STRATEGIC PLANNING AND POLICY COMMITTEE

AGENDA

Meeting to be held

THURSDAY 4 AUGUST 2016

8.30am

In the Manawatu District Council Chambers,
135 Manchester Street, Feilding

Dr Richard Templer
Chief Executive
MEMBERSHIP

Chairperson
Councillor Tony Jensen

Deputy Chairperson
Councillor Howard Voss

Members
Her Worship the Mayor, Margaret Kouvelis
Councillor Steve Bielski
Councillor Barbara Cameron
Councillor Shane Casey
Councillor Wayne Ellery
Councillor Jo Heslop
Councillor Albert James
Councillor Andrew Quarrie
Councillor Alison Short
ORDER OF BUSINESS

1. MEETING OPENING

2. APOLOGIES

3. REQUESTS FOR LEAVE OF ABSENCE

4. CONFIRMATION OF MINUTES

Draft resolution

That the minutes of the Strategic Planning and Policy Committee meeting held 7 July 2016 be adopted as a true and correct record.

5. DECLARATIONS OF INTEREST

Notification from elected members of:

5.1 Any interests that may create a conflict with their role as an elected member relating to the items of business for this meeting; and

5.2 Any interests in items in which they have a direct or indirect pecuniary interest as provided for in the Local Authorities (Members’ Interests) Act 1968

6. NOTIFICATION OF LATE ITEMS:

Where an item is not on the agenda for a meeting, that item may be dealt with at that meeting if:

6.1 The Council by resolution so decides; and

6.2 The Chairperson explains at the meeting at a time when it is open to the public the reason why the item is not on the agenda, and the reason why the discussion of the item cannot be delayed until a subsequent meeting.

7. PRESENTATIONS

There are no presentations scheduled for this meeting.

8. OFFICER REPORTS

8.1 C4/1315 HALCOMBE AND FERGUSSON ROAD, HALCOMBE – TWO SEPARABLE PORTION SAFETY IMPROVEMENT CONTRACTS


9. CONSIDERATION OF LATE ITEMS

10. MEETING CLOSURE
Minutes of a meeting of the Strategic Planning and Policy Committee held on Thursday 7 July 2016, commencing at 8.30am in the Manawatu District Council Chambers, 135 Manchester Street, Feilding.

PRESENT:  
Cr Tony Jensen (Chairperson)  
Mayor Margaret Kouvelis  
Cr Steve Bielski  
Cr Barbara Cameron  
Cr Shane Casey  
Cr Wayne Ellery  
Cr Albert James  
Cr Andrew Quarrie  
Cr Alison Short  
Cr Howard Voss

LEAVE OF ABSENCE:  
Cr Jo Heslop

IN ATTENDANCE:  
Richard Templer (Chief Executive)  
Shayne Harris (General Manager - Business)  
Brent Limmer (General Manager - Community and Strategy)  
Hamish Waugh (General Manager – Infrastructure)  
Doug Tate (Community Facilities Manager)  
Darryl Black (Corporate Projects Advisor)  
Colleen Morris (Principal Financial Advisor)  
Tracey Hunt (Strategy Manager)  
Michael Hawker (Project Delivery Manager)  
Wendy Thompson (Principal Planning Adviser)  
Cynthia Ward (Senior Policy Planner)  
Paul Stein (Communications Adviser)  
Sandra Crosbie (Communications Officer)  
Allie Dunn (Business Support Team Leader)

SPP 16/165 MEETING OPENING

Councillor Jensen declared the meeting open.

SPP 16/166 APOLOGIES

There were no apologies.

SPP 16/167 REQUESTS FOR LEAVE OF ABSENCE

There were no requests for leave of absence.

SPP 16/168 CONFIRMATION OF MINUTES

RESOLVED

That the minutes of the Strategic Planning and Policy Committee meeting held 19 May 2016 be adopted as a true and correct record.
Moved by: Councillor Shane Casey
Seconded by: Councillor Howard Voss
CARRIED

SPP 16/169 DECLARATIONS OF INTEREST

Councillor Jensen and Councillor Cameron each declared an interest in item 8.1 “Proposal to grant lease to Makino Rotary”

SPP 16/170 NOTIFICATION OF LATE ITEMS:

There were no late items notified for consideration.

SPP 16/171 PRESENTATIONS

There were no presentations scheduled for this meeting.

SPP 16/172 PROPOSAL TO GRANT LEASE TO MAKINO ROTARY

Report of the General Manager - Community and Strategy dated 24 May 2016 seeking Council approval to grant a lease to the Makino Rotary Club to occupy the Kowhai Park Storage Shed, subject to not receiving any sustained objections following public consultation.

Councillor Jensen declared an interest, vacated the Chair, took no part in the discussion and did not vote. Councillor Cameron declared an interest, took no part in the discussion and did not vote.

Councillor Voss Chaired the meeting during consideration of this item.

RECOMMENDED

That Council grants a lease to Makino Rotary Club to occupy the Kowhai Park Storage Shed for a period of three years, subject to not receiving any sustained objections following public consultation.

Moved by: Councillor Wayne Ellery
Seconded by: Councillor Albert James
CARRIED

Councillor Jensen resumed the Chair.

SPP 16/173 PROPOSAL TO GRANT LEASE TO MANAWATU POTTERY SOCIETY

Report of the General Manager - Community and Strategy dated 31 March 2016 seeking Council approval to grant a lease to the Manawatu Pottery Society to occupy the Kowhai Park Centennial pavilion, subject to not receiving any sustained objections following public consultation.
RECOMMENDED

That Council grants a lease to the Manawatu Pottery Society to occupy the Kowhai Park Centennial Pavilion for a term of ten years, subject to not receiving any sustained objections following public consultation.

Moved by: Councillor Barbara Cameron
Seconded by: Councillor Howard Voss

CARRIED

SPP 16/174 MANAWATU DISTRICT PLAN: WORK PROGRAMME UPDATE

Report of the General Manager – Community and Strategy dated 23 June 2016 seeking Council approval to publicly notify the withdrawal of Proposed Plan Changes 52, 55 and 60 and subsequent approval to re-notify proposed Plan Changes 52, 55 and 50 in accordance with Clause 5, of Schedule 1 of the Act. It was noted that the District Plan hearings tentatively proposed for mid-October would now be rescheduled for later in the year.

RESOLVED

1 That the Strategic Planning and Policy Committee receives for information the updated Manawatu District Plan Work Programme for Plan Changes 52, 55 and 60.

2 That the Strategic Planning and Policy Committee approves the formal withdrawal of Proposed Plan Changes 52, 55 and 60 notified on 2 May 2016.

3 That the Strategic Planning and Policy Committee approves Proposed Plan Changes 52, 55 and 60 for public notification under Clause 5, of Schedule 1 of the Resource Management Act 1991.

4 That the Strategic Planning and Policy Committee notes that community consultation undertaken as part of the Manawatu District Plan Review will be consistent with Council’s Significance and Engagement Policy and the Community Engagement Guide and in accordance with Schedule 1 of the Resource Management Act 1991.

Moved by: Councillor Howard Voss
Seconded by: Councillor Shane Casey

CARRIED

SPP 16/175 CONSIDERATION OF LATE ITEMS

There were no late items for consideration.

SPP 16/176 MEETING CLOSURE

The meeting closed at 8.48am.
<table>
<thead>
<tr>
<th>MINUTES</th>
<th>MEETING</th>
<th>TIME</th>
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<tbody>
<tr>
<td>STRATEGIC PLANNING AND POLICY COMMITTEE</td>
<td>THURSDAY 7 JULY 2016</td>
<td>8.30am</td>
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Approved and adopted as a true and correct record:

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CHAIRPERSON                            DATE
C4/1315 Halcombe and Fergusson Road, Halcombe – Two Separable Portion Safety Improvement Contracts

Purpose

The purpose of this report is to seek approval to award Contract 1315 for the rural roading safety upgrade of Halcombe Road and Fergusson Road Intersection and associated geometric improvements located approximately 400m south of the Halcombe township between RP 8.990 and 9.690km.

Significance of Decision

The Council’s Significance and Engagement policy is not triggered by matters discussed in this report.

Recommendations

1. That Contract 1315 for Halcombe and Fergusson Road, Halcombe – Two Separable Portion Safety Improvement Contracts be awarded to Downer Ltd for the sum of Five Hundred and Eighty Three Thousand and Forty Three Dollars and Seventy Nine Cents excluding GST ($583,043.79 excl GST).

2. That the Committee note that this amount includes a 10% contingency which can be utilised only upon the Engineer’s approval.

Report prepared by:
Brent Holmes
Roading Asset Engineer

Approved for submission by:
Hamish Waugh
General Manager - Infrastructure
1 Contribution to the Council Vision and Council Outcomes

1.1 Relationship to the Council Outcomes that underpin the Council’s Vision:

*Connected, vibrant and thriving Manawatu – the best rural lifestyle in New Zealand*

<table>
<thead>
<tr>
<th>Manawatu District will improve the natural environment, stewarding the district in a practice aligned to the concept of kaitiakitanga.</th>
<th>The Manawatu will attract and retain residents.</th>
<th>Manawatu district develops a broad economic base from its solid foundation in the primary sector.</th>
<th>Manawatu and its people are connected via quality infrastructure and technology.</th>
<th>Manawatu’s built environment is safe, reliable and attractive.</th>
<th>Manawatu District Council is an agile and efficient organisation.</th>
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<tr>
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2 Background

2.1 This contract is for the rural roading safety upgrade of Halcombe Road and Fergusson Road Intersection and associated geometric improvements located approximately 400m south of the Halcombe township between RP 8.990 and 9.690km.

2.2 The work involves two separable portion projects:

**Separable Portion 1: Halcombe Road Geometric Improvements**

2.3 Separable Portion 1 scope involves the geometric realignment of an accident blackspot curve with the midpoint immediately adjacent to the lower end of Fergusson Road at the eastern end of Halcombe Township. Scope includes rural stormwater drainage renewals, cut to fill earthworks, excavation to waste, metalling granular subbase and basecourse layer, forming of batters, fencing, residential and farm entranceway upgrades, and associated preparation of carriageway surface, two coat chipsealing and roadmarking/signage.

**Separable Portion 2: Halcombe and Fergusson Road Tee Intersection Improvements**

2.4 Separable Portion 2 involves removal of two merging legs of the northern end of Fergusson Road and creating a perpendicular (Tee) Intersection with Halcombe Road at the eastern end of Halcombe Township. The scope involves rural stormwater drainage renewals/extensions of 300mm diameter, cut to fill earthworks, excavation to waste, metalling, residential and farm entranceway upgrades, and associated preparation of carriageway surface, two coat chipsealing and roadmarking/signage including a right turn bay.

2.5 Contract C/4-1315 is a measure and value contract with an expiry date of 15 December 2016 (for both separable portions).

3 Discussion and Options considered

3.1 The Engineer’s Estimate for the two separable projects totalled $542,946.69. For this amount exceeding $500,000, Councils’ procurement policy requires an open market competitive process.

3.2 Three contractors submitted tenders and were closed at the Manawatu District Council tender box on 7th July 2016. The three tenderers were Downer Ltd, Higgins Contractors Ltd, and Fulton Hogan Ltd.
Phase 1: Attributes

3.3 Submissions were evaluated by staff from Manawatu District Council in accordance with the Price Quality Method, as set out in the New Zealand Transport Agency Procurement Manual. The ratio is 60% price and 40% attribute weighting.

3.4 Evaluation of attributes were carried out by the tender evaluation team of John Jones (Roading Manager), Reuben Pokiha (Roading Operations Manager) and Jo Botha (Project Engineer) and completed by 1pm on 13th July 2016.

3.5 Scoring of attributes covering Relevant Experience (7%), Track Record (14%), Relevant Skills (7%), Resources (6%), and Methodology (6%) resulted in scores (from a possible 40%). Total Attribute Scores ranged between 27.66% to 29.80%

3.6 The Supplier Quality Premium (SQM) calculated as a result of the Attribute Scores (prior to opening prices) equated to a Price Quality advantage ranging from $0 to $19,222.27

Phase 2: Price Submission

3.7 Tender Prices received ranged from $583,043.79 to $813,206.00. In accordance with New Zealand Transport Agency Procurement Manual under the Price Quality Method, the preferred tenderer is: Downer Ltd. Their price is 7% over the Engineer's Estimate of $542,946.69. Notably the Downer Ltd price includes a 10% contingency sum which can only be expended upon specific instruction from the Engineer to the Contract. The price is therefore considered acceptable.

4 Operational Implications

4.1 There are no capital / operating expenditure implications or unbudgeted maintenance costs associated with this paper.

5 Financial Implications

5.1 The project was earmarked in the Long Term Plan for construction in the current 3 year funding block. It is funded predominantly from budgeted Subsidised Minor Improvement funding (90%) along with Subsidised Drainage Renewals (10%) from the maintenance activity budgets.

5.2 The costs will be coded to the following GL codes.

<table>
<thead>
<tr>
<th>Council</th>
<th>Job Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>MDC</td>
<td>RD1039 001</td>
<td>Subsidised Minor Improvements - Safety (90% of project value)</td>
</tr>
<tr>
<td>MDC</td>
<td>RD1030 001</td>
<td>Subsidised Culvert Renewals (10% of project value)</td>
</tr>
</tbody>
</table>

5.3 The NZTA subsidy rate (excluding the unsubsidised seal extension portion) will be 54%. Thus the local share will be 46%, resulting in a value of $268,200.14.

5.4 There is adequate capacity in the above budgets to accommodate the quoted price.
6 Statutory Requirements

6.1 There are no statutory requirements associated with this paper.

7 Delegations

7.1 The Council delegates authority to the Strategic Planning and Policy Committee to award contracts over $500,000.

8 Consultation

8.1 There are no community consultation matters associated with this paper.

9 Cultural Considerations

9.1 There are no cultural considerations associated with this paper.

10 Conclusion

10.1 There is adequate capacity in the Council’s budget to accommodate the quoted price.

10.2 If approved, the work could begin in September 2016 enabling completion prior to Christmas 2016.

11 Attachments

• Nil.