

Hamilton City Council

Transportation Procurement Strategy 2021

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1 Executive Summary

1.1 Introduction

This document is Hamilton City Council's (HCC) Procurement Strategy for transportation works as required by Waka Kotahi NZ Transport Agency's (Waka Kotahi/NZTA) *Procurement Manual* (latest amendment -September 2019).

The purpose of the strategy is to demonstrate how HCC will procure its transportation programme whilst continuing to meet the requirements of the Land Transport Management Act 2003 (LTMA). The LTMA requires Approved Organisations that are recipients of National Land Transport Funds (NLTF) as managed by Waka Kotahi, to use procurement procedures designed to obtain best value for money; enable fair competition; and encourage competitive and efficient markets. All Approved Organisations are required to have a Waka Kotahi endorsed Procurement Strategy to apply for NLTF funding of transportation projects.

This procurement strategy outlines the HCC's intentions for the procurement of NLTF subsidised transport infrastructure services and works. The strategy will be formally reviewed and updated at least once every three years in conjunction with the HCC's Long Term Plan (LTP) cycle.

1.2 Strategic Approach

In the preparation of this Transportation Procurement Strategy, HCC has taken a long-term view on how it will:

- Achieve value for money
- Encourage efficient and competitive markets
- Encourage fair competition among suppliers
- Ensure a healthy and sustainable market.

The balance between effective competition and efficiency of procurement processes is essential to achieving value for money over the long term. This strategy assesses the projects and contracts within the transport programme in terms of scale, complexity, risk and the potential for innovation, flexibility, client involvement, supply and demand and programme constraint.

With a significant programme of capital improvements funded for the next three years, HCC has taken a strategic approach to considering its capital procurement programme as a whole. It is proposed to engage both consultants and contractors upfront through a panel form of procurement. This approach aims to bring efficiency and effectiveness to implementation of the projects and sustainability to the procurement market.

For operational delivery, HCC continues to be satisfied with the delivery model currently in place through the Infrastructure Alliance. This contract term reaches the maximum ten-year tenure on 30 June 2023 and work is underway to refresh the existing delivery model. The new contract is now being developed as the Collaborative Corridor Agreement (CCA), a collaborative 10 year contract (5+3+2 years). This differs from a pure Alliance in that we will seek prices as part of the tender process for the first year costs and performance will be rewarded through an incentive framework that focuses on delivering on KPI objectives. We are also looking to encourage and incentivise innovation through this contract. A separate Procurement Plan will be submitted to Waka Kotahi to seek approval of the exemption for the term of the contract.

1.3 Summary Statements

The investment programme for the 2021-24 LTP continues to provide for significant investment in upgrading the transport network to provide for the demands in growth as the City continues to expand. With an expected capital expenditure of \$338,000,000 (including \$183M in projects already procured and in implementation) over the next three years, the focus for procurement will be on prudent investment for cost efficiency and effectiveness.

A key difference between this Transportation Procurement Strategy and the previously approved and endorsed Transportation Procurement Strategy (2018) is the proposal to utilise a new panel arrangement for the procurement of capital improvement projects. The objective for this change is to bring efficiency and effectiveness to implementation of the projects.

The existing Collaborative Working Agreement (CWA), under delivery through the Infrastructure Alliance arrangement, for the maintenance and management of HCC's road network is currently in its last 2-year term of tenure, due to expire on 30 June 2023. Work is underway on procurement preparation for the new CCA contract which will be tendered in 2022 for award early 2023. This early award date will enable the new supplier to establish its asset management team early to contribute to developing the 2024-34 Long Term Plan financial forecasts and development of the updated Transport Activity Management Plan.

HCC has joined the WLASS professional services panel from 1 July 2021 and now utilises these panel arrangements for procuring specialised professional services. However, for complex or larger scale engagements, separate competitive tendering may be used or services may be engaged through the capital improvements panel arrangement referred to above.

Larger projects and contracts such as the Capital project panel procurement and the CCA retender will have detailed procurement plans developed to recommend the procurement model and the secondary procurement process. For transport contracts, these are developed in accordance with the Waka Kotahi's procurement manual and submitted to Waka Kotahi for approval.

1.4 Recommendations

HCC recommend that Waka Kotahi NZ Transport Agency:

- Endorses the HCC's Transportation Procurement Strategy 2021-24.
- Approves a variation to Procurement manual, section 10.21 Maximum contract term of a term service contract for infrastructure or planning and advice allowing Hamilton City Council to use a maximum contract term of ten years (5+3+2 years) for the Collaborative Corridor Agreement.
- Subject to a specific Procurement plan, approves a variation to Procurement manual, section 10.5 Procurement procedure advanced components to allow Hamilton City Council to establish a supplier panel for physical works to deliver the low cost low risk programme.
- Subject to a specific Procurement plan, approves a variation to Procurement manual, section 10.5 Procurement procedure advanced components to allow Hamilton City Council to establish a supplier panel for professional services to deliver the low cost low risk programme.

1.5 Ownership of the Procurement Strategy

This Transportation Procurement Strategy is for all land transport activities within the Hamilton City Council and its use shall be overseen by the City Transportation Unit Manager. The responsibility for ensuring compliance with the Strategy shall be managed internally by HCC's Procurement Manager.

This HCC Transportation Procurement Strategy, upon endorsement by Waka Kotahi, will be adopted by the Hamilton City Council.

1.6 Intended Use of Strategy

The Transportation Procurement Strategy is aimed at all those who are responsible for procuring operations and service delivery for the transportation network.

The strategy is also for the information of our suppliers and sub-contractors, to provide them with an overview of what transportation projects Council intends to procure in the 2021- 2031 period.

2 Policy Context

2.1 Long Term Plan

The 2021-31 Long Term Plan (LTP) outlines what HCC plans to do over a 10 year period and examines its activities, costs, how they will be paid for and how they will benefit the community. As such, it is one of HCC's most important documents, determining how budgets will be managed, how resources will be used and how it communicates our vision and future aspirations. The 2021-31 Long Term Plan is based on HCC's 30-year Infrastructure Strategy for the city which aligns infrastructure delivery with HCC's outcome goals to:

- Shape a city that's easy to live in
- Shape a city where our people thrive
- Shape a central city where our people love to be
- Shape a fun city with lots to do
- Shape a green city

The budget proposed in the Adopted 2021-31 Long Term Plan is a significant investment in the city to continue to improve the wellbeing of Hamiltonians. Investment in Transport is about enabling Hamilton to be a city that is easy to get around. The Long Term Plan targets investment to ensure:

- We have a safe, reliable and sustainable transport system that is accessible to everyone and caters to a variety of transport choices.
- We meet our legislative obligations relating to the way we manage the road corridor and transport network within our boundaries.

2.2 Objectives and Outcomes for the Procurement Strategy

HCC's Transportation Procurement Strategy has been developed in accordance with HCC's *Procurement Policy and Procedures Manual*, which states that HCC is committed to smart public procurement that delivers better public services and provides value for money to the ratepayers of Hamilton City. HCC's *Procurement Policy and Procedures Manual* specifically requires that for Transport projects, the financial limits and procedures prescribed in the Waka Kotahi Procurement Manual will apply if the standards are higher than those set by HCC to meet the requirements of Waka Kotahi as a co-investor in the programme.

This Transportation Procurement Strategy is to be read in conjunction with the HCC *Procurement Policy and Procedures Manual* which provides guidance and tools to assist with procurement decisions. HCC has aligned to the Five Principles for Government Procurement issued by the Ministry of Business, Innovation and Employment (MBIE). They are the foundations for good practice at all stages of the procurement lifecycle, from initial planning through to the end of the contract/life of the goods, services or works. The five procurement principles are:

1. Plan and manage for great results;
2. Be fair to all suppliers;
3. Get the right suppliers;
4. Get the best deal for everyone;
5. Play by the rules.

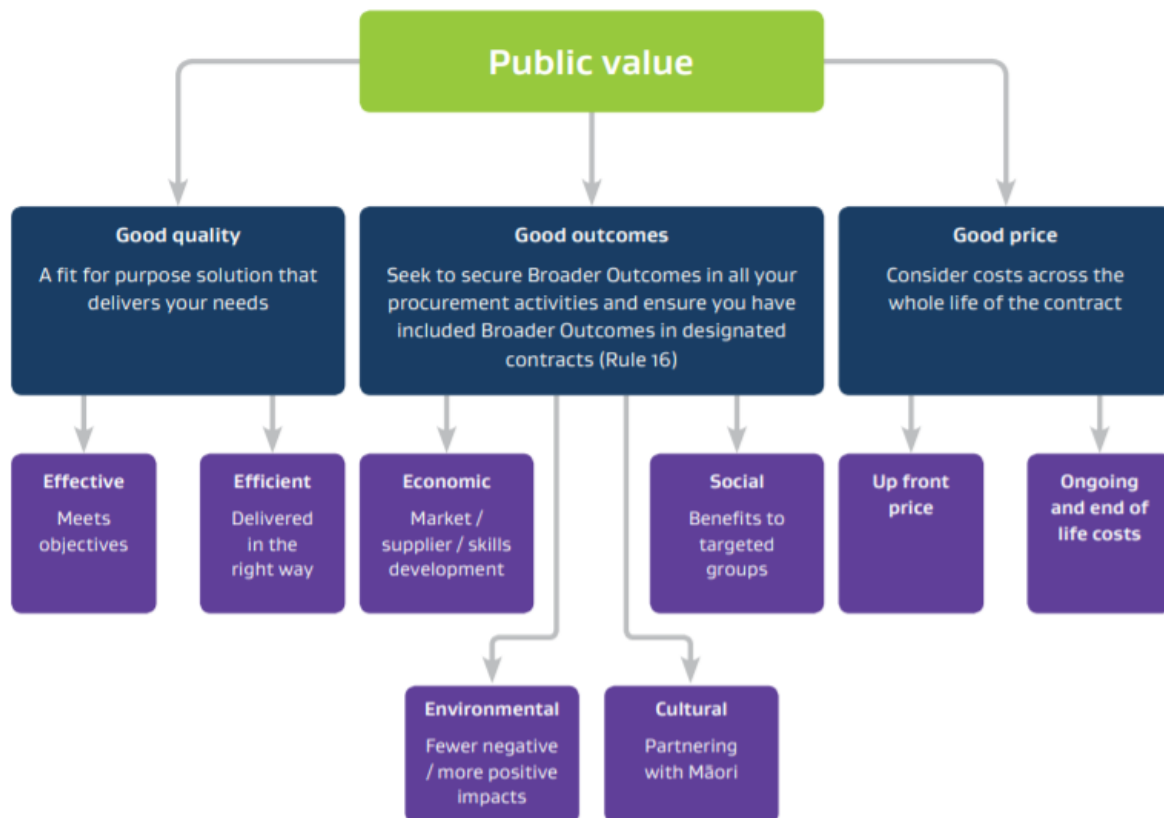


Figure 1: Public Value Guide, extracted from MBIEs Government Procurement Rules, 4th Edition 2019.

Public value means getting the best possible result from your procurement, using resources effectively, economically and without waste, and taking into account:

- the total costs and benefits of a procurement (total cost of ownership), and
- its contribution to the results you are trying to achieve.

Delivering better public value through government procurement should include securing Broader Outcomes for New Zealand.

In developing its objectives and outcomes for this Transportation Procurement Strategy, HCC has considered the Waka Kotahi procurement manual and MBIEs Government Procurement Charter of encouraging approved organisations to conduct their procurement activity to seek public value as follows:

- Seek opportunities to include New Zealand businesses
- Undertake initiatives to contribute to a low emissions economy and promote greater environmental responsibility
- Look for new and innovative solutions
- Engage with businesses with good employment practices
- Promote inclusive economic development within New Zealand
- Manage risk appropriately
- Encourage collaboration for collective impact.

HCC is currently working through development of its Broader Outcomes strategy for Elected Member approval and is considering the application of these themes through its procurement. The finalisation of this Broader Outcomes strategy is expected to be endorsed by Council in early 2022, along with the update to its Procurement Policy and Procedures Manual. Further detail will be available through HCC's Procurement Manager.

This Transport Procurement Strategy sets out the context of how the next LTP 2021-31 will be implemented, and how its objectives drive HCC's decision-making process.

2.3 The Waka Kotahi's Procurement Requirements and what they mean for Hamilton City Council

For transport related contracts, Waka Kotahi has a specific set of requirements that are to be met through this Procurement Strategy. As such, contractors and consultants for transportation-related activities will be explicitly procured based on the following.

2.3.1 Best Value for money

The Land Transport Management Act s25 requires that procurement procedures used by approved organisations be designed to obtain best value for money spent. In the context of land transport procurement in New Zealand, obtaining best value for money spent means purchasing a good or service that delivers the output approved for funding under s20 in the most efficient and economic manner.

The principle of best value for money when procuring goods or services does not necessarily mean selecting the lowest price. According to the Waka Kotahi's *Procurement Manual*, Value for Money means using resources effectively, economically, and without waste, and considering the total costs and benefits of procurement, and its contribution to the results you are trying to achieve.

HCC *Procurement Policy and Procedures Manual* defines best value for money as 'the most effective combination of cost, quality, benefit and risk to meet a requirement'. HCC recognises that to achieve 'Best Value' we need a procurement policy that encourages a mix of service provision that delivers efficiency, effectiveness and whole of life value for money.

In accordance with the Australia New Zealand Government Procurement Agreement, best value for money requires a comparative analysis of all relevant costs and benefits of each proposal throughout the whole procurement cycle (whole-of-life-costing).

The whole-of-life assessment within the procurement process requires:

- less focus on the upfront price and more recognition that best value is obtained by looking at the overall 'value' associated with the asset or service over its life
- looking closely at the ongoing costs attributable to the procurement process, such as maintenance and replacement schedules, and service level changes
- assessing how uncertainties (eg increases in input prices, fuel and wages) may adversely impact on the supplier's ability to deliver the outputs on time, to budget and to the required quality standard.

2.3.2 Competitive and Efficient Supply Markets

Encouraging competitive and efficient markets is about developing sustainable value for money over the long term. HCC encourages open and effective competition via its Procurement Policy and Procedures Manual. HCC encourages sustainability and undertakes a LTP which is communicated to the market. The LTP sets out HCC's priorities, plans and budget for Hamilton, and provides certainty to the market that, if all goes according to plan, the expenditure as set out in the LTP will be spent over the next 10 years.

In the preparation of this Transportation Procurement Strategy, HCC has taken a long-term view on how it will:

- Achieve value for money
- Encourage efficient and competitive markets
- Encourage fair competition among suppliers.

The balance between effective competition and efficiency of procurement processes is essential to achieving value for money over the long term. This strategy assesses the projects and contracts within the transport programme in terms of scale, complexity, risk and the potential for innovation, flexibility, client involvement, supply and demand and programme constraint.

2.3.3 Fair Competition among Suppliers

HCC encourages fair competition among suppliers by packaging and bundling the work to make it more attractive to suppliers and to give all suitable players a fair chance to win business. For Term contracts HCC are also extending the number of years to provide more suitable return periods for equipment purchase etc. Experience from the use of the Collaborative Working Agreement is that there are benefits to longer term contracts and we will continue to look for opportunities in this area. The Waka Kotahi Procurement guidelines, in the form of procedures and evaluation methods, are strictly followed in these processes.

In summary, the procurement strategy ensures that community outcomes are met and fulfilled through a competitive process.

2.4 Broader Outcomes and Sustainability Procurement Requirements and what they mean for Hamilton City Council

2.4.1 Broader Outcomes

Waka Kotahi's Broader Outcomes Strategy, released March 2021, describes the broader outcomes programme at Waka Kotahi, and places a strong focus on leveraging the procurement function to meet various obligations to both government and Waka Kotahi commitments. It notes that Approved Organisations (AO's) are encouraged to develop their own approach to broader outcomes, however this strategy can serve as a guide to those AOs wanting further direction or support. The Waka Kotahi Procurement manual states the requirement for AOs to consider broader outcomes in their National Land Transport Plan (NLTP) funded procurement activities.

The extract below indicates Waka Kotahi has identified a need to focus on effort in early planning stages and contract delivery and review stages to generate and understand the benefits of investment in broader outcomes.

Consideration of broader outcomes spans the three phases of procurement, however greatest value can often be achieved early in the process, particularly during the planning stage. As highlighted in the Enterprise procurement strategy this is a shift from a traditional focus on the 'sourcing' phase of procurement.

While maintaining strong controls and practices within the sourcing phase, greater emphasis will be placed on strategic commercial planning when pursuing broader outcomes. Similarly, by actively managing contracts and supplier performance Waka Kotahi will be able to monitor, measure and report on the impact that broader outcomes generate.

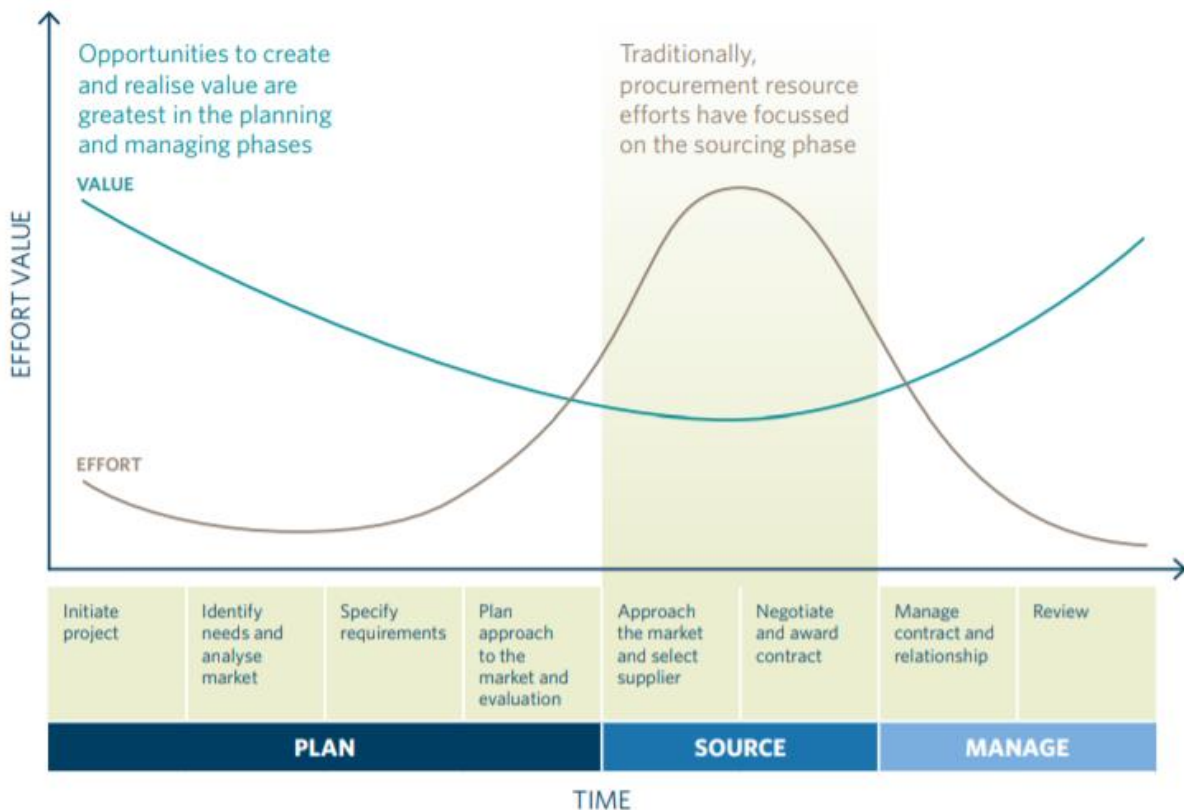


Figure 2: Extract from Waka Kotahi's Broader Outcomes Strategy, released March 2021

HCC are currently updating their Organisational Procurement Strategy to bring this up to date with current government procurement rules. The existing procurement requirements cover broader outcomes in the form of HCC's Sustainable Procurement Guideline contained in section 5 of the Procurement Policy & Procedures Manual must be considered for all procurements.

The Guidelines cover both environmentally sustainable procurement and the local impact of any procurement decision on the community.

Sustainable procurement guidelines include reviewing opportunities to:

- Recycle or reuse
- Minimise packaging
- Use biodegradable products
- Efficiently use energy and water
- Use non-toxic products
- Use durable or repairable products
- Use high performing or longer life products

To encourage growth in the Hamilton region Council requires that, for any procurement evaluation, Local Impact is included as a Non Priced Attribute evaluation criteria. This Local Impact Criteria takes into account:

- Employment within the local region
- Apprenticeships and training opportunities provided within the local region
- Sponsorship activities undertaken with HCC
- Sponsorship activities undertaken with local community groups
- Percentage of revenue from the contract going to the local region

This procurement criteria is currently not required for Transport contracts, however the use of a Sustainability and Local Impact Criteria for the procurement of Transport contracts is under consideration as HCC develops its Broader Outcomes strategy.

2.4.2 Construction Sector Accord

The Government, in partnership with the construction industry signed an accord in April 2019, with the purpose of strengthening the partnership between Government and industry and providing a catalyst to transform the construction sector for the benefit of New Zealand.

The Accord establishes shared goals between Government and industry, in pursuit of which the Government has made a number of commitments. Waka Kotahi has specific responsibilities within the Accord and is jointly accountable for delivering on the government's commitments.

Waka Kotahi's specific commitments under the Accord include:

- better risk management and fairer risk allocation
- better procurement practices and improved pipeline management
- upholding a set of guiding principles and pledges enshrined in the accord
- streamline contractor health and safety prequalification processes
- refresh our infrastructure procurement strategy and publish a list of industry engagement activities to ensure all businesses have the opportunity to engage with the work programme
- demonstrate partnering with local government.

Waka Kotahi expects approved organisations to where possible contribute to the commitments outlined above.

HCC are committed to following the guidance provided by the Construction Sector Accord to ensure it is utilising best practice procurement models and risk allocation. HCC has reviewed its special conditions of contract to ensure they are consistent with the advice from the Accord.

2.5 Other relevant factors, such as organisational policies, wider organisational procurement plans or the regulatory environment

2.5.1 Current HCC Policies and Documents

The following policies and documents also influence this strategy:

- HCC Long Term Plan and 30 year Infrastructure Strategy (published as LTP Volumes 1 and 2)
- HCC Annual Plan
- HCC Transport Activity Management Plan
- HCC Delegated Financial Authorities Policy

- HCC Delegations Policy
- HCC P-Card Policy
- HCC Conflict of Interest Policy
- HCC Contract and Relationship Management – Gifts and Hospitality Policy
- *HCC Procurement Policy and Procedures Manual*
- HCC Management Policy - Health and Safety
- MBIE Government Procurement Rules, 4th Edition 2019
- OAG: Procurement guidance for public entities 2008
- Waka Kotahi NZTA *Procurement Manual 2019*
- Contract Enforcement Act 1956
- Public Bodies Contract Act 1959
- Local Government Act 2002
- Public Audit Act 2001
- Local Government Official Information and Meetings Act 1987
- Construction Contracts Act 2002

HCC's *Procurement Policy and Procedure Manual* is a guide to selecting the most appropriate delivery model and supplier selection method. It also establishes a contract management framework, administrative procedures, probity and accountability to ensure that agreed procurement outcomes are achieved. This Policy and Procurement Manual has recently been updated and is awaiting approval for issuing of the new version, expected to be complete in early 2022.

2.5.2 Regulatory Environment

The Waka Kotahi's *Procurement Manual* provides the regulatory guideline for procurement of National Land Transport Fund (NLTF) subsidised transportation-related activities.

2.5.3 HCCs commitment to Health and Safety

Hamilton City Council is committed to maintaining a safe and healthy workplace and workforce. We are committed to creating a safe working environment that is free from harm. This commitment supports our Vision of "A high performing organisation; respected by all".

Alongside this, the Council has a legal obligation to ensure the health and safety of all workers, contracted workers, customers and others at all its workplaces. All workers have a legal obligation to ensure their own personal safety and to ensure that no action or inaction on their part will cause harm to themselves or others while at work.

Hamilton City Council is committed to maintaining a healthy and safe work environment. This commitment:

- promotes health and safety and wellbeing
- creates a work environment where workers feel safe, are supported and kept free from harm
- ensures Council complies with its legal obligations under the Health and Safety at Work Act 2015 Act and its associated regulations.

HCC's Management Policy - Health and Safety requires that all reasonably practicable steps shall be taken to eliminate or minimise the risks to the health, safety and welfare of all workers in the workplace and others at Council owned and operated facilities and assets.

Health and safety issues must be considered for all procurement transactions. Consideration of health and safety issues should be undertaken at all stages of the procurement cycle, including when

planning procurement. Thought should be given to the operational health and safety of any plant, equipment or buildings when designing, specifying and procuring assets for HCC.

In accordance with the HCC's commitment to health and safety staff should be aware of the risks and hazards associated with any procurement.

Staff should ensure when engaging Suppliers who carry out any physical works on HCC sites that the Supplier is pre-qualified through the LG Contractor Pre-Qual Scheme prior to works commencing.

2.5.4 Commitment to Climate Change

Hamilton City Council has adopted six environment principles in line with our environmental wellbeing indicator:

We love and protect our environment

E aroha ana, e manaaki ana hoki maatou i too taatou taiao

The environment principles are:

1. Restoring and protecting the health and wellbeing of our waterways
2. Protecting and enhancing our natural taonga, whenua and biodiversity
3. Embracing the sustainable use of resources
4. Promoting a circular economy
5. Transitioning to a low carbon future
6. Build our resilience to climate change

HCC is currently developing a Climate Change Strategy and Climate Change and Environment Policy, which will ensure climate change is embedded in all decisions made across Hamilton City Council. The Climate Change and Environment Policy is expected to be approved by the end of 2021, with the Climate Change Strategy due to be completed mid 2022.

Hamilton City Council produces a Climate Change Action Plan each year which sets out the actions that we will deliver for that year. The 2020/21 Action Plan provided a plan for priority actions to contribute to positive outcomes for the environment. From a transport contribution, this included investment in projects that will lead to reduced emissions into the future through changes to the use and efficiency of transport within the city. Additionally, it highlighted the use of the Green Star Communities tool for the Peacocke development.

We are currently developing the 2021/22 Climate Change Action Plan. This document will be uploaded once it has been approved by the Environment Committee by the end of 2021.

From a procurement perspective, commitment to climate change will be considered through broader outcomes to encourage environmentally sustainable outcomes.

3 Procurement Programme

3.1.1 Overall programme – Delivering the LTP 2021-31

HCC's forecast investment as included in the 2021-31 Long Term Plan continues to rise the city and its associated assets grow. The procurement programme is designed to procure those activities and projects in the most cost effective and efficient manner.

HCC has prepared a Transportation Activity Management Plan (AMP) that is reviewed every three years, as part of the review of HCC's Long Term Plan. This plan identifies the desirable levels of service, the community outcomes sought and defines the activities and projects that are required to deliver those levels of service. The Council decides on the funding levels and projects that are affordable and which are to be funded after a Special Consultative Process (SCP) with the community as part of the Long Term Plan development.

Maintenance and operational transportation activities are funded through general rates, corridor access and parking charges, NLTF subsidies and loans.

Details of the procurement programmes for service contracts and capital projects is provided in the following sections. These include all transport projects and contracts, including both NLTF subsidised and unsubsidised work, as identified.

3.1.2 Existing Service Contracts for renewal – all NLTF subsidised

Contract Description	Supplier	Contract Number	Total Contracted Value (\$)	Start Date	End Date	Revised End Date	Duration (Years)	Procurement Method (2021-24)	Opportunities for Innovation and Broader Outcomes
Roading Maintenance									
Collaborative Working Agreement – Infrastructure Alliance	Downer	CON12080	\$31.5M/year	Oct 2013	June 2023	June 2023	10	Collaborative PQM tender under development	Innovation to be included as an incentive. Broader Outcomes for social, sustainability and local involvement to be included.
Data Collection	Shared arrangements through RATA		Approx \$70-80k/year	July 2018	June 2023		5	Will continue through shared arrangement with RATA – two contracts in place as follows: 004 HSD 005 Traffic Counts	
Bridges and Structures Professional Services	RATA/BECA	28-17-03	Included in RATA commitment below	July 2017	July 2022		3+1+1	To be retendered through RATA shared contract – Contracted through WLASS. May use new MBIE contract. RATA to engage councils for preferred strategy.	
Strategic Asset management Services	RATA	Multi party Funding agreement	Approx \$80k/year	July 2016	July 2018	July 2021	2+3+3	Extension of MPFA awaiting approval.	
Waikato Regional Traffic Model (WRTM) including Hamilton Transport Model	RATA/Stantec	Shared service contract						Contribution to regional transport model.	Business case under development to determine the needs for procuring and developing a new transport model
Electricity supply – DUML Streetlights	Meridian Energy	AoG contract	Approx \$1.5m/year	July 2019	June 2022		3	Will be via AoG. Seeking pricing from market near end of 2021 for contract start date 1 July 2021	Examine Network Charges and negotiate with WEL for a reduction.
Electricity supply – all other connections	Contact Energy	AoG contract	Approx \$130k/year	July 2019	June 2022		3	Will be via AoG. Seeking pricing from market near end of 2021 for contract start date 1 July 2021	
Capital Improvements									
Minor Improvements	Base Civil	CON18143	\$ 10,500k	15-01-2019	31-03-2022			NZS 3910 Traditional	
Bus Shelter Manufacture and Install 2018-2021	Community Asset Management Ltd	CON18213	\$ 1,300.00	01-12-2018	30-06-2022			Minor Works	

3.1.3 Transportation Capex Projects for procurement from 2021-24 – NLTF Subsidised Projects

Project name	Phase	LTP Estimated Value (\$)	2021/2022	2023/2024	2023/2024	Tender Date	Term (Years)	Delivery Team	Procurement method (i.e., open tender, closed tender, direct appointment, supplier panel, WLASS)	Supplier selection method (i.e., Lowest Price Conforming, Price-Quality, Quality Based etc)	Delivery model (i.e., Staged, Design & Build)	Contractual Model/Type (i.e., NZS3910, NZS3917, Professional Services Contract etc)
Unsubsidised Programme												
Gordonton/Puketaha Intersection	Implementation	\$4,255,000	\$4,255,000			2021/2022	1	PMO	Open Tender	PQM	Build	NZS3910
Tristram St / Collingwood St Intersection Upgrade	Implementation	\$3,150,000	\$3,150,000			Awarded	1	PMO	PQM - Existing Minor Improvements Contract CON18143	PQM	Build	NZS3910
Alexandra Street Upgrade - Hood to Collingwood	Pre-Implementation	\$5,135,000		\$500,000	\$4,635,000	2023/2024	1	PMO	WLASS Panel - Open Tender	PQM	Design	Professional Services Contract
Alexandra Street Upgrade - Hood to Collingwood	Implementation					Beyond 2024		CTU	Open Tender	PQM	Build	NZS3910
Norton/Seddon/King roundabout - Possible	Single-Stage Business Case	\$2,000,000						CTU	Direct Appointment	Instruction for Service (IFS)	Business Case	Professional Services Contract
	Pre-implementation*							PMO		Pending procurement strategy approval.	Design	Professional Services Contract
	Implementation					Beyond 2024			HCC Prof Services and Capital Panel	To be delivered in accordance with NZTA procurement rules	Build	NZS3910/3917
Boundary/Heaphy Intersection - Unsubsidised	Single-Stage Business Case	\$1,000,000						CTU	Direct Appointment	Instruction for Service (IFS)	Business Case	Professional Services Contract
	Pre-implementation*							PMO		Pending procurement strategy approval.	Design	Professional Services Contract
	Implementation					Beyond 2024			HCC Prof Services and Capital Panel	To be delivered in accordance with NZTA procurement rules	Build	NZS3910/3917

Project name	Phase	LTP Estimated Value (\$)	2021/2022	2023/2024	2023/2024	Tender Date	Term (Years)	Delivery Team	Procurement method (i.e., open tender, closed tender, direct appointment, supplier panel, WLASS)	Supplier selection method (i.e., Lowest Price Conforming, Price-Quality, Quality Based etc)	Delivery model (i.e., Staged, Design & Build)	Contractual Model/Type (i.e., NZS3910, NZS3917, Professional Services Contract etc)
Unsubsidised Programme - Rotokauri Programme												
Road 0132.1 Brymer Road Rotokauri stage 1	Implementation	\$12,533,532	\$4,500,000			2021/2022	1	PMO	Open Tender	Quality only	ECI	NZS3910
Road 3100.3A New Minor Arterial Rotokauri stage 1	Pre-implementation*	\$440,400	\$440,400			2021/2022	1	PMO	Direct Appointment	Instruction for Service (IFS)	Design only	PSP
Road 3100.4A New Minor Arterial Rotokauri stage 1	Pre-implementation*	\$412,800	\$412,800			2021/2022	1	PMO	Direct Appointment	Instruction for Service (IFS)	Design only	PSP
Road 3100.5A New Minor Arterial Rotokauri stage 1	Pre-implementation*	\$562,800	\$562,800			2021/2022	1	PMO	Direct Appointment	Instruction for Service (IFS)	Design only	PSP
Road 3111.1 New collector Rotokauri stage 1	Implementation	\$589,436			\$589,436	N/A	1	PMO	Financial Contribution	3rd party procured	3rd party procured	3rd party procured
Road 3114.2 New collector Rotokauri industrial	Implementation	\$216,424			\$216,424	N/A	1	PMO	Financial Contribution	3rd party procured	3rd party procured	3rd party procured
Road 3115.2 New collector Rotokauri stage 1	Implementation	\$613,625			\$613,625	N/A	1	PMO	Financial Contribution	3rd party procured	3rd party procured	3rd party procured
Rotokauri - Improve Walking & Cycling Facilities	Implementation	\$215,151			\$215,151	2023/2024	1	PMO	TBC	TBC	TBC	TBC
Unsubsidised Programme - Rototuna Programme												
Road 3004.4 New collector Rototuna	Implementation	\$112,031			\$112,031	N/A	1	PMO	Financial Contribution	3rd party procured	3rd party procured	3rd party procured
Road 3005.1 New collector Rototuna	Implementation	\$401,020			\$401,020	N/A	1	PMO	Financial Contribution	3rd party procured	3rd party procured	3rd party procured
Road 3005.2 New collector Rototuna	Implementation	\$267,347			\$267,347	N/A	1	PMO	Financial Contribution	3rd party procured	3rd party procured	3rd party procured
Road 3006.1 New collector Rototuna	Implementation	\$159,135			\$159,135	N/A	1	PMO	Financial Contribution	3rd party procured	3rd party procured	3rd party procured
Road 5396.2B North City Road Rototuna	Implementation	\$9,296,183	\$4,226,400	\$847,896	\$339,912	2021/2022	5	PMO	Open Tender	PQM	Build	3910
Road 5475.3 Cumberland Drive new collector Rototuna	Implementation	\$92,935			\$92,935	N/A	1	PMO	Financial Contribution	3rd party procured	3rd party procured	3rd party procured
Waka Kotahi Subsidised Programme												
Rototuna Borman Road Extension + Borman/Horsham Urban Upgrade	Pre-implementation	\$175,201	\$175,201				1	PMO	WLASS Panel	Instruction for Service (IFS)	Design	Professional Services Contract
Rototuna Borman Road Extension + Borman/Horsham Urban Upgrade	Implementation	\$18,458,000	\$4,929,000	\$7,526,600	\$6,002,400	2021/2022	3	PMO	Open Tender	PQM	Build	NZS3910/3917
Transport Centre Rejuvenation	Pre-implementation	\$822,956	\$672,956	\$150,000		2021/2022	2	PMO	Open Tender	PQM - Two Stage Short Listing	Design	Professional Services Contract

Project name	Phase	LTP Estimated Value (\$)	2021/2022	2023/2024	2023/2024	Tender Date	Term (Years)	Delivery Team	Procurement method (i.e., open tender, closed tender, direct appointment, supplier panel, WLASS)	Supplier selection method (i.e., Lowest Price Conforming, Price-Quality, Quality Based etc)	Delivery model (i.e., Staged, Design & Build)	Contractual Model/Type (i.e., NZS3910, NZS3917, Professional Services Contract etc)
Transport Centre Rejuvenation (probable)	Implementation	\$7,700,000	\$4,600,000	\$3,100,000		2021/2022	2	PMO	Open Tender	PQM	Build	NZS3910/3917
CBD River Walking Cycling Connection - Ferrybank (Possible)	Pre-Implementation	\$14,000,000				Beyond 2024		PMO	WLASS Panel - Open Tender	PQM	Design	Professional Services Contract
Eastern Pathways - CBD to University Link (probable)	Pre-implementation*	\$2,000,000	\$1,000,000	\$1,000,000		2021/2022	2	PMO	WLASS Panel - Open Tender	PQM	Design	Professional Services Contract
Eastern Pathways - School Link Cycleway & PT (probable)	Pre-implementation*	\$846,800	\$846,800			2021/2022	1	PMO	WLASS Panel - Open Tender	PQM	Design	Professional Services Contract
Eastern Pathways - School Link Cycleway & PT (probable)	Implementation	\$16,000,000	\$2,000,000	\$4,000,000	\$10,000,000	2021/2022	TBC	PMO	Open Tender	PQM	Build	NZS3910/3917
Eastern Pathways Connections (probable)	Pre-implementation*	\$1,000,000	\$1,000,000			2021/2022	1	PMO	WLASS Panel - Open Tender	PQM	Design	Professional Services Contract
Eastern Pathways Connections (probable)	Implementation	\$2,000,000			\$2,000,000	2023/2024	TBC	PMO	Open Tender	PQM	Build	NZS3910/3917
Low Cost / Low Risk Improvements - Local Road Improvements	Implementation	\$4,295,000	\$600,000	\$275,000	\$3,420,000	Multiple tenders across all three years	Multiple projects over all LTP Period	PMO	Y1 - Existing Minor Improvements Contract CON18143 Y2 - HCC Prof Services and Capital Panel Y3 - HCC Prof Services and Capital Panel	Pending procurement strategy approval. To be delivered in accordance with NZTA procurement rules	Pending procurement strategy approval. To be delivered in accordance with NZTA procurement rules	Professional Services Contract and NZS3910/3917
Low Cost / Low Risk Improvements - Public Transport Infrastructure	Implementation	\$2,100,000	\$700,000	\$700,000	\$700,000	Multiple tenders across all three years	Multiple projects over all LTP Period	PMO	Y1 - Existing Minor Improvements Contract CON18143 Y2 - HCC Prof Services and Capital Panel Y3 - HCC Prof Services and Capital Panel	Pending procurement strategy approval. To be delivered in accordance with NZTA procurement rules	Pending procurement strategy approval. To be delivered in accordance with NZTA procurement rules	Professional Services Contract and NZS3910/3917

Project name	Phase	LTP Estimated Value (\$)	2021/2022	2023/2024	2023/2024	Tender Date	Term (Years)	Delivery Team	Procurement method (i.e., open tender, closed tender, direct appointment, supplier panel, WLASS)	Supplier selection method (i.e., Lowest Price Conforming, Price-Quality, Quality Based etc)	Delivery model (i.e., Staged, Design & Build)	Contractual Model/Type (i.e., NZS3910, NZS3917, Professional Services Contract etc)
Low Cost / Low Risk Improvements - Road to Zero	Implementation	\$25,230,000	\$8,000,000	\$9,990,000	\$7,240,000	Multiple tenders across all three years	Multiple projects over all LTP Period	PMO	Y1 - Existing Minor Improvements Contract CON18143 Y2 - HCC Prof Services and Capital Panel Y3 - HCC Prof Services and Capital Panel	Pending procurement strategy approval. To be delivered in accordance with NZTA procurement rules	Pending procurement strategy approval. To be delivered in accordance with NZTA procurement rules	Professional Services Contract and NZS3910/3917
Low Cost / Low Risk Improvements - Walking and Cycling	Implementation	\$10,240,000	\$3,540,000	\$4,650,000	\$2,050,000	Multiple tenders across all three years	Multiple projects over all LTP Period	PMO	Y1 - Existing Minor Improvements Contract CON18143 Y2 - HCC Prof Services and Capital Panel Y3 - HCC Prof Services and Capital Panel	Pending procurement strategy approval. To be delivered in accordance with NZTA procurement rules	Pending procurement strategy approval. To be delivered in accordance with NZTA procurement rules	Professional Services Contract and NZS3910/3917
Pembroke / Ohaupo Intersection Upgrade	Single-Stage Business Case	\$100,000	\$100,000			2021/2022		PMO	WLASS Panel	Instruction for Service (IFS)	Business Case	Professional Services Contract
Pembroke / Ohaupo Intersection Upgrade	Pre-implementation*	\$200,000	\$200,000			2022/2023		PMO	WLASS Panel	Instruction for Service (IFS) or Closed contest (once cost confirmed)	Design	Professional Services Contract
Pembroke / Ohaupo Intersection Upgrade	Implementation	\$3,800,000		\$3,800,000		2023/2024		PMO	Open Tender	Pending procurement strategy approval. To be delivered in accordance with NZTA procurement rules	Pending procurement strategy approval. To be delivered in accordance with NZTA procurement rules	NZS3910/3917

Project name	Phase	LTP Estimated Value (\$)	2021/2022	2023/2024	2023/2024	Tender Date	Term (Years)	Delivery Team	Procurement method (i.e., open tender, closed tender, direct appointment, supplier panel, WLASS)	Supplier selection method (i.e., Lowest Price Conforming, Price-Quality, Quality Based etc)	Delivery model (i.e., Staged, Design & Build)	Contractual Model/Type (i.e., NZS3910, NZS3917, Professional Services Contract etc)
Ruakura - Eastern Transport Corridor	Single-Stage Business Case	\$150,000	\$150,000			2021/2022		PMO	WLASS Panel	Instruction for Service (IFS) or Closed contest (once cost confirmed)	Business Case	Professional Services Contract
Ruakura - Eastern Transport Corridor	Pre-implementation*	\$1,850,000	\$850,000	\$1,000,000		2022/2023		PMO	WLASS Panel - Open Tender	PQM	Design	Professional Services Contract
Ruakura - Eastern Transport Corridor	Implementation	\$650,000			\$650,000	2023/2024	TBC	PMO	Open Tender	PQM	Build	NZS3910/3917
Ward Street - Tristram to Anglesea	Single-Stage Business Case	\$100,000	\$100,000			2021/2022		PMO	WLASS Panel	Instruction for Service (IFS) or Closed contest (once cost confirmed)	Business Case	Professional Services Contract
Ward Street - Tristram to Anglesea	Pre-implementation*	\$400,000	\$400,000			2022/2023		PMO	WLASS Panel - Open Tender	PQM	Design	Professional Services Contract
Ward Street - Tristram to Anglesea	Implementation	\$4,000,000	\$1,000,000	\$3,000,000		2023/2024		PMO	Open Tender	PQM	Build	NZS3910/3917

Note: the procurement of the HCC Prof Services and Capital Panels is contingent on development of the procurement plan for this work and approval from Waka Kotahi.

4 Procurement Environment

4.1 Analysis of supplier market

4.1.1 Road Maintenance

The market available to Hamilton is influenced by the activity in surrounding Waikato districts. The contracts, incumbent contractor and expected term for Waikato council road maintenance contracts includes:

Road network	Form of Contract	Current Contractor	Term of Contract (years)	End Date
Waka Kotahi State Highways	NOC - West Waikato	Fulton Hogan	7+2	2028 (+2)
Waikato District	Alliance	Downer	5+5	2025
Hamilton City	Collaborative Working Agreement	Downer	4+3+3	2023
Waipa District	NZS3910	Higgins	3+1+1	2022 (+1)
Hauraki District	NZS3917	Downer	3+2+2?	2023
Matamata Piako District	NZS3917	Fulton Hogan	3+2+2	2022 (+2+2)
Thames Coromandel District	NZS3917	Ventia	4+2+2	2023 (+2+2)
Otorohanga District	NZS3910	Inframax	3+3+3	2024 (+3)
Waitomo District	NZS3917	Inframax	3+2+2	2022 (+2)
South Waikato District	NZS3910	Downer	7	2022
Taupo District	NZS3910	Downer	5.75+3	2024 (+3)

COVID disruptions to business continuity has caused significant disruption to the New Zealand construction industry, consequently the current environment is one of uncertainty. Prior to COVID-19 construction activity was high and additional capacity within the industry generally low and this appears to continue to be case as investment in infrastructure is now a key tool for economic stimulus (eg UP, IAF etc) . As a result costs are increasing, material availability such as bitumen and steel is becoming a concern, and capacity may be constrained. Given the uncertainties around market capacity within the Hamilton region to deliver the scope of works, there exists the risk that the market does not have capacity to tender maintenance contracts in the near future.

The CCA contract, at a value of approximately \$35m per year, will be one of the largest contracts to be tendered in the Waikato road maintenance market, and even across the capital construction market. Being a long-term engagement with committed investment included in HCCs Long-term Plan, it is likely to provide an attractive prospect to market. This is an existing contract that the market are well aware of, therefore there is much interest in ability to competitively bid for the opportunity.

We are aware of market concerns with the value of bidding given the longevity of the incumbent. Market engagement will therefore look to encourage this opportunity and seek engagement of how this can be enabled to achieve a fair and competitive outcome.

Local contribution through employment, staff development, and use of local and Maaori owned businesses for subcontractors will also be encouraged through procurement practices. Any local contribution will be sought in alignment with HCCs Broader Outcomes strategy which is currently under development.

The wide mix of road maintenance providers currently managing road networks in the Waikato indicates that there is opportunity to attract a high number of bids for the tendering of the CCA.

4.1.2 Physical Works – Capital Projects

The Hamilton market has many larger and smaller based Contractors that regularly tender transportation works within the city. The contractors who have tendered for, or are involved in City contracts in the last five years include¹:

- Base Civil
- Cambridge Construction Company
- Downers NZ
- Fletchers
- Fulton Hogan Ltd
- Brian Perry Civil
- GT Civil
- Hamilton Asphalts
- HEB Construction Ltd
- Higgins Contractors
- Waipa Civil
- Schick Construction & Cartage Ltd
- West Construction
- McConnell Dowell
- Subdivision contractors (eg Pemberton, Inline, etc)

Most tenders received good responses from the marketplace with the number of tenders for any project ranging from three to six tenderers. There were exceptions for some specialist works, where less than three bids were received. The low response to these tenders was not surprising given the complex or specialised nature of the work.

In addition to these contracts a number of small projects are awarded by direct appointment. These tend to be minor works, often of a specialist nature, generally under \$50,000 in value, where direct appointment of a known and reliable supplier is the most efficient method of procurement.

Hamilton City Council has a plant nursery that supplies plants for most HCC projects, including some Waka Kotahi subsidised projects. This nursery grows plants 'to order' and specialises in the plant species that are typically used for roadside plantings. Their costs are regularly benchmarked against plant material supplied by commercial nurseries.

Approximately \$150,000 worth of plants were installed within the HCC network over the last 3 years with 50% of those being eligible for Waka Kotahi subsidy.

4.1.3 Professional Services

HCC utilises the WLASS professional services panel which it uses to identify and engage specialised professional services through a prequalification type of arrangement. WLASS has entered into master agreements with a range of skilled consultants. This contract provides some efficiency and consistency with other councils through engaging consultants with pre-negotiated fees and a standard Instruction for Service agreement.

¹ List of suppliers is indicative only and not exhaustive

Similar to the Physical Works Contractors, the Waikato market for professional services is diverse. To date local access to specialist advice has not been restricted, being close to Auckland there is a wide ranging market to access the right skills.

4.2 HCC's Current Procurement Spend and Profile

4.2.1 Transportation Professional Services – Education/Planning/Management

The City Transportation Unit carry out parking, network and travel demand management through inhouse resource, as well as management of design, tender, and contract supervision activities for capital improvements to the network.

There has been no change to the scope and scale of in-house professional services that are delivered under s.26 of the LTMA remains since the last Transport Procurement Strategy was approved by NZTA in 2018.

The LTP allows for \$1.75M for Road Safety Education, which covers the costs of in-house professional services to deliver Road safety Education including procurement of promotional materials and small scale service to support these activities.

4.2.2 Transportation Professional Services – Expert Advice

Previously, HCC has utilised its own professional services panel as the primary source of professional services. However, HCC has decided to join the WLASS PSP from 1 July 2021. The WLASS PSP contracts started on 1 August 2019 and are in place for five years. Engagements through the WLASS PSP follow the financial thresholds in the NZTA Procurement manual as follows:

- Direct appointment up to \$100k
- Closed contest for up to \$200k
- Open tender above \$200 – where tenders are sought from prequalified WLASS PSP providers.

In addition to the WLASS PSP panel, HCC is active in shared professional services contracts with neighbouring local authorities and with Waka Kotahi. These are:

- Waikato Regional Transport Model development (as a stakeholder), managed by Waikato Local Authority Shared Services Ltd (WLASS).
- Regional Infrastructure Technical Specification (RITS) development, managed by WLASS.
- Management of traffic signals on the state highways for Waka Kotahi.
- Bridge inspections and management across three Councils (Waipa District Council, Waikato District Council and HCC), managed by the Waikato Road Asset Technical Accord (RATA). Contract 16354 was awarded for a 3+1+1 term on 1 August 2017.
- Regional data collection for asset management, managed by RATA.

With regards to Professional Services for maintenance, operations and renewals, the Infrastructure Alliance staff resources or sub consultants, as arranged directly by the Infrastructure Alliance, is the primary resource for professional services.

4.2.3 Network Maintenance and Renewal Contracts

In 2013, HCC procured its transport maintenance, operations and renewal activities under a collaborative working agreement approach. This new procurement for HCC was carried out in full consultation with the contracting industry and signalled a strong desire by the HCC to improve value for money outcomes through an Alliance style arrangement. After a significant period of development, consultation and approval by HCC, the collaborative working agreement was approved and awarded. The arrangement, now referred to as the HCC Infrastructure Alliance began on 1 October 2013. Through this arrangement the bulk of maintenance, operations and renewal activities were procured. The procurement of the HCC Infrastructure Alliance was in accordance with Waka Kotahi requirements and in close cooperation between the Waka Kotahi's and Council's staff.

To encourage use of subcontractors and provide work for local and small contractors, a requirement of this contract is to arrange a proportion of the work through competitive tendering by the Infrastructure Alliance and a variety of contractors involved in delivering these services. This, together with other mechanisms such as external audits, provides HCC with confidence that the alliance continues to provide value for money. To date, the Infrastructure Alliance has subcontracted approximately 30 to 40 percent of its services. The Infrastructure Alliance contract has been committed until 30 June 2023.

In addition to the Infrastructure Alliance, parking and building renewals are undertaken by the HCC Facilities Unit, with physical works procured as individual contracts for larger commissions and term contracts for smaller commissions. These are procured in accordance with the HCC *Procurement and Procedures Manual*.

4.2.4 Capital Improvements

A Procurement Plan is mandatory for all capital projects. The Procurement Plan requires the Project Manager to select the most appropriate bundling options for the Procurement, RFx model, Supplier Selection Method, Contract Delivery Model and carry out risk evaluation.

Minor Capital improvements (under \$2M, Low cost – Low Risk) physical works are currently being delivered predominantly through a 3 year Minor Improvements contract which is set to expire in March 2022. These works are grouped where possible into the minimum number of contracts to reduce administration and improved contestability consistent with the type of work required. The work contained in this contract includes a mix of Waka Kotahi subsidised and non-subsidised projects, and the final overall contract sum and expenditure budget will vary according to the proportion of work that qualifies for Waka Kotahi funding assistance.

In some circumstances minor capital improvements may be delivered through the Infrastructure Alliance, after the completion of detailed design, where the work is associated with other maintenance and renewal works on the network and it is efficient to do it concurrently, or reduces the length of traffic impact times through single establishment.

The WLASS PSP is the primary source of professional services where a mix of direct appointment, closed contest and open tender (within the panel) is used in accordance with the NZTA Procurement Manual as follows:

- Direct appointment up to \$100k
- Closed contest for up to \$200k
- Open tender above \$200 – where tenders are sought from prequalified WLASS PSP providers.

HCC is currently undertaking a market study and developing a new procurement approach due to the increasing size of the programme. Appendix A provides detail of the programme of capital works underway and to be procured over the next 3 years.

An industry presentation in July 2021 sought feedback on a proposed procurement strategy for the future programme. This presentation proposed the option of a panel approach for both professional services consultants and physical works contractors using a programme delivery model to establish a longer-term relationship with suppliers. A detailed procurement plan will be submitted to Waka Kotahi for approval of this advanced delivery model in advance of publicly tendering, which is expected to take place in 2022 (pending confirmation of NLTF investment approval).

Bus Shelter provision is a separate contract and this will continue due to the preference for a manufacture and installation type approach.

While all projects require a procurement plan prior to releasing to market, larger more complex capital projects have detailed procurement strategies undertaken and consulted with Waka Kotahi, with the preferred method for procurement selected in accordance with HCC's *Procurement Policy and Procedures Manual*. Most projects have been traditional contract models, publicly tendered.

4.2.5 Other Operational Expenditure

The City Infrastructure Group contracts various suppliers to assist with ongoing operational activities such as:

- Parking – Operational Management Garden Place Carpark
- Parking – Multi Facility Leasing
- Transport Centres – Cleaning & Maintenance
- Transport Centres – Security.

These services are procured via direct appointment of lowest conforming tender, in accordance with HCC's *Procurement Policy and Procedures Manual*.

4.3 Analysis of the Impact of the Procurement Programmes of other Approved Organisations and other Entities

HCC is aware that the following major projects are underway or being procured by entities in or in locations that may restrict the number of suppliers willing to tender for HCC's transportation contracts:

Entity	Project
Waka Kotahi – Waikato	NZ Upgrade Programme Completion of Hamilton Section Safe network programme
Major Land Developments - Hamilton	Te Awa Lakes Ruakura Peacockes

In addition to the capital works HCC is aware that Waipa, Hauraki District Councils maintenance contracts are due for renewal in 2023. The remainder are outside of the period for this procurement strategy.

This is largely likely to provide a positive impact with contractors released from the Waikato Expressway project and very few other contracts being procured in the region.

5 Approach to Delivering the Work Programme

5.1 Confirmation of Specific Strategic Objectives

The objective of HCC's Procurement Policy and Procedures Manual is to provide clear direction to all staff in relation to procurement activities and establish a decision framework that:

- **Openness** - all procurement is made in an open and transparent manner
- **Fairness** - all procurement is carried out in a fair manner and decisions are seen to be made with impartiality and without bias
- **Integrity** - all HCC staff undertaking procurement do so ethically and with behavioural standards of the highest levels
- **Value for Money** - accounts for the costs and benefits of any procurement over the life of the goods, services or works
- **Lawfulness** - ensures that all procurements are within the law and meet HCC's legal obligations
- **Accountability** - ensures both staff and Suppliers are accountable for their performance
- **Sustainability** - encourages environmental and socially sustainable procurement

For transport projects and contracts, the decision at which contracts go through a public tender process must be in accordance with the NZTA Procurement Manual as follows:

- Direct appointment up to \$100k
- Closed contest for up to \$200k
- Open tender above \$200.

Any public tender issued by HCC is advertised electronically through the Local Government Tenders website. In addition, Transport tenders will be advertised on GETS. Closed contest contracts require three invited quotes or tenders.

HCC recognises that the best opportunity to achieve value for money is early in the project development and procurement cycle. Careful planning of any procurement is a key requirement. The *HCC Procurement Policy and Procedures Manual* specifically encourages the Project Manager to review the Supplier Selection Method and Contract Delivery Model as part of the Planning process to ensure those selected will deliver the best value for money outcomes for HCC. For Transport projects, the Waka Kotahi Procurement Manual takes precedent for guidance on the supplier selection methods permissible.

In the past, projects have been mostly procured using traditional scopes and familiar methods such as the Price Quality Method with some use of Lowest Price Conforming and Direct Appointment for the small, relatively straight forward contracts. For upcoming NLTF subsidised physical works projects, the Supplier Selection Method will follow Waka Kotahi's procurement manual.

HCC is looking to gain greater efficiency and effectiveness from its procurement processes including the ability to work in collaboration with neighbouring Road Controlling Authorities, including State Highways. In this regard procurement methods, other than the traditional types are being considered. These other methods include a Supplier Panel and Collaborative arrangements. The use of early contractor involvement and design build methods are also techniques that are available and will be considered where deemed appropriate.

HCC is an active member and advocate of RATA – the Waikato Road Asset Technical Accord. RATA provides a Centre of Excellence (CoE) in road asset management to deliver more advanced asset

management than could be achieved independently, thus assisting better council decision making and reducing whole of life costs for roading asset management.

The primary goals of RATA are to achieve benefits from the joint procurement of data collection services (consistency of approach and specification leading to benchmarking opportunities), addressing an expected (and in some areas current) skill shortage in the area of asset management, and a collaborative process to create a “smart buyer” on behalf of the Region for specialist services, leading to longer-term efficiency gains.

RATA was operated as a Mayoral Forum project from 1 July 2014 through to 30 June 2016. During 2016 it was determined that RATA would continue as a business unit of Waipa District Council providing a contracted service to the participating councils via the Waikato Local Authorities Shared Services (LASS). The Waikato LASS is an existing CCO (Council Controlled Organisation) which acts as the Principal to joint procurement contracts on behalf of the participants in RATA. A multi-party funding agreement between each of the participating councils and WLASS is in place from 1 July 2016 (with renewal from 1 July 2018 and three-yearly thereafter, the next renewal under negotiation currently).

Areas where HCC also collaborates with other regional local bodies is in the provision of electricity - including for streetlights (Environment Waikato, Waipa District Council and Waikato District Council). For this contract, the participating local bodies have collectively tendered their requirements for both Waka Kotahi funded and non- Waka Kotahi funded electricity supply. This collaboration has given the participating local bodies economies of scale to deliver better pricing for all participants when dealing with electricity suppliers.

5.2 The Procurement Approach

Over the next three years the following activities will form part of the procurement programme.

- Maintenance and renewal activities – selected activities under the existing Collaborative Working Agreement (CWA) framework. Review and update for the 10year maintenance and renewals contract is underway for retendering from July 2022 to enable a start to operations from 1 July 2023 (this is likely to include earlier establishment for planning activities).
- A number of specialist services for assets – Bridge management and data collection
- Emergency works as may arise from time to time
- Low cost low risk Capital Works Programme
- Capital Works Programme – delivered through City Development Group, a review of procurement opportunities for cost effectiveness is underway and it is proposed to use a delivery panel to procure future contracts.
- Professional Services through the WLASS PSP.

A key focus is to ensure the contract form and type provides for cost efficiency and effectiveness and is best suited to achieve the aims and outcomes for HCC delivery of the best value for money.

5.2.1 Transportation Professional Services - Education/Planning/Management

HCC intends to continue carrying out network management and design, tender, and contract management activities via the in-house City Infrastructure Group. HCC believes this delivers value for money through:

- Building in house knowledge and intellectual property on the network
- Flexibility to be more responsive to events or issues

- Ability to build long term working relationships with Suppliers
- Providing on the job training opportunities for staff to broaden their knowledge base.

It is expected that the WCLASS Professional Services Panel and in-house professional services resources will continue to be used to provide professional services throughout the course of the Long Term Plan 2021-31 with work balanced between both groups.

5.2.2 Transportation Professional Services – Expert Advice

Professional services for maintenance, operational and capital programmes will be provided through a mixture of the WCLASS PSP, in-house business resources and the Infrastructure Alliance (until expiry on 30 June 2023, at which time the new collaborative provider will be used) as appropriate to achieve the best value for money.

Bridge inspection and management across three councils (Waipa District Council, Waikato District Council and HCC) are managed by the Waikato Road Asset Technical Accord (RATA) through a contract awarded for a 3+1+1 term on 1 August 2017. With this contract nearing completion, RATA are currently working on developing a plan for procurement of the next round of these contracts.

In some cases where the works required is less business as usual, such as the Transport Centre rejuvenation, we may look outside the WCLASS PSP using an open tender process.

Additional to the above contracts there will be additional professional services work for public transport planning, neighbourhood accessibility plans, traffic modelling, and accessibility modelling amongst others. It is expected this work will be undertaken through the WCLASS PSP or other specialist suppliers with dedicated expertise combined with in-house resources.

From 1 July 2021 HCC has joined the WCLASS Professional Services Panel (PSP) for the engagement of professional services. Refer to section 4.2.3 for details of HCCs protocol for engagement of professional services through this panel.

In relation to Professional Services for maintenance, operations and renewals, the Infrastructure Alliance staff resources or sub consultants, as arranged directly by the Infrastructure Alliance, would be the primary resource for professional services.

5.2.3 Network Maintenance and Renewal Contracts

The Infrastructure Alliance, which currently maintains 706.9 km of carriageway and 1,079 km of footpaths, was established in 2013 to undertake fence-to-fence road corridor planning, maintenance and renewal to deliver on the following objectives:

- Achieving Value for Money by doing the right thing at the right time in the right place
- Exceptional customer service
- Achievement of the Activity Management Plan specified Levels of Service over the whole network
- World class asset management and stewardship
- A contract model that provides flexibility, innovation and appropriate sharing of risk
- The ability to continue to be a ‘Smart Client’ and retain intellectual property via staff development and retention
- Ability to take a leadership role regionally and nationally as these opportunities arise.

This model continues to provide value for money as illustrated by annual audits undertaken by both the Waka Kotahi and HCC. In approving to extend this contract for its final 3-year extension period on 16 April 2020, Council noted that *“The Infrastructure Alliance has performed well to deliver on all aspects of the contract”*. In addition, the partner contractor mitigates their risks and liabilities by subcontracting between 30 and 40 percent of their works.

It is understood that once the Waikato Expressway is completed, it is likely that approximately 25 km of road, currently maintained by Waka Kotahi, may be revoked and/or delegated to HCC to maintain and renew. The arrangements are currently underway for the revocation of SH26 to bring into HCCs network. This is scheduled to occur in early-2022 and would be included as part of the Infrastructure Alliance scope, provided the discretionary roll-over is implemented. Further discussions are planned to consider the opportunity for HCC to manage, under delegation, the remaining urban highways through Hamilton City to enable greater community focus to achieve our Community Outcomes.

In addition to the network maintenance and renewals undertaken by the Infrastructure Alliance, parking and building renewals will continue to be undertaken by the HCC Facilities Unit, with physical works procured as individual contracts for larger commissions and term contracts for smaller commissions, in accordance with the HCC *Procurement and Procedures Manual*.

With the Infrastructure Alliance contract expiring on 30 June 2023, work is underway to refresh this contract to prepare for retendering from 1 July 2022. A review of the current contract and activities was undertaken in 2020 to determine whether the current agreement was achieving best practice and what changes and updates to the contract could be considered to improve cost efficiency and effectiveness. The outcome from this review was a recommendation for several contractual improvements including:

- Scope: Consideration of an expansion of the existing scope of works to include at minimum the work consistently allocated through the CWA via variation orders.
- Variation Order (VO) process: Consideration to further stipulate requirements, processes, and/or procedures for use in the provision, acceptance, and management of variation orders to enable greater visibility and transparency to work being undertaken by the contractor.
- Key personnel contractual requirements: Consideration to include contract requirements regarding the approval, replacement, and succession planning for specified Key Personnel. This may or may not include a proportion or key roles to be filled by HCC staff.
- One source of truth: Consideration to, where possible, use a single or common system that both CWA Members and HCC Member can use for contractual requirements. Alternatively, to develop specific document and record control standards to ensure a level of confidence in the records and data provided.
- Incentive regime: Consider moving to a Key Performance Indicator (KPI) based incentive regime, with KPIs that are linked to delivery of the LTP targets and other Council requirements.
- Organisational alignment and stakeholder engagement: Consider utilising a collaborative approach with stakeholders for the development of requirements and performance measures, to ensure organisational alignment and contractual understanding.

The current procurement programme requires approval of the Procurement Plan by end of 2021, with development of the Request For Tender documentation and tender process taking place in 2022.

5.2.4 Minor Capital Improvements

With planned programmes significantly increasing investment in capital improvements, HCC is mindful that minor capital improvements (defined for 2021/22 onwards as projects of under \$2M) should remain adequately resourced and be efficiently delivered. Historically minor capital improvement projects have been delivered via a staged approach, with consultant(s) appointed from the panel and then contractor(s) selected via a Price/Quality method on an annual basis.

HCC are in the process of engaging the market with regards to delivery of its Capital programme and are mindful of the capacity of the local market to respond to both the capital projects and the minor improvement works.

The strategy in development is looking to ensure the market remains both competitive and sustainable allowing Long-term workload certainty for contractors and designers. The engagement process kicked off with a Waikato Civil Contractor Industry Briefing in late June 2020, comprising a joint presentation from Hamilton City Council, Waikato District Council, Waipa District Council and Waka Kotahi on the upcoming capital programmes for the region.

For the next LTP period, HCC is looking at the opportunity to include minor improvement works into the packaged programme for delivery through the advanced component described further below.

For minor capital improvement that align with maintenance and renewal activities, there may be value from procuring minor capital improvements through the Infrastructure Alliance in order to combine works and reduce disruption to road users and adjacent property access. This enables flexibility and responsiveness and the ability to implement works cost effectively. In addition, the Infrastructure Alliance has a vested interest in providing a quality product as they are responsible for maintaining these assets after completion of the improvements.

Government Rules for Sourcing 9b notes that goods, services or works additional to the original requirements that are necessary for complete delivery is applicable where all three of the following conditions are met:

- the original contract was openly advertised, and
- a change of supplier cannot be made for economic or technical reasons, and
- a change of supplier would cause significant inconvenience or substantial duplication of costs for Waka Kotahi.

With the original Infrastructure Alliance contract being openly tendered and procuring of minor improvement works traditionally resulting in significantly more resource demand, HCC need only establish technical or economic reasons for the change. HCC will evaluate its minor improvement programme on a project by project basis in accordance with the above rule and document where it considers the Infrastructure Alliance is the preferred method to deliver best value for money on economic and/or technical grounds.

5.2.5 Capital Improvements – Professional Services

In order to deliver on Year 1 of the LTP, professional services will continue to be procured individually or packaged up (predominantly for the minor improvement programme eg Walking and Cycling package, Road to Zero Package and Public Transport Infrastructure package).

Investigations are underway into the value of developing a panel arrangement for procurement of the design of capital improvements, in addition to the panel for delivery of capital improvements.

Pending progress of the advanced procurement model, the alternative plan for professional services will be to continue to package up similar work types and openly tender within the LASS Panel for delivery of design services. This Procurement method is familiar to the supply chain and complies with both Waka Kotahi and Hamilton City Councils policies.

The specific procurement methodology and contract delivery model for each project is included in the table in section 3.1.3. Further detail around the proposed HCC Prof Service and Capital Panel is outlined in section 5.3 below.

5.2.6 Capital Improvements – Physical Works

HCC is committed to significant investment over the next terms, with a total transport capital programme of approximately \$380M over the next three years, with most of this investment in the Peacockes and Rototuna growth areas and in completion of the Wairere Drive Ring Road.

Pending Waka Kotahi's funding approval larger projects to be procured in this LTP are:

- Low Cost Low Risk (\$41.5M)
- Rototuna Growth - Borman Rd East/Horsham Downs (\$18.6)
- Eastern Pathways - School Link Cycleway & PT (\$21.8M)

The specific procurement methodology and contract delivery model is included in the table in section 3.1.3. Further detail around the proposed HCC Prof Service and Capital Panel is outlined in section 5.3 below.

5.2.7 Un-subsidised Operational Expenditure

The City Infrastructure Group contracts various suppliers to assist with ongoing operational activities through its Transportation Unit, which are not subsidised through the NLTF, such as:

- Parking – Operational Management Garden Place Carpark
- Parking – Multi Facility Leasing
- Transport Centre – Cleaning & Maintenance
- Transport Centre – Security

These services are procured via direct appointment of lowest conforming tender, in accordance with HCC's *Procurement Policy and Procedures Manual*.

5.2.8 Specialised Services and Emergency Works

The nature and scope of these works will be considered on a case by case basis and prices either sought from the Infrastructure Alliance (if the work is within the capability of contractor) or from the wider industry where it is of a specialist nature (e.g. painting of a bridge, heavy structural maintenance). Procurement of any services or emergency works outside of the Infrastructure Alliance will be undertaken in accordance with Waka Kotahi's Procurement Manual.

5.3 Advanced Procurement Model – HCCs Prof Services and Capital Panel

HCC is currently in the process of developing a procurement plan for delivery of its programme of projects through a supplier panel arrangement and will work with Waka Kotahi to ensure approval under s.25 of the LTMA as an advanced component is met. The procurement plan will seek approval

of the advanced procurement model for delivery of both professional services and physical works and will detail how the proposal is going to achieve the outcomes Hamilton City Council and Waka Kotahi are seeking.

HCCs ability or willingness to use this advanced procurement method remains dependant on investment approval from the NLTF, a reduction in the subsidised programme of works will reduce HCC's overall capacity and ability to procure through this programme approach. Should the panel arrangement not proceed, HCC will return to traditional procurement methods for delivering projects individually. Professional Services provision will be sought through the WLASS PSP, and capital works through a price quality method.

This supplier panel differs from the WLASS professional services panel. The WLASS panel is a prequalification panel where no guarantee of works is given. The advanced procurement model for HCCs Prof services and Capital panels will have a mix of priced and non priced components. The intent is to ensure a sustainable workload is achieved for each panel member to enable them to invest in people and avoid peaks and troughs within their workload.

The Procurement Plan for the HCC Prof Services and Capital Panel is planned to be submitted to Waka Kotahi for review late 2021 to early 2022 for approval.

5.4 Variations to Procurement Rules

A variation to the Procurement Rules in accordance with section 10.21 of the Waka Kotahi Procurement Manual is required for the procurement of the new Collaborative Corridor Agreement. The HCC is seeking a 10-year term for this service contract, consistent with the approach taken previously for the CWA contract. A Procurement Plan for the CCA is to submitted to the Waka Kotahi in late 2021 to early 2022 for endorsement.

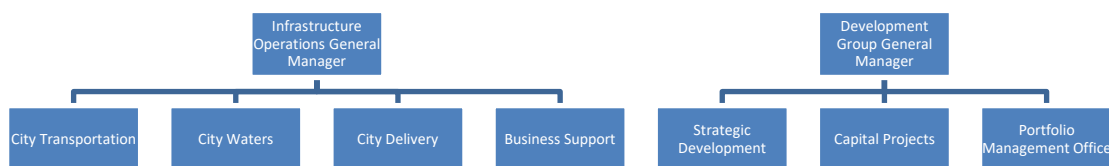
6 Implementation

6.1 Capability and Capacity

6.1.1 Description of the Current and Desired State

Transportation projects are managed through the Infrastructure Operations and Development Groups with some support from the WLASS Professional Services Panel. The current structure for these Groups is:

Figure 3 - HCC Organogram for Infrastructure Services



HCC has a number of very experienced senior practitioners within the City Transportation and Capital Projects Units that manage contract procurement – the majority of which attracts NLTF subsidy from Waka Kotahi. As part of the upgrade to the HCC *Procurement Policy and Procedures Manual* an extensive and ongoing training programme in procurement is made available to staff to improve the depth of knowledge within HCC and allow for succession planning. The training is a mixture of:

- External training courses
- In house training on Procurement
- On the job mentoring
- Toolbox sessions on best practice and project learning from senior practitioners.

6.1.2 Identification of any Capability or Capacity Gaps

A key area where there is still a skill gap is in Waka Kotahi endorsed evaluators for tender evaluation. This has been supplemented through the WLASS Professional Services Panel but it is an area where HCC will be looking to provide training opportunities to increase the number of staff with this capacity. The final training programme will be approved through the Procurement Governance Group before being rolled out to staff.

It is noted that as illustrated by the 10-Year Plan, HCC continues to plan for a large capital works programme. The intention of the procurement approach is to ensure delivery and value for money by bundling and packaging works. If resource gaps are identified, gaps will be filled via the following mechanisms:

- Internal recruitment from other parts of HCC
- External recruitment
- External consultants
- Collaboration with other councils
- Staff rotation and training programmes, retaining existing staff and by organic growth
- Recruitment with the Infrastructure Alliance.

Tender evaluation panels are assigned to ensure the appropriate mix of skills is included. Generally, there will be a mix of internal and external evaluators.

The Engineer to Contract role is outsourced through independent consultants.

6.2 Internal Procurement Processes

This strategy is to be read in conjunction with HCC's *Procurement Policy and Procurement Manual* to ensure compliance with HCC's requirements. However, the NZ Transport NZTA *Procurement Manual* provides overarching guidance and regulations for transportation-related procurements, and takes precedence over HCC's documents. If there are contradictions between the NZTA's *Procurement Manual* the HCC's *Procurement Policy and Procurement Manual*, the NZTA's *Procurement Manual* will be followed.

6.3 Performance Measurement and Monitoring

6.3.1 Transport KPI's

HCC is aware of the performance monitoring records required by Waka Kotahi to support decisions made in this Transportation Procurement Strategy. This information, both quantitative and qualitative in nature is to particularly focus on the following measures:

- Value for money – time, cost and quality
- Supplier markets – fairness, competition and innovation
- Efficiency of procurement procedures.

HCC has introduced an online benchmarking process that will be amended as required to meet Waka Kotahi's reporting requirements. HCC and the Infrastructure Alliance will set up systems and processes to ensure that the information required in the Data Collection Checklist (Appendix E of the NZTA's *Procurement Manual*) is collected for each contract.

Reporting to Waka Kotahi will remain as a role within HCC, with information provided to Waka Kotahi on an agreed basis. Information to inform the Waka Kotahi reports from RAMM and other databases and testing is supplied to the City Transportation Unit by the assets team at the Infrastructure Alliance and HCC undertake reporting to Waka Kotahi as required.

6.3.2 Additional KPIs

HCC has introduced an online benchmarking process as part of the contract close out process for all contracts or WLASS PSP engagements that looks at performance against Time, Cost, Quality, Health and Safety, Environmental Sustainability and Overall Client Satisfaction.

This information is being used to develop a database of supplier performance and contract delivery against different Contract Delivery Models and Supplier Selection Methods as well as to guide future procurement planning and ensure that learning's from the procurement processes are not lost.

6.3.3 Internal Reporting, Review and Feedback Process

For Capital Works, Performance Assessments will be undertaken using Waka Kotahi's PACE performance assessment template. Interim PACE reviews will be undertaken on longer term contracts quarterly with a final PACE review undertaken at the end of the contract. The responsibility

for day-to-day project liaison and PACE reviews will lie with relevant HCC project managers. Monitoring of Supplier performance will allow HCC to provide feedback to Suppliers on their performance ensuring no surprises at the tender evaluation phase where track record is scored.

A financial auditor reviews the Infrastructure Alliance costs and performance on an annual basis. This will validate costs and provide benchmarking costs for the ongoing measurement and operation of the Infrastructure Alliance.

6.4 Communication Plan

The Procurement Strategy, once endorsed by Waka Kotahi, will be communicated to stakeholders, in accordance with the relevant HCC Policies and Procedures, as follows:

- The intranet (internal stakeholders)
- Presentation and training to staff involved with land transport
- Shared document filing records (access to templates)
- The internet (public and suppliers and other stakeholders).

Market engagement is an important part of preparing for tender of contracts. HCC runs a thorough engagement programme to regularly update industry on the upcoming pipeline of works, and to provide more detailed engagement for larger projects/contracts as they are developed in preparation for tender. Specifically, the following regular activities are undertaken to keep industry informed and prepared for tendering its contracts:

- Annual face to face briefing to the industry, in collaboration with other regional stakeholders, to update on the larger contracts procurement pipeline for the Waikato;
- Inclusion of HCCs contracts on the National Infrastructure Pipeline – updated quarterly;
- Regular email updates to industry contacts;
- Separate market engagement for large contracts and panels;
- Updates and testing of procurement option with the local Civil Contractors NZ working group.

6.5 Implementation Plan

During the development of this Transportation Procurement Strategy, HCC has consulted with and invited comment from the following stakeholders:

- Relevant staff in HCC, including:
 - Procurement Manager
 - Capital Projects Manager
 - City Transportation Unit Manager
 - Strategic Assets and Performance Manager
- Waka Kotahi.

It is proposed to implement the Strategy following endorsement of Waka Kotahi, with the current strategy, the Transport Procurement Strategy 2018, remaining operational until superseded.

6.6 Corporate Ownership and Internal Endorsement

This Transportation Procurement Strategy is for all land transport activities within the Hamilton City Council and its use shall be overseen by the City Transportation Unit Manager. The responsibility for ensuring compliance with the Strategy shall be managed internally by HCC's Procurement Manager.

This Strategy has included considerations to the changes made in Amendment 4 to the NZTA's *Procurement Manual* and the document has been restructured to better reflect the Procurement Strategy Checklist.

This HCC Transportation Procurement Strategy, upon endorsement by Waka Kotahi, will be adopted by the Hamilton City Council.

Appendix A – HCC programme of capital works underway and to be procured over the next 3 years

Project Name	Project Description	Estimated Project Value	Project Phase Key		Business Case	Design	Procurement	Construction	Not Defined					
			2020/21		2021/22		2022/23		2023/24					
Jan-Mar	Apr-June	Jul-Sept	Oct-Dec	Jan-Mar	Apr-June	Jul-Sept	Oct-Dec	Jan-Mar	Apr-June	Jul-Sept	Oct-Dec	Jan-Mar	Apr-June	
Te Awa Cycle Path - Hamilton City Section	Extending the Te Awa river trail cycleway from Hamilton Gardens through to Mangaonua Stream incl. new timber and gravel paths and gully/stream bridge crossings.	\$5.5m												
Rototuna Village Roading -Stage 1- Turakina & Borne Brook Extensions	Extending Turakina Rise and Borne Brook Ave in the Rototuna Village.	\$3m												
Hamilton Transport Network Minor Improvements	Delivery of a programme of transport network safety improvements, intersection upgrades and cycling connectivity projects.	\$5m p.a.												
Ruakura Superhub Stage 1 -Transport Connections	Construction of new roading connections through the Rukaura Superhub between the University and the new Waikato Expressway -incl. networks to access Inland Port. Jointly funded by Central Government (Provincial Growth Fund), Tainui Group Holdings and HCC	\$36.8m												
Ruakura Road Urban Upgrade	Upgrade of Ruakura Road arterial route between Wairere Drive and the new Waikato Expressway connection from current rural standard.	\$11m												
Hamilton Ring Road Major Arterial - Cambridge Road to SH1 Cobham Drive	Final connection in the Hamilton urban major arterial ring road network, including a grade separated intersection with SH1 Cobham Drive	\$43m												
Peacocke River Bridge and Northern Arterials Construction - Hamilton	Construction of a new major arterial roading connection into Hamiltons greenfield growth area of Peacocke - including a bridge across the Waikato River.	\$125m												
Hamilton Transport Network Maintenance and Renewals	9y (3+3+3) collaborative working agreement / alliance to deliver planned maintenance and renewals across the citys transportation networks - approx \$18m p.a.	\$18m p.a.												
Hamilton Zoo and Waiwhakareke Entry Precinct - Stage 2	Second stage of upgrade of the entry to the Hamilton Zoo on Brymer Road - primarily civil works including urban upgrade of Brymer Road from Baverstock Road past Zoo.	\$8.5m												
Borman Road Arterial Extension - Kimbrae Drive to Horsham Downs Road - Hamilton	Extension of Borman Road arterial to complete network connectivity, including new signalised intersection at Horsham Downs Road and associated urban upgrades of Borman Road and Horsham Downs Road	\$20m												
Rototuna Village Infrastructure Stage 2 - North City Road and Open Spaces	Civil construction of the new Rototuna Village area including North City Road, carparks and open space.	\$15m												
Gordonton Road Intersection Upgrades	Construction of roundabouts at the Gordonton/Darjon & Gordonton Puketaha Intersections	\$5m												
Hamilton Transport Network Safety and Minor Improvement Programme	Delivery of a programme of network safety improvements and intersection upgrades from 2022 to 2027 - approx. \$12m p.a.	\$12m p.a												
Hamilton Eastern Pathways Cycling and Public Transport Network Improvements	This project is the significant upgrade of primary cycling and public transport corridors on the eastern side of the city including the School Link, City Centre to University Link and othe key connections.	\$40m												
Peacocke East/West Roading Arterial Construction - Hamilton	Construction of a new major arterial roading connection into Hamiltons greenfield growth area of Peacocke - including some significant gully crossings.	\$45m												
Peacocke Road Urban Upgrade	Upgrade of existing network as part of the Peacocke development programme	\$5m												
Hamilton Biking Network Programme	Significant upgrade of the citys primary strategic biking and micro-mobility network (in addition to Eastern Pathways)	\$50m												
Hamilton Transport Corridor Maintenance and Renewals	Collaborative corridor agreement to deliver planned maintenance and renewals across the citys transportation networks - approx \$25m p.a.	\$25m p.a.												
CBD Walking and Cycling Bridge	New ped/cycle bridge across the river - indicatively between Memorial Park and The new Waikato Regional Theatre site.	\$26m												
Boundary/Heaphy Intersection Upgrade	Major upgrade to existing intersection - likely to traffic signals	\$6m												
Rotokauri Arterial Roading Corridors	New strategic transport corridors enabling further development in the Rotokauri growth area on Hamiltons north-west. Implementation planned between 2028 and 2031	\$28m												
Ruakura Eastern Transport Corridor - Hamilton	Extend the major arterial road network in Rukaura from the inland port /superhub in the south to Webb Drive in the north, including connection to Fifth Ave cross city connector arterial.	\$80m												