

ROTORUA LAKES COUNCIL

Mayor  
Chair and Members  
OPERATIONS & MONITORING COMMITTEE

**APPROVAL OF CONTRACT 21/031 LINTON PARK – STORMWATER ATTENUATION/DETENTION DAM UPGRADE**

**Report prepared by:** Peter Dine, Infrastructure Capital Programmes Manager

**Report reviewed by:** Stavros Michael, Deputy Chief Executive, Infrastructure & Environment

**Report approved by:** Geoff Williams, Chief Executive

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**1. TE PUTAKE  
PURPOSE**

The purpose of this report is to inform the Committee on the context of this proposed contract and to seek, through a Committee recommendation, Council approval to delegate approval for accepting a direct tender for the project to the Chief Executive.

**2. TE TUHINGA WHAKARĀPOPOTOTANGA  
EXECUTIVE SUMMARY**

The proposed project to upgrade the stormwater attenuation capacity in Linton Park has been identified in the Stormwater Management Master Plan and it is a critical component of infrastructure required to support housing development proposals in the Western part of Rotorua City. Council is funding this project through the allocation of funds from the Department of Internal Affairs (CIP) under the Waters Reform Package.

The conditions of funding by the Department of Internal Affairs comes with a very tight timeframe that cannot be met through the normal Council delegations. To expedite the project, an initial contract has been awarded for early contractor involvement, which will also lead to having an efficient detailed design process. The appointed contractor will be required to negotiate a cost once a detailed schedule of quantities has been prepared. The contract negotiations will need to be within the allocated funding envelope of the government funding. Approval for the construction contract to meet the conditioned timeframes will have to be delegated to the Chief Executive Officer to ensure construction aligns with tight timeframes set by the funding agency.

This decision is required as normal delegations would require a Council resolution to award the contract and the available timeframes do not permit this. The decision is important to meet Council's commitment with the Department of Internal Affairs to deliver projects that have been approved for funding.

**3. HE TŪTOHUNGA  
RECOMMENDATION**

- 1. That the report "Approval of Contract 21/031 - Linton Park Stormwater Attenuation/Detention Dam Upgrade" be received.**

2. That approval to award Contract 21/031 be delegated to the Chief Executive Officer.
3. That the value of the contract is not to exceed available RLC and CIP/DIA funding.
4. That this report be made publicly available on release of minutes of the Committee meeting.

#### 4. TE TĀHUHU BACKGROUND

The Linton Park stormwater attenuation capacity upgrade has been identified in the Rotorua Lakes Council's Stormwater Management Master Plan. This is a key infrastructure component and critically necessary to support land development for housing pressures within the Mangakakhi Catchment area. This area is where most development is included in the Rotorua Spatial Plan in the Western area of the city and supported by the lengthy Plan Change 2 recently agreed. To support this proposed development area and to contribute to the mitigation of some existing flooding risk issues, the existing attenuation dam requires augmentation and upgrading.

Council submitted an application to the Department of Internal Affairs (Crown Infrastructure Programme) to use 3 Waters enabling funding to advance this work as part of Council's share of funding allocated under the Water Reform Package. The approval to dedicate CIP funds to this project (in November 2020) came with a very tight timeframe that requires the works to be completed by March 2022.

In order to expeditiously advance the required design process and to reduce the timeframes to get a contractor appointed, Council called for expressions of interest for an Early Contractor Involvement (ECI) process. Through a rigorous process evaluating each competent submitters non-priced attributes, the contractor with the best overall technical skills, available resources, experience and project understanding (methodology) was selected. An ECI process is common on large and complex projects, as the contractors expertise in the construction phase can be incorporated into the detailed design process resulting in an efficient design, but also reduces contractual risk considerably as the contractor effectively takes ownership of the design.

The schedule of quantities for the project is produced on completion of the design and the ECI contractor is then invited to submit a detailed tender based on the schedule of quantities. Rates for the main items that will be in the schedule were part of the requirements for the ECI tender, so final prices are based on submitted rates.

As time is not available for normal Council procurement process to issue and award a tender, a resolution is sought to delegate the awarding of the tender to the Chief Executive Officer in order to meet the CIP's tight timeframes which are part of the conditions for the funding.

#### 5. TE MATAPAKI ME NGĀ KŌWHIRINGA DISCUSSION AND OPTIONS

Options for awarding this tender are:

- a) Delegation of approval decision to the Chief Executive Officer.
- b) To utilise standard procurement process and eventually award through the normal delegations which requires a report to the Operations and Monitoring Committee who make a recommendation to Council. As the contract sum, and hence negotiated tender cannot be

prepared until design is completed which will be in late September, there are practical constraints as there is simply insufficient time to commence work and have it completed by March 2022. For the project to be completed in March 2022 the actual mobilisation and commencement of work has to commence in October.

## **6. TE TINO AROMATAWAI ASSESSMENT OF SIGNIFICANCE**

The decisions or matters of this report are not considered significant in accordance with Council's Significance and Engagement Policy." Funding is provided through the Crown Infrastructure Programme under tight delivery conditions.

## **7. NGĀ KŌRERO O TE HAPORI ME TE WHAKATAIRANGA COMMUNITY INPUT/ENGAGEMENT AND PUBLICITY**

Council, through its Community Engagement team, is consulting with appropriate affected parties. The work will be enhancing an existing consented structure. There will however be construction activity in and around residential areas that need to be socialised with the community.

## **8. HE WHAIWHAKAARO CONSIDERATIONS**

### **8.1 Mahere Pūtea Financial/budget considerations**

This decision does not affect LTP or Annual Plan budgets. The project is funded by the DIA (CIP) through the Waters Reform Package

### **8.2 Kaupapa Here me ngā Hiraunga Whakariterite Policy and planning implications**

There are no planning or policy implications. The variation to contract award process is in accordance with process under Council's Procurement Strategy

### **8.3 Tūraru Risks**

Council is committed to this project as it unlocks a large parcel of land within the urban residential zone for housing development and has funding allocated by a third party. A detailed risk register for the project has been developed.

### **8.4 Te Whaimana Authority**

Under current Council delegations for a contract of this size, a Council resolution is required. However, Council does have the ability and mandate with a resolution to delegate that responsibility to the Chief Executive Officer. This happens for example between elections during the period when a new Council is sworn in.

## **9. TE WHAKAKAPINGA**

**CONCLUSION**

The project to upgrade the stormwater attenuation capacity in Linton Park is a key and critical project to enable advancement of land development proposals in the Western area of Rotorua City. Funding has been secured from an external party and the Council is bound by the timing terms of that funding agreement. It is necessary for the delegation to the Chief Executive Officer to approve the physical works contract due to very tight and challenging timeframes.