

**7. WASTE MANAGEMENT UNIT/CITY CARE LTD CONTRACT FOR SEWER MAINTENANCE  
CONTRACT NO 2000/01-78**

<b>Officer responsible</b> Waste Manager	<b>Author</b> Neville Stewart, Senior Engineering Officer, DDI 371-1366
Corporate Plan Output: Sewer Reticulation	

The purpose of this report is to obtain approval for acceptance of a negotiated contract for sewer maintenance with City Care Ltd, which is above the delegated authority of Council officers.

**BACKGROUND**

Councillors will recall that as part of the Sale and Purchase Agreement with City Care Ltd and in terms of Section 247E of the Local Government Act, the Council agreed that certain work would be negotiated and directly awarded to City Care Ltd for a defined period. Part of that work is the operational maintenance of the sewer reticulation system. The details of this contract have now been agreed between the parties.

**TERMS OF THE CONTRACT**

Key details are as follows:

- Value of the contract per year \$799,522. Note this is a provisional price based on negotiated and agreed rates generally 9% lower than the previous agreement with the Works operations Unit. The Contract incorporates minor ground maintenance works at the Bromley and Belfast Oxidation Ponds and the Farm which although not strictly part of sewer reticulation have been included to avoid the administrative costs of a separate contract.
- Length of contract six years starting 1 December 2000, with reviews at twelve month intervals.
- A detailed operational plan and key performance indicators and the like.

**Recommendation:** That the Contract price negotiated with City Care Ltd to carry out Sewer Maintenance for \$799,552 per year for a six year period starting 1 December 2000 be accepted.

**Chairman's**

**Recommendation:** That the above recommendation be adopted.