

970 Pouto Design and Build - Delegation to Award Contract

Meeting: Externally Funded Projects Committee
Date of meeting: 17 March 2021
Reporting officer: Mark Bell, Project Manager

Purpose/Ngā whāinga

To seek Council approval to delegate authority to the Mayor and Chief Executive to approve the award of Contract 970: Pouto Wharf Design and Build Physical Works

Executive Summary/Whakarāpopototanga

The Pouto Wharf Design and Build project is part of the Kaipara KickStart programme and the budget of \$1,809,120 is provided via the Provincial Growth Fund (PGF).

There is a political and community driven emphasis on delivering the Pouto Wharf before the end of 2021.

WSP have indicated that the design and construction would take from May through to December 2021, providing the opportunity to have all, or most of, the works completed before the 2021 Christmas break subject to favourable weather conditions.

In the absence of a Externally Funded Projects Committee meeting in April and due to the time pressures surrounding this project to begin design and construct activities early May 2021, we are seeking approval to delegate authority to the Mayor and Chief Executive to approve the award of in line with the selection criteria and approach specified in the Pouto Wharf procurement plan, presented and approved by Externally-Funded Projects Committee on the 17th February 2021.

Recommendation/Ngā tūtohunga

That the Kaipara District Council:

- a) Delegates authority to the Mayor and Chief Executive to approve the award of Contract 970: Pouto Wharf Design and Build Physical Works subject to the contract price being within the approved project budget of \$1,800,000 + GST.

Context/Horopaki

Project Background

Considerable investigative work and consultation for the Pouto wharf site has already taken place as detailed in the existing business case. WSP have been appointed as the Principals Advisor and they have established the Principal's requirements e.g. location of wharf, design parameters, safety, environmental impacts and a process to arrive on a selected tenderer who can deliver within the budget and achieve the principal's requirements.

Physical Works Procurement

A Procurement Plan (Attachment A) for Contract 970, covering the physical works, was approved by Council on the 17 February 2021 (Attachment B), and implementation of the plan is well underway with discussions being held with the prequalified contractors to determine the most cost effective design and negotiate a final contract price.

It is expected that the value of this contract will be in excess of \$750,000 which would exceed the delegated financial authority of the Chief Executive and therefore requires Council approval to award.

It is recommended that Council delegates authority to the Mayor and Chief Executive to award Contract 970, subject to the contract price being within the approved project budget of \$1,800,000 and the Proposed Design meeting the Principals Requirements.

The aim is to reduce delays between the tender evaluation being completed and the award of the contract as the approval to award would not need to wait for the next Externally Funded Projects Committee meeting to occur.

Principals Requirements

Principal requirements (Attachment C) are defined in the request for proposal (RFP) document, these specify that any proposal must meet pre-set technical/ design capabilities and additional criteria including health, safety and environmental practices.

The non-priced response (Attachment D) captures how tenderers will apply innovation and proactivity to achieve value for money, timely completion, training opportunities for local people, and engagement for local suppliers and subcontractors where possible.

The project will evaluate each tender based on the evaluation criteria stipulated in the Procurement plan (Attachment A) and consult with the wharves advisory group for input prior to recommendation to the Mayor and Chief Executive to award contract.

Discussion/Ngā kōrerorero

The preliminary design and consenting of the Pouto Wharf has been progressed and discussions with the prequalified tenderers are currently in progress to arrive at a solution that is fit for purpose and achieves the stated budget. This agenda item is for the award of the physical works contract required to design and construct the Pouto Wharf.

Options

- Option 1: Council approves the delegation of financial authority to the Major and Chief Executive to award Contract 970: Pouto Wharf Design and Build Physical Works
- Option 2: Status quo. A recommendation to award a contract would be taken to either the full Council Meeting at the end of April or the Externally Funded Committee in May. This would delay the start of the project and extend the finish date into 2022 past the timeframes currently permitted by MBIE.

The recommended option is **Option 1**.

Policy and planning implications

There are no policy or planning implications.

Financial implications

The works are being funded 100% through PGF and the current estimated value of the physical works contract exceeds the Chief Executive's delegated financial authority.

Risks and mitigations

There is a risk that if the funding is not committed soon, it could be repurposed to other works.

Delays in awarding a contract would also delay the commencement of the construction works.

Significance and engagement/Hirahira me ngā whakapāpā

The decisions or matters of this report do not trigger the significance criteria outlined in Council's Significance and Engagement Policy, and the public will be informed via agenda on the website.

Next steps/E whaiake nei

Continue with the procurement and evaluation as specified in the approved procurement plan update (Attachment A).

If the committee delegates authority to award a contract, the recommendation to award will be presented to the Mayor and Chief Executive for approval or rejection, and the recommendation and decision reported to Council as per Kaipara District Council's policies.

Attachments/Ngā tapiritanga

A	970 Procurement Plan Pouto Wharf Physical Works
B	Unconfirmed minutes 17 February
C	Pouto Wharf – Principals requirements
D	Pouto Wharf RFT – Non price attributes