

## 16. CONTRACT 03/04-253 ISLINGTON SEWER SCHEME STAGE 2



The Committee considered a report from Bruce Henderson, Asset Manager Water and Wastewater, City Water and Waste Unit seeking approval to award the contract for the construction of stage 2 of the Islington Sewer Scheme.

The report provided background to the proposal to provide a piped sewer to the remainder of the Islington area still utilising septic tank disposal. Background to the delays which had occurred in the original project and the consequent splitting of the project into two stages was explained in the report. The lowest tender received had been from Delta Utilities Services for \$666,324 as opposed to the estimate of \$535,000 and this was considerably higher than the Council funding remaining for this last stage of the project of \$187,513. A funding short-fall of \$478,811 therefore existed.

An analysis of the reasons for the discrepancy were provided with the report which recommended that the shortfall be funded by reducing funding for non-critical programmed waste-water sewer renewals (\$200,000) and water supply main renewals (278,000).

The Committee **decided:**

1. That the tender from Delta Utility Services of \$666,324 be accepted subject to funding being approved by the Council.
2. That it be recommended to the Strategy and Finance Committee that the funding required be considered during the next quarterly review.