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**File:** **PROCUREMENT PLAN**

**To:** **Kaipara District Council**

**CC:** **Jim Sephton, Louise Miller**

**From:** **Rachael Mannion**

**Date:** **13 May 2020**

**Subject:** **Pouto Road Seal Extension – Phase 1 Physical Works**

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## Background

The Pouto Road Seal Extension Phase 1 project involves sealing 10km of Pouto Road, from the current end of seal through to the intersection with Ari Ari Road. This phase has been approved and the design work is underway.

The project aims to provide;

- tourists with safe access to and from the proposed wharf, as well as campgrounds and other high amenity locations;
- school and tertiary students with safe minivan and bus journeys;
- locals benefiting from an increased level of service reducing major risk from the potential head to head collision with heavy freight; and finally
- the forestry drivers with correct geometry and speed guidance to enable safe and efficient transfer of wood.

The project is part of the Kaipara Kick Start programme and the budget of \$5,050,000 is provided by the Provincial Growth Fund (PGF).

A rough order estimate for the physical works is \$4,200,000, plus GST.

## Reason for the Report

The purpose of this report is to seek approval from the Kaipara District Council to proceed with the tendering of physical works for Pouto Road Seal Extension Phase 1.

## Risk Management

The risk level has been assessed and is included in the table below.

Low	Medium	High
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The tendering method selected below is based on the risk level determined above. The Price Quality Method (PQM) of tendering is the preferred option for this level of risk and project size.

A fail score on any non-price attribute will be sufficient reason to reject a tender (a score of 35% or less for any attribute is a fail score).

## Procurement Method

The procurement process will be undertaken in three stages;

- Stage 1: Registration of Interest (RoI). Interested Contractors will be asked to supply basic information on their company. Some criteria will apply (i.e. Health and Safety Requirements and basic capabilities) to ensure that only those capable of undertaking the works register their interest and / or make the short list.
- Stage 2: The interested / shortlisted Contractors will be asked to supply more detailed information on certain attributes (to be determined). These attributes shall be scored by the evaluation team and any Contractors that do not meet the baseline criteria shall be excluded from the rest of the procurement process.
- Stage 3: The Contractors that meet the baseline criteria will be asked to supply a price to complete the works. The attribute scores and submitted prices shall be combined using the Price Quality Method to determine the preferred Contractor.

## Procurement Objectives

The criteria mentioned above shall be focused on the Contractors ability to undertake the work safely, efficiently and too a high quality, as well as the benefits the Contractor can bring to the local economy and community. This procurement provides the opportunity to meet the following objectives of the Provincial Growth Fund and the Kaipara District Council;

- increase direct employment opportunities,
- improve viability of existing businesses,
- increase social inclusion and participation, and
- provide training opportunities for local people.

## Program

Stage	Description	Indicative Time
1	Registration of Interest	Late May – June 2020
2	Attribute Information Submission	June – July 2020
3	Pricing	July – August 2020
4	Contract Awarded	September 2020

## Approvals

**Prepared by:** Rachael Mannion

Position Procurement and Project Manager - NTA

Sign .....

Date .....

**Approved by:** Greg Monteith

Position Click here to enter text.

Sign  .....

Date ...20/05/2020.....

**Approved by:** Jim Sephton

Position General Manager - Infrastructure

Sign ...  .....

Date .....20/05/20.....

**Approved by:** Louise Miller

Position Chief Executive

Sign 

Date 20May20

**4107:XXX**

**Approved by:** Kaipara District Council

*Date* 27 May 20

#### **5.4 Procurement Plan Approval for Accelerated Projects**

**Moved By:** Mayor Smith

**Seconded By:** Cr del la Varis Woodcock

That the Kaipara District Council:

- a) Notes the procurement approach, plans and outline business cases provided within this report.
- b) Approves an exception from the requirement to provide a formal business case.
- c) Approves the recommended procurement approach for
  - 1. Kaihu Valley Trail
  - 2. Mangawhai Community Programme – 2020 Shared Path Package
  - 3. Kaipara Kickstart - Pouto Road
  - 4. Kaipara Kickstart - Waipoua River Road
  - 5. Shovel Ready Package

**Carried**