

**AGENDA FOR A MEETING OF THE PROJECTS SPECIAL COMMITTEE TO BE HELD IN
THE CIVIC CENTRE, 6 WAIPAREIRA AVENUE, LINCOLN, WAITAKERE CITY,
ON WEDNESDAY, 1 JUNE 2005, COMMENCING AT 9.30 AM.**

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1 APOLOGIES



2 URGENT BUSINESS

Section 46A(7) of the Local Government Official Information and Meetings Act 1987 provides that where an item of business is not on the agenda, it may only be dealt with at the meeting if:

- (i) the Committee by resolution so decides; and
- (ii) the Chairperson has explained at the beginning of the meeting (when open to the public) that the item will be raised for discussion and decision, why the item is not on the agenda, and why it cannot be delayed until a subsequent meeting.

The Committee may make a decision on a matter determined to be urgent.

NOTE: Urgent Business need not be dealt with now and may be delayed until later in the meeting.



3 CONFIRMATION OF MINUTES

Meeting Minutes - Wednesday, 4 May 2005

RECOMMENDATION

That the minutes of the Meeting of the Projects Special Committee held on Wednesday, 4 May 2005, as circulated, be taken as read and now be confirmed.



4 WAITAKERE CENTRAL CIVIC CENTRE - CONSTRUCTION STATUS REPORT

PURPOSE OF THE REPORT

The purpose of this report is to provide a monthly construction status update to the Projects Special Committee on the Waitakere Central Civic Centre construction project. The period for this report covers April/May 2005.

BACKGROUND

The Waitakere Central Civic Centre construction project was last reported to Projects Special Committee on 4 May 2005 in a report entitled "Waitakere Central Civic Centre - Construction Status Report."

DESIGN

The following design issues are currently being dealt with by the design team:

- Artwork is ongoing including lighting and designs of the various art pieces. A separate report on the status of artworks for this and other significant projects will be presented to this Committee by the project Arts Adviser;
- Design work and documentation for the kitchens is progressing;
- Planning for a staff rest area within the administration wing is underway;
- Concept planning for the chamber audio visual system is nearing completion. Installation will be carried out under a specialist design/build sub-contract;
- Canam Construction Limited (Canam) will obtain tenders from carpet suppliers based on proposals put forward to a selection panel, which included the lead artist and from which select proposals will be put to tender. Carpets will include integrated art;
- Design co-ordination of the interface with adjacent developments is ongoing. Namely, with the designers of the Japanese Garden, the Transport Interchange and Waitakere Properties development;
- Work on the stormwater outfall pipeline has commenced and physical survey is complete;
- Detailed reviews of shop drawings are ongoing and form a substantial part of the design team's work load at present.

PROGRESS

Construction Status

During the report period, the following activities have taken place:

- Precasting panel production progressing with over 95 panels completed;
- Level 1-3 wall panel erection on administration wing in progress;
- Level 1-2 structure on the civic wing in progress;
- Level 2 floors partially completed;
- First-fix services installations have commenced on the lower level;
- Exposed aggregate panel construction continues off-site with most of the level 1-3 exposed aggregate panels erected on site;
- Drainage works continue with the rainwater storage tank installed.

A1-A5 Status of construction is further reported in the following reports attached at pages A1 to A5:

- Architect's Report No. 5;
- Canam's report for the period to 12 May 2005.

TIMELINE STATUS

As previously reported, the extension of time claim submitted by Canam in December 2004 has been professionally reviewed. The Council's project team, including an expert in construction programming, evaluated the claim and provided a professional assessment.

The claim together with the professional assessment from the Council's project team is quantified in Table 1 below:

CLAIM ASSESSMENT			
Item	Description	Time Claimed (working days)	Professional Assessment (working days)
1	Location of existing pipeline in ex-rail land	3	Nil
2	Piling work at grids A12-A16	8	4 (prov.)
3	Revision of drainage design	2	2
4	Obstruction to pile 18 by in-situ rock	5	1
5	Redesign to ground floor slab A1-A16 (based on concept detail).	13 (prov.)	13
6	Subsequent assessment to item 5 based on detailed design information including services and under floor pre-cast ducting.	13	10 (time at nil cost to the Principal)
Totals		44	30

Table 1 - Claim Assessment

Subsequent negotiations were held with Canam to negotiate and reach formal settlement of this claim. Individual items forming the claim were evaluated by the Council's project team and Canam and a mutually acceptable agreement was reached, which was determined by both parties to be in fair settlement of the claim. The Council's project team recognised Canam's concern at their risk of Liquidated Damages being applied for late completion and an agreement was reached to defer the application date of Liquidated Damages to 2 weeks following practical completion. The agreed settlement is quantified below:

- Extension of time at scheduled P&G daily rate: 20 working days;
- Extension of time at nil cost: 10 working days;
- Deferral of Liquidated Damages: 2 weeks following Practical Completion.

The excellent working relationship that currently exists between the Council and Canam has been maintained throughout this negotiation process. This relationship has been pivotal in the successful outcome of the ongoing value engineering programme which has achieved substantial cost savings on the project to date. The Council's project team values and encourages this working relationship with Canam and recognises the benefit that the project and the Council receives from it.

Current timeline status including the agreed extension of time is provided in Table 2 below:

TIMELINE STATUS			
Key contract dates / times	As at contract award October 2004	Change	As at April 2005
Acceptance of Tender	7 October 2004	-	7 October 2004
Contract Commencement	3 November 2004	-	3 November 2004
Contract Period	350 working days	-	350 working days
Extension of Time (at tendered daily rate cost)	-	20 w.d.	20 working days
Extension of Time (at no cost)	-	10 w.d.	10 Working days
Due Date for Completion (Practical Completion)	12 April 2006	(30 w.d.)	29 May 2006
Due Date for Liquidated Damages Application	12 April 2006	PC + 2 wks	9 June 2006
Fit Out and Commissioning (10 working days)	1 May 2006	-	13 June 2006
Contingency Time	33 working days		23 working days
"The Move" (To be conducted on a week-end)	17/18 June 2006	20 w.days	15/16 July 2006

Table 2 - Timeline Status

FINANCIAL STATUS

Contingency expenditure during the report period amounted to \$73,188 which is considered to be reasonable for a project of this scale. Aside from numerous small items typical of a construction project of this magnitude, the following significant issues are reported:

- In terms of the conditions of contract, provision is made for variations to the contract time period at a daily rate for preliminary and general items at \$8,890 per day. As agreed with Canam, an extension of time of 20 working days at this daily rate results in a variation cost of \$177,800. This agreed amount confirms the previously estimated value reported to the Projects Special Committee for this item;
- At time of contract negotiation, the roof detail for the link bridge to Railside Avenue was revised from glass to steel and a provisional target saving of \$100,000 was identified by the quantity surveyor based on a provisional concept. This target saving was included in the negotiated contract in the form of a negative provisional sum. During the detailed design for the steel roof, potential acoustic issues were identified on the link bridge and appropriate measures were incorporated into the design to address these issues. The outcome from this exercise is that the estimated net cost saving which can be achieved is \$ 40,000, which is some \$60,000 less than the targeted saving. This missed saving is reflected in the financial report as a variation cost of \$60,000.

The combined effects of value engineering and contingent expense on the contract to date allow for the cost of these variations to be accommodated within the contract contingency sum yielding net contingency expenditure to date inclusive of these variation costs, of 14% of the contingency sum.

The current level of contingency expenditure amounts to 0.8% of the contract sum, which is considered well within forecast limits for this project. The current financial status of the project is deemed to be in a healthy state.

A6-A13

Summarised financial status for the construction project is provided in Table 3 below and the quantity surveyor's (Rawlinsons) report is attached at pages A6 to A13.

FINANCIAL STATUS			
Project Costs	As at contract award 10/04	Change	As at May 2005
Net Tender Sum	\$36,042,399	-	\$36,042,399
Primary Vibration Isolation Measures	\$243,800	-	\$243,800
Tender Award Value (excl. contingency)	\$36,286,199		\$36,286,199
Secondary Vibration Isolation Measures	\$200,000	\$208,716	\$408,716
Contract Variations (including extension of time at \$177,800)	-	\$557,352	\$557,352
Value Engineered Savings	-	(\$479,966)	(\$479,966)
Contingency Sum	\$2,000,000	(\$286,102)	\$1,713,898
Total Construction Cost (incl. contingency)	\$38,486,199		\$38,486,199

Table 3 - Financial Status

QUALITY

Ongoing quality audits are being conducted by the architect, consulting engineers, the Council's independent quality assurance consultant and the Council's project manager. Quality of construction audited to date has been of a high standard and no significant quality issues have been reported.

Quality audits undertaken to date confirm that the Contractor's general attitude to maintenance of quality construction practice on site is good.

HEALTH AND SAFETY

During the report period no health and safety incidents were reported.

Quality audits to date confirm that the Contractor's general attitude to maintenance of health and safety on site is good.

REPORT TO THE TENDERS SUBCOMMITTEE

A proposed contract variation to cover the extension of time cost agreed between Canam and the Council's officers will be reported to Tenders Subcommittee at their meeting on 27 May 2005. The outcome of this meeting will be reported verbally by the project manager at the Projects Special Committee meeting.

CONCLUSION

Installation of secondary vibration isolation measures is nearing completion. No further vibration isolation measures have been deemed necessary during the report period.

Further cost savings have been achieved through the ongoing value engineering programme, diligence, rigour and project management of this project. The value of contingent expenditure for the month was \$73,188. This makes the total amount of contingency expended to date \$286,102 which is less than 0.8% of the contract sum and is well within forecast limits.

The current status of the project as the structural building works continue through levels 1, 2 and 3 is that approximately 14% of the contingency sum has been expended to date. The time taken in resolving the vibration isolation and drainage issues has been agreed with Canam and can be accommodated within the allowed time contingency with no impact on the revised date for the Council's move to the new facility.

The combined results of the value engineering programme together with the positive and co-operative relations between the contractor, architect, quantity surveyor and the Council's officers means that the project budget remains in a relatively strong position for the current stage of the project. This diligence and rigour will be ongoing throughout the project.

RECOMMENDATION

That the Waitakere Central Civic Centre - Construction Status Report be received.

Report prepared by: John Schermbrucker, Special Projects Manager.



5 ARTS PROJECTS UPDATE: NEW LYNN MEMORIAL LIBRARY, WAITAKERE CENTRAL LIBRARY, CIVIC CENTRE

PURPOSE OF THE REPORT

The purpose of this report seeks to update the Projects Special Committee on progress in relation to the arts/design process and to enable them to discharge their project governance role with respect to arts projects involved in the three major building projects being undertaken by the Council currently.

A similar report will be presented to the Arts and Events Special Committee.

Projects for which there is currently visual design or imagery available will be illustrated with a power point presentation at the meeting.

BACKGROUND

The process of arts/design collaboration in relation to major build projects is now well embedded in Council practice. It has been tested over a series of buildings, bridges and open space projects. The strength of the practice is in the requirement for design professionals (architects, engineers, landscape architects) to include a lead artist on the design team right from the conceptual stage of each project. This has allowed for the 'artist's eye' to be a contributory factor in the referencing of much of the public space infrastructure undertaken in the city over the past few years. It has resulted in some award winning projects such as the Rewarewa Footbridge, the Massey Library and Leisure Centre and the West Wave Recreation Centre.

Each project has been successful to a greater or lesser degree in relation to the ability of the design professionals (both lead artist and architect) to engage in the collaborative process. The combination of strong architectural design, sustainable building practices and the ability of an artist to unpick the tapestry of site, culture, history and meaning is resulting in buildings which are embraced by the community as the city's 'living rooms'. The contribution by Iwi to this process is another strength and contributes to the visual referencing and arts expression of each site.

STRATEGIC CONTEXT

The arts/design practice is enshrined in the Council's Arts and Cultural Strategy (adopted December 2002).

It contributes to the Local Government Act's requirement that Councils be responsible for the cultural well-being of their communities.

The practice contributes significantly to the creation of thriving and vibrant town centres, to the enhancement of well-being through the provision of public facilities which enhance identity and create a strong sense of place.

ISSUES

The three projects are at different stages of design and implementation. Their status is as follows:

New Lynn Memorial Library

- Lead Artist - Iona Matheson. Iona is a local artist who has contributed to several community arts projects in the city. (Taniwha of a Thousand Hands and the Moa Mountain - Massey Library);
- The collaborative process in this project has been dominated by the introduction by the architects (Craig, Craig, Moller) of an in situ poured concrete wall, conceptualised as an arts wall, running the length of the building. The scale of this one project has resulted in the need for a series of innovative responses from all disciplines. (Creation of 'form work' by the arts team, management of the process by the contractors, technology from the suppliers of the concrete.) The arts design or pattern of the wall was created by local artist Sue Bridges in response to themes identified by the community. It references the Asian and Pacific communities (Lotus and Hibiscus flowers) and the Crown Lynn emblem. Additional walls at the front of the building and enclosing the Memorial Square reference Te Kawerau A Maki and the Flanders poppy respectively;
- Other arts projects in the building are focussed mainly in the children's area: a glass arts window (yet to be commissioned) and sculptural birds (Iona Matheson);
- A ceramics heritage display running the full length of the central, internal wall of the building has been proposed. The City Development Committee on 6 May 2004 approved that this proceed on the basis that external funding be sought with a report to come back to the City Development Committee if external funding cannot be obtained. Currently this project is the subject of an application to the Portage Licensing Trust by the Portage Ceramics Trust;
- Whilst other smaller artworks have been identified as desirable, they are on hold until the full cost implications of the completion of the external, in situ concrete wall are understood.

Waitakere Central Library and Civic Centre

A14-A16

The major Henderson projects each have the same two lead artists (Kate Wells and Matthew Von Sturmer) working with the project design team led by Architectus over both projects. This was in response to an early request from the architects. Although this has resulted in a rich and diverse contribution aesthetically, it has been demanding of consultancy time. The scale of these projects and the numbers of design professionals involved has also placed some constrictions on the process. However, the integration of the arts projects into both buildings is considerable. A table of each project with the artworks described and costed is attached at pages A14 to A16 visual overview of these projects will be presented to the meeting.

Points to note are:

- The Civic Centre, and the fitout of the Chambers in particular, will feature significant artworks including acknowledgement of the partnership with Te Kawerau A Maki;
- Preference is being given to the work of Waitakere City senior artists;
- A range of arts projects which will reference some of the significant history and local cultures has been considered.

RESOURCES

Each project has a specific arts budget line. This is supported by a core project budget where an integrated artwork replaces or enhances a construction feature.

	New Lynn Memorial Library	Waitakere Central Library	Waitakere Central
Projects Council funded	\$56,000	\$178,000	\$335,000 ¹
Projects externally funded	\$67,000 (under application) ²		³

NOTE:

1. The projects budget for Waitakere Central of \$335,000 includes a sum of \$50,000 which is under consideration through the current Annual Plan process.
2. External funding of \$67,000 is under application to the Portage Licensing Trust for a ceramics heritage wall for the New Lynn Memorial Library through the Portage Ceramics Trust.
3. A further application for \$50,000 may be made if required for the Civic Centre for additional funding for ceremonial Pou Whenua to the Waitakere Licensing Trust by the Te Kawerau A Maki Tribal Trust.

CONCLUSION

The arts/design integration for the three major projects now under construction is in progress and will meet time and budget constraints. The proposed projects will add a richness to each building and further enhance a sense of place and pride of ownership for the community.

RECOMMENDATION

That the Arts Projects Update: New Lynn Memorial Library, Waitakere Central Library, Civic Centre report be received.

Report prepared by: Naomi McCleary, Manager, Arts.



6 NEW LYNN LIBRARY & MEMORIAL SQUARE - CONSTRUCTION STATUS REPORT

PURPOSE OF THE REPORT

The purpose of this report is to provide the Projects Special Committee with an update on the progress of the New Lynn Library and Memorial Square project.

BACKGROUND

This project consists of the integration of a new public library together with a Council Service Centre, Citizens Advice Bureau, and Memorial Square.

Council entered into Contract No. ST02018 B with Watts and Hughes Construction Company Limited (Watts and Hughes) in November 2004 to construct the New Lynn Library and Memorial Square. Construction commenced in early December and is scheduled for completion in August 2005.

Due to high demand on internal project management resources within the Special Projects area, the project management of the construction phases was contracted out to N-Compass Project Managers Ltd (N-Compass).

SUPPLEMENTARY INFORMATION

A17-A21

A copy of the project status report dated 13 May 2005 from N - Compass is attached at pages A7 to A21.

DESIGN

Extended Services and Taking of Cash

The Service Centre functions at the library will be integrated into the library counter area. This is in line with the extended services model being proposed to be rolled out in libraries across the City. While no cash is being taken at other extended services locations in the City (currently only Massey), this approach represents a change in New Lynn as currently New Lynn operates with separate Service Centre and Library Customer Service facilities.

Discussions have been held with the New Lynn Ward Councillors (either in a meeting or via email) with regard to the taking of cash issue. Staff working on the New Lynn project and the extended services trial were of the view that it was preferable to not take cash in the new facility as:

- The library design and size makes it impossible to have separate counter and security facilities for library services and other service delivery;
- Providing a high level of security associated with cash-taking would be likely to detract from the visual and aesthetic appeal of the library facility, thereby being less inviting to patrons;
- The taking of cash is likely to increase the chance of armed robbery attempts, thereby compromising the safety of both staff and also library patrons, including children;
- The ability to make payment for Council services in New Lynn will still be readily available. The Library extended services facility will accept payment by cheque or eftpos and cash payments for rates and water rates are able to be made with the Council's transactional bankers.

On the basis of discussion held, the management decision to not provide for cash-taking at the joint Library/Service Centre facility has been confirmed. Design arrangements have now been confirmed to put this decision in place.

PROGRESS

Construction is continuing and progress during the last month includes:

- Completion of the art wall along McRae Way;
- Completion of the internal block walls and lift shaft;
- Erection of the structural steel for the lower roof area;
- Completion of the paving around Memorial Square.

Construction is progressing well and the library is on track for opening in October 2005, as shown in the table below:

TIMELINE STATUS		
Key contract dates / times	As at contract award November 2004	As at March 2005
Acceptance of Tender	26 November 2004	26 November 2004
Contract Commencement	6 December 2004	6 December 2004
Contract Period	165 working days	165 working days
Extensions of Time (provisional estimate)	-	10 w.d.
Due Date for Completion (Practical Completion)	10 August 2005	24 August 2005
Fit Out (15 working days)	31 August 2005	14 September 2005
Contingency Time	23 working days	13 working days
Public Opening	4 October 2005	4 October 2005

Table 1 - Timeline Status

FINANCIAL

Value management

During this report period, further savings have been identified which have increased the anticipated additional savings by approximately \$13,000 to a total of \$129,495. These additional savings include a change to the structural steel paint specification, amendments to the lift drainage system, a reduction in the length of kerb to be replaced along Memorial Square and a saving due to a re-measure of the poppy wall.

Contingent expenditure

During this report period, further contingent expenditure of approximately \$10,000 has been identified due to some cabling being omitted from the schedule of prices. The total additional costs (post contract award) therefore total \$76,687.

Financial Status

A summarised financial status for the construction contract is provided in the following table.

FINANCIAL STATUS			
Project Costs	As at contract award 11/04	Change	As at March 2005
Revised Tender Sum	\$3,401,222	-	\$3,401,222
Tender Award Value (excl. contingency)	\$3,401,222	-	\$3,401,222
Less anticipated additional savings	(\$50,000)	(\$79,495)	(\$129,495)
Plus anticipated additional cost (incl. in tender report)	\$70,000	-	\$70,000
Additional costs (post contract award)	-	\$76,687	\$76,687
Plus Contingency Sum	\$157,000	-	\$157,000
Total Construction Cost	\$3,578,222	(\$2,808)	\$3,575,414
Project Contingency	\$3,643	(\$2,123)	\$1,520
Total Construction Budget	\$3,581,865	(\$4,931)	\$3,576,934

Table 2 - Financial Status

Significant work by the project managers and Council's own staff together with the Architects and the Contractor has resulted in contingent expenditure being offset by additional savings. Considering that the building is now 'out of the ground' the risk of over expenditure for this project is therefore considered to be very low.

Because this risk is so low, the construction budget has been adjusted by \$4,931 in order to allow for increases to the professional services fees due to contract variations being issued to Craig Craig Moller Auckland Limited (Craig Craig Moller) and N-Compass. Despite this minor adjustment, the construction contingency remains untouched at \$157,000 and there is no pressure to change the overall project budget of \$4.5M.

QUALITY

Ongoing quality audits are being conducted by the architect, structural engineer and project managers. These audits have resulted in a section of concrete wall being rejected, and the wall is to be replaced at Watts and Hughes' expense. There are also some other minor issues with the surface of the art wall along McRae Way which are being resolved by Watts and Hughes and Craig Craig Moller.

HEALTH AND SAFETY

To date no significant issues have been reported.

CONCLUSION

Construction is progressing and the library is on track for opening in October 2005.

During this report period contingent expenditure has been offset by additional savings, therefore the construction contingency for the contract remains untouched. The risk of over expenditure for the project is therefore considered to be very low.

RECOMMENDATION

That the New Lynn Library & Memorial Square - Construction Status Report be received.

Report prepared by: Peter Sewell, Special Projects Engineer.



PUBLIC EXCLUDED MATTER

7 WAITAKERE CENTRAL LIBRARY/UNITEC - CONSTRUCTION STATUS REPORT

This item will be considered in the Confidential Supplement of the agenda, and has been circulated to members separately with this agenda.

PROCEDURAL MOTION TO EXCLUDE THE PUBLIC

That the public be excluded from the following part of the proceedings of this meeting, Waitakere Central Library/Unitec - Construction Status Report.

The general subject of the matter to be considered while the public is excluded, the reason for passing this resolution in relation of the matter, and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of the matter to be considered.	Reason for passing this resolution in relation to the matter.	Ground(s) under Section 48(1)(a) for the passing of this resolution.
<ul style="list-style-type: none"> Waitakere Central Library/Unitec – Construction Status Report. 	<p>The withholding of information is necessary in order to:</p> <ul style="list-style-type: none"> protect information where the making available of the information - would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information; enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations). 	<p>That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist.</p>

This resolution is made in reliance on Section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 7(2)(b)(ii) and 7(2)(i) of that Act which would be prejudiced by the holding of the relevant part of the proceedings of the meeting in public as follows:

- The report contains information which if released could affect the Council's negotiations and Council's future access to commercial information from parties concerned.*

