

9. EXTENSIONS TO GENERAL CARRIAGEWAY MAINTENANCE CONTRACTS

General Manager responsible:	General Manager City Environment
Officer responsible:	Transport & City Streets Manager
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PURPOSE OF REPORT

1. The purpose of this report is to seek Council approval to extend three carriageway maintenance contracts by varying lengths to tie in with the start time for new area wide network management contracts.

EXECUTIVE SUMMARY

2. The city is currently split into three contract areas for general carriageway maintenance. There are also other contracts for specific types of work such as footpath maintenance and signs and markings maintenance. New contracts are being developed that will include all maintenance work within the road boundary. Only specialist work such as street lighting and traffic signals will be excluded. These new contracts will have a network management focus and will provide a more responsive service delivery and clearer responsibilities. The central city will be split out as a separate area. Street cleaning will be included in these new contracts.
3. Two of the new area contracts plus the new central city contract will be tendered this month with start dates of 1 October and 1 December. The third area will be tendered in 18 months time with a start on 1 July 2007. The three existing contracts require extensions to tie in with these new contract start dates.
4. The current carriageway maintenance contracts were all awarded on a three year term with provision for two 1 year extensions based on contractors' performance, up to five years. The three contracts were let 3, 4 and 5 years ago. One contract will have to be extended beyond five years by three months because it is not possible to have the new contract let and ready to start in time. The five year term is a Land Transport NZ requirement and they have advised that an extension up to three months is allowed in this case.
5. In all cases the contractor has performed well and has met the key performance indicators set out in the contract. In each case the contractor has agreed to the extension of the contract using the existing rates.
6. The existing cleaning contract finishes on 31 July and options are being considered for how the cleaning work will be done to tie in with the new contract start dates.
7. Contract and extension details:

Contract Name	Contractor	Start Date	Extension	Contract Value	Value of Extension
CN 1999/2000-284 General Carriageway Maintenance Area 1	Works Infrastructure	1/7/00	3 months – to 30 Sept 2005	\$1,034,908.00	\$220,000
CN 2001//02 – 192 General Carriageway Maintenance Area 2	Works Infrastructure	1/7/02	1 year – to 30 June 2006	\$4,148,629.87	\$2,150,000
CN 2000/01 – 240 General Carriageway Maintenance Area 3	Fulton Hogan	1/7/01	5 months – to 30 Nov 2005	\$2,652,894.00	\$1,330,000

FINANCIAL AND LEGAL CONSIDERATIONS

8. The work covered by these contracts is funded from the Transport and City Streets Maintenance and Carriageway Sealing and Surfacing Budget with financial assistance from Land Transport NZ. These extensions meet Land Transport New Zealand requirements.

STAFF RECOMMENDATIONS

It is recommended that the Council:

- (a) Agree to extend CN 1999/2000-284 General Carriageway Maintenance Area 1 by three months to 30 September 2005.
- (b) Agree to extend CN 2001/02-192 General Carriageway Maintenance Area 2 by one year to 30 June 2006.
- (c) Agree to extend CN 2000/01-240 General Carriageway Maintenance Area 3 by five months to 30 November 2005.