

19. CONTRACT FOR WATER SUPPLY AND WASTEWATER PUMPING MAINTENANCE

Officer responsible Planning & Projects Manager	Author Bruce Henderson
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The purpose of this report is to obtain approval for acceptance for a tender, which is above the delegated authority of Council officers.

Councillors will recall that as part of the Organisation's Change Proposal approved last year, the maintenance activities for Water Supply, Wastewater and Stormwater pumping and storage facilities was sold to City Care Ltd in exchange for a five year contract for them to undertake this work. The five year period was to commence as from 1 July 2001.

The detail negotiations for this contract have now been completed. Approximately two thirds of the contract value will be paid as a lump sum for the relatively routine maintenance, and the remainder will be by a combination of scheduled rates and actual cost, and will vary depending on the exact work required month to month.

The contract allows for periodic reviews and adjustment of the work to be undertaken and payment arrangements by mutual consent during the five year duration of the contract.

The total agreed annual value of the contract including a contingency sum is \$1,985,355. This amount is split between the activities involved (water supply, waste water and Stormwater) and is allowed for in the respective budgets. The savings identified in the Change Proposal have been taken into account and are achieved with this amount.

Recommendation: That the tender received from City Care Ltd to undertake the Council's pumping activity maintenance work for a five year period for the sum of \$1,985,355 per annum be recommended to the Council for acceptance.

Chairman's Recommendation: That the above recommendation be adopted.