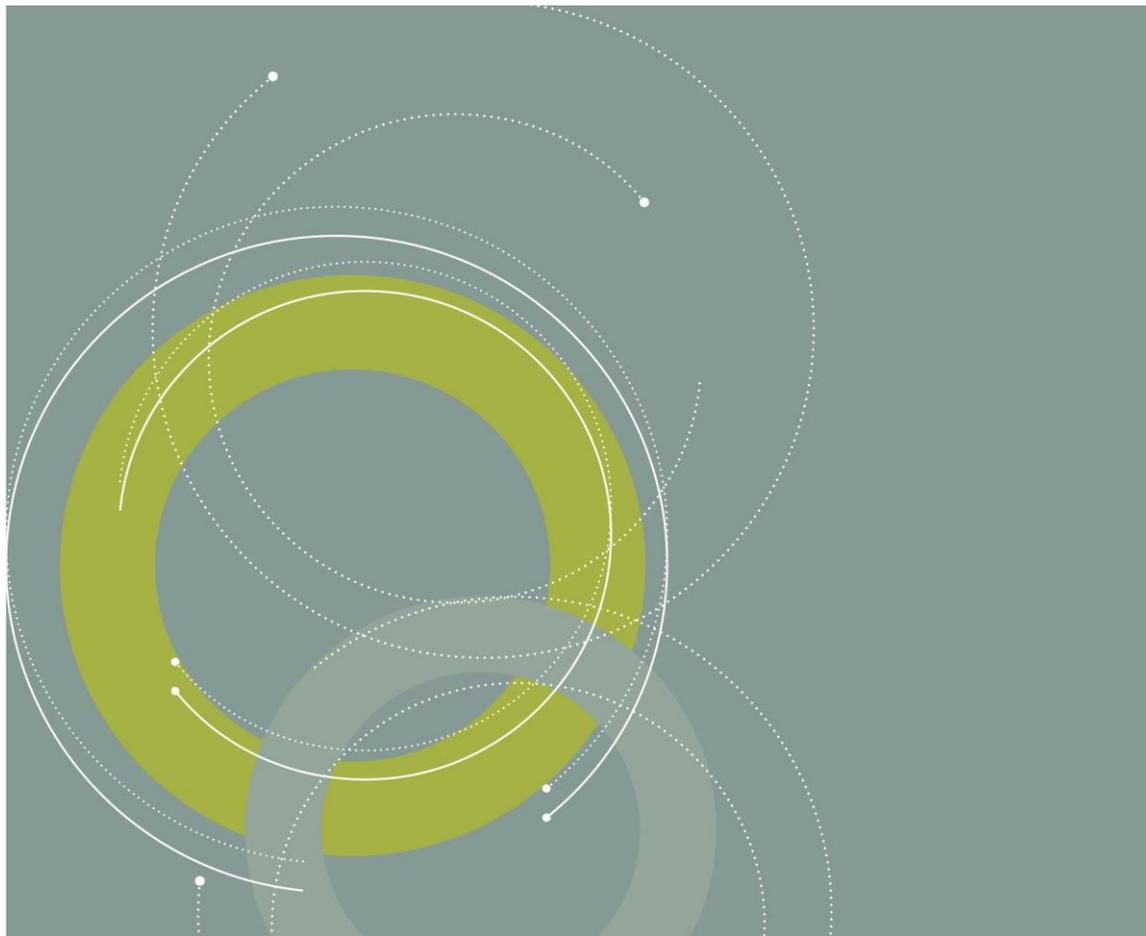

State Highway Maintenance Contract Proforma Manual

Project Services

March 2015

Version 10

Manual number: SM032



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MANUAL MANAGEMENT PLAN

Purpose

This is the Manual Management Plan for the State Highway Maintenance Contract Proforma Manual.

Document Information

DOCUMENT NAME	State Highway Maintenance Contract Proforma Manual
MANUAL NUMBER	SM032
MANUAL OWNER	Project Services Team – National Office
MANUAL SPONSOR	National Manager Network Direction and Performance
REGIONAL CHAMPIONS	Regional Performance Managers
REVIEW TEAM	SM032 Working Group

Amendment and Review Strategy

All Corrective Action/Improvement Requests (CAIRs) suggesting changes will be acknowledged by the Manual Owner.

	COMMENTS	FREQUENCY
Amendments (of a minor nature)	Incorporate in Annual Review. May require coordinating with the Maintenance Contract Manager community and HNO BUDMT or Transport Agency Board Papers timetable.	Annual: Jan – Mar Quarter
Review (major changes)	Urgent amendments fundamentally changing the content or structure of the manual will be incorporated as soon as practicable. May require coordinating with the Maintenance Contract Manager community and HNO BUDMT or Transport Agency Board Papers timetable.	As required

Other Information (at Manual Owner's discretion)

There will be occasions, depending on the subject matter, when amendments will need to be worked through by the National Direction and Performance BUDMT under the direction of the Review Team before the amendment is actioned. This may cause some variation to the above noted time frames.

Distribution

The Manual Management Plan is included in the manual and sent to Information Management.

RECORD OF AMENDMENT

This document is a controlled document and is therefore subject to review and amendment from time to time. Amendments will be recorded on this Amendment Control Sheet. Amendment Notices, detailing the changes, will be issued, via email to registered manual holders, and should be inserted behind this page.

If you wish to be notified by e-mail as and when any amendment is made, please e-mail: SM032@nzta.govt.nz with your contact details – name, organisation and e-mail address. Please ensure that any subsequent changes to these contact details are notified.

All individuals seeking to rely on, or implement, the Transport Agency State Highway Maintenance Contract Proforma Manual, or any other manual referred to in this document, have a duty to ensure that they are familiar with the most recent amendments.

AMENDMENT NUMBER	DESCRIPTION OF CHANGE	EFFECTIVE DATE	UPDATED BY	Section Change
1	Reissue manual annual update	1 April 2002	I Gray	
2	Reissue manual annual update	1 April 2003	I Gray	
3	Reissue manual annual update	1 March 2004	I Gray	
4	Reissue manual annual update	1 March 2005	I Gray	
5	Reissue manual annual update	1 March 2006	U Cardiff	
6	Reissue manual annual update	1 March 2007	U Cardiff	
7	Reissue manual annual update	1 March 2008	U Cardiff	
8	Reissue manual update - NZTA	1 August 2008	U Cardiff	
9	Reissue manual update - NZTA	1 March 2009	E Beatson	
10	Reissue manual annual update	31 March 2015	S Rusbatch	All sections

FOREWORD

Maintenance of State highway infrastructure is a significant business activity of the Transport Agency. In excess of \$450M worth of maintenance work is undertaken annually, under contracts with a variety of suppliers.

As an outcome of the 2012 State Highway Maintenance and Operations Review the Transport Agency has worked to develop a new maintenance contract model to achieve improved performance in maintaining State Highways. This model known as Network Outcomes Contract is currently being implemented nationally and is the focus of this manual. As such the latest release of this manual is another step on our journey of continuous improvement and will serve us well, particularly as we transition to the Network Outcomes Contract.

In this manual you will find the information necessary to compile a maintenance and operations contract document to the Transport Agency's requirements. In using this manual you will achieve a consistent document format and set of rules, which will ensure the best and fairest outcomes are achieved.

I urge you to embrace this manual and implement it in a way that contributes to the ongoing development of best practice. We look forward to the further contribution of Transport Agency staff and our suppliers to ensure that this manual continues to meet the needs of all users.



Tommy Parker
Group Manager- Highways and Network Operations
Transport Agency

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1. INTRODUCTION

1.1 Purpose

- 1.1.1 The purpose of this manual is to hold the Transport Agency's standard State Highway maintenance contract documentation and to provide a guide in preparing the contract tender documents.
- 1.1.2 The core maintenance activities covered by the standard State Highway maintenance contract documents include:
- Network Management; asset management, network controls, and safety management.
 - Physical Works; maintenance of sealed pavement, drainage and structures, and environmental maintenance, traffic services, and operational traffic services.
- 1.1.3 Other network specific maintenance activities (e.g. tunnels) and local roads can be included as required.

1.2 Objective

- 1.2.1 The primary objective of this manual is to ensure the appropriate and consistent use of approved State Highway maintenance contract models.
- 1.2.2 This will result in:
- a) Delivery of a similar level of service nationally;
 - b) Consistent use of Standards NZ Conditions of Contract;
 - c) The correct application of Transport Agency standards and specifications;
 - d) Compliance with the Transport Agency's relevant process and policy manuals;
 - e) Allowing the documentation to be tailored for area specific requirements; and
 - f) Feedback and review of documentation and update to reflect best practice.

1.3 Manual status

- 1.3.1 This manual has the status of a "Standard" as defined in the Transport Agency's *Register process manual for network standards and guidelines*. The authority to amend or vary the manual has been delegated to the Sponsor of this manual.
- 1.3.2 This manual forms the basis of all formal contract documentation used to engage a supplier for the maintenance of State Highways.

1.4 Intended manual users

- 1.4.1 This manual will be maintained by the Transport Agency's Project Services team in National Office and used by the Transport Agency's regional offices when preparing State Highway maintenance contracts.

1.5 Communication, feedback and amendment control

- 1.5.1 Manual users may communicate any questions or amendment suggestions via email to the address sm032@nzta.govt.nz. The feedback form at the back of this document can be used to provide feedback.
- 1.5.2 A list of amendments to this manual will be documented in the record of amendments table at the start of this manual.

1.6 Manual review process

- 1.6.1 All proformas will have an annual review however they are 'live' documents and as such will be subject to change as required at any time.
- 1.6.2 The manual owner is responsible for the review and update of this manual. Reviews will be led by the SM032 working group in consultation with the Transport Agency's asset management, maintenance management communities, and suppliers. The review will allow feedback to update the contract delivery models to ensure the proforma documents remain current and represent best practice.
- 1.6.3 In some instances a change to a fundamental part of the document (e.g. a change in the Transport Agency's *Procurement Manual*, or as a result of legal issues) may require a revision by the Transport Agency outside the programmed review cycle.

1.7 Interrelationships with other manuals

- 1.7.1 This manual contains the Transport Agency's proforma contract documentation for preparing Transport Agency maintenance contracts. In addition, refer to other Transport Agency manuals, standards and guidelines in the preparation of Request for Tenders, including, but not limited to the following:
 - a) *Procurement Manual* – details procurement rules.
 - b) *State Highway Procurement Strategy* – contains the overarching procurement strategy.
 - c) *Contract Procedures Manual (SM021)* – details procurement process.
 - d) *NOC Management Manual (SM034)* – details the NOC contract management process.

1.8 Document availability

- 1.8.1 SM032 is available in pdf form on the Transport Agency website, www.nzta.govt.nz.
- 1.8.2 SM032 appendices are available in MS Word format for use in preparing Request for Tenders via the Transport Agency Project Services team in National Office.
- 1.8.3 SM032 appendices are available to Road Controlling Authorities (RCAs). RCAs should contact, in writing, the Project Services team at National Office, or by emailing SM032@nzta.govt.nz identifying which appendices they require. The Transport Agency will endeavour to supply appropriate documentation subject to agreement to our standard disclaimer.

2. GLOSSARY OF TERMS AND ABBREVIATIONS

2.1.1 The following terminology has been used throughout this manual

APP	Appendix
BP	Basis of Payment proforma detailing what is included in each item within the Schedule of Prices, and how the supplier is to be paid.
CC	Conditions of Contract proforma using Standards NZ Conditions of Contract, as amended by the Transport Agency's special conditions.
CPM	Transport Agency's <i>Contract Procedures Manual</i> , reference number SM021.
Delivery Model	Delivery method, for example NOC. A delivery model consists of a number of proformas (e.g. IFT, CC, SP, BP, MS, APP).
IFT	Instructions For Tendering proforma document and part of the RFT, detailing the work to be carried out and explaining the procedure for preparing, submitting, and evaluating a tender.
KRA	Key Result Area
MCM	Maintenance Contract Manager.
MS	Maintenance Specification.
NOC	Network Outcomes Contract.
NOCMM	Transport Agency's <i>Network Outcomes Contract Management Manual</i> SM034.
PM	Project Manager.
PMM	Transport Agency's <i>Project Management Manual</i> , reference number SM011.
PQM	Price Quality Method.
Proforma	The framework, or base documentation that shall be used by consultants in preparing the project specific RFT.
RFT	Request for Tender
ROI	Registration of Interest.
SIA	Statement of Interest and Ability.
SP	Schedule of Prices

3. MAINTENANCE CONTRACT MODEL

3.1 Introduction

- 3.1.1 The Transport Agency has developed the State Highway Network Outcomes Contract delivery model with the objective of providing a consistently high quality of customer service that incorporates national and international best practice, with a fair allocation of risk.

3.2 Background

- 3.2.1 The Transport Agency has moved away from the previous approach of utilising a range of different contract models in the maintenance business. The NOC delivery model is now almost exclusively used throughout the State Highway network.
- 3.2.2 Consequently the old delivery models (Traditional, Hybrid, and PSMC) have been removed from this manual and have been archived. No further work is planned to update these now replaced delivery models. Release of these delivery models can be made on request.

3.3 Network Outcomes Contract (NOC)

- 3.3.1 The Transport Agency's Network Outcomes Contract (NOC) model is the standard model in use nationally for all State Highway maintenance contracts. This NOC provides for collaboration between the Transport Agency and suppliers to achieve positive network outcomes. The performance framework, Contract Risk Profile and Basis of Payment have been designed to bring the Contractor's practices and decision-making processes into line with the Transport Agency goals and objectives.

3.4 Alliance

- 3.4.1 This model will only be used for Transport Agency maintenance contracts on networks that have a particular technical complexity. Specific approval is required before using this delivery model. Proforma documents are available but only released on request.

3.5 Choice of contract delivery model

- 3.5.1 The selection of the contract delivery model shall be confirmed in the procurement strategy (refer to Section 1.3 of the Transport Agency's *Contract Procedures Manual*, SM021), and shall be consistent with the Transport Agency's State Highway Procurement Strategy.

3.6 Prequalification

- 3.6.1 Transport Agency prequalification requirements for suppliers are specified as part of the ROI, SIA and/or IFT. Additional guidance on the use of the prequalification can be found in the Transport Agency's *Contract Procedures Manual*.
- 3.6.2 For details of the prequalification process and to download the Transport Agency's Prequalification Application Pack, refer to the Transport Agency website

(<http://www.nzta.govt.nz/network/tenders-contracts/prequalification/index.html>), or alternatively contact prequalification@nzta.govt.nz.

4. PROFORMA DOCUMENT STRUCTURE, PREPARATION AND USE

4.1 Overview

4.1.1 The contract models comprise a number of elements, or proformas that are combined to form a single contract document.

4.2 Roles and responsibilities

4.2.1 The Transport Agency is responsible for full document preparation process and shall ensure that all procedures followed are in accordance with the Transport Agency's *Contract Procedures Manual* (SM021). The following tasks relate to document preparation and tender evaluation:

- a) Ensure the latest proforma documentation is used;
- b) Develop the proformas into a contract specific RFT document;
- c) Lead or participate in the interactive tender process, as outlined in the *Contract Procedures Manual* (SM021) and the *NOC Management Manual* (SM034);
- d) Update tender documentation through notice to tenderers;
- e) Award the contract.

4.3 Document structure and preparation - NOC

4.3.1 The NOC documentation is structured around the contract proformas in the Appendix to this manual.

4.3.2 NOC tenders comprise a two stage procurement process with the first stage being a ROI process to identify and shortlist tenderers. This document is contained in the Appendix.

4.3.3 In the second stage of the procurement process the RFT is issued to the list of acceptable tenderers. The RFT shall contain the following elements, and be structured in the following order:

- a) Instructions for Tendering (IFT);
- b) Schedules of Prices (SP);
- c) Basis of Payment (BP);
- d) Conditions of Contract (CC);
- e) Maintenance Specification (MS);
- a) Appendix (APP).

- 4.3.4 The process for preparation of the RFT proforma is described below. The regional Project Manager is responsible for ensuring the various tasks comprising this process are professionally executed in accordance with the requirements of this manual.
- 4.3.5 The regional Project Manager must firstly obtain from Project Services at National Office the RFT proforma documents in Microsoft Word format and the Schedule of Prices in Excel format.
- 4.3.6 The regional Project Manager then enters tender and contract details in each RFT section that reflect local or area specific conditions, bearing in mind the document editing terms in 4.3.7 below. Any changes to the standard document sections will require prior approval of the Transport Agency's Manager Project Services. This data will include, but is not limited to, the following:
- a) IFT, contract name and number, key dates, contacts, and evaluation criteria and details for the tendering process;
 - b) SP, schedule items and quantities;
 - c) BP, explanation of schedule items and quantities;
 - d) CC, Standards NZ CC schedules that require updating, including the Engineer details, insurance requirements, and contract term. The Standards NZ Conditions of Contract are not required to be bound into the RFT;
 - e) MS, local area specific details. The Transport Agency standard specifications are not required to be bound into the RFT;
 - f) Appendix, local area specific details.
- 4.3.7 It is important to retain the structure and format of the document if national consistency is to be achieved and for the purpose of retaining cross-referencing throughout the documentation, therefore limitations on what changes may be made to the document are in place. The regional Project Manager will note that the proforma sections use colour coded text. These colours have the following meanings:

COLOUR	STATUS
Black text	Black text is mandatory and may not be changed without approval from the Transport Agency National office Project Services team.
Black	Struck out black text is used for removing mandatory content that has been prior approved by the Network Outcomes Contract Model Control Group to be removed. Struck out text provides transparency of changes to an otherwise nationally consistent document. All struck out text must be confirmed within Section 7.1 of the Maintenance Specification.

Red text	Red text is used for data which requires fields to be updated or at least considered for each contract. Text can also be used as is, modified or replaced. All red text adjustments must have the State Highway Manager's approval.
Blue text	Blue text is used for optional clauses which can be included as is or deleted in full.
Purple text	Purple text is used for prequalification clauses which are to be included for prequalification tenders only. Prequalification clause details must be prior approved with the Group Manager, Highway and Network Operations.
Green Text (within the SIA)	Green text is used where prequalification is not used. Non-prequalification clause details must be prior approved with the Group Manager, Highway and Network Operations
<<Guidance notes>>	Blue text with yellow highlighting and marked at the beginning with << and the end with >> are guidance notes for the Tender Document creator. Guidance notes must be removed prior to tender document release

- 4.3.8 When the regional Project Manager has completed adding local area information to the proformas they are returned to Project Services in National Office for review and final compilation of the RFT.
- 4.3.9 Where, during the Tender Period amendments to the RFT are required these will be instructed via Notice to Tenderers by the Transport Agency.
- 4.3.10 Once the tender evaluation is complete and awarded the contract documents are compiled for signing as required in the *Contract Procedures Manual*.

4.4 Document structure and preparation - Alliance

- 4.4.1 The Alliance contract proformas will be released upon request through Project Services, and will align with the procurement strategy.

4.5 Electronic tender documentation

- 4.5.1 Where practicable RFT documentation should be made available to tenderers in an appropriate electronic form, for example an excel spreadsheet for the schedule of prices, or a word document for sections the tenderer is required to complete, or.pdf format for tender documents.
- 4.5.2 Electronic documents are provided in good faith, to assist tenderers. In the event of ambiguity between the electronic copy, and the hard copy, the hard copy shall take precedence.
- 4.5.3 It is the regional Project Manager's responsibility to have procedures in place for managing and checking any electronic information sent to and/or received for tendering purposes.

4.6 Document branding

- 4.6.1 Contract documents shall have standard Transport Agency covers front and back and the Transport Agency logo on any maps and other attachments. Use of the Transport Agency logo must adhere to requirements of the Transport Agency *Brand Manual (2013)*.

FEEDBACK

To	SM032 Manual Owner, NZ Transport Agency, Wellington
Email Address:	SM032@nzta.govt.nz
Subject:	Feedback for SM032

From (Name & Company)	
Contact Number	
Contact email	
Contact Address	

Document Reference (Appendix Reference & Clause)	
Comment and/or Description of problem	
Describe what you would like to happen / suggest change	

Feedback ID (For internal use only)		Action (For internal use only)	
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APPENDICIES

APPENDICES TO THE STATE HIGHWAY MAINTENANCE CONTRACT PROFORMA MANUAL	
Appendix A	Network Outcomes Contract
A1	Registration of Interest
A2	Statement of Interest and Ability, <i>Proforma not included, available on request</i>
A3	Instructions for Tenderers
A4	Schedule of Prices
A5	Basis of Payment
A6	Conditions of Contract
A7	Maintenance Specification
A8	Appendix
Appendix B	Alliance
B1	<i>Proforma not included, available on request</i>