

9.4 LAND TRANSPORT PROCUREMENT - GWAVAS AND DOUGLAS CUTTING BRIDGE

File Number:

Author: Rebecca England, Project Management Office Cadet

Authoriser: Doug Tate, Chief Executive

Attachments:

1. Gwavas Bridge Procurement Plan
2. Douglas Cutting Bridge Procurement Plan

The Council is satisfied that, pursuant to s48(1)(a)(i) of the *Local Government Official Information and Meetings Act 2002*, the information to be received, discussed or considered in relation to this agenda item is:

- s7(2)(a) the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons
- s7(2)(c)(ii) the withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely otherwise to damage the public interest
- s7(2)(f)(i) free and frank expression of opinions by or between or to members or officers or employees of any local authority
- s7(2)(h) the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities
- s7(2)(i) the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).

PURPOSE

The matter for consideration by the Council is the procurement of contractors to provide design and construct services for the construction of the Douglas Cutting Bridge and the Gwavas Bridge.

Approval of Council is required as the individual procurement values exceed the delegated authority of the \$1m held by the Chief Executive in accordance with Councils procurement policy.

RECOMMENDATION

That, having considered all matters raised in the report:

1. **That the procurement plan to procure a partner to deliver C-1261 to design and build the Gwavas bridge is approved within a cap of up to \$2.8m.**
2. **That the procurement plan to procure a partner to deliver C-1260 to design and build the Douglas Cutting Bridge is approved within a cap of \$1.5m.**
3. **That having approved the procurement plan to directly procure the contract (C-1261) with Concrete Structures (NZ) Ltd, Council delegates to the Chief Executive the award and negotiation of the contract following a procurement process that is consistent with the procurement plan.**
4. **That having approved the procurement plans to directly procurement the contract (C-1260) with Emmett's Civil Construction Ltd, Council delegates to the Chief Executive the award and negotiation of the contract following a procurement process that is consistent with the procurement plan.**
5. **That the resolutions of this report are released as publicly available information following contractor award.**

EXECUTIVE SUMMARY

Following the significant damage caused by Cyclone Gabrielle in February 2023, a number of sites across the district have been identified for bridge repairs and replacement. Two of these structures are Douglas Cutting Bridge and Gwavas Bridge. The adoption of these procurement plans will allow the design and construction of two high priority bridge reinstatement projects to get underway. These response projects are required to be completed within the funding window, prior to 30 June 2024, as stipulated by Waka Kotahi. Any works completed beyond this date will incur council contributions.

These procurement plans clearly articulate how delivery the works can be achieved within a limited construction season, October 2023 - March 2024.

BACKGROUND

On 20 February 2023 Council received \$35.94m funding from Waka Kotahi to enable critical infrastructure repairs to be made following the impact of ex-tropical Cyclone Gabrielle in accordance with the Emergency Procurement Provisions of Councils procurement policy and in alignment with Waka Kotahi emergency procurement rules.

Given the importance that both of these routes play for the Tikokino and Wakarara communities the direct engagement of two specialist bridge contractors during the immediate response phase has ensured critical momentum on bridge and culvert replacement. To date, initial ground investigations, concept design plans and preliminary drawings have been prepared on these key sites under emergency procurement.

Recognising the shift in procurement planning, while not under 'normal' conditions, approval is sought from the elected Council to complete these procurements that fall outside of the Chief Executives delegation.

DISCUSSION

Douglas Cutting Bridges comprises a reinforced concrete bridge on piled abutments and wingwalls. During Cyclone Gabrielle the high flow and volume of water caused the riverbank and approach behind the left abutment to be completely washed out. To provide access to the existing bridge a new single span extension to tie in the with existing bridge needs to be designed and constructed.

Gwavas Bridge comprised of a 5m diameter steel armco culvert. The armco and surrounding fills were completely washed out and destroyed following Cyclone Gabrielle on 14 February 2023. The site where this structure was located is now replaced by a large hole in Gwavas Road approximately 25m wide and 12m deep. Immediately upstream from the culvert is the previous crossing, a 1940's era bridge which is weight restricted to light vehicles. In a recent weather event in June 2023, the approach to the 1940's era bridge was washed out resulting in some additional temporary repairs to maintain safe access. This project aims to reinstate this crossing is to design and build a new 25m single span, two laned bridge.

In an effort to expediate the procurement processes, at both sites a design and build approach was adopted in the early stages of the emergency response period. The urgency of both these rebuilds is one of the programmes highest priorities to ensure connectivity with the local communities of Wakarara, Makaroro and Kereru.

The purpose of these procurement plans is to seek endorsement from Council for direct appointments in order to prevent further delays and ensure delivery of these projects utilising 100% Waka Kotahi funding.

RISK ASSESSMENT AND MITIGATION

Risk is inherent in all procurement activities. Effective risk management is required to ensure that Council and our ratepayers are not exposed to significant unmitigated risk and future liability.

Risk	Mitigation	Rating
Contractors having capacity to deliver as a result of wider cyclone response works being undertaken by neighbouring local authorities, Transport East Coast Rebuild (TREC) and regional council.	Be aware of contractor's capacity and forward programme of work within the region. Timely approvals for procurement plans.	High
Not direct appointing D&C contracts, given the work completed to date by designers and contractors, may have a negative impact on relationships.	Maintain communication with contractors to ensure they are kept up to date with funding and procurement challenges.	Moderate
Increase in procurement and construction timeframes will have knock on effects to not delivering within the required timeframes for Waka Kotahi funding or as expected by community.	Direct appointment of Gwavas and Douglas Cutting bridges to expedite procurement and maximise construction timeframes.	Significant
Deviating from direct award D&C contracts will increase procurement costs.	Direct appointment of Gwavas and Douglas Cutting bridges will reduce procurement costs.	Moderate
Ineffective consultation with stakeholders and partners including iwi.	Implement communication plan and maintain regular updates with all parties.	Moderate
Not achieving the broader outcomes goals for Council (THRIVE).	Pre-start workshop with contractors to outline broader outcomes and agree on deliverables.	Low
Contractors having ability to deliver in the timeframe.	Expedite direct appointment to ensure maximum physical works window.	Moderate

FOUR WELLBEINGS

In alignment with the government procurement rules and CHBDC's procurement policy, a key focus within the procurement for Ex-tropical Cyclone Gabrielle response will be to seize the opportunity to maximise broader sustainable benefits within individual repair categories wherever possible.

This will include considering broader outcomes such as environmental sustainability, health and safety, economic prosperity and local employment. In the coming week an initial engagement with contractors will discuss how best to maximise the benefits available.

DELEGATIONS OR AUTHORITY

The two procurement plans for contracts 1260 (C-1260) and 1261 (C-1261) for the procurement and delivery of Douglas Cutting bridge extension and Gwavas bridge design and construct projects, respectively. The value of D&C procurement plans is as follows:

- Gwavas Bridge Replacement: \$2.8m; and
- Douglas Cutting Bridge Extension: \$1.5m.

The procurement value for both of these projects is greater than \$1,000,000, which sits within the delegated financial approval of Council.

SIGNIFICANCE AND ENGAGEMENT

In accordance with the Council's Significance and Engagement Policy, this matter has been assessed as low and not requiring specific engagement in advance of a decision.

OPTIONS ANALYSIS

Option One – To approve the direct source of Concrete Structures Ltd to deliver the works at Gwavas Bridge and Emmett’s Civil Construction Ltd to deliver the works at Douglas Cutting Bridge.

Option Two – To reject the procurement plans and provide advice on next steps.

	<u>Option 1</u> To approve the procurement plans	<u>Option 2</u> To reject the procurement plans and provide advice on next steps
Financial and Operational Implications	This option reduces both the financial and resourcing costs of a longer open market procurement approach and allows for the projects to be funded through Waka Kotahi’s planned response (no financial contribution from Council).	Rejecting the procurement plans will delay ability to procure key specialist bridge construction projects in a saturated market within an already a tight timeframe and may risk funding opportunity and delivery.
Long Term Plan and Annual Plan Implications	No implications to Long Term Plans or Annual Plans.	No implications to Long Term Plans or Annual Plans, although if current funding timeframes are missed, future works may need to be funded by council in part.
	<u>Option 1</u> To approve the procurement plans	<u>Option 2</u> To reject the procurement plans and provide advice on next steps
Promotion or Achievement of Community Outcomes	This strategy will allow community outcomes to be realised through timely delivery of important community assets.	Will delay delivery of the projects and in turn reinstatement of key community lifelines.
Statutory Requirements	Aligns with policies, legislation and NZTA requirements	Not applicable.
Consistency with Policies and Plans	Consistent with emergency procurement policies.	Depending on advice from Council this could be consistent with the procurement policy.

Recommended Option

This report recommends **Option One** – To approve the procurement plans for addressing the matter..

NEXT STEPS

On the basis that Council approve the recommended option to approve the procurement plans Officers will complete due diligence and contract negotiation with respective contractors before awarding the contracts to deliver physical works on two priority sites.

RECOMMENDATION

That, having considered all matters raised in the report:

- 1. That the procurement plan to procure a partner to deliver C-1261 to design and build the Gwavas bridge is approved within a cap of up to \$2.8m.**
- 2. That the procurement plan to procure a partner to deliver C-1260 to design and build the Douglas Cutting Bridge is approved within a cap of \$1.5m.**
- 3. That having approved the procurement plan to directly procure the contract (C-1261) with Concrete Structures (NZ) Ltd, Council delegates to the Chief Executive the award and negotiation of the contract following a procurement process that is consistent with the procurement plan.**
- 4. That having approved the procurement plans to directly procurement the contract (C-1260) with Emmett's Civil Construction Ltd, Council delegates to the Chief Executive the award and negotiation of the contract following a procurement process that is consistent with the procurement plan.**
- 5. That the resolutions of this report are released as publicly available information following contractor award.**