

# Contract for Services

## Ricoh Sports Centre Facility Management Contract

### The Parties

<b>Fraser Park Sportsville</b>	<b>(Buyer)</b>
Ricoh Sports Centre	
Taita Drive, Lower Hutt	
and	
<b>Hutt City Council – Community Hubs Division</b>	<b>(Supplier)</b>
Laings Road	
Lower Hutt	

### The Contract

#### Agreement

The Buyer appoints the Supplier to deliver the Services described in this Contract and the Supplier accepts that appointment. This Contract sets out the Parties' rights and obligations.

#### The documents forming this Contract are:

- |   |                   |
|---|-------------------|
| 1. This page                                    | <b>Page 1</b>     |
| 2. Contract Details and Description of Services | <b>Schedule 1</b> |
| 3. Standard Terms and Conditions                | <b>Schedule 2</b> |
- GMC Form 2 SERVICES | Schedule 2 (2nd Edition) available at: [www.procurement.govt.nz](http://www.procurement.govt.nz)
4. Any other attachments described at Schedule 1.

#### How to read this Contract

5. Together the above documents form the whole Contract.
6. Any Supplier terms and conditions do not apply.
7. Clause numbers refer to clauses in Schedule 2.
8. Words starting with capital letters have a special meaning. The special meaning is stated in the Definitions section at clause 17 (Schedule 2).

### Acceptance

In signing this Contract each Party acknowledges that it has read and agrees to be bound by it.

For and on behalf of the <b>Buyer</b> :		For and on behalf of the <b>Supplier</b> :	
			
(signature)		(signature)	
<b>name:</b>	WILLIAM ALLAN HEATH	<b>name:</b>	MIKE MERCERE
<b>position:</b>	ACTING CHAIR	<b>position:</b>	DM COMMUNITY HUBS.
<b>date:</b>	25/7/2019	<b>date:</b>	25/7/19

# Schedule 1

## Contract Details and Description of Services

<b>Start Date</b>	Monday 22 July 2019	Reference Schedule 2 clause 1
<b>End Date</b>	Friday 24 July 2020	Reference Schedule 2 clause 1

<b>Contract Managers</b> Reference Schedule 2 clause 4		<b>Buyer's Contract Manager</b>	<b>Supplier's Contract Manager</b>
	<b>Name:</b>	Ashley Roper & Bill Heaps	Mike Mercer
	<b>Title / position:</b>	Board Member Fraser Park Sportsville	Divisional Manager Community Hubs
	<b>Address:</b>	Ricoh Sports Centre, Taita Drive, Lower Hutt	Laings Rd, Lower Hutt
	<b>Phone:</b>	0274488598 021 852 843	0277025263
	<b>Fax:</b>		-
	<b>Email:</b>	<a href="mailto:telsys.com@xtra.co.nz">telsys.com@xtra.co.nz</a> <a href="mailto:bill.heaps@strataenergy.co.nz">bill.heaps@strataenergy.co.nz</a> z	Mike.mercer@huttcity.govt.nz

<b>Addresses for Notices</b> Reference Schedule 2 clause 14		<b>Buyer's address</b>	<b>Supplier's address</b>
	<b>For the attention of:</b>	As above	As above
	<b>c.c. Contract Manager</b>		
	<b>Delivery address:</b>		
	<b>Postal address:</b>		
	<b>Fax:</b>		
	<b>Email:</b>		

<b>Supplier's Approved Personnel</b> Reference Schedule 2 clause 2.5	<b>[OPTIONAL]</b>	<b>Approved Personnel</b>
	<b>Name:</b>	-
	<b>Position:</b>	
	<b>Specialisation:</b>	

<b>Supplier's Approved Sub-contractor</b> Reference Schedule 2 clause 7	<b>[OPTIONAL]</b>	<b>Approved Sub-contractor</b>
	<b>Name:</b>	-
	<b>Address:</b>	
	<b>Specialisation:</b>	

<b>Description of Services</b>
<p>Ricoh Sports Centre opened in March 2019. Since that time several key staff have resigned and the Board have investigated various operating models which best meet the need of the facility moving forward.</p> <p>As local government managing multiple facilities across Lower Hutt, Hutt City Council (HCC) see potential in a partnership with Fraser Park Sportsville (FPS). This proposal is a facility management agreement of Ricoh Sports Centre for a 12-month period. The purpose of this is to provide operational support to Fraser Park Sportsville.</p>

**Description of Services**

HCC will be responsible for the following areas only:

- Staffing during agreed hours. Suggested hours are:
  - o Monday & Tuesday: 8.00am-6.00pm
  - o Wednesday to Friday: 8.00am-8.00pm
  - o Saturday & Sunday: 8.30am-5.00pm
- Bookings of the following spaces & participation assets:
  - o The Corporate Box, The Engine Room, Kadima 1 & 2, Cloud Nine, Long Yarn, Sports House, Treatment Room, external changing rooms x 8, Artificial turf, Diamond 1, Activity Zone, Squash courts
- General facility management including set up & pack down
- Seeking and delivering on events & tournaments
- Programming
- Day to day operational enquiries (including building and booking related requests from Founding Member Clubs)
- Amending SOPS to ensure facility can be managed effectively and efficiently

HCC will cover expenses relating to:

- Cleaning service & consumables
- Security
- Telecommunications (HCC side only)
- Rubbish removal
- Repairs & maintenance; short term, reactive and preventative
- Chattels (non F&B related)
- Sports equipment procurement, repair and update
- Furniture replacements and repair
- Power & Gas
- Plant & Building maintenance

HCC will receive revenue from:

- Facility hire (of spaces listed above)
- Office leases
- Equipment hire e.g. AV
- Programmes and events
- Squash court casual hire & tournaments
- Parks and Gardens contribution
- Retention of Hutt City Council grant
- CFT contributions listed for future maintenance fund to be held by HCC as CAPEX to align with the Community Hubs model
- Power & Gas on-charges

FPS Board will retain responsibility of:

- Clubs;
  - o All Founding Member Club (FMC) relationships – ensuring clubs utilise facility fully and engage appropriately, understand any guidelines/rules. Lead at strategic level
  - o Increasing FMC membership numbers along with recruitment of new affiliated clubs if appropriate

- Social club membership management & recruitment
- Fraser Park Sportsville Limited & Fraser Park Sportsville Incorporated
- All Food & Beverage aspects i.e. Café lease, Bar Management etc
- Ensuring F&B staff follow SOPs (e.g. lock up at nights etc)
- Telecommunications (FPS side only)
- Any existing sponsorship agreements
- Seeking sponsorship and gaming trust support

FPS will retain revenue from:

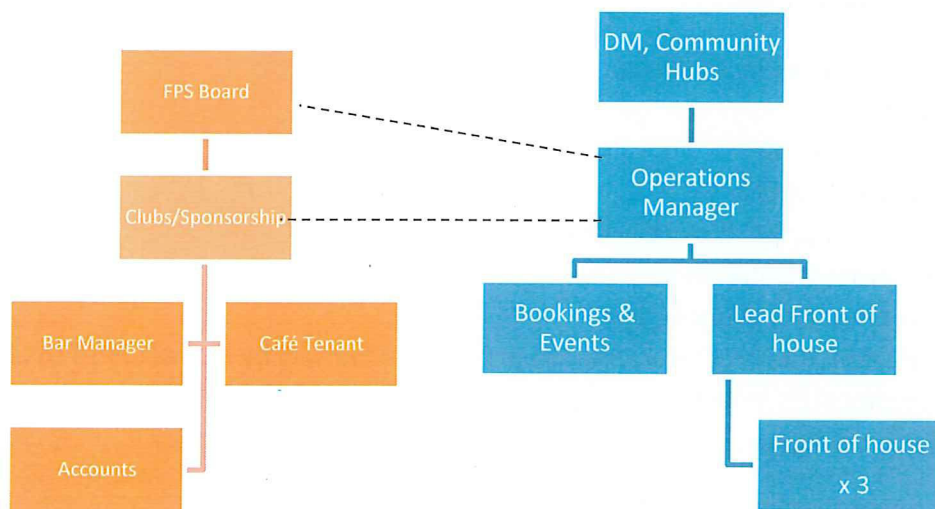
- FMC membership
- Café lease
- Bar income
- Sponsorship
- Charitable Trust & Gaming

FPS will cover expenses relating to:

- Depreciation of FPS assets (i.e. turf, F&B assets etc)
- Rates
- Insurance (building & F&B equipment)
- Grease trap cleaning
- F&B related asset/chattel costs
- Artificial turf; replacement and maintenance
- Sky TV
- Any licensing & regulation requirements
- Any accounting or auditing fees (FPS side only)

Section 7(2)(b)(ii) of the LGOIMA because it would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.

The management fee payable from FPS to HCC will be [REDACTED] for the 12-month period. The HCC grant will also be retained as part of the agreement.



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<b>Address for invoices</b> Reference Schedule 2 clause 3	<b>For the attention of:</b> Fraser Park Sportsville
	<b>Physical address:</b> Ricoh Sports Centre, Taita Drive, Lower Hutt
	<b>Postal address:</b> -
	<b>Email:</b>
	<b>Fax:</b>
<b>Insurance</b> Reference Schedule 2 Clause 8.1	<b>INSURANCE: (clause 8.1 Schedule 2)</b> It is the Supplier's responsibility to ensure its risks of doing business are adequately covered, whether by insurance or otherwise. The Buyer does not require any specific insurance under this Contract.
<b>Changes to Schedule 2 and additional clause/s</b>	'None'
<b>Attachments</b> Reference 'Contract documents' described at Page 1	<b>Budget</b> <b>Disputes Resolution Process (Below)</b>

**Dispute Resolution**

A party to this contract may not commence any court or arbitration proceedings relating to a dispute under this contract unless it has complied with the clauses below relating to dispute resolution (except where the party seeks urgent interlocutory or injunctive relief).

A party claiming that a dispute has arisen must give written notice, within five (5) business days of the dispute arising to the other party specifying the nature of the dispute.

On receipt of such notice, the parties must endeavour to resolve the dispute using informal dispute resolution techniques. It is anticipated that this will occur at Divisional Manager/Board level initially.

If the parties cannot agree then the matter must be submitted to arbitration.



**Deliverables**

Ultimately the deliverables are to run an efficient, high quality facility for local community. Some specific measures have been included below.

- Agreed opening hours (ie staffed hours from our end)

Monday & Tuesday: 8.00am-6.00pm  
 Wednesday to Friday: 8.00am– 8.00pm  
 Saturday & Sunday: 8.30am-4.30pm

- Target number of hours per indoor meeting space (excluding indoor activity area and leased office spaces) 10 hours per week, per space
- Target number of booked hours for indoor activity area 15 hours per week
- Customer satisfaction levels >90% as per fast five survey implemented
- Budget met
- At least 3 regular recreation/sport programmes developed in partnership with others and led from site by end of 2019/20 year (regular weekly, term time)
- Visitation levels exceed **500,000** per annum (NB HCC will install door counters)

**Specific code of conduct / health & safety / legislative requirement [optional]**

All standards that apply to Hutt City Council public facilities will apply in relation to the above services.

Supplier's Reporting Requirements	Report to:	Type of report	Due date
Reference Schedule 2 clause 5	Contract Manager	Monthly Board Reports	Monthly Board Meetings
		Annual Report	July 31 2020

**CHARGES:** The following section sets out the Charges. Charges are the total maximum amount payable by the Buyer to the Supplier for delivery of the Services. Charges include *Fees*, and where agreed, *Expenses* and *Daily Allowances*. The Charges for this Contract are set out below.

<b>Fees</b> Reference Schedule 2 clause 3	The Supplier's Fees will be calculated as follows: <b>Fixed Fee</b> A fixed Fee of [REDACTED] excluding GST.	Section 7(2)(b)(ii) of the LGOIMA because it would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.
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<b>Expenses</b> Reference Schedule 2 clause 3	See budgets attached for further information.
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<b>Invoices</b> Reference Schedule 2 Subject to clauses 3 and 11.7	The Supplier must send the Buyer an invoice for the Charges at the following times: On the following dates subject to completion of the relevant milestones 1 December 2019
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