2790 m2 YTD	All complete for the year
Metalling	812.5 m3 Mth 16,350 m3 YTD	All bulk programs now complete – 5 – 600m3 for spot metalling in June
Grading	354 km Mth 3,916 kmYTD	All on program
Verge Spraying	100% Complete	Complete for 2016/2017
Noxious Spraying	100% complete	Complete for 2016/2017.
Bridge Repairs	3 YTD	1 minor repair approved – 1 repair required – awaiting design
Drainage Repairs		Watertable cleaning will be reported going forward

17 / 18 - Pre Reseal Repairs:

Activity	Original Prog Qty	Comp Qty	Remaining Qty
Depressions (Levelling) m²	669.8m2	2216m2	Originally under scheduled – more work was also required on some sites
Edge Breaks/low shoulder m	13083.50m	9491 m	4705m
Clear watertables m	2211m	1595m	2211m (additional sites added, only 3 sites)
Stabilisation m²	1480.9m2	2055m2	Complete for season pending post winter inspection.
Hi Lipping m	16067m	929m	14098m, only 3 sites
17/18 site	38/49	78%	39.623km/64.493 km

RAMM Update
RAMM data is all updated up to April 2017.

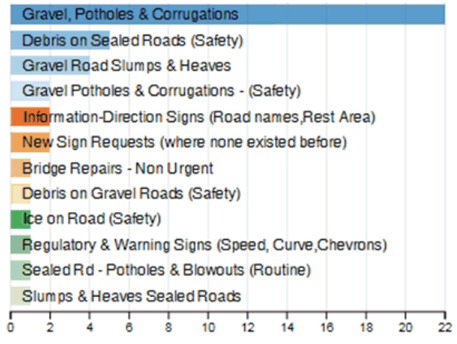
RISK & STRATEGY UPDATES

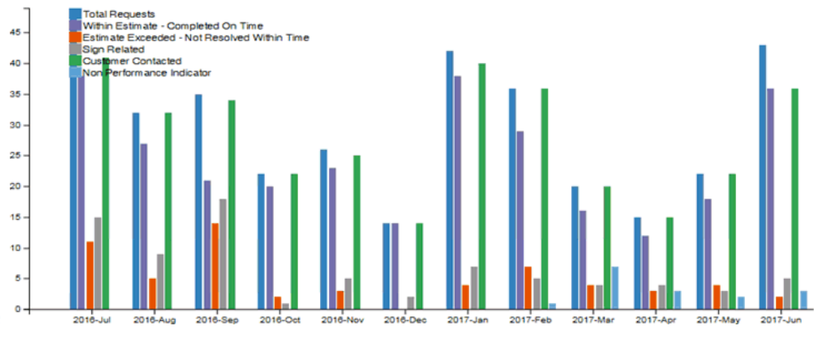
	Identified Risks	Update
Roads	Waimahaka Fortification Road	Previous FWD testing indicates high risk for first 4km. Most of this was resealed 13/14 season & is holding up well – ongoing monitoring.
Slips	Waikawa Curio Bay Rd	Waikawa & Sea walls – potential risk identified – monitor
	Brydone Glencoe slip	Traffic restricted to 1 lane. Project sits with Roading. Dave B has organized 10 x bollards to be placed over the lanes to ensure it is well marked. Speeding is a problem here, despite 30kph restriction.
	Waiarakiki Mimihau Rd	Still awaiting approval for permanent repair of slip site. Temp repairs holding reasonably well. Note significant increase in heavy traffic in the area due to logging x Tinker Road).
Strategic	Non Maintained Roads	Roads that are currently in RAMM but have not been maintained for whatever reason in the past (some 28KM), at $30K/km this represent $800 risk (worst case) – action – to follow up on agreement and update RAMM.

SUPERVISIOR – CUSTOMER RELATIONS

RFS' activity has kept our team busy this month with various request from the usual grading required down to bridge repairs, sign repairs, sealed rd potholes and a few ice related incidents. This is common in winter where we battle with the wild weather to ensure the roads are safe for all road users. It has been great to see that the customer service team at the SDC are starting to use Visability after a training session with Brendan Gray. We look forward to meeting the new Customer Services Manager/Team leader when appointed and spending some time with them to ensure that Visability is used to create a positive customer experience for any requests for services. We are sure this will be a fantastic customer service tool.

RFS GRAPHS





Item 9.3 Attachment C

FINANCIAL REPORT

The claim for the month was $364,630.67

Year to date expenditure is $3,793,624.48

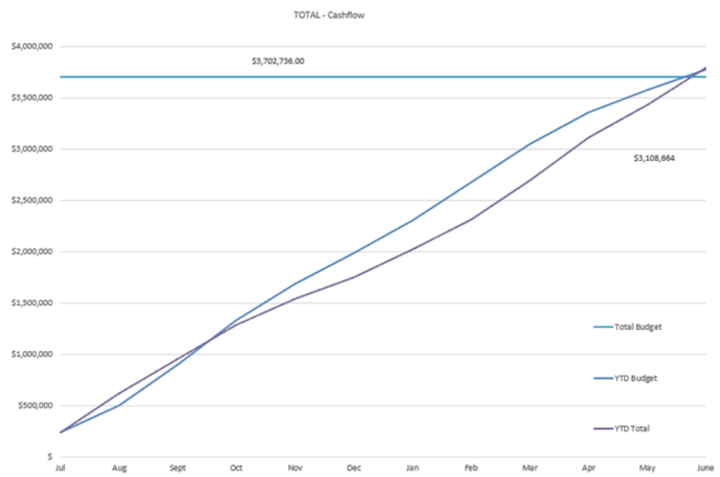
GOLD STAR INITIATIVES

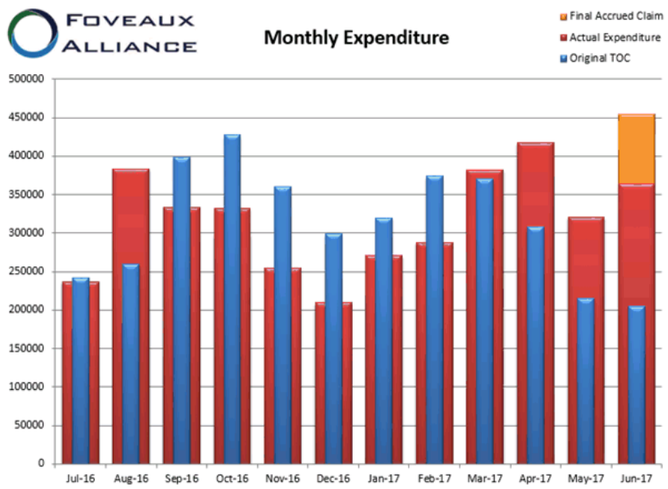
- ✓ Looking into auto create RAMM entry from pathways RFS to ensure all RFS get into RAMM
- ✓ Road name search now in VisAbility

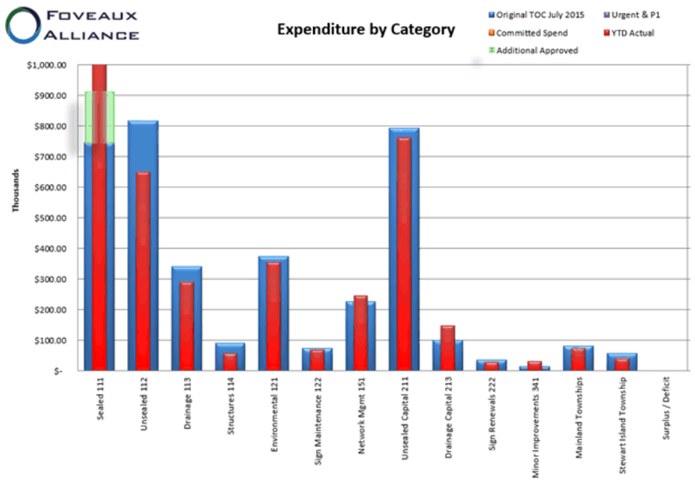
AMT ACTIONS

1. Video 100% of network into FH Roadview program
2. Updating RAMM programming from Supervisors with MIG

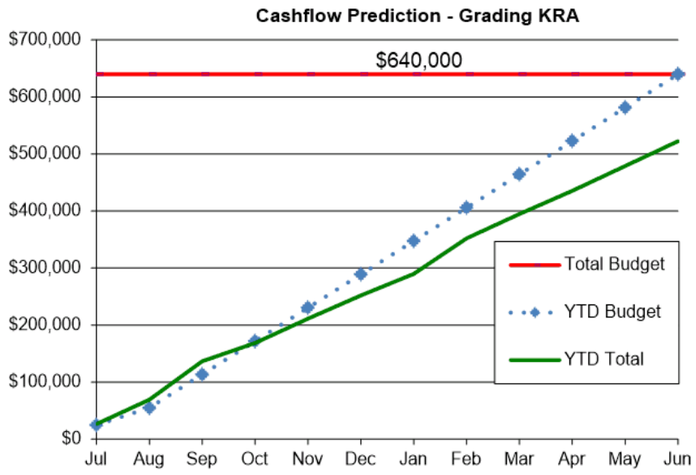
FINANCIAL GRAPHS

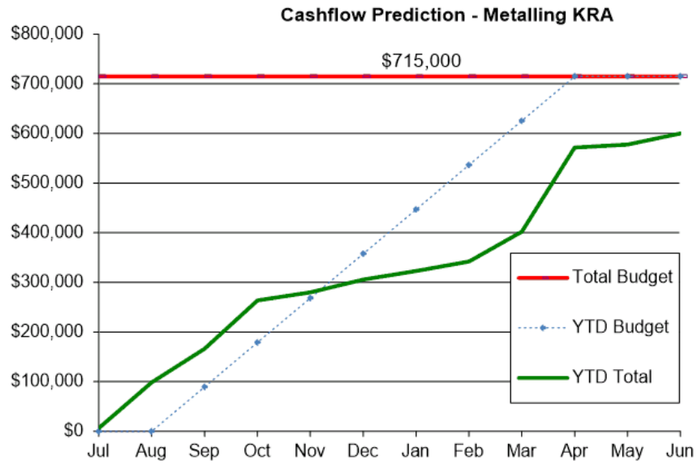


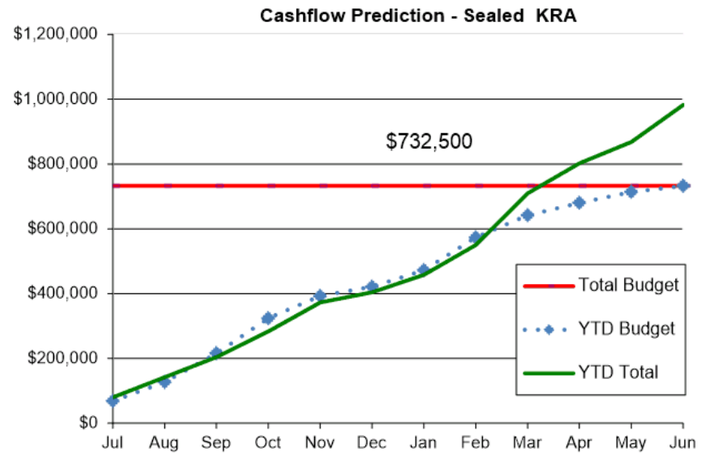




KEY PERFORMANCE INDICATOR GRAPHS







Item 9.3 Attachment D

Summary Report –June 2017

PERFORMANCE

EFFECTIVENESS	RFS	Number of Sign RFS's	Monthly	14
		Total number received since last report cycle (Excluding Signs)	Monthly	50
		# Not completed on time within the required timeframe	Monthly	0
		# Customers contacted (where possible excluding signs)	Monthly	50
		# Non-performance related - where we provide customer support (e.g. farmers mess, incident response etc.)	Monthly	16
		RFS Contract Management Resource (hours)	Monthly	10
	CONDITION RATING	Road Trip	Monthly	Annual Audit Completed
		Roadroid	Annual	Annual Audit Completed
		Roadroid	Monthly	Annual Audit Completed
	PROGRAMME	3 month effective programme	Quarterly	On-going.

				Month	YTD
PEOPLE / CULTURE	TEAM SAFETY	Medical Treatment Intervention - #	Monthly	0	0
		Lost Time Injury - #	Monthly	0	0
		Near Miss/IOF/Incidents	Monthly	1	23
		Safety Audits/Tours completed	Monthly	3	47
	TEAM HEALTH / AMT	Satisfaction - 3 monthly measure	Quarterly	86% (June)	
		Team Harmony - 3 monthly measure	Quarterly	87% (June)	
	ROAD USER SATISFACTION	SDC survey, as completed	As Completed		
		# complaints (not normal RFS') vs. compliments	Monthly	0 Complaints 1 Compliments	1 Complaints 7 Compliments

Overall June's weather was a bit of a mixed bag. Most of the month was fine with cooler temperatures, however we did encounter some heavy rain that caused a couple of issues with water crest blocking culverts mid-month. Nothing alarming as we were expecting it with the farm ditches being sprayed out.

The additional drainage programme has come to an end and we are grateful for the extra financial resources to address some of the highlighted unsealed roads that needed good water channels cut in them. This is likely to drive some good long term outcomes.

The metalling programme has been completed. The extra funding has now lead to the opportunity to start metalling in a semi cyclic fashion in future years. We have finalised the 17/18 programme and started crushing at two beaches while the plant was on site for the 16/17 programme. This saved the Alliance in re-establishments of crushing plants and diggers to pull material up.

Pre Seal Repairs are going well. We have had a decision that Main Street, Otautau is on hold, as we were informed it is potentially could be up for a water mains renewal/shift to centre. We are still waiting on a decision on Avondale Road. We see no significant issues in meeting SDC targets.

Expenditure for the year come very close to the Total Cost Estimate including the additional funding for the unsealed road drainage and metalling programme.

This is the last A3 report for the 13/01 Central Alliance. This is a good opportunity to reflect on how successful Alliance has been and are proud to look back on the improvements that have occurred over the last 4 years. We like to use this opportunity to thank all our partners and looking forward to build on the success of 13/01 Alliance moving into the new tenure.

PROGRESS

Item	% Completed	Comments
Non-Reseal Stab's	5,600m2 (100%)	5,900 m2 Marked out
Metalling (28,134m³)	101%	28,397m³ Completed Includes additional Budget
Grading (400 km target)	100%	562MTD – 5,463km YTD
Verge Spraying	100%	Completed
Noxious Spraying	100%	Completed and monitoring.
Bridge Repairs		Painted 74 (central area) bridges. Emergency repairs to be actioned as needed.
Drainage Repairs		On-going. Additional Unsealed road drainage programme completed.

1st Reseal Target Release 75% Prior October
17/18 Pre Reseal Repairs 52 of the 74 sites (70%) are fully completed for inspection remaining repairs left are listed below. 43.245 kms completed from Total 59.624kms Please note four additional sites just added. June 2017

Activity	Programme Qty	Completed Qty	Remaining Qty
Depressions m²	**8,256m2**	4,233 (51%)	4,023
Edge Breaks m	**6,302m**	5,345 (85%)	948
Dig Outs m²	**30m2**	30 (100%)	0
Stabilisation m²	**4,996 m2**	4,996(100%)	0
Verge Cleaning m	**13,246m**	13,296 (100%)	0

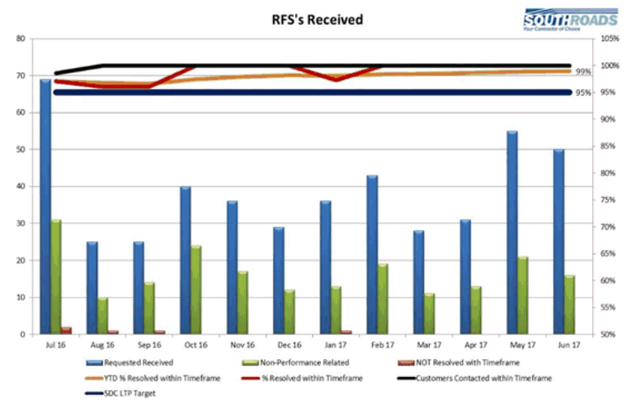
RISK & STRATEGY UPDATE

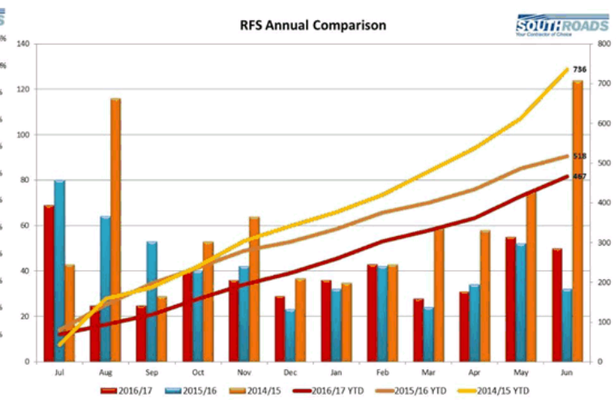
	Identified Risks	Update
Roads	Otapiri Gorge and Shand Roads Sealed Section	Very intensive logging having impact on road. Overlay has commenced.
	Bluebottle Road Slip Movement	Signs up and monitoring movement. This site has moved again significantly. Roading Team are investigating.
Slips	Colac Bay Foreshore	Closed to further notice. With the Roading Team.
Strategic	RAMM Data	During the new Alliances establishment phase we will review requirements and add this process as part of the Alliance Quality Plan.
	New Alliance Establishment	We will be working very closely with Roading and Community Engineering teams over the coming months, in putting together a plan to implement over the coming months.
	Risk Management Plan	

CUSTOMER SERVICE MANAGER REPORT

With the winter coming in. We are tending to receive more RFs for Debris from paddocks. We are also receiving calls for gravel as the roads look bearer in the Winter than in the summer. Some off the calls come in for wet gravel roads as there has been less drying with wet weather.

RFS GRAPHS





Item 9.3 Attachment E

Southland District Council ROADING Operational Overview - June 2017

ALLIANCE OPERATIONAL PERFORMANCE OVERVIEW

ey Result Area	Key Performance Indicators - KPI's	Waimea Alliance	Central Alliance	Foveaux Alliance	SDC Roading Commentary
CUSTOMER SATISFACTION	General Requests for Road Service (RFS's)	34	64	43	✓ Expected
	Roading Customers RFSs Contacted	34	64	43	✓ Expected
	Road Service Requests not completed on time	0	0	2	
	Signage Service Requests	8	14	5	Central (high)
	Other Customer Support calls (In Addition)	12	16	3	Central (high)
	RFS Hours Spent	9	10	15	
NETWORK SAFETY & RISK	Road-Trip RCAMS Drive-by Performed twice	Apr	Apr	May/June	
	Smooth Travel Expsoure One Network Road Condition - Rural	97.6%	96.8%	96.0%	Measured every two years, results expected July 2017.
	Smooth Travel Expsoure One Network Road Condition - Urban	85.1%	76.5%	84.0%	Measured every two years.
	Road-Roid – Unsealed Baseline Target >90.%				
PROG Target	Quarterly (3 month) effective programme	On Target	On Target	On Target	✓
ROAD USER Survey & Comments	SDC internal survey, as completed	Baseline Ready	Baseline Ready	Baseline Ready	✓
	Complaints Made	0	0	0	
	Compliments Made	0	1	0	
H&S TEAM SAFETY	Medical Treatment Intervention - Required	Zero	Zero	Zero	✓
	Lost Time due to Injury	Zero	Zero	Zero	✓
	Near Missis	3	1	0	
	Site Safety Audits completed	2	3	1	Foveaux achieved 100% for the audit
EAM Well Being	Team Satisfaction - 3 monthly measure	92%	86%	99%	
	Team Harmony - 3 monthly measure	92%	87%	98%	
RAMM	Claim Costs Transferred to RAMM	May-17	May-17	Apr-17	

ALLIANCE ACTIVITY PROGRAMME RESULTS

Unsealed Activity Status:	Waimea Alliance	Central Alliance	Foveaux Alliance	SDC Roading Commentary
Non Reseal Stab m² Completed	100%	100%	100%	✓
Metaling Target m³	29,400	28,134	16,350	
Metaling m³ YTD	28,486	28,397	16,350	
Metaling %	97%	101%	100%	
Grading Month to Date km	331	562	354	
Grading Year to Date km	5,121	5,463	3,916	
Verge Spraying Unsealed %	100%	100%	100%	
Completed Noxious Spraying %	100%	100%	100%	
Completed Bridge Repairs %	24 Bridges Painted.	74 Bridges Painted	3 YTD	
Completed Drainage repairs %	3 Full Drainage Crews Operating	Ongoing	Ongoing	
Sealed Activity Status:	**Waimea Alliance**	**Central Alliance**	**Foveaux Alliance**	**SDC Roading Commentary:**
17/18 Pre-Reseal Sites Ready for inspection	23 of 30 (77%)	52 of 74 (70%)	38 of 49 (78%)	✓
17/18 Pre-Reseal KM's for inspection	21.5 of 32.6	43.2 of 59.62	39.6 of 64.49	✓
Depressions (m²) Program QTY	2,200	8,256	670	✓
Depressions (m²) Completed	1,657	4,233	2,216	Foveaux - under scheduled & more work required on some sites
Depressions (m²) Completed %	75%	51%	331%	✓
Edge Breaks (m) Program QTY	9,122	6,302	13,089	✓
Edge Breaks (m) Completed	6,924	5,345	9,491	✓
Edge Breaks (m) Completed %	76%	85%	73%	✓
Stabilisations (m²)Program QTY	3,114	4,966	2,055	✓
Stabilisations (m²)Completed %	100%	100%	100%	✓

RISK AND STRATEGY UPDATE

Risks	Waimea	Central	Foveaux
Roads	**Hillas Road,** Dig outs due to logging.	**Otapiri Gorge & Shand Road,** Very intensive Logging having impact on Road. Overlay, earth works have commenced.	**Waimahaka Fortification Road,** Previous FWD testing indicates high risk for first 4km. Most of this was resealed 13/14 season & is holding up well – ongoing monitoring.
	Ramparts Road, Passed onto SDC Roading to look at interventions.	**Bluebottle Road Slip Movement,** Signs up and monitoring movement. This sight has moved again significantly. Roading team are investigating.	
	Manderville Kingston Crossing Road, Hedge removed with signs to be erected		
Slips	**Ohai Clifden Hwy,** Levelling in March. Passed onto MWH to look at long term solutions	**Colac Bay Foreshore,** Closed to further notice. With the SDC roading team.	**Waikawa Curio Bay Rd,** Waikawa & Sea walls – potential risk identified – monitor
			Brydone Glencoe slip, Traffic restricted to 1 lane. Project sits with Roading. Dave B has organized 10 x bollards to be placed over the lanes.
			Waiarakiki Mimihau Rd, Temp repairs holding well, approval for permanent repairs being worked on. Significant increase in heavy traffic in the area.
Strategic	**Risk Management Plan,** We will be working very closely with Roading and Community Engineering teams over the coming months, in putting together a plan ti implement over the coming months.	**Risk Management Plan,** We will be working very closely with Roading and Community Engineering teams over the coming months, in putting together a plan ti implement over the coming months.	Non Maintained Roads, In RAMM but have not been maintained in the past (28km), at $30K/km this represent $800K risk to follow up on agreement and update RAMM.
	RAMM Data, during the Alliances establishment phase we will review requirements and add this process as part of the Alliance Quality Plan.	**RAMM Data,** during the Alliances establishment phase we will review requirements and add this process as part of the Alliance Quality Plan.	
Hot Summary			

CUSTOMER SERVICE MANAGER REPORTS

Waimea Alliance:

We received 23 RFS's for the month of May. With eight of these RFS's being non-performance related, half of which were for debris on the roads within the last week which is to be expected this time of the year. Again, majority of RFS's this month were for gravel road potholes and corrugations due to the time of the year, generally all in front of the grader in its cycles or high demand usage areas before the grader can get to them on their cyclic runs. We also had some blocked culverts and under runners starting to form, both of which are now repaired, due to the amount of water being pushed through the pipes at times of heavy downfall.

Central Alliance:

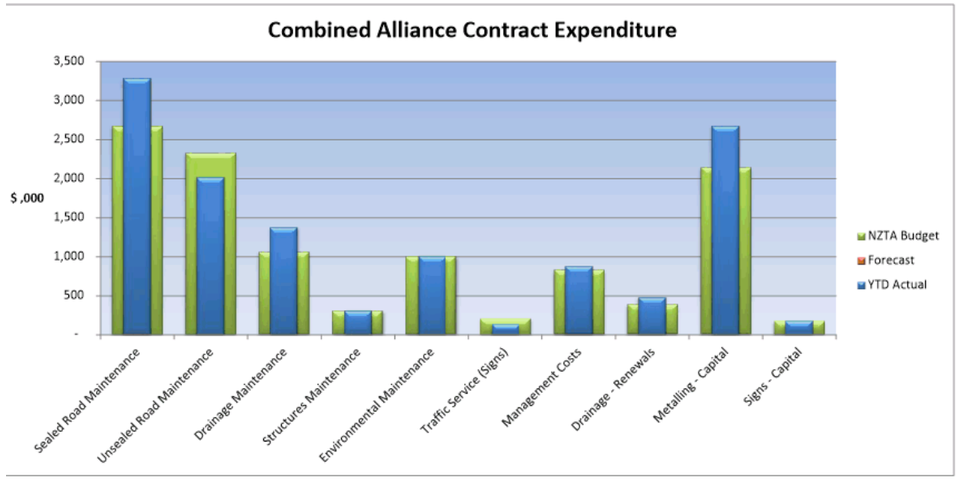
With the winter coming in. We are tending to receive more RFs for Debris from paddocks. We are also receiving calls for gravel as the roads look bearer in the Winter than in the summer. Some off the calls come in for wet gravel roads as there has been less drying with wet weather.

Foveaux Alliance:

We received 26 RFS's for the month of June. Almost half of these were non-performance related, which mainly consisted of mud on the roads, something that is fairly common this time of the year. The rest of the RFS's were a bit of a mixed bag right across the park, mainly for potholes in gravel roads, but we have also had a couple footpath and vegetation issues around the townships. Majority of the RFS's we have been having lately are not just a simple fix, there is generally a lot of planning behind the scenes to get the issues sorted in a timely manner.

Item 9.3 Attachment E

FINANCIAL SNAPSHOT



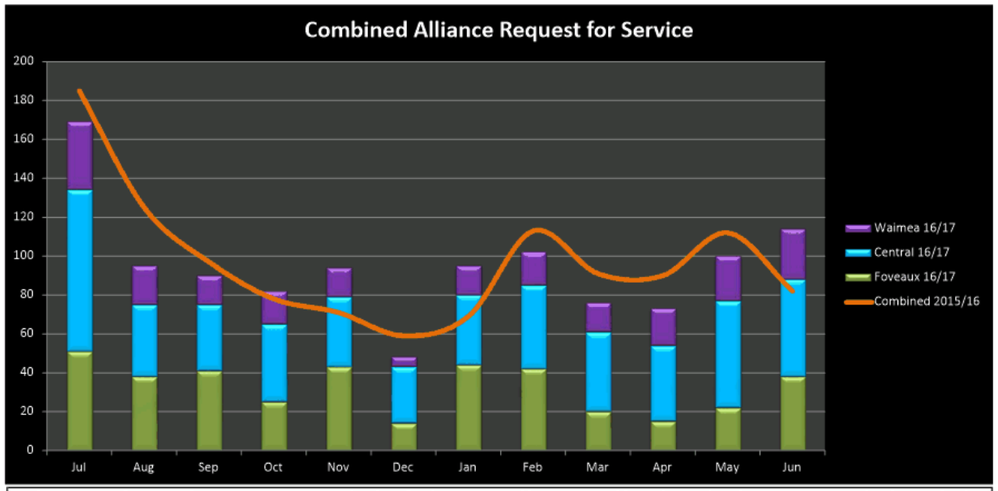
016/17 expenditure in maintenance is within -0.32% of NZTA budget YTD. Year to date Capital expenditure in the Alliances is within 20.62% of the NZTA udget. Total combined expenditure is within 5.91% of the NZTA budget.

tivity	NZTA Funding	Actual	% Completed
otal Sealed Roads	2,876,853	3,281,655	114%
otal Unsealed Roads	2,330,057	2,021,998	87%
otal Drainage	1,059,742	1,373,863	130%
otal Structures Maintenance	555,000	308,620	56%
otal Environmental Maintenance	1,003,621	1,010,747	101%
otal Traffic Service (Signs)	213,365	133,595	63%
otal Management Costs	829,207	870,069	105%
tal Maintenance	**8,867,845**	**9,000,547**	**101%**
otal Metalling	2,890,696	2,673,380	92%
otal Drainage	685,000	480,278	70%
otal Signs	175,796	175,635	100%
tal Renewals	**3,751,492**	**3,329,293**	**89%**
otal NZTA Funded Programme	**12,619,337**	**12,329,840**	**97.71%**

100% of the year completed.

The NZTA Funding has been adjusted for additional $ (Sealed Pavement Maintenance $200k, Structures Maintenance $250k, Drainage $300k, Metalling $750k).

REQUEST FOR SERVICE SUMMARY



Combine requests for service for Jun were 114 compared with 82 for the same period last year. Total for 16/17 combined RFS 1,138 compared with 1,454 for the year.

UPCOMING ITEMS

PROCUREMENT POLICY	Procurement policy / roading procurement strategy development in line with NZTA requirements.
KPI - RAMM ACCURACY	NZTA Technical Audit highlighted the need for a KPI in relation to RAMM and if this is up to date each month (to be developed). Working through the process presently.
Additional Funding	Additional funding has been allocated to each Alliance for Metalling (bringing forward 2017/18 sites, also additional funds have been made available for Unsealed Drainage. The NZTA portion will be transferred from other Activities.
Alliance Establishment	Currently in the process of developing establishment teams who will create the Maintenance Intervention Strategy, Quality Plan, Total Cost Estimate etc.

NZTA Three Year Programme Performance

Record No: R/17/7/16188
Author: Dylan Rabbidge, Commercial Lead Roading
Approved by: Ian Marshall, Group Manager Services and Assets

☐ Decision ☐ Recommendation ☒ Information

Background

1 NZTA partners with Southland District Council to provide funding assistance for Roading activities in the Southland District. Funding is provided based off the approved National Land Transport Plan (NLTP). This funding is for a three year period from July 2015 through to June 2018.

Purpose

2 The purpose of this report is to update the Committee on the progress of SDC against the NLTP and provide details of the proposed process moving forward looking in detail at major risks to completing the proposed 2017/18 Roading programme.

Summary

3 NZTA Performance

Maintenance work categories (the 100 series) are projected for the three year programme to be $54K or 0.16% over budget. Capital work, renewals work categories (the 200 series) are projected to be $3.4M under budget, this predominantly due to funds being transferred between categories in particular $2.4M additional costs for the Alternative Coastal Route. Reducing spend in the other activities was approved as part of the funding for the Alternative Coastal Route Project. The remaining reduction has been transferred to the "Accelerated LED Renewal Project". Improvement work categories (the 300 series) are projected to be $3.4M over budget. Currently, SDC is in a position to fully utilise the NZTA budget. Overall a total variance of $13K or 0.02% is predicted.

4 Annual Plan comparison to NZTA 2017/18

A comparison between the approved 2017/18 NZTA budget and SDC's 2017/18 Annual Plan there is a variance of $3.8M. Strategic Roading are proposing that the $2.4M related to the Alternative Coastal Route be included in the Forecast presented to Council in October/November as this project and spend has already been approved. The additional $1M for the LED project will be a separate paper. As this project is funded at 85% FAR, Council's contribution is $150K.

5 Works Programme 2017/18:

The major areas of risk in achieving the 2017/18 budget are in relation to the Minor Improvements and the Alternative Coastal Route.

- The Coastal Route has been completed under Regional Funds (R funds) meaning that as a contract is in place SDC can carry forward funds into 2018/19. Risks of completing projects will be discussed further on.
- Minor Improvements have an NZTA budget of $3.7M. Each project or package of work has to be completed for $300K or under. As of 20 July 2017 Strategic Roading has $1.45M tendered and at various stages of construction. The remaining $2.25M is to be allocated to the following projects (please note the costs associated are estimates only):

(a) 2017/18 Bridge Programme $430K.

(b) Otta Seal – Ramparts Road $200K.

(c) Upgrade Pearl Harbour $200K.

(d) Slope Point – New car park $115K.

(e) Seal Widening – Clifton Blackmount $300K.

(f) Rehabilitation Improvements $100K.

(g) Land Acquisition – Ringaringa Road $100K.

(h) Road Sealing – Lindsay Street and Florence Road South $100K.

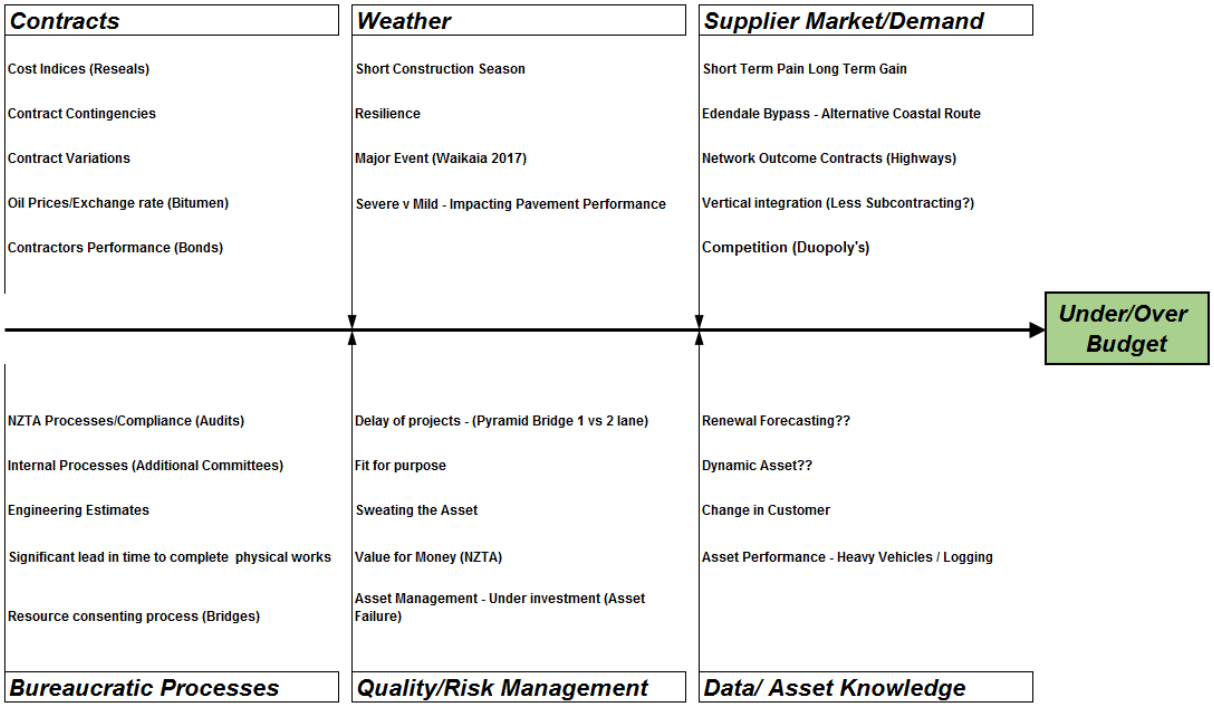
(i) Guardrails – various sites currently being investigated $450K.

(j) Designs for 18/19 Minor Improvement projects, Guardrails, Bridge replacements, Seal Widening etc. $250K.

- A package of Drainage was approved by Council on the 19th July with two more packages being finalised, a report to Services and Assets will be presented in future.
- Reseals are a significant item in the renewals programme. The Reseals contract Tender closes in July which will provide a good indication of programme cost.
- Two rehabilitations are currently being designed as these meet NZTA requirements these are projected to cost $939K. Additionally, SDC and ICC are completing a joint rehab (a boundary road) this project is being led by ICC with the estimated cost to SDC of $165K. One other rehabilitation has a positive NPV calculation (Mabel Woodstock Road) $365K. Total expected cost for 2017/18 is $1.469M.
- Pyramid Bridge, while this project has taken time to gain traction it is required to have a contract for construction to be in place by 30 June 2018. Given that designs are not complete and resource consent has not been applied for it is unlikely that this project will be progressed to the point of completion by 30 June 2018. Discussions will be ongoing with NZTA in relation to the amount to be funded with approval processes for each Council to undertake. This project is also funded from R funds.
- The LED project is currently having the tender developed and on approval will go to market.

6 Risk and Strategy:

- With any budget there are multiple inputs that will influence the ability to achieve success. Strategic Roading place a major emphasis on “Value for money” with undertaking investments at the appropriate time and not because we have money.
- Below is a Fishbone diagram that illustrates the multiple reasons why reaching budget is difficult.



7 Financial

In year one of the LTP Strategic Roading paid off an additional $1.5M in loans from unspent budget. Reducing debt then was the most appropriate use of that budget. Now to fund the budgeted three year expenditure it will be necessary to borrow back or reloan that money. If the total allocated NZTA funding across the three year programme is to be utilised the $1.5M will need to be reloaned back to the roading programme. This is the outcome that is incorporated in the LTP.

8 Overall Strategic Roading do not intend to spend more than was allowed for in the three years of the Long Term Plan 2015/2018.

Recommendation

That the Services and Assets Committee:

a) Receives the report titled "NZTA Three Year Programme Performance" dated 31 July 2017.

b) Notes that the 2017/18 budget forecast approvals required will be reflected in the Financial Reforecast to be presented in November 2017.

Attachments

A SDC NZTA Funding Analysis Three Year NZTA Programme ⇩

SDC - NZTA Funding Analysis

3 Year NZTA Programme

		NZTA - Original approved budget				Forecast - (Actual & Approved NZTA 17/18)				Variance	
Work category	Activity Description	2015/16	2016/17	2017/18	Total	Actual - 2015/16	Actual - 2016/17	NZTA-17/18	Total	$	%
111	Sealed pavement maintenance	3,050,000	3,140,000	3,200,000	9,390,000	2,644,626	3,336,437	3,200,000	9,181,063	- 208,937	-2.23%
112	Unsealed pavement maintenance	2,350,000	2,380,000	2,400,000	7,130,000	2,412,719	2,021,998	2,400,000	6,834,717	- 295,283	-4.14%
113	Routine drainage maintenance	920,000	932,500	944,000	2,796,500	900,464	1,167,192	944,000	3,011,656	215,156	7.69%
114	Structures maintenance	172,000	174,000	176,500	522,500	201,214	324,545	176,500	702,259	179,759	34.40%
121	Environmental maintenance	1,250,000	1,270,000	1,289,000	3,809,000	1,171,789	1,026,917	1,289,000	3,487,706	- 321,294	-8.44%
122	Traffic services maintenance	550,000	525,000	440,000	1,515,000	437,227	485,324	440,000	1,362,551	- 152,449	-10.06%
131	Level crossing warning devices	31,380	31,819	32,519	95,718	11,663	8,257	32,519	52,439	- 43,279	-45.21%
151	Network and asset management	2,750,000	2,783,000	2,816,000	8,349,000	2,949,334	3,264,103	2,816,000	9,029,437	680,437	8.15%
	Total Maintenance Expenditure	**11,073,380**	**11,236,319**	**11,298,019**	**33,607,718**	**10,729,036**	**11,634,774**	**11,298,019**	**33,661,829**	**54,111**	**0.16%**
211	Unsealed road metalling	2,400,000	2,140,000	2,175,000	6,715,000	2,187,353	2,673,380	2,175,000	7,035,733	320,733	5%
212	Sealed road resurfacing	5,000,000	5,060,000	5,125,000	15,185,000	3,519,576	5,484,415	5,500,000	14,503,991	- 681,009	-4%
213	Drainage renewals	835,000	845,000	857,000	2,537,000	359,289	595,764	1,150,000	2,105,053	- 431,947	-17%
214	Sealed road pavement rehabilitation	1,400,000	1,988,000	4,000,000	7,388,000	1,697,818	1,327,594	2,600,000	5,625,412	- 1,762,588	-24%
215	Structures component replacements	290,000	240,000	235,000	765,000	134,035	183,575	235,000	552,610	- 212,390	-28%
222	Traffic services renewals	825,000	1,230,000	690,000	2,745,000	786,267	607,464	690,000	2,083,731	- 661,269	-24%
	Total Capital Expenditure	**10,750,000**	**11,503,000**	**13,082,000**	**35,335,000**	**8,684,338**	**10,872,193**	**12,350,000**	**31,906,531**	**- 3,428,469**	**-9.70%**
322	09-12 Roading - VDM HPMV investigation	52,825	-	-	52,825	28,723	-	-	28,723	- 24,102	-46%
324	Local Road Improvements - LED	-	-	-	-	-	-	1,000,000	1,000,000	1,000,000	0%
325	Alternative Scenic Route Seal Extension - Construction	200,000	2,800,000	4,150,000	7,150,000	25,534	905,048	8,630,876	9,561,458	2,411,458	34%
341	Minor improvements 2015-18 - Local Roads	385,000	2,229,626	2,737,131	5,351,757	351,407	1,295,212	3,705,138	5,351,757	0	0%
	Total Improvement Expenditure (Capex)	**637,825**	**5,029,626**	**6,887,131**	**12,554,582**	**405,664**	**2,200,260**	**13,336,014**	**15,941,938**	**3,387,356**	**26.98%**
TOTAL PROGRAMME COSTS		**22,461,205**	**27,768,945**	**31,267,150**	**81,497,300**	**19,819,038**	**24,707,227**	**36,984,033**	**81,510,298**	**12,998**	**0.02%**

Annual Plan Comparison to NZTA

Work category	Activity Description	NZTA-17/18	Annual Plan	Carry Forwards	Final 17/18	Variance	
111	Sealed pavement maintenance	3,200,000	3,168,772	-	3,168,772	31,228	
112	Unsealed pavement maintenance	2,400,000	2,331,206	-	2,331,206	68,794	
113	Routine drainage maintenance	944,000	921,977	-	921,977	22,023	
114	Structures maintenance	176,500	170,991	-	170,991	5,509	
121	Environmental maintenance	1,289,000	1,091,406	-	1,091,406	197,594	
122	Traffic services maintenance	440,000	429,655	-	429,655	10,345	
131	Level crossing warning devices	32,519	31,089	-	31,089	1,430	
151	Network and asset management	2,816,000	2,854,582	-	2,854,582	- 38,582	
	Total Maintenance Expenditure	**11,298,019**	**10,999,678**	**-**	**10,999,678**	**298,341**	
211	Unsealed road metalling	2,175,000	2,094,125	-	2,094,125	80,875	
212	Sealed road resurfacing	5,500,000	4,753,314	-	4,753,314	746,686	
213	Drainage renewals	1,150,000	829,047	-	829,047	320,953	
214	Sealed road pavement rehabilitation	2,600,000	4,350,568	-	4,350,568	- 1,750,568	
215	Structures component replacements	235,000	227,920	-	227,920	7,080	
222	Traffic services renewals	690,000	1,138,310	-	1,138,310	- 448,310	
	Total Capital Expenditure	**12,350,000**	**13,393,284**	**-**	**13,393,284**	**- 1,043,284**	
324	Local Road Improvements - LED	1,000,000	-	-	-	1,000,000	Unbudgeted expenditure.
325	Alternative Scenic Route Seal Extension - Construction	8,630,876	4,150,000	1,894,952	6,044,952	2,585,924	Budget has been approved by Council.
341	Minor improvements 2015-18 - Local Roads	3,705,138	2,059,917	658,721	2,718,638	986,500	
	Total Improvement Expenditure (Capex)	**13,336,014**	**6,209,917**	**2,553,673**	**8,763,590**	**4,572,424**	
TOTAL PROGRAMME COSTS		**36,984,033**	**30,602,879**	**2,553,673**	**33,156,552**	**3,827,481**	

Services and Assets Contracts Update

Record No: R/17/7/16570
Author: Trudy Saunders, Contracts Adminstrator
Approved by: Ian Marshall, Group Manager Services and Assets

☐ Decision ☐ Recommendation ☒ Information

Background

1 The Services and Assets Contract Management tracks Roading, Water and Waste and Property Divisions operations and capex contracts. This report just lists the status of the Community Services contracts.

2 The Water and Waste and Roading opex and capex contracts are reported through their respective operations reports.

Purpose

3 The purpose of this report is to update the Committee on the progress of status of all Contracts within Services and Assets.

Summary

4 **Property: As of 20 July 2017 the following Property related contracts are in progress:**

Department	*Current*	*Due soon*	*Work In Progress*	*Overdue*	*Total*
Property	17		1		**18**
Community Engineers	29	1	4	8	**42**
	46	**1**	**5**	**8**	**60**

Overview

5 Property Department contracts cover hall custodians and cleaning of buildings owned by SDC, such as offices and libraries.

6 Community Engineers contracts cover township Maintenance, mowing, gardening and cleaning of public toilets.

7 Some cleaning of toilets and mowing areas are covered within the Roading Alliance Contracts.

Analysis

8 The eight contracts that are overdue are currently with Community Engineers to discuss scope and price with the contractors. No progress has been made within the last month.

9 Of the five that are Work In Progress:

- Two are with the Contractors to confirm they agree with extension.
- One is with the Property Officer for the custodian contract and waiting on signed paperwork from the contractor.

- Two are being prepared to go to Tender.

Risk and Strategy:

10 Three of our cleaning or beautification contractors are not currently on our Health and Safety Approved Contractors List. This has been highlighted to the Community Engineer who is working with the contractors to provide the appropriate paperwork. No progress has been made in the last month.

11 It should be noted too that all the work carried out in the contracts referred to above falls within the scope of the s17A review currently being carried out. This review will assess the options for delivery of these services and consider how best to scope, manage and deliver these works. That report is due to be completed in August.

Financial

12 It is difficult to get an accurate summary of costs of all Property related contracts due to the majority of these being maintenance contracts and paid out per clean or mow.

Recommendation

That the Services and Assets Committee:

a) Receives the report titled "Services and Assets Contracts Update" dated 26 July 2017.

Attachments

There are no attachments for this report.

Work Schemes Survey

Record No: R/17/7/16576
Author: Chris Klein, Works Scheme Supervisor
Approved by: Ian Marshall, Group Manager Services and Assets

☐ Decision ☐ Recommendation ☒ Information

Work Schemes survey report 2016/2017

1 The Strategy and Policy Department undertook the Work Scheme and Maintenance Service Client Satisfaction Survey in May 2017.

2 The objective of the survey is to provide staff with useful feedback on whether jobs were completed to specifications and to gauge satisfaction with costs of doing the work.

3 It is also used to report on whether the levels of service outlined in the Long Term Plan are being achieved.

Results

4 Please see the attached report for the results of the survey. Clients of the service were asked to respond to an online survey consisting of eleven questions. One question was linked to the performance measure for Work schemes which is found under the Community Assistance council activity in the Community Services activity group in the Long Term Plan 2015-2025. The performance measure is "Percentage of clients satisfied that the work is completed according to the specifications" with a target of 90% satisfaction. Client comments in the survey were generally positive and where they are any issues these are being dealt with by the Team Leader.

5 The result was 100% so the target was met.

Recommendation

That the Services and Assets Committee:

a) Receives the report titled "Work Schemes Survey" dated 30 July 2017.

b) Notes that the satisfaction survey shows for the measure:

- **Satisfaction; 100% of clients were either Very Satisfied or Satisfied in terms of the work completed according to specifications.**
- **Costs; 13 out of 14 respondents either Strongly Agreed or Agreed the costs were fair and reasonable**
- **Work undertaken; 9 of 14 respondents rated the work undertaken made it possible for small communities to complete projects where they would otherwise not be able to due to costs or lack of resources. The other 5 said it was Not Applicable.**

Attachments

A Work Scheme survey results report ⇩

Work Scheme Survey Results - 2016/2017

Background

The Strategy and Policy Department undertook the Work Scheme and Maintenance Service Client Satisfaction Survey in May 2017. The objective of the survey is to provide staff with useful feedback on whether jobs were completed to specifications and to gauge satisfaction with costs of doing the work. It is also used to report on whether the levels of service outlined in the Long Term Plan are being achieved.

In 2016/2017 the scheme carried out projects for twelve internal clients and two external clients.

In 2015/2016 the scheme carried out projects for eleven internal clients and two external clients.

Method

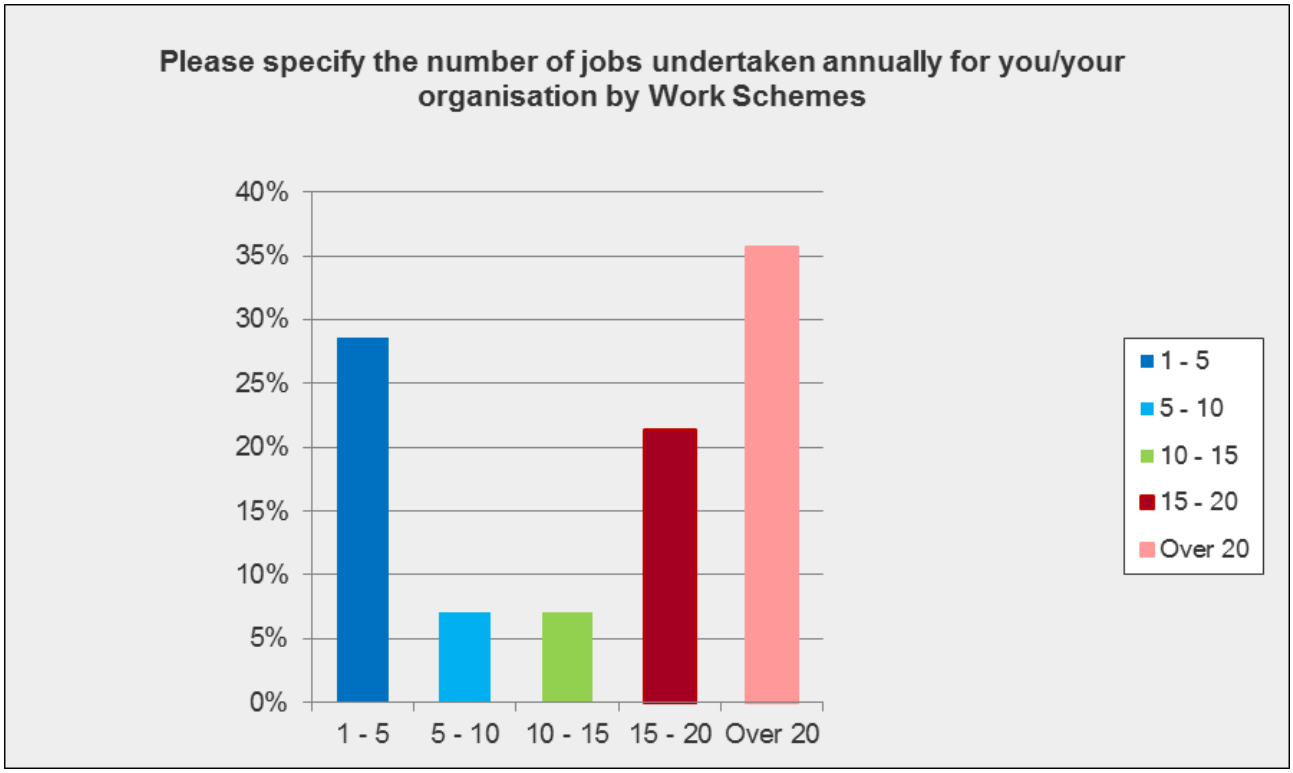
The survey was conducted via Survey Monkey in May 2017 and sent to all clients that the Work Scheme and Maintenance Service had completed work for over the 2016/2017 financial year. A copy of the questionnaire can be found in Appendix one.

Response

Fourteen surveys were sent out and all were returned giving a response rate of 100%. The margin of error was zero (0%). The survey population was small so the results will not be statistically significant.

Results

Question 1 - Please specify the number of jobs undertaken annually for you/your organisation by Work Schemes?



Graph 1 - Please specify the number of jobs undertaken annually for you/your organisation by Work Schemes?

Please specify the number of jobs undertaken annually for you/your organisation by Work Schemes?		
Answer Options	**Response Percent**	**Response Count**
1 - 5	29%	4
5 - 10	7%	1
10 - 15	7%	1
15 - 20	21%	3
Over 20	36%	5
Other (please specify the number)		0
	answered question	14
	skipped question	0

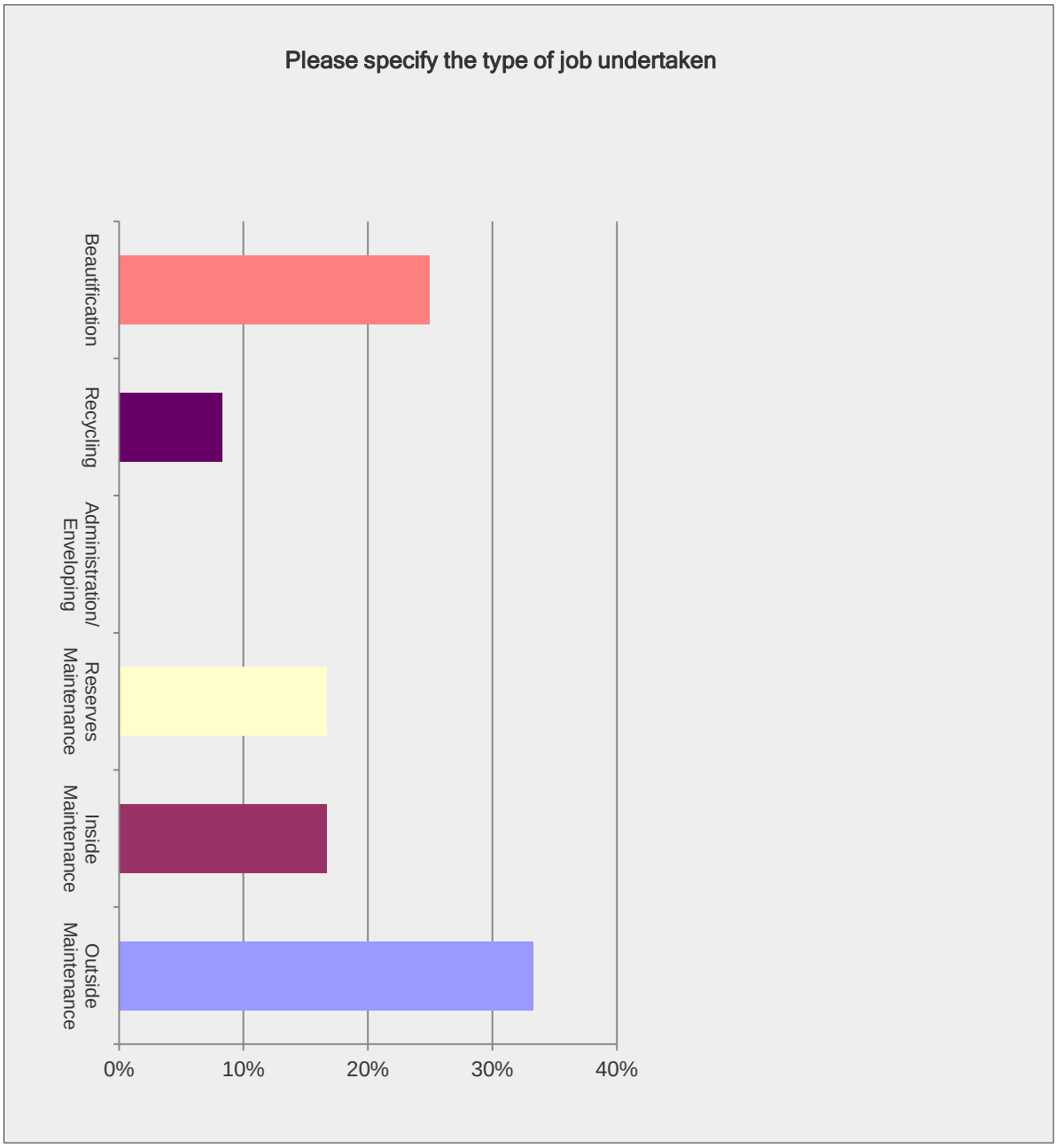
Table 1 - Please specify the number of jobs undertaken annually for you/your organisation by Work Schemes?

Trends

The latest results from 14 respondents show 4 (29%) had 1-5 jobs undertaken, 1 (7%) had 5-10 jobs undertaken, 1 (7%) had 10-15 jobs undertaken, 3 had (21%) had 15-20 jobs undertaken and 5 (36%) had over 20 jobs undertaken. The results show an increase in the frequency of jobs from the previous survey. In 2015/2016 of the 13 respondents, 2 (15%) had 1-5 jobs undertaken, 2 (15%) had 5-10 jobs undertaken, 1 (8%) had 10-15 jobs undertaken, 3 (23%) had 15-20 jobs undertaken and 5 (39%) had over 20 jobs undertaken.

In 2014/2015 of the 11 respondents, three (27.3%) had 1-5 jobs undertaken, one (9.1%) had 5-10 jobs, one (9.1%) had 10-15, two (18.2%) had 15-20 jobs and four (36.4%) had over 20 jobs undertaken.

Question 2 - Please specify the type of job undertaken?



Graph 2 - Please specify the type of job undertaken?

Please specify the type of job undertaken		
Answer Options	**Response Percent**	**Response Count**
Outside Maintenance	33%	4
Inside Maintenance	17%	2
Reserves Maintenance	17%	2
Administration/Enveloping	0%	0
Recycling	8%	1
Beautification	25%	3
Other (please specify)		5
	answered question	**12**
	skipped question	**2**

Table 2 - Please specify the type of job undertaken?

Other types of jobs – please specify

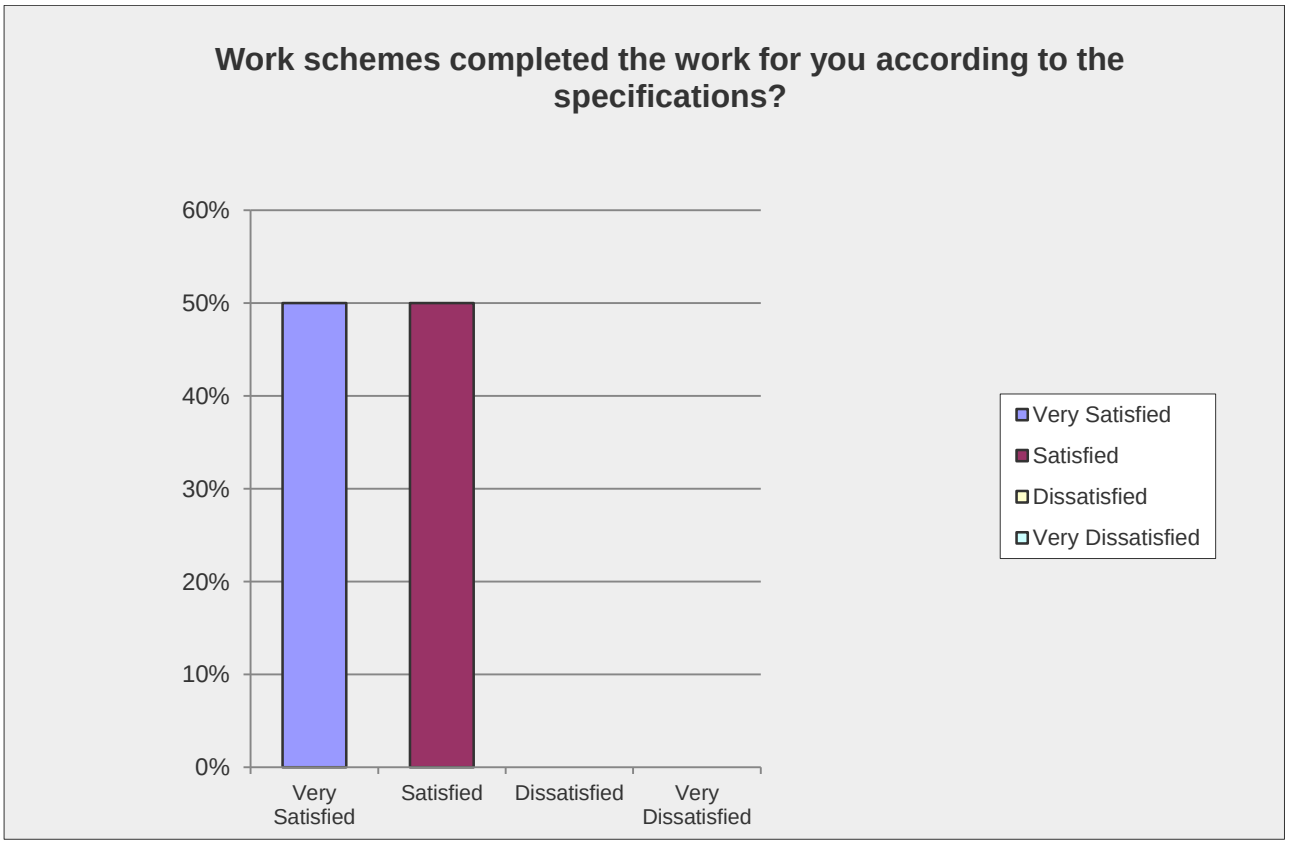
- Milk Bottles
- Both internal and external maintenance.
- Filing, rubbish disposal, furniture services
- Collection and relocation of Library resources - books/shelving/whatever.
- Removal of shelving in the Knowledge Management department

Trends

The latest results show the most popular job type was outside maintenance (33%) followed by Beautification 25%.

In 2015/2016 the most popular job type was Beautification (40%) followed by outside maintenance (20%). In 2014/2015 the most popular job type was Reserves Maintenance followed by Outside Maintenance. Respondents could select more than one category.

Question 3 - Work schemes completed the work for you according to the specifications?



Graph 3 - Work schemes completed the work for you according to the specifications?

Work schemes completed the work for you according to the specifications?		
Answer Options	**Response Percent**	**Response Count**
Very Satisfied	50%	7
Satisfied	50%	7
Dissatisfied	0%	0
Very Dissatisfied	0%	0
	answered question	**14**
	skipped question	**0**

Trends

The latest results show the 14 clients were either very satisfied (50%) or satisfied (50%). In 2015/2016, twelve clients (92%) were either satisfied or very satisfied with the work; one client (8%) was dissatisfied. In 2014/2015, ten clients (91%) were either satisfied or very satisfied with the work and one client (9%) was dissatisfied. The latest results does meet the KPI target in the 10 Year plan 2015-2025 of a 90% satisfaction level.

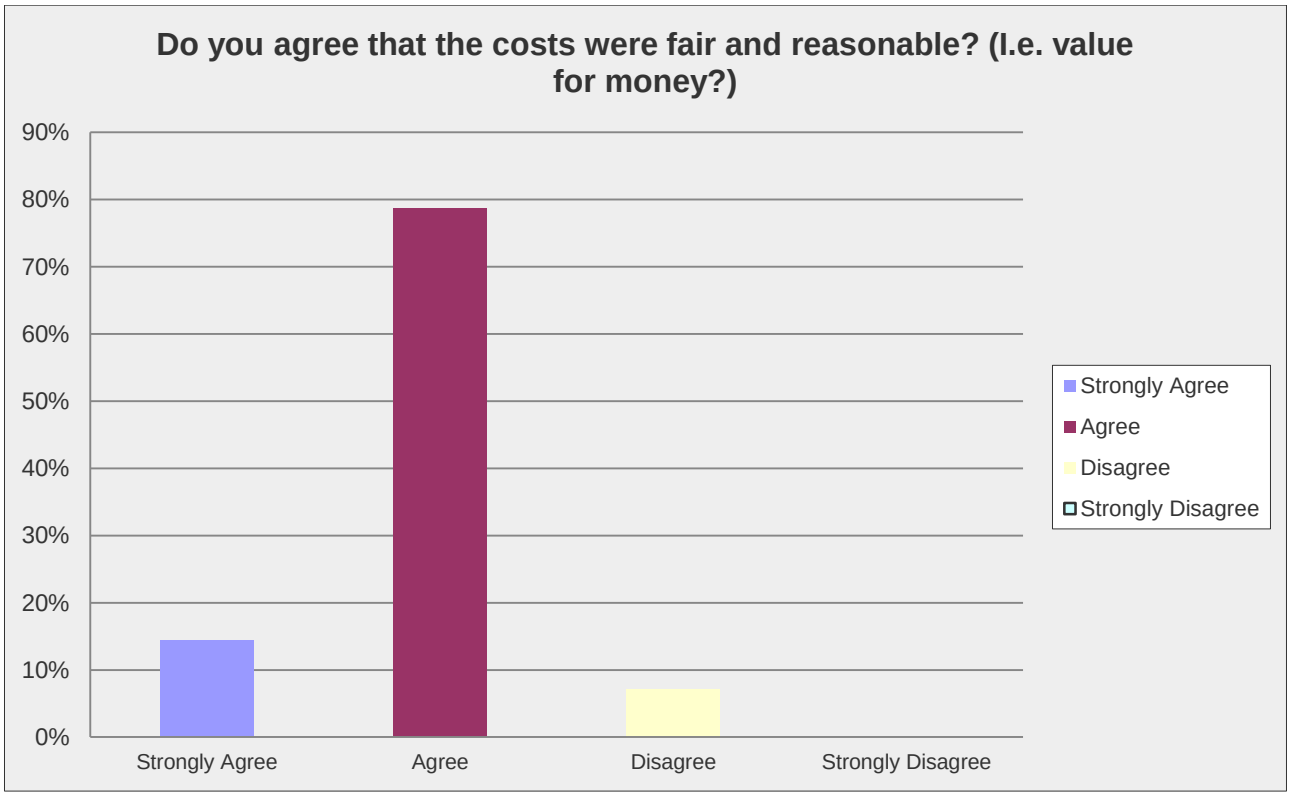
Question 4 - If you answered Dissatisfied or Very Dissatisfied did you provide feedback to the Work Scheme Co-ordinator? If not, why not?

No respondents were very dissatisfied or dissatisfied.

Question 5 - If any of the work did not specifications, could you please outline the specifications not met?

No respondents commented on this question.

Question 6 - Do you agree that the costs were fair and reasonable? (I.e. value for money?)



Graph 4 - Do you agree that the costs were fair and reasonable? (I.e. value for money?)

Do you agree that the costs were fair and reasonable? (i.e. value for money?)		
Answer Options	**Response Percent**	**Response Count**
Strongly Agree	14%	2
Agree	79%	11
Disagree	7%	1
Strong Agree	0%	0
	answered question	**13**
	skipped question	**0**

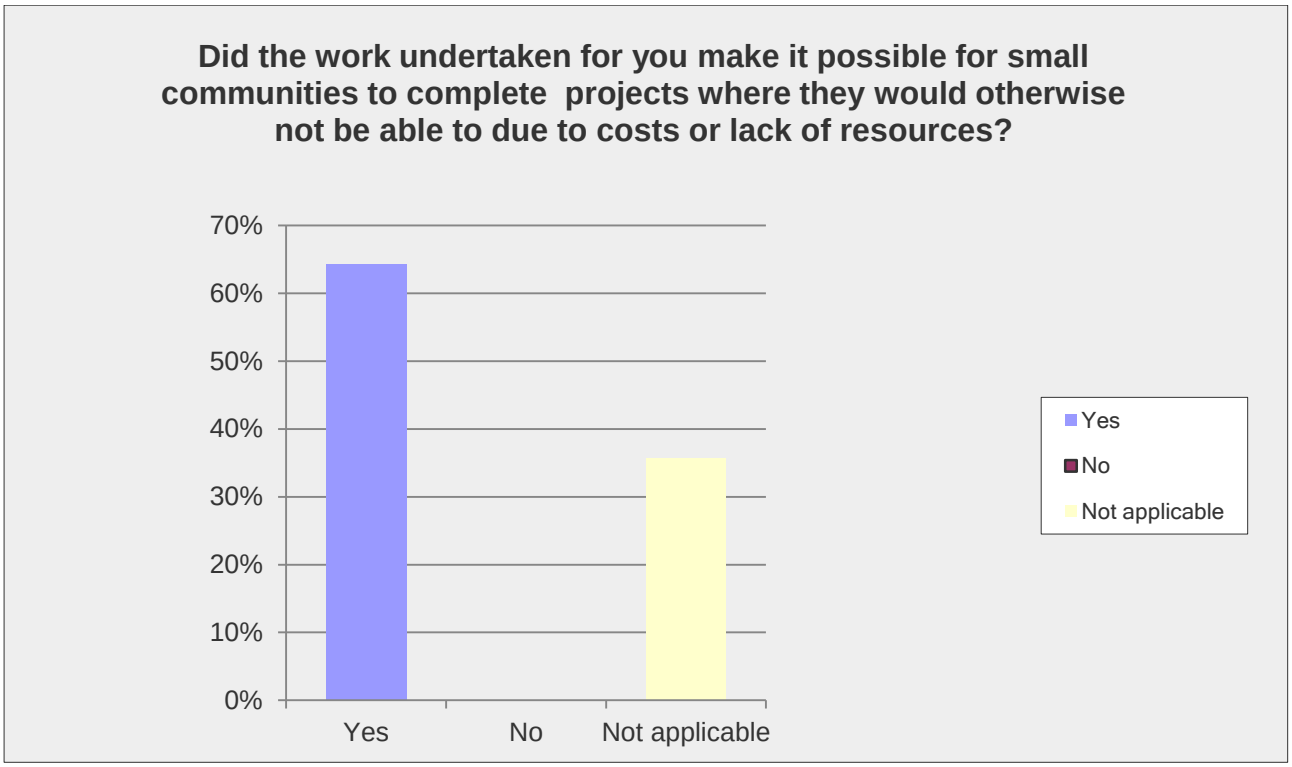
Table 4 - Do you agree that the costs were fair and reasonable? (I.e. value for money?)

93% strongly agreed or agreed costs were fair and reasonable. One respondent (7%) disagreed.

Question 7 - If possible, please comment on the reason for your response above:

- Can source local contractors cheaper for some jobs.
- Had I had to contract with work to another provider, if I could have found one, it would have been a very expensive option and possibly not as tailored for the purpose.
- Sometimes a bigger crew is better, but often only Junior and one other will be doing a task (has been commented on by Riverton Board chairman)
- Lack of numbers is a concern v costs. Not transparent how many people you have on a job from one to the next.

Question 8 - Did the work undertaken for you make it possible for small communities to complete projects where they would otherwise not be able to due to costs or lack of resources?



Graph 5 - Did the work undertaken for you make it possible for small communities to complete projects where they would otherwise not be able to due to costs or lack of resources?

Did the work undertaken for you make it possible for small communities to complete projects where they would otherwise not be able to due to costs or lack of resources?		
Answer Options	**Response Percent**	**Response Count**
Yes	64%	9
No	0%	0
Not applicable	36%	5
	answered question	**14**
	skipped question	**0**

Table 5 - Did the work undertaken for you make it possible for small communities to complete projects where they would otherwise not be able to due to costs or lack of resources?

Trends

The latest results show 9 out of 14 (64%) said that the work undertaken did make it possible for small communities to complete projects. This is similar to the previous survey. In 2015/2016, nine out of 13 (69%) said that the work undertaken did make it possible for small communities to

complete projects. In 2014/2015, six out of the 11 respondents (55%) said that the work undertaken did make it possible for small communities to complete projects.

Question 9 - Please comment on your overall satisfaction with the Southland District Council Work Scheme or suggest any specific areas for improvement.
Overall, comments were positive although communication in some cases was an issue.

Please see all the comments below.

- All Good. work Schemes give these people some training in different areas
- We are happy with the work undertaken
- Time management - gang finish early and were having a smoke at vehicle when I arrived half an hour before finish time to check progress
- Generally ok, however there are quality assurance issues from time to time.
- Supervisor very obliging and happy to help with all necessary jobs in a friendly and professional manner. He seemed to have good control of the workers as well.
- With the sometimes limited number of workers I believe another two trainee work scheme supervisors would be beneficial to improve the service and allow for duties to continue when staff go on leave. Costs will increase slightly but we do need to be realistic that communities are brought into the real world of costs to complete otherwise undervalued maintenance activities.
- Poor communication. At times reliability and standard of workmanship not quite up to expectations. Good aspect is availability at short notice. Overall service has declined over the past few years.
- I am happy with Work Scheme work
- I find the opportunity to use the Work Scheme as a valuable asset. Both the Lumsden and Balfour community book sales benefited from the last job as well as the Wyndham Library - probably says it all.
- They did a great job and were very responsive to requests
- Great service, prompt response to requests. Does work that is difficult to source from local operators.
- Communication is lacking. Knowing when jobs are completed. Jobs given but not undertaken weeks/months later with no explanation.

Question 10 - Can you think of any other services that the Works Schemes can assist you with?

- Not Applicable
- No at present
- No (2)
- There will be similar projects which we will use them for in the coming year but this past year they have helped with changes at Stewart Island, Wyndham, Te Anau and Otautau Libraries and also community work in Lumsden, Balfour and Wyndham.
- Nil Work is being given slowly to other contractors.

Question 11 - Can you think of any other organisation or individual who would be interested in using the service?
Please see all the comments below:

- Old people
- No (3)

Conclusion
Work Scheme clients continue to be highly satisfied with the quality of work undertaken by the Work Schemes activity and believe the costs are fair and reasonable.

Appendix 1 - Questionnaire

Work Schemes survey 2016/2017

To assist the Southland District Council in providing effective Work scheme and maintenance services, Council would appreciate your feedback by completing this satisfaction survey.

1. Please specify the number of jobs undertaken annually for you/your organisation by Work Schemes

- [ ] 1 - 5
- [ ] 5 - 10
- [ ] 10 - 15
- [ ] 15 - 20
- [ ] Over 20

Other (please specify the number)

2. Please specify the type of job undertaken

- ( ) Outside Maintenance
- ( ) Inside Maintenance
- ( ) Reserves Maintenance
- ( ) Administration/Enveloping
- ( ) Recycling
- ( ) Beautification

Other (please specify)

Item 9.6 Attachment A

Work Schemes survey 2016/2017

Work

* 3. Work schemes completed the work for you according to the specifications?

- Very Satisfied
- Satisfied
- Dissatisfied
- Very Dissatisfied

Work Schemes survey 2016/2017

1

* 4. If you answered Dissatisfied or Very Dissatisfied did you provide feedback to the Work Scheme Co-ordinator? If not, why not?

5. If any of the work did not meet specifications, could you please identify the job(s) and outline the job and specifications that were not met.

Cost

* 6. Do you agree that the costs were fair and reasonable? (I.e. value for money?)

- [ ] Strongly Agree
- [ ] Agree
- [ ] Disagree
- [ ] Strongly Disgree

7. If possible, please comment on the reason for your response above.

Work Schemes survey 2016/2017

Communities

* 8. Did the work undertaken for you make it possible for small communities to complete projects where they would otherwise not be able to due to costs or lack of resources?

- ( ) Yes
- ( ) No
- ( ) Not applicable

Work Schemes survey 2016/2017

Comments

9. Please comment on your overall satisfaction with the Southland District Council Work Scheme or suggest any specific areas for improvement.

Work Schemes survey 2016/2017

Other Services

10. Can you think of any other services that the Work Scheme could assist you with? Please specify

11. Can you think of any other organisation or individual who would be interested in using the service? Please specify.