

## **MANAGEMENT**

### **10.45am Win-Win Procurement for Dunedin City's Professional Services – Tony Avery & Roger Oakley**

#### **Abstract**

The heat is on in NZ for Local Authorities to procure professional services in a way that maximises benefits and adapts well to an ever changing environment. This paper looks at the how the relationship that has developed between the Dunedin City Council and MWH, has evolved to meet this challenge.

In 2002 the Dunedin City Council established a Professional Services Contract (PSC) with MWH for the bulk of their Engineering related needs. This PSC arose out of the divestment of an in-house design unit. There were many challenges and issues as the adaptation to MWH was made. With time, solutions were found, but it was recognised that the underlying contract initiated by a divestment needed a refresh to suit a maturing ongoing relationship.

A provision existed for the PSC to be rolled over from 2008 until 2012, but with no obligation on either party to commit to this. The opportunity was taken to re-examine in depth the needs and goals of the Contract. As a result of this open-minded and honest appraisal, initiatives were identified that would deliver benefits to both parties, improve the flexibility, and further enhance the working atmosphere. The roll-over was then confirmed.

While nothing is ever perfect mechanisms have been put in place so that a positive, proactive relationship continues to develop and adapts well to change. An efficient procurement model has developed, with sensible risk allocation and a robustness to source the right resources for the right projects.

This paper outlines the highs and lows of the PSC, and the responses to achieve a win-win relationship.

#### **Tony Avery**

Tony is Dunedin City Council's General Manager, City Environment, and has been in this role for seven years. Tony's responsibilities cover Water and Waste Services, Roading, Development Services and Civil Defence. Tony is the City's principle point of contact for their professional services contract with MWH.

#### **Roger Oakley**

Roger is a chartered civil engineer with 23 years of experience in local body experience. The first 17 of these were as a design engineer and project manager within the Dunedin City Council. He moved to MWH in 2002 and now manages their professional services contract with the DCC.

### **11.25am We all know it, so how do we show it? The Clear Harbour Alliance approach to demonstrating value for money – Anin Nama and Alastair Monro**

#### **Abstract**

The Clear Harbour Alliance approach to demonstrating value for money Industry wide, "the heat is on" to perform - pressure to deliver under tight budgets, pressure to deliver quality services in a resource constrained market and pressure to meet corporate objectives. Metrowater have met this pressure head-on with their decision to undertake a significant part of their sewer separation programme under an alliance structure where high performance results are implicit. Potentially the greatest challenge within any alliance and indeed across any organisation is to demonstrate value for money. It's not something to

which a “one rule fits all” approach will apply. What constitutes value for money is quite unique to each client. For Metrowater, value for money was generated at the strategic level decision making which preceded the project procurement and has continued from there on. So how do we define value for money? Tangible benefits are relatively easy to quantify, but when it comes to proving those intangible benefits, the challenge is set! This paper outlines how Clear Harbour Alliance has defined and then identified value for money that has been generated, both in tangible and intangible terms. We discuss some of the strategies that have been employed to demonstrate the tangible benefits and how the intangible benefits are delivering the most value.

### **Anin Nama**

Anin is General Manager, Asset Management and Investments for Metrowater. He has held a number of project management and senior management roles with Auckland City and Metrowater in delivery of their asset management and capital works programme.

### **Alastair Monro**

Alastair Monro is a Senior Water Engineer and Manager of GHD’s Hamilton Office. He has some 22 years experience in investigation design and construction of stormwater and wastewater infrastructure.

**12.05pm**

## **Prioritisation of capital projects – the way forward – Catherine Bayly**

### **Abstract**

Yes the heat is on...! A new government.... a global economic crisis.... unemployment on the rise.... with so much doom and gloom in the air these days there is now additional pressure for local government to deliver on its promises and effectively manage the financial impacts on local communities. Councils need to be seen to be providing value for money services that align with community goals, leading the way through the tough times.

How are some of your contemporaries tackling this key issue? Let’s find out – using a case study from Whakatane District Council, Catherine Bayly from GHD will show how this small rural district council is leading the way in the prioritisation of capital works programmes and incorporating sustainability into the mix. Whakatane are taking a council wide approach to decision-making, ensuring that those projects that most closely align with community goals are prioritised accordingly.

Catherine is an experienced strategic asset manager and will relate a case study to provide a working example of how capital works programmes can be managed and streamlined to ensure ultimate benefit to the community. Share in Whakatane’s journey and hear about their successes and key learnings from this innovative project.

### **Catherine Bayly**

Catherine is a Civil Engineer and is a Senior Consultant with GHD's Infrastructure Strategy Group. She has over 10 years of extensive experience in the Water Industry in both New Zealand and the UK. This experience has included strategic asset management planning, design team management and project management for water/wastewater service delivery projects.