



**I give notice that  
an Ordinary Meeting of Council will be held on:**

<b>Date:</b>	<b>Tuesday, 27 March 2018</b>
<b>Time:</b>	<b>1.30pm</b>
<b>Location:</b>	<b>Council Chamber 107 Heuheu Street Taupō</b>

# **AGENDA**

## **MEMBERSHIP**

**Chairperson** Mayor David Trewavas

**Deputy Chairperson** Cr Rosie Harvey

**Members**

- Cr John Boddy
- Cr Barry Hickling
- Cr Rosanne Jollands
- Cr Tangonui Kingi
- Cr Anna Park
- Cr Christine Rankin
- Cr Maggie Stewart
- Cr Kirsty Trueman
- Cr John Williamson

**Quorum** 6

**Gareth Green  
Chief Executive Officer**

## Order Of Business

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**3.1 ORDINARY COUNCIL MEETING - 27 FEBRUARY 2018**

**Author:** Tina Jakes, Head of Democracy, Governance and Venues

**Authorised by:** Gareth Green, Chief Executive Officer

**RECOMMENDATION(S)**

That the minutes of the Council meeting held on Tuesday 27 February 2018 be confirmed as a true and correct record.

**ATTACHMENTS**

1. Council Meeting Minutes - 27 February 2018 

**3.2 ORDINARY COUNCIL MEETING - 1 MARCH 2018**

**Author:** Tina Jakes, Head of Democracy, Governance and Venues

**Authorised by:** Gareth Green, Chief Executive Officer

**RECOMMENDATION(S)**

That the minutes of the Council meeting held on Thursday 1 March 2018 be confirmed as a true and correct record.

**ATTACHMENTS**

1. Council Meeting Minutes - 1 March 2018 

**3.3 EXTRAORDINARY COUNCIL MEETING - 6 MARCH 2018**

**Author:** Tina Jakes, Head of Democracy, Governance and Venues

**Authorised by:** Gareth Green, Chief Executive Officer

**RECOMMENDATION(S)**

That the minutes of the Council meeting held on Tuesday 6 March 2018 be confirmed as a true and correct record.

**ATTACHMENTS**

1. Council Meeting Minutes - 6 March 2018 

**4.1 ORDINARY KINLOCH REPRESENTATIVE GROUP MEETING - 15 FEBRUARY 2018**

**Author:** Raeleen Rihari, Democratic Services Support Officer

**Authorised by:** Alan Menhennet, Head of Finance and Strategy

**RECOMMENDATION(S)**

That Council receives the minutes of the Kinloch Representative Group meeting held on Thursday 15 February 2018.

**ATTACHMENTS**

1. Kinloch Representative Group Meeting Minutes - 15 February 2018 

**4.2 ORDINARY TURANGI/TONGARIRO COMMUNITY BOARD MEETING - 13 MARCH 2018**

**Author:** Raeleen Rihari, Democratic Services Support Officer

**Authorised by:** Tina Jakes, Head of Democracy, Governance and Venues

**RECOMMENDATION(S)**

1. That Council receives the minutes of the Turangi/Tongariro Community Board meeting held on Tuesday 13 March 2018.
2. That in accordance with Turangi/Tongariro Community Board recommendation TT201803/06 "Council approves unbudgeted expenditure of \$170,000 for the 2017/18 financial year for the provision of a temporary changing and toilet facility at Tūrangitukua Sports Park".

**ATTACHMENTS**

1. Turangi/Tongariro Community Board Meeting Minutes - 13 March 2018 

**5.1 WHAREWAKA EAST - NEW PUBLIC ROAD NAME**

**Author:** Louise Wood, Senior Resource Consents Planner

**Authorised by:** Brian Fox, Head of Regulatory and Risk

**PURPOSE**

This item is being presented to Council to make a decision on a new public road name within the Wharewaka East subdivision.

**EXECUTIVE SUMMARY**

At the Council meeting on 1 February 2018, five new public road names for the next stages of the Wharewaka East subdivision were approved. A sixth road name was meant to be included in that item, Puna Rise, but was mistakenly left off the list. The developers have selected the preferred name in consultation with Tauhara hapu. Stages 1A and 1B of the subdivision are under construction and nearing completion.

Consultation has been undertaken with emergency services and Tauhara hapu.

The proposed road name is considered to be appropriate given that there are no duplications or similarities to other road names in the Taupō District therefore the preferred option is to approve the road name proposed by developers.

**RECOMMENDATION(S)**

That Council approves the following road name within the Wharewaka East Subdivision, Taupō:

- Puna Rise

**BACKGROUND**

This item is being presented to Council to make a decision on a new public road name within the Wharewaka East subdivision. Subdivision consent RM060488 was granted in 2008 (and subsequently varied) for the creation of 530 residential lots on land to the east of Lake Terrace and west of the East Taupo Arterial. Construction of Stages 1A and 1B is nearing completion.

The proposal for this new public road name Puna Rise has not been presented previously.

**DISCUSSION**

The developers for the Wharewaka East Subdivision has put forward a name for a public road within this subdivision as follows:

- Puna Rise

This road name has been put forward to the Emergency Services – New Zealand Fire Service, New Zealand Police and St John Ambulance. No objections were raised by these parties.

Based on this information it is considered that the road name presented are appropriate. Council has the following options:

1. Accept the name
2. Reject the name
3. Select an alternative name

**OPTIONS**Analysis of Options

The developers have selected the preferred road name and this name is considered to be appropriate given that there are no duplications or similarities to other road names in the Taupō District. It is not considered effective to reject or select alternative road name given the level of acceptance by key parties.



Option 1. Accept the road name

Advantages	Disadvantages
<ul style="list-style-type: none"> <li>The road name is unique</li> </ul>	<ul style="list-style-type: none"> <li>Selection of an alternative road name would require further consultation</li> </ul>
<ul style="list-style-type: none"> <li>There is no other similar road name within the District</li> </ul>	
<ul style="list-style-type: none"> <li>There has not been any negative feedback on the name</li> </ul>	

Option 2. Reject the road name

Advantages	Disadvantages
<ul style="list-style-type: none"> <li>Opportunity to select a potential alternative road name that may be more suitable</li> </ul>	<ul style="list-style-type: none"> <li>Selection of an alternative road name would require further consultation</li> </ul>

Option 3. Select an alternative name

Advantages	Disadvantages
<ul style="list-style-type: none"> <li>Opportunity to select a potential alternative road name that may be more suitable</li> </ul>	<ul style="list-style-type: none"> <li>Selection of an alternative road name would require further consultation</li> </ul>
	<ul style="list-style-type: none"> <li>The item would be required to be presented to Council again</li> </ul>

Analysis Conclusion:

It is considered appropriate to accept the road name Puna Rise presented by the developers.

**CONSIDERATIONS**

**Financial Considerations**

There are no financial impacts associated with the proposed road name.

**Legal Considerations**

Local Government Act 2002

The matter comes within scope of the Council's lawful powers, including satisfying the purpose statement of Section 10 of the Local Government Act 2002. The matter will enable the Council to meet the current and future needs of communities for good quality local infrastructure.

The matter assists Council in the performance of Council's regulatory function.

The proposed road name has been evaluated with regards to the relevant road naming regulations and are consistent with these requirements.

**Policy Implications**

There are no known policy implications.

**Risks**

There are no known risks associated with the selection of this road name.

**SIGNIFICANCE OF THE DECISION OR PROPOSAL**

Council's Significance and Engagement policy identifies the following matters that are to be taken into account when assessing the degree of significance of proposals and decisions:

- a. The level of financial consequences of the proposal or decision;

- b. Whether the proposal or decision will affect a large portion of the community or community of interest;
- c. The likely impact on present and future interests of the community, recognising Maori cultural values and their relationship to land and water;
- d. Whether the proposal affects the level of service of an activity identified in the Long Term Plan;
- e. Whether community interest is high; and
- f. The capacity of Council to perform its role and the financial and other costs of doing so.

Officers have undertaken a rounded assessment of the matters in clause 11 of the Significance and Engagement Policy (2016), and are of the opinion that the proposal under consideration is of low importance.

### **ENGAGEMENT**

Taking into consideration the above assessment, that the decision is of a low degree of significance, officers are of the opinion that no further engagement is required prior to Council making a decision.

### **CONSULTATION**

In addition to the consultation that is outlined above, consideration and internal consultation has been completed to ensure that the relevant matters are covered.

- Tangata Whenua consultation is complete with no objections raised.
- Community views and preferences consultation is complete with no objections raised by the following parties:
  - Emergency Services - New Zealand Fire Service, New Zealand Police and St John Ambulance

### **COMMUNICATION/MEDIA**

No communication/media is required.

### **CONCLUSION**

It is recommended that Council approves the road name Puna Rise as presented.

### **ATTACHMENTS**

1. Wharewaka East Map - New Road Name Puna Rise 

**5.2 TENDER CONTRACT TDC/1718/224 OMORI / TE PUKE / PIHANGA ROAD INTERSECTION LAYOUT IMPROVEMENT**

**Author:** Woinshet Hailesilassie, Engineering Officer

**Authorised by:** Kevin Strongman, Head of Operations

**PURPOSE**

This report is to provide Council with an update on the tender for TDC/1718/224 Omori / Te Puke / Pihanga Road Intersection Layout Improvement.

**EXECUTIVE SUMMARY**

Tenders for this contract closed on 9 March 2018. Higgins was the only tenderer and is the lowest priced conforming tenderer.

## Option 1

1. That Council accepts the Tender for Contract TDC/1718/224 for Omori / Te Puke / Pihanga Road Intersection Layout Improvement submitted by Higgins for the sum of \$275,556.05 (excl. GST) and authorises His Worship the Mayor and the Chief Executive to sign the Contract Document(s) and attach the Council's Common Seal to them.
2. That Council approves unbudgeted expenditure of \$193,000 for this project.

## Option 2

That council does not accept the tender and the Omori / Te Puke / Pihanga Road Intersection Layout Improvement project is deferred until such time there is future development and the traffic volume increased in the area.

**BACKGROUND**

The proposal was considered by the Turangi/Tongariro Community Board at a meeting held on 14 March 2017, at which the Community Board recommended to Council "that the implementation of the proposed changes to the intersection at Omori be approved". This recommendation was subsequently adopted by Council on 28 March 2017 (resolution TDC201703/03.4).

The project was previously tendered in January 2018 with one tender received and a price 40% above estimate. The tender was declined and the project retendered.

**DISCUSSION**

The project was planned to be implemented under minor improvement projects which is co funded by NZTA and the allocated budget under minor improvement project was originally estimated to be \$170,000, with \$86,700 to be funded by NZTA.

Following detailed design a higher cost estimate was determined due to reconstructing of the pavement being required. This was only determined during the final detailed pavement investigation and design stage.

NZTA has reviewed our minor improvement programme and determined that they would not invest in this project due to lack of any crash history in the past 10 years, and the slow speed environment. They advised that improvements to the intersection would be considered in the future as further subdivisions occur in Omori and Te Puke Road area and traffic volume increased.

The tender price has come in 10% higher than the engineers estimate of \$258,247 for the intersection improvement.

Based on this information it is considered that there are two options:

1. Accept the tender and award the contract to Higgins Taupō Ltd.

2. That council does not accept and the project is deferred until such time there is future development and the traffic volume increased in the area.

## **TENDERS RECEIVED**

Tender documents were issued for a proposed contract on 20 February 2018. Tenders closed on 9 March 2018 and one tender was received from Higgins Taupō Ltd. The tender price was \$275,556.05. The project was estimated at \$258,247.

## **TENDER EVALUATION**

Tenders were evaluated according to the Lowest Price Conforming Tender Method as described in the Taupō District Council's procurement policy.

## **RECOMMENDED CONTRACT PRICE**

The tender submitted by Higgins Taupō Ltd. being \$275,556.05 over the 8 weeks contract term.

## **OPTIONS**

1. Accept the tender and award the contract to Higgins Taupō Ltd.
2. That council does not accept and the project is deferred until such time there is future development and the traffic volume increased in the area.

Council may choose to accept the preferred tender or not.

## **CONSIDERATIONS**

### **Financial Considerations**

The financial impact of the proposal is estimated to be \$275,556.05

#### Long-term Plan/Annual Plan

The expenditure outlined would need to be fully funded by council with NZTA declining to invest in the project. This will require an amount of \$193,000 unbudgeted expenditure to be approved.

### **Legal Considerations**

#### Local Government Act 2002

The matter comes within scope of the Council's lawful powers, including satisfying the purpose statement of Section 10 of the Local Government Act 2002. The matter will enable the Council to meet the current and future needs of communities for good quality local infrastructure. (i.e. efficient, effective and appropriate to present and anticipated future circumstances).

### **Policy Implications**

There are no known policy implications.

### **Risks**

Known risks are the undertaking of road construction in unfavourable weather conditions mitigated by programming the work to be undertaken in the warmer and drier summer months.

Cost of the project is considerably higher than first estimated.

## **SIGNIFICANCE OF THE DECISION OR PROPOSAL**

Council's Significance and Engagement policy identifies the following matters that are to be taken into account when assessing the degree of significance of proposals and decisions:

- a. The level of financial consequences of the proposal or decision;
- b. Whether the proposal or decision will affect a large portion of the community or community of interest;
- c. The likely impact on present and future interests of the community, recognising Maori cultural values and their relationship to land and water;

- d. Whether the proposal affects the level of service of an activity identified in the Long Term Plan;
- e. Whether community interest is high; and
- f. The capacity of Council to perform its role and the financial and other costs of doing so.

Officers have undertaken a rounded assessment of the matters in clause 11 of the Significance and Engagement Policy (2016), and are of the opinion that the proposal under consideration is of low importance.

#### **ENGAGEMENT**

Taking into consideration the above assessment, that the decision is of a low degree of significance, officers are of the opinion that no further engagement is required prior to Council making a decision.

#### **COMMUNICATION/MEDIA**

A general media release will be made to notify the public of the proposed works.

If the decision is not to proceed with the project, the Omori/Kuratau area residents would need to be advised of the outcome.

#### **CONCLUSION**

Based on the fact that there is no crash history for the past 10 years along with the low traffic volume at the intersection and NZTA's decision to decline funding the project should be deferred until the traffic volume increases.

#### **ATTACHMENTS**

1. TDC Pihanga Rd\_Omori Rd Intersection Improvements Tender Drawings R2 

**5.3 TENDER CONTRACT TDC/1718/209 - POIHIPI ROAD SEAL WIDENING 2017/18**

**Author:** Bryan Ferguson, Senior Engineering Officer - Transportation

**Authorised by:** Kevin Strongman, Head of Operations

**PURPOSE**

The report is to seek approval to award the tender for TDC/1718/209 Poihipi Road Seal Widening 2017/18.

**EXECUTIVE SUMMARY**

Tenders for this contract closed on 16 February 2018. Three tenders were received. The lowest priced conforming tenderer was that of Inframax Construction Ltd.

**RECOMMENDATION(S)**

That Council accepts the Tender for Contract TDC/1718/209 for Poihipi Road Seal Widening 2017/18 submitted by Inframax Construction Ltd for the sum of \$597,882.85 [excl. GST] and authorises His Worship the Mayor and the Chief Executive to sign the Contract Document(s) and attach the Council's Common Seal to them.

**BACKGROUND**

The proposal has not been presented previously.

**DISCUSSION**

The Annual Plan currently budgets annually for progressive widening of Poihipi Road between Wairakei Drive and Whangamata Road with those sections of greatest priority and benefit being undertaken as funding allows often coupled to other improvement works. This year the section from Acacia Bay Road Intersection west for 1.1km has been selected. This length includes for the full width reconstruction of a 200m section alongside Scoria Road where the pavement condition warrants this for a better vehicle ride in this location, this portion of the works will be funded from the pavement rehabilitation budget.

The widening involves increasing the current road seal width of 7.0m to 10.0m and includes for the formation of right turn bays at both Watene Lane and Scoria Road, together with the necessary drainage improvements to allow this, such as culvert extensions. The proposed standard of road is consistent with the adjoining section completed in 2017. Under the new speed management guide it is considered appropriate for the proposed speed limit of 80kph due to the following factors; horizontal and vertical alignment, numbers of recreational cyclists present, traffic volumes, crash history and significant entrances into Seay's quarry and Riding for Disabled.

The lowest conforming tender was that of Inframax Construction Ltd.

Based on this information it is considered that there are two options; accept the tender of Inframax Construction Ltd or do nothing which would require deferring the approved funding to the 2018/19 financial year.

**TENDERS RECEIVED**

Tender documents were issued for the proposed contract on 26/01/18. Tenders closed on 16/02/2018. Three tenders were received from the following organisations:

- Higgins Contractors Ltd, Taupō
- Inframax Construction Ltd, Te Kuiti
- MBR Construction Ltd, Rotorua

Tender prices ranged from \$459,136.61 to \$1,190,890.00. Prices are excluding GST.

The tender price of Inframax Construction Ltd is \$597,882.85 excluding GST.

The Engineers Estimate for this project was estimated at \$462,827.

Inframax Construction Ltd hold Taupo District Council Contractor prequalification Health and Safety status.

## **TENDER EVALUATION**

Tenders were evaluated on a lowest price conforming on a pass/fail attributes basis.

Attributes considered are:

- Relevant Experience
- Track Record
- Technical Skills
- Resources
- Management Skills
- Methodology

Tenders received in the tender box at the closing time and date are ranked in order of price with evaluation then undertaken of the lowest priced tender in relation to the attributes above. Should the tenderer pass on all six of the attributes this becomes the recommended contractor for the contract works.

## **RECOMMENDED CONTRACT PRICE**

The tender submitted by Inframax Construction Ltd being \$597,882.85 excl. GST over the 8 week contract term.

## **OPTIONS**

Council may choose to accept the preferred tender or not. If the tender is not accepted the projected widening of Poihipi Road for 2017/18 financial year will not proceed and funding will need to be carried forward to the 2018/19 financial year.

## **CONSIDERATIONS**

### **Financial Considerations**

The financial impact of the proposal is estimated to be \$597,882.85.

#### Long-term Plan/Annual Plan

The expenditure outlined is currently budgeted for under the 2017/18 Transportation programme and will utilise funding from the Poihipi Road Widening, Rehabilitation, Maintenance and Drainage Improvement budgets.

### **Legal Considerations**

#### Local Government Act 2002

The matter comes within scope of the Council's lawful powers, including satisfying the purpose statement of Section 10 of the Local Government Act 2002. The matter will enable the Council to meet the current and future needs of communities for good quality local infrastructure. (i.e. efficient, effective and appropriate to present and anticipated future circumstances).

### **Policy Implications**

There are no known policy implications with this project.

### **Risks**

Construction risk of undertaking this work on the shoulder of the construction season with cooler and wetter weather approaching. Implementation of Erosion and Sediment control measures are part of the contract works to mitigate against and control sediment run off from heavy rain events should they occur.

## **SIGNIFICANCE OF THE DECISION OR PROPOSAL**

Council's Significance and Engagement policy identifies the following matters that are to be taken into account when assessing the degree of significance of proposals and decisions:

- a. The level of financial consequences of the proposal or decision;

- b. Whether the proposal or decision will affect a large portion of the community or community of interest;
- c. The likely impact on present and future interests of the community, recognising Maori cultural values and their relationship to land and water;
- d. Whether the proposal affects the level of service of an activity identified in the Long Term Plan;
- e. Whether community interest is high; and
- f. The capacity of Council to perform its role and the financial and other costs of doing so.

Officers have undertaken a rounded assessment of the matters in clause 11 of the Significance and Engagement Policy (2016), and are of the opinion that the proposal under consideration is of low importance.

### **ENGAGEMENT**

The widening of Poihipi Road is in response to the community's desire through public submissions to the Long Term Plan for improved road safety on Poihipi Road.

### **COMMUNICATION/MEDIA**

Prior to commencement of the contract works a media release will be made, with those affected residents living adjacent to the works contacted individually.

### **CONCLUSION**

Three tenders were received and assessed: the tender of Inframax Construction Ltd for \$597,882.85 was the lowest price conforming tender and is the preferred tender.

There is sufficient funding contained within four Transportation Cost Centres to fund the Contract Works.

### **ATTACHMENTS**

Nil



**5.4 TENDER CONTRACT TDC/1718/225 FOOTPATH CONSTRUCTION LAKE TERRACE STAGES 1 & 2 WHAREWAKA ROAD TO RAINBOW DRIVE**

**Author:** Ken Buckley, Contracts Engineer

**Authorised by:** Kevin Strongman, Head of Operations

**PURPOSE**

The report is to seek approval to award the tender for TDC/1718/225 Lake Terrace Footpath construction.

**EXECUTIVE SUMMARY**

The tender period for this contract closed on 9 February 2018. Two tenders were received with Burgess and Sons Construction Ltd being the lowest priced conforming tenderer.

**RECOMMENDATION(S)**

That Council accepts the Tender for Contract TDC/1718/225 Lake Terrace Footpath construction stages 1&2 2017/18 submitted by Burgess and Sons Construction Ltd for the sum of \$337,233.29 [excl. GST] and authorises His Worship the Mayor and the Chief Executive to sign the Contract Document(s) and attach the Council's Common Seal to them.

**BACKGROUND**

The proposal has not been presented previously as an agenda item to Council however there has been discussion on the project over the last three years and it was included in the 2015-25 Long-term Plan.

The requirement for the construction of this footpath has arisen from the continued residential development in this area. There have been instances of aged residents using their mobility scooters on Lake Terrace. The construction of this footpath will provide a safer access for all users between Wharewaka Road and Rainbow Point.

**DISCUSSION**

The Annual Plan has currently budgeted for the construction of this footpath. The footpath allows for foot and mobility pedestrians access between Wharewaka Road and Rainbow Point. It is not intended to be a shared pedestrian / cycle path as there is a planned cycle lane in the roadway. The footpath is to run in parallel with Lake Terrace on the western side. The project was previously tendered with one tender received well over the estimate and was declined

The construction includes earthworks, construction of footpath, retaining walls with reserve barriers and construction of a stormwater manhole drop structure.

Based on this information it is considered that there are two options; accept the tender of Burgess and Sons Construction Ltd or do nothing.

**TENDERS RECEIVED**

Tender documents were issued for the proposed contract on 12/12/17. Tenders closed on 09/02/2018. Two tenders were received from the following organisations:

- Higgins Contractors Ltd, Taupō
- Burgess and Sons Construction Ltd, Hamilton

The lowest conforming tender price was \$337,223.29 excluding GST.

The Engineers Estimate for this project was estimated at \$350,000.00.

Burgess and Sons Construction Ltd is new to the market. They have undertaken similar projects in the Ohope's Harbourside Trail valued at \$220,000.00, Waipa District Council's Te Awamutu to Kihikihi Shared Pathway valued at \$960,000.00 and NZTA for various works including shared pathway construction in Auckland's Waterview Tunnel project.

Contact has been made with the Waipa District Council (WDC). WDC's project manager spoke highly of David Burgess's ability to complete a contract of this type and found him to be professional and proactive

while maintaining a high level of site safety. Taupō District Council staff are satisfied that Burgess and Sons Construction Ltd have the ability to undertake the contract works.

## **TENDER EVALUATION**

Tenders were evaluated on a lowest price conforming attributes basis.

## **RECOMMENDED CONTRACT PRICE**

The tender submitted by Burgess and Sons Construction Ltd being \$337,223.29 (excl. GST)

## **OPTIONS**

Council may choose to accept the preferred tender or not. If the tender is not accepted the project will need to be re-tendered.

## **CONSIDERATIONS**

### **Financial Considerations**

The financial impact of the proposal is estimated to be \$337,223.29 (excl. GST).

#### Long-term Plan/Annual Plan

The expenditure out lined is currently budgeted for under the Transport Capital budget for the project of \$400,000.00.

### **Legal Considerations**

#### Local Government Act 2002

The matter comes within scope of the Council's lawful powers, including satisfying the purpose statement of Section 10 of the Local Government Act 2002. The matter will enable the Council to meet the current and future needs of communities for good quality local infrastructure. (i.e. efficient, effective and appropriate to present and anticipated future circumstances).

The works will require an earth works management plan to make sure construction materials do not impact the lake.

### **Policy Implications**

There are no known policy implications.

### **Risks**

Risks include the erosion of earthworks during a heavy rain event. This could delay the completion date and require corrective works. Works should be planned with weather forecasts to minimise this potential. As work will be conducted in part on the roadside an approved traffic management plan will be in place. Isolation of the work site will be achieved with temporary fencing.

## **SIGNIFICANCE OF THE DECISION OR PROPOSAL**

Council's Significance and Engagement policy identifies the following matters that are to be taken into account when assessing the degree of significance of proposals and decisions:

- a. The level of financial consequences of the proposal or decision;
- b. Whether the proposal or decision will affect a large portion of the community or community of interest;
- c. The likely impact on present and future interests of the community, recognising Maori cultural values and their relationship to land and water;
- d. Whether the proposal affects the level of service of an activity identified in the Long Term Plan;
- e. Whether community interest is high; and
- f. The capacity of Council to perform its role and the financial and other costs of doing so.

Officers have undertaken a rounded assessment of the matters in clause 11 of the Significance and Engagement Policy (2016), and are of the opinion that the proposal under consideration is of low importance.

### **ENGAGEMENT**

Taking into consideration the above assessment, that the decision is of a low degree of significance, officers are of the opinion that no further engagement is required prior to Council making a decision.

### **COMMUNICATION/MEDIA**

Decisions made by Council should be communicated in the appropriate manner. It is considered that communication should be undertaken via the following methods: Site signage, Media release and social media.

### **CONCLUSION**

Two tenders were received for this footpath construction project. The tender submitted by Burgess and Sons Construction Ltd for \$337,223.29 (excl GST) is the preferred tender. This value fits within the engineer's estimate of \$350,000.00

There is an approved budget of \$400,000.00 for this project in the 2017-18 financial year. The project is scheduled for completion before 30 June 2018.

### **ATTACHMENTS**

1. TDC/1718/225 Lake Terrace Footpath 

**5.5 REQUEST FOR EXTENSION FOR THE DISTRICT BULK HAULAGE CONTRACT TDC/1314/109**

**Author:** Brent Aitken, Asset Manager - Storm Water & Solid Waste

**Authorised by:** Kevin Strongman, Head of Operations

**PURPOSE**

This report is to seek approval to award the final one-year contract extension of Contract TDC/1314/109 District Bulk Haulage.

**EXECUTIVE SUMMARY**

The District Refuse Bulk Haulage contract comprises the pickup and transport of bulk refuse haulage bins with a specialised Huka truck from district Refuse Transfer Stations and the transport of the bins to the refuse disposal point being the Broadlands Rd landfill.

The contract was awarded for a period of three years commencing July 2014 at a value of \$319,268.00 with the option to extend it for two further periods of one year, subject to satisfactory performance. The contract is a lump sum contract with cost escalations.

The contract is due to expire on 30 June 2018 so it now necessary to either plan for retendering or approve an extension of the contract.

The preferred option is to award the final one-year contract extension to Envirowaste Services as they have successfully operated the contract over the past four years and met all contract KPIs.

**RECOMMENDATION(S)**

That Council approves the 1 year extension of Contract TDC/1314/109 for District Refuse bulk Haulage from 1 July 2018 to 30 June 2019 and that the contract sum be increased by \$107,000.00 to a total value of \$533,628.00 [excl. GST].

**BACKGROUND**

The District Refuse Bulk Haulage contract transports waste disposed of at the five district Refuse Transfer Stations to the Broadlands Rd Landfill for final disposal.

Envirowaste Services have successfully operated the contract for the past four years since its commencement in July 2014.

The contract has the option for a final one year contract extension and Envirowaste Services have indicated their desire to continue.

**DISCUSSION**

Approval is now being sought for the final one year extension. The value of the extension is \$107,000.00 based on current contract payments.

Envirowaste Services employ local people to operate this contract and have met all of their contract KPIs to date and Council staff are satisfied that this high level of performance will continue if the contact was extended.

**OPTIONS**

There are two options to be considered, which are:

1. Extend the current contract as allowed for in the contract documentation
2. Decline the extension and go back to the market.

Analysis of Options

Option 1 – Extend the current contract as allowed for in the contract documentation

Advantages	Disadvantages
<ul style="list-style-type: none"> <li>• Current contractor has proven performance and has met all KPIs</li> <li>• Employs local people to run and administer contract</li> <li>• Avoids the cost of retendering</li> </ul>	<ul style="list-style-type: none"> <li>• Would not test the market</li> </ul>

Option 2 – Decline the extension and go back to the market.

Advantages	Disadvantages
<ul style="list-style-type: none"> <li>• Will allow us to retest the market</li> </ul>	<ul style="list-style-type: none"> <li>• Could possibly increase the contract cost</li> <li>• Would have the cost of retendering</li> </ul>

**CONSIDERATIONS**

**Financial Considerations**

The financial impact of the proposal is estimated to be \$107,000.00 [excl GST].

Long-term Plan/Annual Plan

The expenditure outlined is currently budgeted for under individual Refuse Transfer Station cost centres.

**Legal Considerations**

Local Government Act 2002

The matter comes within scope of the Council's lawful powers, including satisfying the purpose statement of Section 10 of the Local Government Act 2002. The matter will enable the Council to meet the current and future needs of communities for good quality local infrastructure. (i.e. efficient, effective and appropriate to present and anticipated future circumstances).

**Policy Implications**

There are no known policy implications.

**Risks**

There are no known risks.

**SIGNIFICANCE OF THE DECISION OR PROPOSAL**

Council's Significance and Engagement policy identifies the following matters that are to be taken into account when assessing the degree of significance of proposals and decisions:

- a. The level of financial consequences of the proposal or decision;
- b. Whether the proposal or decision will affect a large portion of the community or community of interest;
- c. The likely impact on present and future interests of the community, recognising Maori cultural values and their relationship to land and water;
- d. Whether the proposal affects the level of service of an activity identified in the Long Term Plan;
- e. Whether community interest is high; and
- f. The capacity of Council to perform its role and the financial and other costs of doing so.

Officers have undertaken a rounded assessment of the matters in clause 11 of the Significance and Engagement Policy (2016), and are of the opinion that the proposal under consideration is of low importance.

**ENGAGEMENT**

Taking into consideration the above assessment, that the decision is of a low degree of significance, officers are of the opinion that no further engagement is required prior to Council making a decision.

**COMMUNICATION/MEDIA**

No communication/media is required.

**CONCLUSION**

Envirowaste Services are an experienced contractor who has successfully operated the Bulk Haulage contract for the past four years and have met all of the contract KPIs. The contract has the option for one final year contract extension subject to satisfactory performance. Council staff are satisfied that this high level of performance will continue if the contact was extended.

**ATTACHMENTS**

Nil

**5.6 TENDER CONTRACT TDC/1617/187 - SW QUALITY IMPROVEMENT DEVICE**

**Author:** Brent Aitken, Asset Manager - Storm Water & Solid Waste

**Authorised by:** Kevin Strongman, Head of Operations

**PURPOSE**

This report is to seek Council approval to award the tender for SW Quality Improvement Device TDC/1617/187.

**EXECUTIVE SUMMARY**

The contract tender for the installation of the quality improvement device (Hynds Downstream Defender) to be installed at the end of Ruapehu Street adjacent to the Lake has now closed and Council received one tender for the works.

The tender received from E&J Contractors is at the engineers estimate and E&J Contractors have successfully installed a device at the Hole in One outlet in 2016.

Follow up discussions with contractors that had downloaded contract documents from tender link found that most were currently over extended, so it was difficult to resource works for a short construction period.

The Ruapehu Street stormwater outlet services the main CBD and has generally had the highest contaminate load of the sites sampled under Council's comprehensive Stormwater consent. The site is also highly visible as the discharge point is directly below the end of Ruapehu Street.

Council has installed a large number of Enviropods into the CBD catchment and the Hynds Downstream Defender is the second device in the treatment train to improve the quality of Stormwater prior to it entering the lake.

**RECOMMENDATION(S)**

1. That Council accepts the Tender for Contract TDC/16/17/187 for SW Quality improvement Device submitted by E&J Contractors for the sum of \$324,957.60 (excl. GST) and authorises His Worship the Mayor and the Chief Executive to sign the Contract Document(s) and attach the Council's Common Seal to them.
2. That Council approves an additional \$24,957.60 of capital expenditure to be funded by loan.

**BACKGROUND**

Council has funded in the LTP a number of Stormwater quality improvement devices to be located upstream of the major outfalls to the lake and rivers in the district. These devices collect floatable litter, sediment and oil to prevent these materials from entering the receiving environments.

Two Devices have been installed to date, one at the Taharepa Rd outlet and one at the Hole in One outlet. Visual inspections of storm flows from both of these outlets have shown a significant improvement in discharge quality.

A device is programmed to be installed in this current financial year with the location being adjacent to Ruapehu Street on the Lakefront. This catchment drains the main CBD and testing shows that it has the highest contaminant loading of all the sites tested.

The device is scheduled to be constructed in April - May 2018. This timeframe has been selected to be outside of the main tourist season, as the works will impact on traffic and pedestrian flows.

**DISCUSSION**

The contract was advertised on TenderLink with the tender period closing on 2 March 2018 and one tender for the works was received from E&J Contractors of Taupō.

The sum tendered by E&J Contractors was at the engineers estimate and E&J have successfully installed a device at the Hole In One outlet in 2016.

Funds have been allocated under the Stormwater cost centre for these works.

**TENDERS RECEIVED**

Tenders were advertised through tender link and closed on 2 March 2018 with one tender being received from E&J Contractors

The tender price being \$324,957.60 excluding GST.

The Engineers Estimate was \$300,000.00 excluding GST.

**TENDER EVALUATION**

Tenders were evaluated on a lowest price conforming basis.

The tender provided from E&J Contractors is a conforming tender with the tendered price being at the engineers estimate.

**RECOMMENDED CONTRACT PRICE**

The final tender sum by E&J Contractors being \$324.957.60.

**OPTIONS**

Analysis of Options

Option 1.

Advantages	Disadvantages
Award the tender and install the quality improvement device	Council has only received one tender for the works

Option 2.

Advantages	Disadvantages
Retender the project to see if there are additional tenderers	Retendering is not recommended, as we have received a tender that is at the engineers estimate. There is no guarantee that we will receive additional tenders, and it is noted that contractors are currently heavily committed.



The preferred option is to award the contract.

## **CONSIDERATIONS**

### **Financial Considerations**

The tender price of \$324,957.60 exceeds the 2017-18 annual plan budget of \$300,000 (being the engineers estimate) by \$24,957.60. Officers recommendation is to approve the additional \$24,957.60 and for that to be funded by loan.

#### Long-term Plan/Annual Plan

The expenditure outlined is currently budgeted within the Stormwater capital programme in the 2017-18 annual plan under the project name "Quality improvement device" for a total sum of \$300,000. Approval for an additional \$24,957.60 is sought to complete this project.

### **Legal Considerations**

#### Local Government Act 2002

The matter comes within scope of the Council's lawful powers, including satisfying the purpose statement of Section 10 of the Local Government Act 2002. The matter will enable the Council to meet the current and future needs of communities for good quality local infrastructure. (i.e. efficient, effective and appropriate to present and anticipated future circumstances).

### **Policy Implications**

There are no policy implications with this project.

### **Risks**

Construction risk. That during construction there is a large rainfall event that impacts the works. The contractor will pick a favourable weather pattern to complete construction but we are approaching autumn where the risk will increase.

That contract works will impact the stability of the bank. The contract documents highlight that bank stability must be incorporated into the project methodology.

The egress of pedestrians around the site will managed through the Traffic management Plan.

## **SIGNIFICANCE OF THE DECISION OR PROPOSAL**

Council's Significance and Engagement policy identifies the following matters that are to be taken into account when assessing the degree of significance of proposals and decisions:

- a. The level of financial consequences of the proposal or decision;
- b. Whether the proposal or decision will affect a large portion of the community or community of interest;
- c. The likely impact on present and future interests of the community, recognising Māori cultural values and their relationship to land and water;
- d. Whether the proposal affects the level of service of an activity identified in the Long Term Plan;
- e. Whether community interest is high; and
- f. The capacity of Council to perform its role and the financial and other costs of doing so.

Officers have undertaken a rounded assessment of the matters in clause 11 of the Significance and Engagement Policy (2016), and are of the opinion that the proposal under consideration is of low importance.

**ENGAGEMENT**

Taking into consideration the above assessment, that the decision is of a low degree of significance, officers are of the opinion that no further engagement is required prior to Council making a decision.

**COMMUNICATION/MEDIA**

The construction site is highly visible to the community and will require a coms plan to make sure that the community is aware of the project and construction timeframes. Ultimately this is a good news story for the community.

**CONCLUSION**

Council has programmed a Stormwater quality improvement device be installed adjacent to Ruapehu street to capture contaminants from the catchment that encompasses the CBD.

A tender has been received and assessed; the tender by E&J Contractors, for the sum of \$324,957.60 is the preferred tender.

**ATTACHMENTS**

Nil

**5.7 TENDER CONTRACT TDC/1718/231 - WHAKAMARU WASTEWATER TREATMENT PLANT UPGRADE**

**Author:** Michael Cordell, Asset Manager Water & Waste

**Authorised by:** Kevin Strongman, Head of Operations

**PURPOSE**

This report is to seek Council approval to award the tender for Contract TDC/1718/231 Whakamaru wastewater treatment plant upgrade.

**EXECUTIVE SUMMARY**

Upgrade to the Whakamaru wastewater treatment plant is required to meet conditions of resource consent for wastewater discharge. The scope of work in the tender includes: design, construction and performance proving of the wastewater treatment plant.

Tenders closed for Contract TDC/1718/231 at 1.00pm on Monday, 2 March 2018. Six tenders were received with Innoflow Technologies Ltd being the preferred tenderer with a tender price of \$349,309.65 [excl. GST]. Contract risks associated with unforeseen conditions and the potential need for an alkalinity dosing system (tender tag) mean an appropriate contract contingency of \$100,000 [excl. GST] should be included.

**RECOMMENDATION(S)**

1. That Council accepts the Tender for Contract TDC/1718/231 for Whakamaru WWTP upgrade submitted by Innoflow Technologies Ltd for the sum of \$349,309.65 [excl. GST] and authorises His Worship the Mayor and the Chief Executive to sign the Contract Document(s) and attach the Council's Common Seal to them.
2. That Council approves a contract contingency of \$100,000 [excl. GST].

## BACKGROUND

The proposal has not been presented previously.

The Contract is to provide a new wastewater treatment facility for the community of Whakamaru. Upgrade of the wastewater treatment plant at Whakamaru is required as a result of a new resource consent which requires the treatment process to reduce nitrogen in the treated effluent.

The tendered scope of work includes: detailed site survey, design, supply and installation of an onsite wastewater treatment system, design, electrical and plant automation, overall testing and commissioning, as-built drawings, operation and maintenance manuals.

The location of Whakamaru wastewater treatment plant is shown below.



## TENDERS RECEIVED

Tender documents were issued for a proposed contract on 2 February 2018. Tenders closed on 2 March 2018. Tenders were received from the following organisations:

Tender prices ranged from \$ 349,309.65 to \$ 681,900.

The project was estimated at \$ 375,000.

The Tender respondents are all suppliers of small package type wastewater treatment processes.

## TENDER EVALUATION

Tenders were evaluated on a weighted-attribute basis attributes basis using the following attributes.

- Proposal and methodology
- Technical information
- Track record
- Programme
- Price

## RECOMMENDED CONTRACT PRICE

The tender submitted by Innoflow Technologies Limited being \$349,309.65 [excluding GST] plus contract contingency of \$100,000 [excluding GST].

See risk section below for details of the contingency sum.

## OPTIONS

Council may choose to accept the preferred tender or not. If the tender is not accepted, Council will need to determine another way of meeting compliance with resource consent conditions.

## CONSIDERATIONS

### Financial Considerations

The financial impact of the proposal is estimated to be \$349,309.65 [excl. GST].

The current available budget is \$388,000.

The contingency of \$100,000 can be met via savings in other wastewater capital projects.

#### Long-term Plan/Annual Plan

The expenditure outlined is currently budgeted for in the 2017-18 annual plan under the Wastewater Whakamaru capital budget.

### Legal Considerations

#### Local Government Act 2002

The matter comes within scope of the Council's lawful powers, including satisfying the purpose statement of Section 10 of the Local Government Act 2002. The matter will enable the Council to meet the current and future needs of communities for good quality local infrastructure. (i.e. efficient, effective and appropriate to present and anticipated future circumstances).

Authorisations are not required from external parties.

### Policy Implications

There are no known policy implications.

### Risks

There are contract risks that could increase the project cost i.e. unforeseen ground conditions. We have undertaken geotechnical analysis to help mitigate this risk.

There are wastewater treatment plant performance risks. The contractor is required to prove performance of the plant during the performance verification period within the contract.

Innoflow Technologies Ltd tagged that alkalinity (if required) is not included in their tender. We have assessed the value of alkalinity dosing at approximately \$50,000 if required. This additional cost does not impact on Innoflow Technologies Ltd being the preferred contractor. Other tenders have a similar tag. We will undertake additional testing of wastewater alkalinity prior to construction to confirm if dosing is required.

Given the above risks a contract contingency of \$100,000 is appropriate.

## SIGNIFICANCE OF THE DECISION OR PROPOSAL

Council's Significance and Engagement policy identifies the following matters that are to be taken into account when assessing the degree of significance of proposals and decisions:

- a. The level of financial consequences of the proposal or decision;
- b. Whether the proposal or decision will affect a large portion of the community or community of interest;
- c. The likely impact on present and future interests of the community, recognising Maori cultural values and their relationship to land and water;
- d. Whether the proposal affects the level of service of an activity identified in the Long Term Plan;
- e. Whether community interest is high; and
- f. The capacity of Council to perform its role and the financial and other costs of doing so.

Officers have undertaken a rounded assessment of the matters in clause 11 of the Significance and Engagement Policy (2016), and are of the opinion that the proposal under consideration is of low importance.

**ENGAGEMENT**

Taking into consideration the above assessment, that the decision is of a low degree of significance, officers are of the opinion that no further engagement is required prior to Council making a decision.

**COMMUNICATION/MEDIA**

The Contract is limited to the treatment plant site and therefore there will be no interface with the public.

Media release and information on Council website will be used to communicate with the community.

**CONCLUSION**

The tender of Contract TDC/1718/231 for Whakamaru wastewater treatment plant upgrade submitted by Innoflow Technologies Ltd for the sum of \$349,309.65 [excl. GST] is the lowest price tender and should be accepted. Given the stated risks a contract contingency of \$100,000 is appropriate.

**ATTACHMENTS**

Nil

**5.8 TENDER CONTRACT TDC/1718/223 - KINLOCH WWTP EFFLUENT HOLDING TANK**

**Author:** Michael Cordell, Asset Manager Water & Waste

**Authorised by:** Kevin Strongman, Head of Operations

**PURPOSE**

This report is to seek Council approval to award the tender for Contract TDC/1718/223 Kinloch WWTP Effluent Holding Tank.

**EXECUTIVE SUMMARY**

An effluent holding tank is required at the Kinloch wastewater treatment plant to enable the upcoming effluent disposal to land project and compliance with resource conditions.

An open tender was issued on 2 February 2018. The scope of work includes design and construction of an effluent holding tank within the Kinloch wastewater treatment plant compound.

Tenders closed for Contract TDC/1718/231 at 1.00pm on Monday, 2 March 2018. Six tenders were received with Spartan Construction Ltd being the preferred tenderer.

**RECOMMENDATION(S)**

1. That Council accepts the Tender for Contract TDC/1718/223 for Kinloch Wastewater Effluent Holding Tank submitted by Spartan Construction Ltd for the sum of \$318,786.00 [excl. GST] and authorises His Worship the Mayor and the Chief Executive to sign the Contract Document(s) and attach the Council's Common Seal to them.
2. That Council approves a contract contingency of \$50,000 [excl. GST].

**BACKGROUND**

The proposal has not been presented previously.

Kinloch is a growing community, and this growth combined with tightening environmental standards, means upgrades are required to meet resource wastewater discharge consent conditions.

Wastewater is currently disposed to rapid soakage trenches and the resource consent now requires that treated effluent is primarily disposed over a dispersed land area. Council has previously purchased the public golf course for installation of a sub-surface land disposal system. The existing disposal trenches are retained for use in high volume storm events.

This Contract is for the construction of an effluent holding tank.

The effluent holding tank provides the storage necessary before the sub-surface drip irrigation is implemented.

Related projects:

Contract TDC/1718/226 - Kinloch Wastewater Treatment Plant Flood Protection (tenders closed)

Contract TDC/1819/XXX - Kinloch Wastewater Land Disposal (tender in 2018/19)

Based on this information it is considered that there are two options (including status quo or do nothing option)

**TENDERS RECEIVED**

Tender documents were issued for a proposed contract on 2 February 2018 and Tenders closed on 2 March 2018. Seven tenders were received from the following organisations:

- RenderTech
- Spartan Construction
- Reaman Industries
- Service Engineers
- MAP Projects
- Fulton Hogan
- Reliant Solutions

Tender prices ranged from \$ 234,774.00 to \$ 478,083.22

The project was estimated at \$310,000.

**TENDER EVALUATION**

Tenders were evaluated on using the Price Quality Method (PQM).

The attributes evaluated are:

- Proposal and Methodology
- Track Record and Relevant Experience
- Program
- Price

Non-price attributes were first evaluated and a supplier quality premium calculated for each tender.

The combination of supplier quality premium and price determined the overall ranking of tenders.

**RECOMMENDED CONTRACT PRICE**

The tender submitted by Spartan Construction being \$318,786.00 [excl. GST].

**OPTIONS**

Council may choose to accept the preferred tender or not. If the tender is not accepted there will be delays in implementing project and ultimately competition of the land disposal system.

**CONSIDERATIONS****Financial Considerations**

The financial impact of the proposal is estimated to be \$318,786.00 [excl. GST]

Long-term Plan/Annual Plan

The expenditure outlined is currently budgeted for under the Kinloch Wastewater capital work budget for 2017/18.

**Legal Considerations**Local Government Act 2002

The matter comes within scope of the Council's lawful powers, including satisfying the purpose statement of Section 10 of the Local Government Act 2002. The matter will enable the Council to meet the current and future needs of communities for good quality local infrastructure. (i.e. efficient, effective and appropriate to present and anticipated future circumstances).

The proposal has been evaluated with regards to a range of legislation. The key legislation applicable to the proposal has been reviewed and the relevant matters for consideration are as follows:

The following authorisations are required for the proposal:

- Resource Consent                      ✓ Building Consent                       Environmental Health



Liquor Licencing                       Licence to occupy

Authorisations are not required from external parties.

### **Policy Implications**

There are no known policy implications.

### **Risks**

There are financial risk involved in the install of the effluent holding tank. Unknown ground conditions are a risk. Geotechnical analysis has been undertaken to help mitigate this risk. A project contingency of \$50,000 is appropriate given the stated risk.

There are environmental and legal risks (consent compliance) if the project is not completed.

### **SIGNIFICANCE OF THE DECISION OR PROPOSAL**

Council's Significance and Engagement policy identifies the following matters that are to be taken into account when assessing the degree of significance of proposals and decisions:

- a. The level of financial consequences of the proposal or decision;
- b. Whether the proposal or decision will affect a large portion of the community or community of interest;
- c. The likely impact on present and future interests of the community, recognising Maori cultural values and their relationship to land and water;
- d. Whether the proposal affects the level of service of an activity identified in the Long Term Plan;
- e. Whether community interest is high; and
- f. The capacity of Council to perform its role and the financial and other costs of doing so.

Officers have undertaken a rounded assessment of the matters in clause 11 of the Significance and Engagement Policy (2016), and are of the opinion that the proposal under consideration is of low importance.

### **ENGAGEMENT**

Taking into consideration the above assessment, that the decision is of a low degree of significance, officers are of the opinion that no further engagement is required prior to Council making a decision.

### **COMMUNICATION/MEDIA**

No specific communication/media is required at this stage.

### **CONCLUSION**

Contract TDC/1718/223 for Kinloch Wastewater Effluent Tank Submitted by Spartan Construction Limited for the sum of \$ 318,786.00 [excl. GST] is the highest scoring tender and should be accepted.

### **ATTACHMENTS**

Nil

**5.9 TENDER CONTRACT TDC/1718/226 - KINLOCH WASTEWATER TREATMENT FLOOD PROTECTION AND ACCESS IMPROVEMENTS**

**Author:** Michael Cordell, Asset Manager Water & Waste

**Authorised by:** Kevin Strongman, Head of Operations

**PURPOSE**

This report is to seek Council approval to award the tender for Contract TDC/1718/226 – Kinloch Wastewater Treatment Plant (WWTP) Flood Protection & Access Improvements.

**EXECUTIVE SUMMARY**

This flood protection and access improvements contract is proposed to provide a floodwall around Kinloch WWTP to stop floodwater through the gully from inundating the treatment plant. A new access road is also required as the existing track gets cut off with floodwaters and has limited access height due to an overhead sewer pipe bridge. It is proposed to fund the project through existing Kinloch WWTP Upgrade new capital expenditure budgets.

Tenders closed for Contract TDC/1718/226 at 1.00pm on Friday, 2 March 2018. Three tenders were received with TR Construction Ltd being the lowest priced conforming tender.

**RECOMMENDATION(S)**

That Council accepts the Tender for Contract TDC/1718/226 for Kinloch WWTP Flood Protection & Access Improvements as submitted by TR Construction Ltd for the sum of \$493,491.90 (excl. GST) and authorises His Worship the Mayor and the Chief Executive to sign the Contract Document(s) and attach the Council's Common Seal to them.

**BACKGROUND**

Kinloch Wastewater Treatment Plant (WWTP) upgrades have been designed and tendered simultaneously.

The need to protect the site from flood risk and improve access was identified during development of the Kinloch effluent tank project (TDC/1718/223). Floodwalls and a new access road to maintain reliable access during wet weather are provided through this contract.

Investigations identified the only feasible new access over Council land as being adjacent to the southern side of the stormwater reserve at 100 Kinloch Road.

The current plant access is impassable after prolonged wet weather due to localized flooding; this is a time when reliable access is even more important. Engineering Landscapes Ltd investigated options to mitigate the flood risk and developed the preferred solution in close discussion with the wastewater operations and planning team. It was not cost effective to raise the existing access above floodwater. The only alternative access was from Kinloch Road. District and Regional Council consents have been successfully received for the new access, earthworks and flood protection bunds.

**TENDERS RECEIVED**

Tenders closed for Contract TDC/1718/226 closed at 1.00pm on Monday 27 November 2017. Three tenders were received.

Tenders where received from:

- TR Construction Ltd, Taupō
- Spartan Construction, Hamilton
- Fulton Hogan, Tauranga

Tender prices (conforming) ranged from to \$493,491.90 to \$723,922.36.

The project was estimated at \$498,900.

## TENDER EVALUATION

Tenders were evaluated in accordance with the Lowest price Conforming Tender Method as described in Taupō District Council's procurement guidelines.

The lowest price conforming tender is that of TR Construction Ltd being \$493,491.90 [excluding GST].

## RECOMMENDED CONTRACT PRICE

The tender submitted by TR Construction Ltd being \$493,491.90 [excluding GST].

## OPTIONS

Council may choose to accept the preferred tender or not. If the tender is not accepted the flood risk at the site remains which puts the treatment plant infrastructure at risk of damage. Vehicle access is severely limited or not achievable following prolonged wet weather.

## CONSIDERATIONS

### Financial Considerations

The financial impact of the proposal is estimated to be \$493,491.90 [excluding GST].

#### Long-term Plan/Annual Plan

The expenditure outlined is currently budgeted for under the Kinloch Wastewater capital budget in the 2017-18 annual plan.

### Legal Considerations

#### Local Government Act 2002

The matter comes within scope of the Council's lawful powers, including satisfying the purpose statement of Section 10 of the Local Government Act 2002. The matter will enable the Council to meet the current and future needs of communities for good quality local infrastructure. (i.e. efficient, effective and appropriate to present and anticipated future circumstances).

The proposal has been evaluated with regards to a range of legislation. The key legislation applicable to the proposal has been reviewed and the relevant matters for consideration are as follows:

The following authorisations are required for the proposal:

- |   |  |   |
|---|--|---|
| <input type="checkbox"/> Resource Consent | <input type="checkbox"/> Building Consent  | <input type="checkbox"/> Environmental Health |
| <input type="checkbox"/> Liquor Licencing | <input type="checkbox"/> Licence to occupy |   |

Authorisations are required from external parties. Resource consent from Regional and Taupo District Council have been received.

### Policy Implications

There are no known policy implications.

### Risks

The main risk associated with the project are construction risks around working within a stormwater gully around an operational WWTP. This will be mitigated with careful construction management.

## SIGNIFICANCE OF THE DECISION OR PROPOSAL

Council's Significance and Engagement policy identifies the following matters that are to be taken into account when assessing the degree of significance of proposals and decisions:

- a. The level of financial consequences of the proposal or decision;
- b. Whether the proposal or decision will affect a large portion of the community or community of interest;
- c. The likely impact on present and future interests of the community, recognising Maori cultural values and their relationship to land and water;

- d. Whether the proposal affects the level of service of an activity identified in the Long Term Plan;
- e. Whether community interest is high; and
- f. The capacity of Council to perform its role and the financial and other costs of doing so.

Officers have undertaken a rounded assessment of the matters in clause 11 of the Significance and Engagement Policy (2016), and are of the opinion that the proposal under consideration is of low importance.

#### **ENGAGEMENT**

Taking into consideration the above assessment, that the decision is of a low degree of significance, officers are of the opinion that no further engagement is required prior to Council making a decision.

#### **COMMUNICATION/MEDIA**

Decisions made by Council should be communicated in the appropriate manner. It is considered that communication should be undertaken via the following methods:

- Social media notification to the general public
- Letter drop notification to property owners and residents affected by the work.

#### **CONCLUSION**

Contract TDC/1718/226 for Kinloch WWTP Flood Protection & Access Improvements submitted by TR Construction Ltd for the sum of \$493,491.90 [excl. GST] is the lowest price tender and should be accepted.

#### **ATTACHMENTS**

Nil

**5.10 COUNCIL'S FEBRUARY PERFORMANCE REPORT**

**Author:** Gareth Green, Chief Executive Officer

**Authorised by:** Gareth Green, Chief Executive Officer

**PURPOSE**

This report provides Council with an overview on the performance of the organisation.

**RECOMMENDATION(S)**

That Council notes the information contained in the Council Performance report for the month of February 2018.

This month Deputy Mayor Rosie Harvey and I attended the Rural Provincial Meeting in Wellington on behalf of the Mayor. There were a number of interesting presentations with two of note worth mentioning.

The first was a presentation by Hastings District Council chief executive Ross McLeod about the affect the Havelock North drinking water situation and the subsequent ministerial inquiry had both on himself and the organisation as a whole. It was an enlightening presentation and one that certainly highlighted the importance of immediacy of action when it comes to potential issues with water supplies. One of the things that has resulted from the inquiry is that there will be more regulation of the water industry into the future. While currently there has been a focus on local authorities taking 'all practicable' steps to meet drinking water standards, it has been made very clear that going forward cost will no longer be considered a barrier to having quality drinking water as that is what separates us from third world countries. It is also highly likely there will be a new regulator introduced and a number of checks and balances will be put in place to ensure nothing falls through the cracks. The new measures and way of working will be mandatory and will be a step change to the way the sector operates in the drinking water space.

Deputy Mayor Harvey also attended a freedom camping workshop with Tourism Minister Kelvin Davis. It was well attended by more than 20 Mayors and Chief Executives and all agreed that the focus of the Freedom Camping Act need to change from its current permissive approach to one of it not being allowed, except in places where it was considered acceptable by communities. There was also agreeance that there needed to be a more vigorous process for vans to be certified as self-contained and that there needed to be a better mechanism to recover fines from those flouting the rules. The Minister was in agreeance that the issues were all relevant and a working party made up of local authorities, the Department of Internal Affairs and New Zealand Motor Caravan Association representatives is being put together to progress these matters further.

This month saw the start of consultation with our communities on our Long-term Plan for 2018-2028. We have held several events for people to come and have their say and so far while attendance has varied, there has been some great conversations had about our plans for the future. Submissions have already started rolling in and are open until Monday, April 16.

During consultation on the Long-term Plan we have also been talking to people about the review of our both our Waste Minimisation Plan, and the Representation Review which will decide the make-up of our council for the 2019 election. A number of workshops have been held as pre-consultation with the community. The ward system we currently have no longer complies with the changes made by the Local Government Commission since the last review in 2012 in relation to the +/-10% rule (ie population ratio per member). The commission's advice is to have a 'good crack' and consider the fairest and most effective system to meet the needs of the district for the next six years. Once feedback is gathered during pre-consultation, an initial proposal will need to be agreed upon for more formal consultation with residents in June.

Earlier this month, there was a wastewater break in Tokaanu and while that was being repaired a break occurred in an adjacent water main. Therefore there was a remote possibility wastewater mixed with drinking water. As a precautionary measure we shut down the water supply to about 60 properties in the township while some testing could be undertaken to determine if there was any contamination. The results showed there was not contamination detected and the water supply was reinstated 48 hours later. An



investigation was undertaken by the contractor and an initial debrief with them has been undertaken to see what learnings resulted.

We also celebrated the 20th year of hosting IRONMAN New Zealand in Taupō. In total there were 1760 who athletes entered, and 2200 volunteers involved in the execution of the event. We also hosted IRONMAN World Championship race Director Diana Bertsch who visited Reporoa, Kinloch and Turangi. One of the major successes this year was the “with love from Taupō” campaign which saw each competitor receive a handwritten letter from local school children. IRONMAN is now looking to roll the initiative out globally.

The initial immediate changes to the northern access into Taupō town have been undertaken with a mixed response by the community. Some of the white lines on the merging lane used by traffic exiting Norman Smith Street were removed, to give equal priority to both lanes, and new merge like a zip signs were installed. We also changed the lanes at the Tongariro Street/Spa Road roundabout approach by Countdown to left and right only to improve traffic flow. Unfortunately there is still quite a high incidence of people ignoring the new left hand turn only rule, despite signage, and there is little we can do to influence driver behaviour. We are looking forward to feedback from the community on the other short, medium and long-term solutions we are consulting on as part of the Long-term Plan.

Another ‘sewer line rat’ has been engaged to undertake an assessment of the wastewater pipes in the high risk areas closer to the lake. There are now two being used to undertake this work. We have largely completed all the high priority areas and are now assessing medium and lower priority areas. Jetting of some pipes started last week, with the worst blockages being cleared immediately. There has been a number of pipes with fat blockages at the higher end of the risk spectrum. We intend to have the initial work in Taupō completed by end of May and will then begin undertaking assessments in other areas of the district. The jetting of pipes, basic remedial works and CCTV assessments will take a further couple of months.

## ATTACHMENTS

1. Treasury Report February 2018 [A2168876] 
2. February 2018 Project and Service Council Performance Report [A2160524] 

**5.11 SUZHOU ARCHWAY - 10TH ANNIVERSARY CELEBRATIONS WITH SUZHOU, CHINA**

**Author:** Sue Shaw, Business Development Coordinator

**Authorised by:** John Ridd, Head of Economic Development and Business Transformation

**PURPOSE**

The purpose of this item is for Council to officially accept the Chinese archway offered in celebration of the 10<sup>th</sup> anniversary with our sister city Suzhou, approve the preferred location and approve unbudgeted expenditure for the installation.

**EXECUTIVE SUMMARY**

In 2018 Taupō celebrates its 10<sup>th</sup> anniversary with sister city Suzhou in China. In acknowledgment of this the town has been offered a significant gift in the form of a granite archway.

The preferred option is to accept this gift and install the archway in the preferred location of the Tongariro South Domain and approve unbudgeted expenditure of up to \$35,000 + GST for the installation of a total cost of \$60,000 + GST.

**RECOMMENDATION(S)**

1. That Council accepts the Chinese archway offered as a gift by our sister city Suzhou in celebration of the 10<sup>th</sup> anniversary in 2018.
2. That Council approves the preferred location of the Tongariro South Domain.
3. That Council approves unbudgeted expenditure of \$35,000 + GST for the purpose of installing the archway in celebration of our 10 year relationship.

**BACKGROUND**

The proposal has not been presented previously.

Taupō celebrates its 10<sup>th</sup> Sister City anniversary with Suzhou, China in 2018. The official arrangement was signed in February 2008. The relationship has developed since then with incoming and outgoing civic exchange trips, exhibitions and the sharing of knowledge and skills.

As a significant gesture to celebrate the relationship Suzhou have offered a gift of a 4.2m high x 4m wide granite archway. Suzhou Municipal Government have placed great importance on the partnership between both cities and the size and stature of the gift represents this. It has been identified as a major project for their financial year. It is valued at approx. \$4,000 NZD (20,000 CNY). The Council agreed to accept the archway during the Sister City workshop held in December 2017.

Significance - In Chinese culture an archway is used to commemorate a big event or praise an outstanding person, in this instance the importance placed on our sister city relationship. Ancient techniques will be used in the design and building of the archway, the same as those used in the official gardens in Suzhou and the Forbidden City in Beijing. It will be embossed with patterns in Suzhou style. It is a great honour to be gifted a monument such as this and shows their regard for our relationship. (Artist impression attached.)

Suzhou have advised that the archway should be positioned it in a public place, such as in a garden or across a road and should be in a place that is easy for people to visit and enjoy the sculpture.

The archway includes 64 pieces of solid granite weighing a total of over 7 tonne and will be shipped to New Zealand in a container. Two to three Suzhou staff would travel to Taupō to advise and help with the installation. The plan is to install the archway in time for an opening in August 2018, to coincide with the opening of the Suzhou exhibition at the Taupō Museum. VIPs from Suzhou will be here at this time and can take part in official anniversary celebrations.

Suzhou will cover the cost of the production of the archway, transport to New Zealand and provide staff to offer advice during the installation. The Council will be required to cover 'on the ground' costs in New Zealand – transportation from the port, installation and the hosting of the Suzhou staff.

As part of 10<sup>th</sup> anniversary celebrations other activities include:

- **Taupō Winter Festival** – 2018 programme to feature Suzhou opera, music and folk singers, Suzhou chefs, who will collaborate with Wairakei Resort chefs on a menu and give live demonstrations at a Chinese style banquet event, workshops and a lunchtime concert.
- **Incoming Suzhou art exhibition** to feature at the Taupō Museum August to November 2018. Valued at over \$4 million NZD the exhibition will be a wonderful showcase of Suzhou ancient artefacts (Tang to Song Dynasty 618 A.D. – 1279 A.D.)
- **Outgoing Tuwharetoa art exhibition** – exhibited at the Suzhou Museum. Proposed for 2020.

**DISCUSSION**

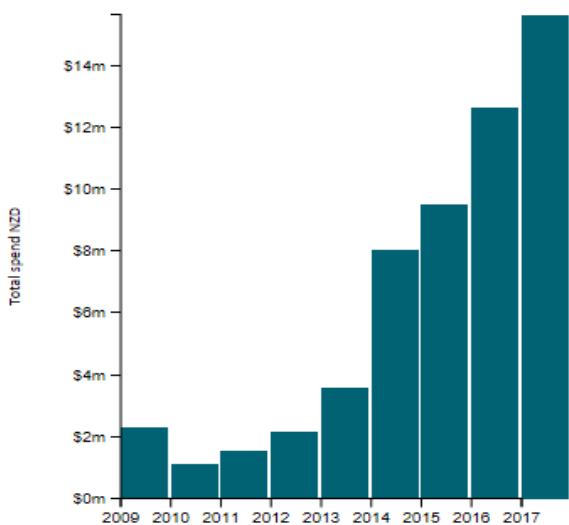
The installation of the archway is a visual, public acknowledgement of our official sister city relationship. In a location close to town the archway would be a place locals can enjoy visiting and a place Chinese tourists can head to during their stay. In a pretty garden setting it will be a place they take photos and share online and with friends and family. Advice is that Chinese travel for three main reasons – for family, food and scenic photo opportunities.

Chinese visitors to Taupō have previously been a small portion of the market but statistics show a rapid increase in the last twelve months, with spend up 23%. This is set to grow in the coming years.

Destination Great Lake Taupō have identified China as a growth market. New Zealand is experiencing high growth in all international arrivals and as a district we need to ensure we are getting our fair share. On a domestic level there is also growth potential with new New Zealander’s and with competition from neighbouring regions, such as Rotorua, there is a focus to be ‘China ready’.

**Chinese Spend in the Taupō District – Year to Date September 2017**

**Total spending for year to September**



It is important for the sculpture to fit into its surroundings with the appropriate setting, landscaping, lighting and signage. Appropriate budget must be assigned to ensure it does not stand out on its own and look out of place. A number of locations have been considered and a site within the Tongariro South Domain has been identified as the preferred location, due to its proximity to the CBD, the connection to the lake and mountains and the established nature of the gardens, requiring less landscaping than other sites.

The archway would be set back from the entrance to the Tongariro South Domain, off Ferry Road, behind the train tunnel. (Concept plan attached) It would work as an entrance to the domain with additional Chinese inspired planting added to incorporate it into the already established gardens and the path realigned to take in the view of the lake and mountains.

There are a number of sculptures currently within the gardens, including a Friendship Rock acknowledging international engagements of the Friendship Fellowship with cities all over the world. In time the South



Domain could house other sculptures from our Sister and Friendship Cities celebrating connections. This is a public acknowledgement of these relationships and something the community can share in.

Civic relationships are hugely important to the beginning of commercial activity and investment in Chinese culture. Business in China is led by the government and needs government support and this starts with activities and engagement at a civic level. For business transactions to occur they need the support of government and they take time for trust to develop. Building these relationship lays the ground work for future commercial activity to take place.

As part of the Commercial Industrial Structure Plan there are a number of changes and developments planned for the CBD and harbour areas over the next few years - so it is important for any structures erected are done so with cognisance of this. To date this specific site has not been identified as being part of planned changes.

Other sites were considered but deemed not appropriate include:

- Tongariro South Domain – Tongariro St entrance
- Riverside Park – harbour end or control gates end
- Taupō Airport – New terminal development
- Lakefront/Lions Walk
- Future Civic Centre
- Waipahihi Botanical Gardens

If Council wishes to consider another location further investigation may be necessary before a final decision is made.

Estimated costs of the project are up to \$60,000 + GST, with a \$25,000 contribution from the public art fund and the remaining unbudgeted expenditure. The majority of the cost is in the engineering requirements but also includes transportation from the port, preparation of the site and earthworks, landscaping, lighting, equipment hire, insurance, health and safety, communication, signage and accommodation/food for Suzhou advisers.

The landscape design would be completed internally and carried out by the parks team once the structure is in place. Suzhou have not placed any requirements on how the landscaping is carried out but it should be in keeping with the surroundings and enhance the sculpture.

When making a decision it is important to consider "Guanxi" (pronounced (gwan-shee). This is one of the most powerful forces in Chinese culture. Though the direct translation of "guanxi" is "relationships", when the concept as it is applied in Chinese culture it is much richer and encompassing.

"Guanxi" expresses the relationship of one person to another. However, more importantly the term expresses an obligation of one party to another, built over time by the reciprocation of social exchanges and favours. If one has "guanxi" with another, one will be quick to do a favour, act on another's behalf and depending on the depth of the relationship, do anything necessary for the other party. By establishing this type of relationship with someone, the other party is implicitly agreeing to be available to reciprocate when the need arises.

This has two implications in this case, that we must reciprocate this gift with something of similar significance in our culture. There is budget provisioned in the Long Term Plan 2018-2028 to accommodate this. There is also consideration that if we cannot accommodate their request, we would damage the relationship and it would be difficult for this relationship to continue.

Based on this information it is considered that there are 2 options.

**OPTIONS**

Analysis of Options

Option 1 – Accept the gift of the Suzhou archway, approve unbudgeted expenditure and approve the location.

Advantages	Disadvantages
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<ul style="list-style-type: none"> <li>• It is a representation of the significance we place on our relationship.</li> <li>• It would be a cultural sculpture added to our district for visitors and the community to enjoy.</li> <li>• Builds on the current relationship with Suzhou. Signals an intent to engage in future activities and continuation of the relationship.</li> <li>• As an added marketing tool for collateral to promote our district to Chinese visitors.</li> </ul>	<ul style="list-style-type: none"> <li>• Some unbudgeted spend is required</li> <li>• There may be some members of the community who will not agree with the project.</li> </ul>
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Option 2 – Do not accept the gift of the Suzhou archway.

Advantages	Disadvantages
<ul style="list-style-type: none"> <li>• Cost savings</li> </ul>	<ul style="list-style-type: none"> <li>• Disrespectful to our sister city and the relationship we are building.</li> <li>• Will affect the relationship moving forward. It will be difficult to continue.</li> <li>• Community and visitors will not be able to enjoy the sculpture.</li> </ul>

**Analysis Conclusion:**

Based on this information the recommended option is option 1. This is a great opportunity for the town to accept a gift that can be enjoyed by locals, domestic and international visitors. The sculpture will add to the vibrancy and diversity of our town. It will add to our visitor attraction offering, especially for Chinese domestic and international visitors. It builds on our relationship with Suzhou, and shows the value we place and commitment we have to the relationship. The civic relationship being developed between both towns helps to leverage future investment opportunities. This has been seen with the No1 China Restaurant opening in Taupō in February, a tangible example of civic relations developed over many years leading to commercial investment.

**CONSIDERATIONS**

**Financial Considerations**

The financial impact of the proposal is estimated to be up to \$60,000 +GST. \$25,000 to be funded by the public art fund and \$35,000 funded through unbudgeted expenditure.

Long-term Plan/Annual Plan

The expenditure outlined is currently unbudgeted. It is requested that unbudgeted expenditure is approved.

**Legal Considerations**

Local Government Act 2002

The matter comes within scope of the Council's lawful powers, including satisfying the purpose statement of Section 10 of the Local Government Act 2002. The matter will enable the Council to meet the current and future needs of communities for good quality local infrastructure. (i.e. efficient, effective and appropriate to present and anticipated future circumstances).

The following authorisations may be required for the proposal:

- ✓ Resource Consent                      ✓ Building Consent                       Environmental Health
- Liquor Licencing                       Licence to occupy

Authorisations may be required from external parties. Depending on the preferred location identified.

**Policy Implications**

There are no known policy implications.

**Risks**

There are no known risks.

**SIGNIFICANCE OF THE DECISION OR PROPOSAL**

Council's Significance and Engagement policy identifies the following matters that are to be taken into account when assessing the degree of significance of proposals and decisions:

- a. The level of financial consequences of the proposal or decision;
- b. Whether the proposal or decision will affect a large portion of the community or community of interest;
- c. The likely impact on present and future interests of the community, recognising Maori cultural values and their relationship to land and water;
- d. Whether the proposal affects the level of service of an activity identified in the Long Term Plan;
- e. Whether community interest is high; and
- f. The capacity of Council to perform its role and the financial and other costs of doing so.

Officers have undertaken a rounded assessment of the matters in clause 11 of the Significance and Engagement Policy (2016), and are of the opinion that the proposal under consideration is of low importance.

**ENGAGEMENT**

Taking into consideration the above assessment, that the decision is of a low degree of significance, officers are of the opinion that no further engagement is required prior to Council making a decision.

**COMMUNICATION/MEDIA**


No communication/media is required.

**CONCLUSION**

In conclusion, the installation of a Chinese archway is an acknowledgement of the relationship we hold with our sister city Suzhou. To accept a gift they consider to be extremely significant builds on this relationship and future opportunities of working together. It adds to our ongoing story and shows commitment to the relationship.

Officers believe that the positive benefit to the district will outweigh the unbudgeted spend and further develop the already strong relationship that we hold with Suzhou.

**ATTACHMENTS**

1. Artist Impression of the Suzhou Archway 
2. Archway Concept Plan

**5.12 CHANGES TO DELEGATIONS**

**Author:** Tina Jakes, Head of Democracy, Governance and Venues

**Authorised by:** Gareth Green, Chief Executive Officer

**PURPOSE**

The purpose of this report is to seek Council's approval to amend the delegations of in relation to three areas as contained in Council's Delegations Manual. These are:

1. To increase Council's delegation to the Chief Executive Officer in relation to contracts from \$250,000 to a general right of approval so long as it is for a project identified in the long term plan, and within the projected budget in that plan or approved by way of unbudgeted expenditure. This would enable greater efficiencies and reduce resourcing costs.
2. To amend Council's delegation in relation to Resource Management Act 1991 (RMA) as a result of changes at the Senior Management level and to tidy up changes to previous delegations as a result of changes to staff titles.
3. To extend the sub-delegation from the Chief Executive Officer to the Senior Leadership Team as a result of changes at the Senior Management level.

**EXECUTIVE SUMMARY**

The proposed changes to Council's Delegation Manual are in the interests of good management and effective administration which will minimise the cost of resources and promotes efficiency as well as capturing the changes to the organisational structure at Senior Management level.

**RECOMMENDATION(S)**

That Council makes the following changes to its Delegations:

- 1 That the Chief Executive may enter into any contract and/or commit Council expenditure in relation to that contract as long as identified in the Long Term Plan, Annual Plan and within an approved budget.
- 2 That if the Chief Executive is to be absent for a period of 24 hours or more he/she may, in writing, authorise one of the members of the Senior Leadership Team to exercise all of the powers delegated to him/her and that in the event that there is no such written authorisations, the powers of the Chief Executive may be exercised by the Head of Finance and Strategy during such absences of the Chief Executive.
- 3 That the Head of Risk & Regulatory, Head of Finance & Strategy, Policy Consents & Regulatory, Resource Consents Manager, Senior Resource Consent Planner, Compliance Team Supervisor and Compliance Officer(s) jointly and severally are authorised to exercise the those powers of Council that are able to be delegated under the Resource Management Act 1991.
- 4 Revokes Clauses 1 d and 3 of Resolution 4669 of 31 May 2011.
- 5 Revokes the sub-delegation of the Chief Executive's powers in his absence (paragraph 2 & 3 of Resolution 5147 of 26 February 2013).
- 6 Revokes resolution 5168 of 26 March 2013.
- 7 Revokes the sub-delegation of the Chief Executive's powers in his absence (paragraph 2 & 3 of Resolution TDC201511/08 of 24 November 2015).

## BACKGROUND

The proposal has not been presented previously.

1. In May 2011 (Resolution 4669) Council resolved in terms of contract approval that *‘the Chief Executive may enter into any contract and commit Council expenditure up to \$250,000 (plus GST) in relation to that contract’* (as long as it is identified in the Long Term Plan & Annual Plan).
2. In November 2015 (Resolution TDC201511/08) Council resolved that if the Chief Executive was absent for more than 24 hours those powers would be exercised by the four Group Managers (Group Manager: Finance, Regulatory & Infrastructure, Group Manager: Policy & Operations, Group Manager: Business, Development & Improvement and Community, Risk, Relations & Support) and that in the event that there is no written authorisation, the powers of the Chief Executive would be exercised by the Group Manager: Policy & Operations.
3. In May 2011 (Resolution 4669) Council resolved that the Group Manager: Policy & Operational Services, Consents & Regulatory Manager, Team Leader: Resource Consents, Senior Consents Planner(s), Environmental Consents Planner(s), Environmental Compliance Manager, Compliance Officer(s) jointly and severally are authorised to exercise the powers of Council under the Resource Management Act 1991.

In addition in March 2013 (Resolution 5168), Council resolved to add the Group Manager: Finance & Strategy to also exercise the above powers.

## DISCUSSION

It is essential, in the interests of good management and effective administration, to encourage the delegation of decision-making. This achieves best use of the abilities and time of elected representatives and officers, minimises the cost of resources, and promotes efficiency.

Some powers and functions cannot be delegated to officers and can only be performed or exercised by Council as a whole. Clause 32(1) of the 7th schedule to the Local Government Act 2002 [LGA] states:

*“Unless expressly provided otherwise in this Act, or in any other Act, for the purposes of efficiency and effectiveness in the conduct of [Council’s] business, [Council] may delegate to [an]... officer of [Council] any of its responsibilities, duties, or powers except*

- (a) *the power to make a rate; or*
- (b) *the power to make a bylaw; or*
- (c) *the power to borrow money, or purchase or dispose of assets, other than in accordance with the long-term plan; or*
- (d) *the power to adopt a long-term plan, annual plan, or annual report; or*
- (e) *the power to appoint a chief executive; or*
- (f) *the power to adopt policies required to be adopted and consulted on under this Act in association with the long-term plan or developed for the purpose of the local governance statement.*

Likewise, section 34A(1)(a) of the Resource Management Act 1991 [RMA] provides:

*“[Council] may delegate to an employee... any functions, powers, or duties under this Act except ...the approval of a proposed policy statement or plan under clause 17 of Schedule 1”*

Council’s approach has been that of a broad approach over a prescriptive approach for the following reasons.

Firstly a broad approach captures all powers capable of being delegated there can then be no dispute in the event of any challenge. Secondly, a broad delegation avoids (for the most part) any issues where a statutory provision may have been overlooked or is incorrectly recorded in the delegation. Thirdly, changes to Acts

can occur with regular frequency meaning that the delegations need to be constantly reviewed and updated. Fourthly, board delegations avoid a piece-meal approach or responses to an Act or issue as it arises.

The suggested changes supports that the Chief Executive will continue to be given a broad delegation (ie power to act under all Acts applicable to Council) with the power and discretion to sub-delegate as appropriate and necessary.

Based on the assumption that the current broad delegation does not change, it is considered that there are three options to consider.

**OPTIONS**

Analysis of Options

Option 1. Increased financial delegation to the Chief Executive.

Advantages	Disadvantages
<ul style="list-style-type: none"> <li>Increases organisational efficiency and use of resources</li> <li>The decreasing of the procurement timeframes leading to the delivery of more capital projects.</li> <li>Better timing of the tender process especially around the Christmas break therefore increasing the opportunity to receiving more competitive tenders.</li> <li>On the occasions where we only receive no or only one tender we will be able to readily re-tender as soon as possible therefore decreasing any further project delays.</li> </ul>	<ul style="list-style-type: none"> <li>None foreseen</li> </ul>

Option 2. Sub-delegation from Chief Executive to Senior Management Team

Advantages	Disadvantages
<ul style="list-style-type: none"> <li>Delegation in line with the changes to organisational structure</li> </ul>	<ul style="list-style-type: none"> <li>Senior Management Team equity</li> </ul>

Option 3. Delegations under the RMA

Advantages	Disadvantages
<ul style="list-style-type: none"> <li>Delegation in line with the changes to organisational structure</li> </ul>	<ul style="list-style-type: none"> <li>None foreseen</li> </ul>

Analysis Conclusion:

The three options reflect the broad delegation approach and organisational changes.

**CONSIDERATIONS**

**Financial Considerations**

There are no financial impacts. Officers acting under delegation must have regard to operational budgets adopted under the Long Term Plan or Annual Plan.

**Legal Considerations**

Local Government Act 2002

The matter comes within scope of the Council's lawful powers, including satisfying the purpose statement of Section 10 of the Local Government Act 2002. The matter will enable the Council to meet the current and

future needs of communities for good quality local public services. (i.e. efficient, effective and appropriate to present and anticipated future circumstances).

### **Policy Implications**

There are no known policy implications.

### **Risks**

There are no known risk associated with the proposed changes to the delegations.

### **SIGNIFICANCE OF THE DECISION OR PROPOSAL**

Council's Significance and Engagement policy identifies the following matters that are to be taken into account when assessing the degree of significance of proposals and decisions:

- a. The level of financial consequences of the proposal or decision;
- b. Whether the proposal or decision will affect a large portion of the community or community of interest;
- c. The likely impact on present and future interests of the community, recognising Maori cultural values and their relationship to land and water;
- d. Whether the proposal affects the level of service of an activity identified in the Long Term Plan;
- e. Whether community interest is high; and
- f. The capacity of Council to perform its role and the financial and other costs of doing so.

Officers have undertaken a rounded assessment of the matters in clause 11 of the Significance and Engagement Policy (2016), and are of the opinion that the proposal under consideration is of low importance.

### **ENGAGEMENT**

Taking into consideration the above assessment, that the decision is of a low degree of significance, officers are of the opinion that no further engagement is required prior to Council making a decision.

### **COMMUNICATION/MEDIA**

It is considered that communication should be limited to internal communication to staff. Exercise of the delegation will be reported to elected members via the Councillors Weekly Update.

### **CONCLUSION**

The suggested changes still are still in line with the broad delegation approach and reflect the organisational changes.

### **ATTACHMENTS**

1. Delegations - previous resolutions 

**5.13 COUNCIL ENGAGEMENTS APRIL 2018 AND CONFERENCE OPPORTUNITIES**

**Author:** Tina Jakes, Head of Democracy, Governance and Venues

**Authorised by:** Gareth Green, Chief Executive Officer

**Engagements**

ENGAGEMENT	DAY	DATE	TIME
Workshop – Resource Management Act 1991	Tuesday	3	Noon-1pm then 1.30pm-3pm
Turangi/Tongariro Community Board meeting (Boardroom, Turangi Service Centre)	Tuesday	10	1pm-4pm
Mangakino/Pouakani Representative Group meeting (Mangakino Service Centre)	Tuesday	17	10am-noon
Taupō Airport Authority Committee meeting (Taupō Airport, ANZAC Memorial Drive)	Monday	23	10.30am-noon
Police briefing	Tuesday	24	12.30pm
Public forum	Tuesday	24	1pm-1.30pm
Council meeting	Tuesday	24	1.30pm-5pm
Kinloch Representative Group public forum (Kinloch Community Hall, Mata Place)	Thursday	26	9.30am-10am
Kinloch Representative Group meeting (Kinloch Community Hall, Mata Place)	Thursday	26	10am-11.30am
Council meeting (Long-term Plan 2018-28 hearings)	Monday (hearings continue throughout the week)	30	9.30am

**Conference and Professional Development Opportunities**

To approve, either prior or retrospectively, Councillor attendance at conferences and professional development courses:

- Local Government Road Safety Summit, 9 April 2018, Wellington – Cr Anna Park
- Local Government New Zealand's Freedom Camping Symposium, 19 April 2018, Nelson – Cr Rosie Harvey

**RECOMMENDATION(S)**

1. That Council receives the information relating to engagements for April 2018.
2. That Council approves the attendance of Cr Anna Park at the Local Government Road Safety Summit being held in Wellington on 9 April 2018.
3. That Council approves the attendance of Cr Rosie Harvey at the Local Government New Zealand Freedom Camping Symposium being held in Nelson on 19 April 2018.

**ATTACHMENTS**

Nil



**5.14 MEMBERS' REPORTS**

**Author:** Tina Jakes, Democracy & Community Engagement Manager

**Authorised by:** Gareth Green, Chief Executive Officer

**PURPOSE**

This item permits members to report on meetings/functions they have attended as Council's representative, or on behalf of Council, since the last Council meeting.

The item also provides an opportunity for members to report back, either verbally or by way of tabled information, specifically on conferences, seminars and professional development courses that they have attended.

No debate and/or resolution is permitted on any of the reports.

**CONCLUSION**

Members' reports will be presented at the meeting for receipt.

**RECOMMENDATION(S)**

That Council receives the reports from members.

**ATTACHMENTS**

Nil

## 6 CONFIDENTIAL BUSINESS

### RESOLUTION TO EXCLUDE THE PUBLIC

I move that the public be excluded from the following parts of the proceedings of this meeting.

The general subject matter 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
<p><b>Agenda Item No: 6.1</b> Confirmation of Confidential Portion of Ordinary Council Minutes - 27 February 2018</p>	<p>Section 7(2)(h) - the withholding of the information is necessary to enable [the Council] to carry out, without prejudice or disadvantage, commercial activities</p> <p>Section 7(2)(i) - the withholding of the information is necessary to enable [the Council] to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p>	<p>Section 48(1)(a)(i)- the public conduct of 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 would exist under section 7</p>
<p><b>Agenda Item No: 6.2</b> RAL Whakapapa Gondola</p>	<p>Section 7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information</p>	<p>Section 48(1)(a)(i)- the public conduct of 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 would exist under section 7</p>

I also move that *[name of person or persons]* be permitted to remain at this meeting, after the public has been excluded, because of their knowledge of *[specify]*. This knowledge, which will be of assistance in relation to the matter to be discussed, is relevant to that matter because *[specify]*.