



Hauraki District Council

Land Transport Procurement Strategy

May 2020



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Executive Summary

Hauraki District Council's (Council) Transportation Procurement Strategy is a requirement of the Land Transport Management Act. This strategy signals Council's intentions for procurement of both subsidised and non-subsidised land transport activities.

Together with Council's Procurement Policy, this document, and the practices that it represents, ensures that both taxpayers and ratepayers obtain best value for money in Council's transport activities.

This Procurement Strategy is a summary of, and reflects a significant review of, Council's procurement approach. It aligns with the Road Efficiency Group (REG) procurement assessment. The review has considered how Council works with neighbouring councils, the Transport Agency, and internally to achieve strategic objectives aligned with the One Network Road Classification (ONRC) and One Network Framework (ONF). A key change is taking a category management approach across Council service delivery.

A new Urban Services Contract will be established initially with Construction and Maintenance (C&M) which will cover all amenity services and footpath maintenance and renewal work in urban areas.

The network maintenance contract will focus on the pavement and transport assets maintenance and renewal where the contractor is incentivised to perform through the provision of annual reseals and renewals as a separable portion based on performance. The network maintenance contractor will be required to develop the Forward Works Programme (FWP) in conjunction with Council, formalising a collaborative approach to contracting. There is a significant bridge and structures FWP and this work will be bundled under a specific contract to streamline the delivery of this work package. Professional services will continue to be delivered as they currently are by in-house teams, Waikato Regional Asset Technical Accord (RATA), and project specific packages.

Recommendations for NZTA

Hauraki District Council recommends that NZTA:

- a) endorses this Transportation Procurement Strategy
- b) approves the term of the maintenance contract of up to 7 years based on 5+2 including re-seal and light pavement rehabilitation, which will be undertaken subject to meeting performance criteria, and associated professional services aspects within the maintenance contract scope of services. Large scale structural AWT projects will be tendered separately.
- c) notes the proposed changes to some aspects of work undertaken by in-house C&M business unit under a new Urban Services Contract, and external professional services.

1 Policy context

1.1 Procurement objectives and outcomes

Hauraki District Council's Long Term Plan notes that the land transport activity contributes to two of its Community Outcomes, including 'Prepared Hauraki' and 'Lifestyle Hauraki'. Council aims to provide ongoing safe, well-managed and maintained core infrastructure; be organised and prepared to deal with natural hazards; and provide an environment that encourages vibrant communities and an enhanced quality of life. Council's Long Term Plan is aligned to the One Network Framework (ONF) and One Network Road Classification (ONRC) which provides a structured approach to prioritising the significance of individual road corridors and transport systems, this structure will be incorporated into the contract.

Council recognises the importance of being a PCBU under the Health and Safety at Work Act 2015 and incorporates this requirement into contracts with suppliers. Council requires that any contractors and subcontractors must comply with all relevant health and safety legislation, regulations, WorkSafe Guidelines, Standards and Codes of Practice whilst working for Council. Council only enters into agreements with contractors who are pre-qualified with SHE Software NZ Ltd.

All contracts incorporate the procedures as specified in the Council Health and Safety Guidelines for Contractors.

Council wish to support and promote local business and specifies local content in tender documents. This can be achieved several ways, but the main focus will be on promoting the expenditure on cost (not profit) within the District whilst still prioritising "best value for money". Primarily through the provision of jobs for local residents, using local subcontractors, and using local material suppliers, where appropriate.

In linking to the 'Sustainable Hauraki' Community Outcome this Strategy will encourage the implementation of lowering carbon emissions practices in construction activities, as well as other environmental practices such as stormwater treatment requirements.

In terms of Procurement there is also an applicable secondary linkage with the Social Strategy – Toward 2028, with regards to advocating for agencies developing strategies to assist with youth classified as "Not in Education, Employment or Training (NEET). Procurement of contractors will include measures to encourage and ensure inclusion for the vulnerable youth of Hauraki District. A particular focus will be assisting with education-to-employment pathways (cadetships). This will be included in the evaluation criteria and measured during the contract.

In pursuing the above stated broader secondary outcomes Hauraki District Council will ensure alignment with the Government Procurement Rules and amendment 5 of NZTA's Procurement Manual.

Council's land transport activity is its biggest area of expenditure. It promotes road safety and having an increased focus on improving how our residents with more limited transport options can get around, including children, the elderly, and the mobility impaired.

1.2 Compliance with other relevant policies

In addition to this Strategy, land transport procurement activities must also comply with relevant legislation and other policies as follows:

- NZTA Procurement Manual,
- Government Procurement Rules 4th Edition
- Council's Procurement Policy and other applicable policies.

1.2.1 Procurement Policy

Hauraki District Council adopted the Regional Waikato Procurement Policy in 2019. In terms of the core principles of this policy, Hauraki District Council commits to:

1. Get Best Value for Money
2. Plan and Manage for Success
3. Fit for Purpose Procurement
4. Keep the Integrity through Controls
5. Play by the Rules

The Transportation Procurement Strategy should be read in accordance with Council’s Procurement Policy.

2 Procurement programme

2.1 Forward procurement programme - summary

Council maintains a range of assets including 633 kilometres of roads (518 kilometres sealed, and 115 kilometres unsealed), 112 kilometres of footpaths, 160 bridges, streetlights and signs and stock underpasses, 1 set of traffic lights.

Several of Council’s significant physical works contracts are expiring within the next two years.

Table 1 Current service delivery model

PROFESSIONAL SERVICES							
Activity	Delivery Model	Competition Process	Supplier Selection	Next tender date	Contract Term	Current supplier	Delivery risk Assessment
Asset management RAMM Inspections Corridor Access Service Requests Project design Management of maintenance contracts	In-house	Direct engagement	N/A	N/A	N/A	TSBU	Low
Traffic Counting Asset data collections Asset data management	Outsourced, term contract	Direct engagement	N/A	N/A	N/A	RATA	Low
Major or complex capital works	Outsourced contract specific	Open	PQM or WLASS PSP	As required	N/A	N/A	Med
Bridge inspections	Outsourced	Joint procurement via RATA	Direct	N/A	N/A	WSP	Low

TSBU – Technical Services Business Unit

RATA – Waikato Regional Asset Technical Accord

PHYSICAL WORKS							
Activity	Delivery Model	Competition Process	Supplier Selection	Next tender date	Contract Term	Current supplier	Delivery risk Assessment
Network Maintenance <ul style="list-style-type: none"> • Pavement Maint. • Structures Maint. • Traffic services • Minor safety • Road Drainage • Vegetation control • Street cleaning • Emergency works/ CRM 	Outsourced, term contract	Open	PQM	July 2021	3+2+2	Downer	High
Street Lighting	Outsourced, term contract	Open	PQM	July 2021 or July 2023	3+2+2	McKay Ltd	Med
Amenity Maintenance <ul style="list-style-type: none"> ▪ Footpaths ▪ Emergency works ▪ Vegetation control 	In-house	N/A	N/A	N/A	Annual	C&M	Med
Reseals/ resurfacing	Outsourced, ad-hoc	Open	PQM	July 2021	2	JML	High
Footpath renewal	Outsourced, ad-hoc	Open	Lowest Price Conforming	N/A	Per project	Various	Med
Bridge renewal	Outsourced, ad-hoc	Open	PQM	ad-hoc	Annual	Varies	High
Rehabs/Shape Corrections	Outsourced, ad-hoc	Open	PQM	ad-hoc	Annual	Varies	High
Traffic lights	Outsourced, term contract	Closed	Only one supplier (Specialist Service)	As needed	1	TSL	Med

C&M – Construction and Maintenance Works Depot

PQM - Price Quality Method

CSR – Customer Service Request

2.2 Forward procurement programme – capital works

In its 2018-28 LTP, Council’s planned investment in land transport capital projects was forecast to increase from \$3.7 million in 2018/19 to \$4.8 million in 2027/28¹. Investment to increase levels of service represents approximately 25% of total capital expenditure for each year. The largest items are the sealed road resurfacing, pavement rehabilitation works, and a significant bridges and structures forward capital works programme. The full ten-year programme is presented in Appendix A.

Council has historically struggled to spend its renewals budget, however in 2017/18 the full renewals budget was spent, including some carry-over from 2016/17.

¹ Including inflation

3 Procurement environment

Council maintains a range of assets including 633 kilometres of roads (518 kilometres sealed, and 115 kilometres unsealed), 112 kilometres of footpaths, 160 bridges, streetlights and signs and stock underpasses, and 1 traffic light.

3.1 Analysing the supplier market

The location of Hauraki District, within two hours' travel time of Auckland, Hamilton, and Tauranga, allows Council the advantage of access to a large number of contractors and consultants, including many national companies providing services throughout New Zealand. Council also works closely with neighbouring councils within the Waikato region to deliver services, such as professional services with Waikato Regional Asset Technical Accord (RATA). As part of this procurement strategy opportunities to jointly procure some aspects of the services have been explored.

3.1.1 Local network maintenance contractors

The current network maintenance contractors for neighbouring councils are listed below:

- Council's current road network maintenance contractor is Downer NZ Ltd (Downer). Downer has held this contract since it was first outsourced by Council.
- Matamata Piako District Council (MPDC) awarded its new network maintenance contract to Fulton Hogan in June 2019 for a period of 3 years plus two rights of renewal of 2 years each. The contract sum was \$11.5 million. Only one other tender was received.
- Broadspectrum is the incumbent road operations and maintenance contractor for Thames Coromandel District Council (TCDC). A four-year, four-month contract was awarded in March 2019 worth approximately \$40 million, with two 2 year rights of renewal. This contract bundles roading, streetlights, vegetation control, traffic services and some asset renewals works such as road resurfacing works. Four tenders were received for this package of work, from Broadspectrum, Fulton Hogan, HEB and Higgins.
- Hauraki District is located within the East Waikato NOC. Higgins are the current contractor for this NOC, which was awarded in October 2017 with a contract price of approximately \$90 million. The adjacent NOC contractors are Downer/WSP (Bay of Plenty West) and Fulton Hogan (West Waikato North). The West Waikato North NOC may be tendered at a similar time to Council's network maintenance contract.
- Broadspectrum, Downer, Fulton Hogan, Higgins all hold significant network maintenance contracts in adjacent areas to Hauraki District. In addition, HEB tendered for the TCDC network maintenance contract. The presence of at least five major current or prospective contractors suggests that a competitive market exists for road network maintenance services within the east Waikato region.

3.1.2 Other physical works contractors

Council's incumbent street lighting contractor, McKay Ltd, also has the contracts for TCDC, MPDC, and the East Waikato NOC (subcontracted to Broadspectrum). There is little competition in this market in East Waikato and there have been level of service concerns with the current contract. There is a separate arrangement with Power Solutions Ltd, Jon Stevens for specialist inputs on the streetlighting contract, as well as for specialist comments on resource consents.

Downer has bitumen plants in Hamilton and Tauranga. Fulton Hogan has a bitumen plant in Hamilton. Hamilton Asphalt have a small plant in Hamilton.

Council's Construction and Maintenance (C&M) in-house business unit also operates in the district and delivers some minor maintenance and capital works for Council. C&M has an important role in delivering emergency works alongside Council's external contractors, providing additional resources that are dedicated to emergency response in the district.

3.1.3 Professional services

There are two locally based providers of professional services within the Hauraki District. Pinnacles Civil is a small civil engineering consultancy with an office in Waihi. It currently holds TCDC's roading professional services contract. WSP has an office in Paeroa, adjacent to the offices of Council's Technical Services Business Unit (TSBU). As an international company, it can draw on the experience of a wide range of specialists, in addition to the local staff in Paeroa.

WSP holds the bridge inspection contract for the whole of the Waikato region, via a contract with RATA, although this may be reviewed in future.

Almost all other major infrastructure professional services companies in New Zealand have offices within two hours' drive of Hauraki district.

3.2 Current procurement spend and supplier relationships

The Land Transport activity is currently delivered by both in-house and external resources. Table 2 below summarises Council's spend by supplier.

Table 2 Current spend by supplier

Supplier	Annual spend (\$ thousand)
TSBU	655
RATA	152
Consultants	439
RAMM	53
Downer NZ Ltd	2,494
McKay Electrical Ltd	326
TSL	24
PSL	12
C&M (subsidised project work)	72
C&M (non-subsidised vegetation control, TMPs)	62
Electricity	166
Other maintenance contractors	58
HEB (Reseals)	1,217
Other Capital Contracts	1,155

3.3 Procurement programmes of other approved organisations

TCDC currently has a physical works contract that bundles all network maintenance including street lighting. This contract commenced in March 2019 and runs to June 2023. TCDC's professional services is outsourced to Pinnacles Civil. Their staff are co-located in Council offices so information can be shared more efficiently. TCDC has reported that this arrangement works well and there are no plans to change this approach in the short-term. Historically, there has been collaboration with TCDC to jointly procure the annual re-seal programme, however, this has been discontinued and now is being procured separately. While the model worked well with good outcomes, coordination around the timing of new contracts was a key factor in why this approach was discontinued.

Council has previously explored collaborative opportunities with MPDC and both councils have collaborated on several non-roading activities in the past. MPDC has recently awarded its network maintenance contract. It is a seven-year contract that excludes the majority of capital works. The reseal, road marking, streetlight, and road rehabilitation activities are tendered separately because of their relatively large value to ensure market competitiveness. MPDC has expressed the possibility to collaborate with Council for these smaller contracts including the reseal, bridge maintenance, and streetlighting. In addition, it has an in-house professional services team which undertakes survey, design, and supervision activities.

The procurement activities for TCDC and MPDC are not expected to impact on Council's procurement activities over the next three years, due to the staggered nature of the expiry dates for the major physical works contracts.

The West Waikato North NOC may be tendered at a similar time to Council and may impact this procurement with multiple tenders out at the same time. This risk can be managed by understanding NZTA local procurement programme.

4 Proposed approach to delivering the work programme

4.1 Value for money

Council held a workshop on 17 July 2019 to discuss the preferred approach going forward. At this workshop, several changes to service delivery models were proposed, as set out below.

When the network maintenance contract is re-tendered, Council proposes to bring more of the professional services planning aspects into this contract, including the forward work programme development and inspections which will be undertaken in collaboration with Council. This will allow the contractor to better plan its work and to have responsibility for a broader part of the activity, noting that Council is ultimately responsible for the forward work programme approval.

The delivery of aspects of the programme (such as rehabilitation/reseal work) will be subject to the Contractors performance. Performance monitoring and management by Council inspectors and contract team will be a pivotal role in determining whether the reseals/rehabilitation work is awarded to the contractor.

The approach to footpath renewals, footpath widening programme, and kerb and channel renewal programme will be changed in response to the introduction of this as a subsidised activity. The footpath hierarchy will be developed that aligns with the ONF, and the forward work programme aligned to prioritise the renewal programme. This work is currently undertaken by the in-house C&M business unit.

An Urban Services Contract in collaboration with Stormwater Services and Community Services will be let as a Service Level Agreement (SLA) with C&M. The Contract will incorporate non-subsidised urban transportation work, as well as footpath maintenance and urban road drainage maintenance (partial subsidised). Footpath renewal, kerb and channel renewals and subsidised urban improvement projects (such as footpath widening) under \$100,000 in value. Renewal work will be procured as project specific separate annual contracts.

Vegetation control in rural areas will continue to be in the network maintenance contract, to make better use of specialised equipment. In urban areas, it is proposed that this activity is bundled with the park maintenance contract.

The proposal is the network maintenance contract will include emergency response work, including clearing of vegetation and trees (debris) during storms, this includes provisional sums for Hazardous Tree Removal. Specialist tree services will continue to be excluded from the network maintenance contract. There is an opportunity to have a separate contract for urban tree work and potentially the noxious weed control programme that could be included with Council Community Services street tree contract or with neighbouring councils.

Pavement maintenance and road marking for all pavements on Council property will also be brought into the network maintenance contract. This is expected to increase the efficiency and improve the standards of this work. This will include accessways and carparks for Council parks, community facilities and housing for the elderly, both maintenance and renewals, to the required level of service.

Land drainage will remain separate and will continue to be delivered in-house by the C&M business unit. Drainage work included in the network maintenance contract would be work specifically related to requirements to prevent pavement deterioration.

Minor structures maintenance is included under the network maintenance contract. Major bridge maintenance and renewal work is undertaken separately as required. The work requirements are defined as part of the separate professional services bridge inspection contract.

4.2 Using procurement to encourage sustainable competition

Council has obtained NZTA approval for in-house delivery of Professional Services under s26 of the Land Transport Management Act. This existing arrangement continues to be the most cost-effective solution. The in-house business unit provides emergency works response, as well as enabling greater coordination of the response.

4.3 Delivery models and supplier selection methods

Existing delivery models and supplier selection methods are presented in Section 2. The proposed delivery models and supplier selection methods for the physical works contracts that are due to expire in the next two years are presented below. The proposed term of contract is also included in the table below, with the network maintenance contract moving to 5+2 years.

The intention of the Network Maintenance Contract is to incentivise the Contractor to take ownership of overall network outcomes (aligned to asset owners), manage risks within their control, invest in broader local outcomes, and provide solutions that align to Councils budget constraints. The new contract will incorporate collaborative partnering aspects within the establishment of a formal governance group, proactive relationship, contract management, performance monitoring and more coordination of forward works programmes (not an alliance). This is to refine the delivery of renewal works so the projected capital expenditure is completed more effectively.

To achieve the desired outcomes, the plan is to:

- Incentivise the contractor to think longer term, and like an asset owner, by increasing the contract term to 5+2 years. Extended term based on performance (spreading establishment costs over a longer term)
- Make the contract more attractive by increasing the contract term and to make it worthwhile for a contractor to establish a depot in the district. The longer term contract will also assist in allowing the contractor to support investment in broader outcomes (local employment opportunities, youth employment)
- Incorporate renewal works (reseals and light pavement rehabilitation) into the contract based on satisfactory performance trying to incentivise longer term thinking (smooth delivery of minor renewal work)
- Provide for more collaboration on the maintenance intervention strategy, forward works programme and monthly programming of works (align strategies and thinking)
- Collaborate with contractor on gathering of the right data to enable a move towards outcome based contracting (internal system establishment and understanding of asset condition & performance).

Table 3 Proposed service delivery model

PROFESSIONAL SERVICES						
Activity	Delivery Model	Competition Process	Supplier Selection	Next tender date	Contract Term	Delivery risk Assessment
Asset management RAMM, asset data management and inspections Corridor Access Requests Project design Management of maintenance contracts Traffic Counting	In-house TSBU and RATA (may get specific external support, some aspects supported by the network maintenance contractor)	Direct engagement	N/A	N/A	N/A	Low
Major or complex capital works design (pavement, footpath, K&C, drainage)	Outsourced contract specific	Open	PQM	As required	N/A	Med
Bridge inspections	Outsourced	Joint procurement via RATA	Direct	N/A	N/A	Low
PHYSICAL WORKS						
Network Maintenance <ul style="list-style-type: none"> • Road Pavement maintenance • All council carparks & other pavements maintenance as required • Pavement marking (road and all council carparks & other pavements) • Minor Structures maintenance (includes above bridge deck structures and barriers) • Signs maintenance • Road marking • Traffic services • Minor safety (case by case and subject to performance) • Resilience projects • Rural Vegetation control • Road drainage works (along road corridor) some aspects of rural drainage maint. 	Outsourced, term contract, incorporating collaborative partnering elements	Open	PQM (incorp. SQP25)	July 2021	5+2	High

<ul style="list-style-type: none"> • Reseals/Resurfacing (subject to performance) • Pavement Renewals (subject to performance) • Related professional services – some asset data collection, RAMM inspections, reseal design • Emergency work/ incident response 						
Street Lighting	Outsourced, term contract. Possible Regional Contract	Open	PQM	July 2021, may extend for regional alignment	5	Med
Traffic lights	Outsourced, term contract	Direct	N/A			Med
Bridge and structures (culverts) renewals and maintenance (potentially rail trail structures)	Outsourced contract specific (1 contract bundling FWP). Staged with design/build components	Open	PQM	As required	Up to 3	Med
Urban Services Contract (new) Amenity Maintenance (refer Appendix B): <ul style="list-style-type: none"> • Urban Vegetation control spraying and mowing • Urban Land Drainage works (cesspit/ sump, K&C cleaning excluding road corridor) • Emergency work • Street cleaning/ sweeping • Urban cesspit/ sump cleaning • Abandoned Vehicles • Footpath maintenance 	In-house - C&M SLA	N/A	N/A	N/A	N/A	Low
Urban Capital Works Contract (new) <ul style="list-style-type: none"> • Footpaths new, • Footpath widening, • Footpath renewal, • K&C renewal, • K&C new 	Outsourced, term contract (in-house C&M can participate)	Open	PQM	N/A	1	Low

4.4 Approach to Project Management

All capital projects are to be delivered through the Project Management Office (PMO). All project management processes are to be published and maintained in Promapp by the PMO.

TSBU are to be involved in all capital projects as technical custodian.

The roles of the PMO and TSBU in the management of capital projects are broadly defined as follows. PMO is responsible for overall project management and specifically for budget and programme control and reporting, as well as ensuring that NZTA project management requirements are met. TSBU is the technical custodian of all projects, including being involved in:

- Feasibility (business case) and Forward Work Planning – pre-project stage
- Definition of scope
- Design brief
- Attending all design meetings and responding to design queries.

- Design review and sign-off
- Design (case by case basis)
- Ensuring NZTA requirements are met including Road Safety Audits, Peer review, NPV, etc
- Certifying Payment Certificates
- Quality Assurance and sign-off
- As-Built and RAMM

C&M is to be involved in the design stage of all minor projects for inputs into Safety in Design (SID) workshops and constructability.

4.5 Approach to contract management

Council will manage the outsourced fixed-term operational contracts in-house via the TSBU. This is currently working well and there are no plans to change this arrangement. Where required specialist input is provided by external consultants, such as Power Solutions for the street lighting contract.

5 Implementation

5.1 Procurement capability and capacity

Council has an organisational-wide procurement policy, described in Section 1.2.1, and a previous land transport procurement strategy. In addition to the resources in its Land Transport and TSBU teams, Council has recently created an internal Project Management Office, which will provide additional procurement capability and capacity. Sustainability, community wellbeing, and response to climate change are increasingly being incorporated into procurement policies and processes. The existing procurement framework may need to be reviewed to incorporate these elements.

Procurement for annual contracts, professional services projects, and minor capital works is currently undertaken in-house. The approval process is based on the level of delegated authority and individual contract value. External procurement assistance is utilised for multi-year physical works contracts and major capital works projects. Contracts are managed internally by the TSBU or Transport Manager, with formal monthly contract meetings and minutes for all physical works contracts.

5.2 Internal procurement processes

Council makes use of standard Transport Agency documents and processes to keep tendering simple for both Council and prospective suppliers.

For professional services for non-subsidised activities, Council also has the option of utilising the Waikato professional services panel. This panel is overseen by the Waikato LASS and has recently been renewed.

Early Contractor Involvement principles will be adopted for the Network Maintenance Contracts, by means of Expression of Interest and workshops with selected Contractors.

5.3 Performance measurement and monitoring

Council has specific KPIs for the land transport activity, which are presented in its LTP and reported against annually in its Annual Plan. These include a mixture of mandatory performance measures under section 261B of the Local Government Act 2002 and measures set by Council. As part of the preparation for the 2021/31 LTP, these measures are currently being reviewed.

Council also reviews the overall delivery of its land transport activity on a regular basis through the service delivery review process set out in Section 17A of the Local Government Act. These reviews have a particular emphasis on the service delivery method and whether it is achieving value for money outcomes for Council.

Transport Agency audits, including road infrastructure safety assessments, technical reviews, and financial audits, are also undertaken.

5.4 Communications and authorisation plan

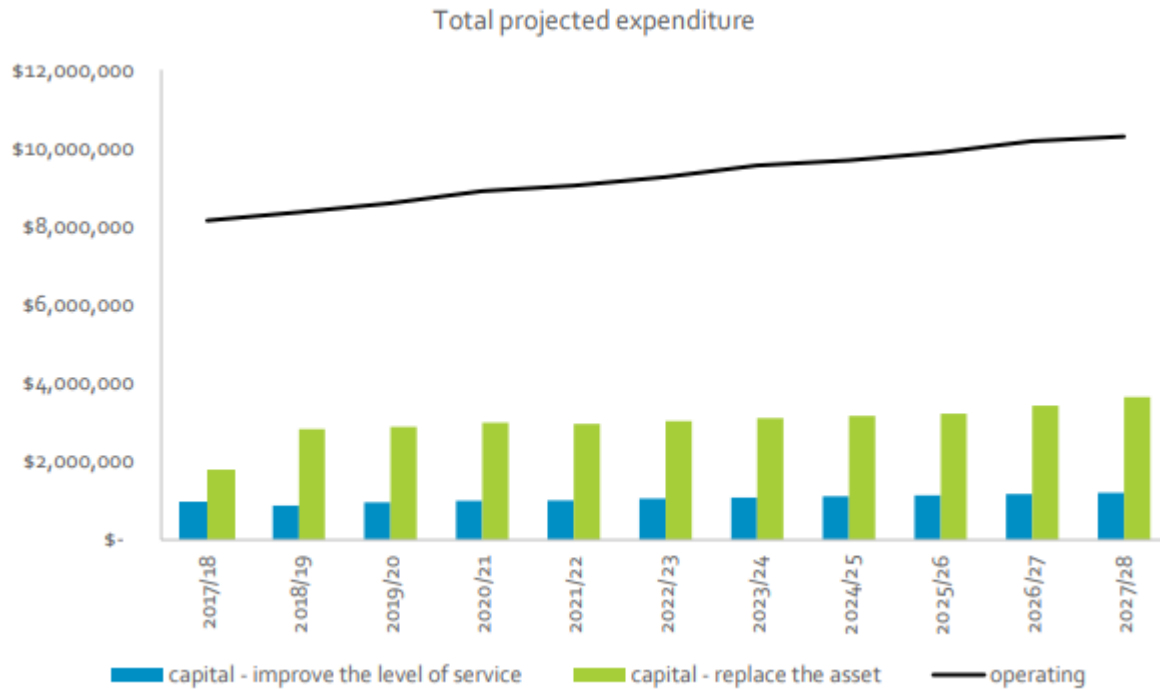
This procurement strategy will be approved by the Group Manager - Engineering prior to going to the Transport Agency for endorsement. Once a final version has been approved, it will be presented to Council's elected members for information and adoption of recommendations.

Council will then advise the market of its intended forward procurement programme via a supplier briefing session for the network maintenance contract. Council will share a copy of its procurement strategy with the neighbouring approved organisations (TCDC and MPDC) and RATA. This procurement strategy will be reviewed in three years' time.

Appendix A Excerpt from 2018-28 Long Term Plan

These projects and financial projections are based on the previous LTP which is currently being updated.

Financial Projections



Where the (operating) money will come from



Performance Measures

How we will measure our performance	Baseline	Targets
You can expect: a safe transport network provided for users and the community.		
The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network, expressed as a number.*	2016/17: 1 fatal / 3 serious	Reduce fatalities and serious injury crashes to 0.
You can expect: footpath assets to be fit for purpose.		
Percentage of residents satisfied with the quality of footpaths, as measured by the annual customer satisfaction survey.	New measure	≥75%
The percentage of footpaths within the district that fall within the level of service or service standard for the condition of footpaths that is set out in the Council's relevant documents (e.g. the annual plan, asset management plan, annual works program or long term plan).*	Unable to measure in 2016/17.	95% footpaths with defect rating >5 are isolated for safety and remedied within 7 days;
You can expect: a roading network that addresses safety and amenity issues.		
Damaged, missing or leaning signs are remedied on District roads within specified timeframes.	95% (2016/17)	100% regulatory/ permanent/ warning signs within 7 days, safety connected signs within 2 days, all other signs within 6 weeks

How we will measure our performance	Baseline	Targets
All reported potholes are repaired on District roads within specified timeframes.	93% (2016/17)	85% within 5 days for >100 vehicle per day (vpd) roads and within 14 days for <100 vpd roads

You can expect: the preservation of the pavement life of sealed roads.

The average quality of ride on a sealed local road network, measured by smooth travel exposure.*	97% (2016/17)	2018-21: 96% 2021-28: >96%
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The percentage of the sealed local road network that is resurfaced.*	7% of network (36km completed) (2016/17)	Percentage of the local road network resealed per year (as determined by the asset management plan): 2018/19: 8% resealed 2019/20: 8% resealed 2020/21: 8% resealed 2021-28: 8% resealed
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Percentage of customers satisfied with the quality of roads in the District (excluding State Highways) as measured by the annual customer satisfaction survey.	64% (2016/17)	2018/19: ≥70% 2019/20: ≥73% 2020/21: ≥75% 2021-28: ≥75%
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You can expect: customer service requests to be dealt with promptly and appropriately.

The percentage of customer service requests relating to roads and footpaths to which Council responds within the time frame specified in the long term plan.*	98% (2016/17)	100% of service requests are responded to within 10 working days
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Issues reported to the Council regarding State Highways are forwarded to the New Zealand Transport Agency.*	85% (2016/17)	2018-21: 95% of all reported issues are forwarded within one working day 2021-28: 100% of all reported issues are forwarded within one working day
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You can expect: access to be provided to the network of local roads.

Time for road access to be restored to communities following a 1 in 10 year climatic event.	100% arterial and collector, not achieved for other roads.	100% of Arterial and Collector roads open within 24 hours, all other roads within 72 hours.
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* Mandatory performance measure under section 261B of the Local Government Act 2002.

Capital Projects

Capital projects list

Proposal Description	2018/19 Total	2019/20 Total	2020/21 Total	2021/22 Total	2022/23 Total	2023/24 Total	2024/25 Total	2025/26 Total	2026/27 Total	2027/28 Total	Plan Total
Land transport - Levels Of Service											
Minor Improvements	474,000	508,956	545,221	532,117	553,422	571,410	585,695	600,923	617,148	634,428	5,623,318
New Footpaths - Paeroa	62,200	74,708	70,607	86,335	98,474	100,837	103,358	106,045	108,908	111,958	923,431
New Footpaths - Plains	-	-	7,938	-	-	-	-	-	-	-	7,938
New Footpaths - Waihi	21,900	36,281	29,507	36,757	38,295	39,214	40,195	41,240	42,353	43,539	369,281
New Road Extensions	150,000	153,300	156,673	160,276	164,123	168,062	172,263	176,742	181,514	186,596	1,669,549
New Kerb Channel Stormwater Control - Paeroa	52,700	77,672	57,447	58,768	60,178	61,623	63,163	64,805	66,555	68,419	631,330
Access and Mobility	70,000	71,540	73,114	74,795	76,591	78,429	80,389	82,480	84,707	87,078	779,123
New Kerb Channel Stormwater Control - Waihi	46,800	29,638	57,447	58,768	60,178	61,623	63,163	64,805	66,555	68,419	577,396
New Kerb Channel Stormwater Control - Plains	-	5,110	-	-	-	-	-	-	-	-	5,110
Land transport - Levels Of Service	877,600	957,205	997,952	1,007,816	1,051,261	1,081,197	1,108,226	1,137,040	1,167,740	1,200,437	10,586,475
Land transport - Renewals											
Footpath Renewal - Paeroa	10,000	10,220	10,445	10,685	10,942	11,204	11,484	11,783	12,101	12,440	111,303
Footpath Renewal - Plains	5,000	5,110	5,222	5,343	5,471	5,602	5,742	5,891	6,050	6,220	55,652
Footpath Renewal - Waihi	5,000	5,110	5,222	5,343	5,471	5,602	5,742	5,891	6,050	6,220	55,652
Minor Improvements	158,000	169,652	181,740	177,372	184,474	190,470	195,232	200,308	205,716	211,476	1,874,439
Unsealed Roading Renewals	100,000	102,200	104,448	106,851	109,415	112,041	114,842	117,828	121,009	124,398	1,113,032
Sealed Road Resurfacing	1,234,000	1,261,148	1,288,893	1,234,126	1,263,745	1,294,075	1,326,426	1,360,914	1,397,658	1,436,793	13,097,777
Pavement Rehabilitation	910,000	940,240	971,370	1,004,397	1,028,502	1,030,778	1,056,548	1,060,452	1,185,892	1,368,374	10,556,553
Drainage Renewals	140,000	143,080	146,228	149,591	153,181	156,858	160,779	164,959	169,413	174,157	1,558,245
Structures Component Replacement	112,000	114,464	116,982	119,673	122,545	125,486	128,623	131,967	135,530	139,325	1,246,596
Traffic Services Renewal	135,000	137,970	141,005	144,248	147,710	151,255	155,037	159,068	163,363	167,937	1,502,594
Dust Coat Seals	20,000	-	20,890	-	-	22,408	-	-	24,202	-	87,500
Land transport - Renewals	2,829,000	2,889,194	2,992,447	2,957,628	3,031,456	3,105,779	3,160,455	3,219,061	3,426,985	3,647,339	31,259,344
Land transport - Total	3,706,600	3,846,399	3,990,399	3,965,444	4,082,716	4,186,976	4,268,682	4,356,102	4,594,726	4,847,776	41,845,819

Appendix B Urban Services Contract Framework

		Proposed Urban Services Contract				Prof Services Team (Performance Management and Cost Management)
		Transportation	Transportation funding	Community Services	Stormwater	
C&M SLA	Vegetation Management	Urban Vegetation Footpath edges K&C spraying Noxious weeds	Non-sub Non-sub Non-sub	Street trees Parks & Reserves Vegetation Urban litter bins & litter Fly-tipping Cemetery operation Toilet cleaning	Drainage Reserves vegetation Detention Dam maintenance Rain gardens?	Comm Serv
	Flood Mitigation	Urban Flooding - keeping transport links open Pro-active kerb catchpit cleaning - local roads Pro-active kerb catchpit cleaning - State Highways Streetsweeping - local roads	Subsidised Partial Sub (18%) Partial Sub (30%) Partial Sub (18%) Partial Sub (30%)	Streetsweeping - State Highways CBD footpath cleaning	Urban Flooding - flooding of properties Pro-active stormwater system maintenance and cleaning	Stormwater
	Pollution	Treatment of road-runoff Swale maintenance Carriageway spills and incidents	Partial Sub Subsidised		Urban Stormwater Quality Pollution first response	Stormwater?
	Asset Management	Road and berm catchpit and lead renewals - local K&C renewals - local roads	Subsidised Subsidised - if it meets the criteria Non-sub	Planting street trees new	Stormwater system renewals	
	Accessibility	Footpath maintenance Footpath Renewals Footpath Forward Works Programme inputs	Subsidised Subsidised Subsidised			Transport Team
		Important Elements: Cost control absolutely necessary. Payment based on schedule. SLA written like contract to allow for tendering if C&M don't perform.				