



Waitakere City Council  
*Te Taiao o Waitakere*

## NOTICE OF MEETING

# PROJECTS SPECIAL COMMITTEE

I hereby give notice that a Meeting of the Projects Special Committee will be held on:-

**DATE:**        **Wednesday ,    5 October 2005**                      **TIME:**                      **9.30 am**

**VENUE:**        **Civic Centre, 6 Waipareira Avenue, Lincoln, Waitakere City**

to consider the business as set out herein and to take any necessary action connected therewith.

29 September 2005

Audrey Chan  
**COMMITTEE SECRETARY**

Telephone (09) 836 8000 extn 8603

### **MEMBERSHIP:**

Councillors	RP	Dallow, QPM, JP (Chairperson)
	PJ	Booth, OBE (Deputy Chairperson)
	DQ	Battersby, JP
	JM	Clews, QSO, JP
	LA	Cooper
	AK	Corban, OBE, JP
	PA	Hulse

Mayor RA Harvey, QSO, JP (ex officio)  
Deputy Mayor CA Stone (ex officio)

(Quorum 4 members)

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(The reports and recommendations contained in all agendas are reports and recommendations only and are not to be construed, in any way, as Council policy until adopted).

**AGENDA FOR A MEETING OF THE PROJECTS SPECIAL COMMITTEE TO BE HELD IN  
THE CIVIC CENTRE, 6 WAIPAREIRA AVENUE, LINCOLN, WAITAKERE CITY,  
ON WEDNESDAY , 5 OCTOBER 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, 7 September 2005

**RECOMMENDATION**

That the minutes of the Meeting of the Projects Special Committee held on Wednesday, 7 September 2005, as circulated, be taken as read and now be confirmed.



4 **WAITAKERE CENTRAL CIVIC CENTRE CONSTRUCTION STATUS REPORT  
AUGUST / SEPTEMBER 2005**

**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 August/September 2005.

**BACKGROUND**

The Waitakere Central Civic Centre construction project was last reported to Projects Special Committee on 7 September 2005 in a report entitled "Waitakere Central Civic Centre Construction Status Report July/August 2005."

**DESIGN**

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

- Artwork design is ongoing with site meetings for artists planning artwork locations.
- Art design of the chamber carpet is underway.
- Internal colour scheme underway.
- Redesign of portion of the records storage area to work stations.
- Detailed design of the one-stop-shop area is underway.
- Landscape and car park lighting design.
- Redesign of the entrance in conjunction with WPL requirements is complete.
- Extension of Council's fibre optic cable link between the Aquatic Centre, Waitakere Central Library and Civic Centre is in progress.
- Cabinetry designs are nearing completion.
- Design co-ordination of the interface with adjacent developments is ongoing:
  - Japanese Garden
  - Civic Square
  - Waitakere Properties Limited development
  - Waitakere Central Transport Interchange.

**PROGRESS**

**Construction Status**

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

- Ground beams and slabs for the link area are complete.
- Link area superstructure is underway.
- Precast panel production is virtually complete and the casting bed about to be removed.
- Exposed aggregate precast panel production is complete.
- Level 6 structure on the administration wing is complete including the roof structure.
- The 3 - level civic wing structure is complete and the roof is nearing completion.
- Structural steel fabrication is well under way for both wings.
- Carpentry framing is well under way to levels 1 - 5.
- The first windows have been fitted in both the administration and the civic wings.
- First-fix services installations have commenced on levels 1 - 3 of the civic wing and levels 1 - 4 on the administration wing.

- Stage-2 to complete on-site drainage works has commenced. Minor drainage works to progress with general siteworks later in the programme.

A1-A4

Status of construction is further reported in the following reports attached at pages A1 to A4.

- Architect's Report No. 9.
- Canam Construction's report for the period to 15 September 2005.

### TIMELINE STATUS

No claims for extensions of time have been noted during the report period and there is no change in data reported in Table 1 since the previous report.

Progress over the report period has been generally in line with the construction programme except for some inclement weather conditions during the period. However, the contract provides for average weather for the region and no impact is expected on the completion date resulting from this adverse weather.

Current timeline status including agreed extensions of time to date is provided in Table 1 below:

TIMELINE STATUS			
Key contract dates / times	As at contract award October 2004	Change	As at Aug/Sept 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
<b>Contingency Time</b>	<b>33 working days</b>		<b>28 working days</b>
<b>"The Move" (Provisional date for relocation of the One-Stop- Shop amended to permit end of year activities)</b>	<b>17/18 June 2006</b>	<b>Provisional target date</b>	<b>22/23 July 2006</b>

Table 1. Timeline Status

### FINANCIAL STATUS

Contingency expenditure during the report period amounted to \$165,758 which is slightly higher than the forecast monthly contingency expenditure. However, it is noted that of this amount \$51,262 is the additional cost of security measures associated with the 'drive-by' service window. These measures are deemed essential for safety of staff as this facility receives cash and the measures introduced are similar to a drive-by facility at a bank. In addition, the cladding specified at tender stage has been discontinued by the manufacturer due to recent quality issues and alternative cladding has had to be specified at an increased cost of \$25,978, which is included in this sum.

The cost of amended landscape design in the area to the west of the building to improve pedestrian amenity and align with Waitakere Properties Limited's development has been reported as an additional cost of \$67,738, which is included in the contingency expenditure amount reported. Aside from numerous items typical of a construction project of this magnitude, the following more significant items were reported. It is noted that while the provisional cost of these items are reported below in a worst case scenario, the costs are subject to interrogation by the quantity surveyor, which may result in reduced cost at time of agreement.

- Roof maintenance safety system \$25,738
- Drive-by service window security measures \$51,262
- Alternative cladding \$25,978
- Improved landscape and road layout \$67,738

The drive-by window security measures and landscape redesign costs are the result of client requested changes and while these costs are not strictly deemed to be contingency items, the costs have been absorbed into the contingency sum.

The combined outcome of ongoing value engineering and contingent expense on the contract to date, result in the cost of these variations being accommodated within the contract contingency sum, yielding net contingency expenditure to date inclusive of these variation costs, of 40% of the contingency sum. The current level of contingency expenditure amounts to 2.21% of the contract sum, which is within forecast limits for contingency expenditure at this stage of the project. The current financial status of the project is deemed to be in a healthy state.

A5 – A11

Summarised financial status for the construction project is provided in Table 2 below and the quantity surveyor's (Rawlinsons) report is attached at pages A5 to A11.

<b>FINANCIAL STATUS</b>			
<b>Project Costs</b>	<b>As at contract award 10/04</b>	<b>Change</b>	<b>As at Aug/Sept 2005</b>
Net Tender Sum	\$36,042,399	-	\$36,042,399
Primary Vibration Isolation Measures	\$ 243,800	-	\$ 243,800
<b>Tender Award Value (excl. contingency)</b>	<b>\$36,286,199</b>		<b>\$36,286,199</b>
Secondary Vibration Isolation Measures	\$ 200,000	\$202,540	\$ 402,540
Contract Variations	-	\$1,368,728	\$ 1,368,728
Value Engineered Savings	-	(\$770,225)	(\$770,225)
<b>Contingency Sum</b>	<b>\$ 2,000,000</b>	<b>(\$801,043)</b>	<b>\$ 1,198,957</b>
<b>Total Construction Cost (incl. contingency)</b>	<b>\$38,486,199</b>		<b>\$38,486,199</b>

Table 2. Financial Status

### PROJECT RISKS

The following risks are currently being managed in order to mitigate unfavourable impacts on the project outcomes:

- Interface with the Waitakere Central Transport Interchange project:
  - Significant issues which may affect contemporaneous completion of the link bridge project with the Civic Centre have been identified and are currently being managed to ensure that no delay is caused to the Civic Centre opening date.

- Interface with Waitakere Properties Limited's development of the adjacent property:
  - Regular co-ordination meetings are held between the professional teams to ensure seamless integration between the projects.
  - A shared stormwater outfall pipeline discharging to Opanuku stream is currently under construction. Physical constraints are being managed to minimise negative impact on provisional costs assigned to this activity at time of tender.
  - A public square and the Japanese Garden separate the two projects and design co-ordination is being jointly developed between the respective professional teams to ensure integrated and aesthetic designs.
- Negotiations underway with Ontrack have achieved approval by Ontrack to install Council's fibre optic cable link across the rail corridor. Ongoing discussions with key Ontrack and Council staff are continuing to ensure timely implementation of this cable.
- At time of tender, a provisional sum allowance was provided in the schedule for possible price fluctuations of certain key trade base materials for steelwork, metalwork, aluminium louvers, reinforcement and hotmix. While best efforts are being made to manage and mitigate this risk, the price fluctuations are outside the influence of Council. At time of reporting, no adverse impact on the provisional sum has been identified. However, the recent spike in fuel prices may have an effect on fuel-related construction costs dependant upon the period at which fuel prices are sustained at this high level.
- Graffiti Attacks: Measures that have been introduced to discourage graffiti have proven effective and no further graffiti attacks have taken place.

## 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 significant 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.

## CONCLUSION

Installation of secondary vibration isolation measures are complete. 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 \$165,758. This makes the total amount of contingency expended to date \$801,043 which amounts to 2.21% of the contract sum and is well within forecast limits. It is noted that while all costs to date have been absorbed within the contingency sum, approximately \$118,000 of these costs relate to client requested changes and are not deemed to be contingency items.

The current status of the project as the structural building works near completion is that approximately 40% of the contingency sum has been expended to date. Estimated contingency expenditure costs have been reported on a worst case scenario and it is expected that actual costs when confirmed, will be less.

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 August / September 2005 be received.

Report prepared by: John Schermbrucker, Special Projects Manager.



## **5 NEW LYNN LIBRARY AND MEMORIAL SQUARE - CONSTRUCTION STATUS REPORT AUGUST / SEPTEMBER 2005**

### **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 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 2004 and is scheduled for completion in September 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 Limited (N-Compass).

### **SUPPLEMENTARY INFORMATION**

*A12-A19*

A copy of the project status report dated 14 September 2005 from N-Compass is attached at pages A12 to A19.

### **DESIGN**

There are currently no significant outstanding design issues.

### **PROGRESS**

Construction is continuing and progress during the last month includes:

- Completion of the footpath along McCrae Way;
- Completion of the lift installation;
- Completion of the interior linings;
- Completion of the interior gib stopping;
- Completion of the ceilings;
- Completion of the western car park;

- Continuation of installation of aluminium joinery;
- Continuation of interior and exterior painting;
- Continuation of window installation.

The target practical completion date for the Library is 20 September 2005. A verbal update will be provided to the Projects Special Committee as to whether this target date was achieved. The exterior paving will not be complete before 30 September 2005 due to a delay in paver supply. However, this will not affect the fit-out of the building.

The public opening of the Library will be held on 18 October 2005.

Watts and Hughes' extension of time claim, which is currently being assessed by the Engineer to the contract, will be resolved after the target completion date.

<b>TIMELINE STATUS</b>		
<b>Key contract dates / times</b>	<b>As at contract award November 2004</b>	<b>As at July 2005</b>
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)	-	19 working days
Due Date for Completion (Practical Completion)	10 August 2005	6 September 2005
Pending Extension of Time claim	-	22 working days
Revised due date of completion (worst case)	-	30 September 2005
Fit Out (11 working days with an early start on 14 Sept)	-	17 October 2005
<b>Public Opening</b>	-	<b>18 October 2005</b>

Table 1. Timeline Status

## FINANCIAL

### Value management

During this report period no further savings were identified and therefore the savings total remains at \$147,189. This figure is not expected to change any further.

### Contingent expenditure

#### Consultant contingent expenditure

There has been no significant consultant contingent expenditure during this report period.

#### Construction contingent expenditure

**Electrical costs** - estimated to be \$20,000. These costs have resulted from design alterations and design omissions. It is worth noting that some of the design changes were carried out without the knowledge of the project manager and Council staff, together with the independent project manager, are examining further the circumstances around this occurring within the consultant team.

Builders work for mechanical systems – estimated to be \$20,000. These costs should have been included in the mechanical services price which was submitted by the contractor some months ago, however it was omitted in error by the quantity surveyor and hence is an additional cost to the project at this late stage.

**Miscellaneous** - estimated to be \$5,000. These miscellaneous items are currently under negotiation with the contractor.

### Financial Status

The overall project budget of \$4,588,500 has been increased by \$13,000 to \$4,601,500. This increase is to allow for the design and construction cost of the RSA Cenotaph. Council will be reimbursed by the RSA for these costs.

In addition to this overall budget increase, there have been some re-allocations within the approved budget figure and therefore the revised construction budget is now \$3,670,578.

Based on this revised construction budget, a summarised financial status for the construction contract is provided in the table below.

<b>FINANCIAL STATUS</b>			
<b>Project Costs</b>	<b>As at contract award 11/04</b>	<b>Change</b>	<b>As at July 2005</b>
Revised Tender Sum	\$3,401,222	-	\$3,401,222
<b>Tender Award Value (excl. contingency)</b>	<b>\$3,401,222</b>	<b>-</b>	<b>\$3,401,222</b>
Less anticipated additional savings	(\$50,000)	(\$97,189)	(\$147,189)
Plus anticipated additional cost (incl. in tender report)	\$70,000	(\$21,334)	\$48,666
Additional costs (post contract award)	-	\$357,593	\$357,593
<b>Plus Contingency</b>	<b>\$157,000</b>	<b>(\$146,714)</b>	<b>\$10,286</b>
<b>Total Construction Cost</b>	<b>\$3,578,222</b>	<b>\$92,356</b>	<b>\$3,670,578</b>
Project Contingency	\$3,643	(\$3,643)	\$0
<b>Total Construction Budget</b>	<b>\$3,581,865</b>	<b>\$88,713</b>	<b>\$3,670,578</b>

**Table 2. Financial Status**

During this report period the additional costs have increased by \$45,000 but, as can be seen from the table above, there is still \$10,286 of construction contingency remaining.

Whilst it has been previously reported that the risk of over-expenditure on this project was considered to be very low, the number of design issues that have arisen in the latter stages of the project, which have resulted in significant additional project cost, are a serious concern to the project team.

The consultant team is currently working with Watts and Hughes to try and extract all potential claims from them and their various sub-contractors, but until the final claim is submitted there is no certainty that there are not further significant costs ahead.

However, given that there is still a small amount of contingency remaining and the project is so close to completion, the project is still expected to be delivered within the approved budget.

### QUALITY

Ongoing site quality audits are being conducted by the architect, structural engineer and project managers, and remedial works lists are being progressively issued to the contractor. Watts and Hughes are attending to these remedial works as they near completion of the building. The most significant remedial issue to date is the hotmix finish in the car park, which will be addressed by Watts and Hughes in the very near future.

## **HEALTH AND SAFETY**

No health and safety issues have occurred during this report period.

## **CONCLUSION**

Construction is progressing and the library is on track for opening on 18 October 2005.

During this report period there has been some significant contingent expenditure, which has resulted in the contingency being reduced to \$10,286.

The number of design issues that have arisen in the latter stages of the project, which have resulted in significant additional project cost, are a serious concern to the project team and whilst the consultant team is currently working with Watts and Hughes to try and extract all potential claims from them and their various sub-contractors, until the final claim is submitted there is no certainty that there are not further significant costs ahead.

However, given that there is still a small amount of contingency remaining and the project is so close to completion, the project is still expected to be delivered within the approved budget.

## **RECOMMENDATION**

That the New Lynn Library and Memorial Square - Construction Status Report August / September 2005 report be received.

Report prepared by: Peter Sewell, Special Projects Engineer.



## **PUBLIC EXCLUDED MATTERS**

- 6 **WAITAKERE CENTRAL LIBRARY / UNITEC - CONSTRUCTION STATUS REPORT AUGUST / SEPTEMBER 2005**
- 7 **WAITAKERE CENTRAL: HENDERSON TRANSPORT INTERCHANGE PROJECT - AUGUST/ SEPTEMBER 2005**

These items will be considered in the Confidential Supplement of the agenda, and have 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, namely, Waitakere Central Library / Unitec - Construction Status Report August / September 2005 and Waitakere Central: Henderson Transport Interchange Project - August / September 2005.

The general subject of the matters to be considered while the public is excluded, the reason for passing this resolution in relation to the matters, 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 matters to be considered.	Reason for passing this resolution in relation to the matters.	Ground(s) under Section 48(1)(a) for the passing of this resolution.
<ul style="list-style-type: none"> <li>• Waitakere Central Library / Unitec - Construction Status Report August / September 2005</li> <li>• Waitakere Central: Henderson Transport Interchange Project – August / September 2005</li> </ul>	<p>The withholding of information is necessary in order to:</p> <ul style="list-style-type: none"> <li>• 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.</li> <li>• enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</li> <li>• enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</li> </ul>	<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> <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 reports contain information which if released could affect the Council's ability to conduct negotiations and Council's future access of commercial information from parties concerned.*

