

NOTICE OF MEETING

PROJECTS SPECIAL COMMITTEE

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

DATE: **Wednesday, 7 September 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.

2 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 7 SEPTEMBER 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, 17 August 2005

RECOMMENDATION

That the minutes of the Meeting of the Projects Special Committee held on Wednesday, 17 August 2005, including the public excluded minutes, as circulated, be taken as read and now be confirmed.



4 PRESENTATION: WAITAKERE CENTRAL - HENDERSON TRANSPORT INTERCHANGE PROJECT STATUS REPORT

John Schermbrucker, Special Projects Manager, will give a verbal update on the Waitakere Central - Henderson Transport Interchange Project.



5 WAITAKERE CENTRAL CIVIC CENTRE - CONSTRUCTION STATUS REPORT JULY/AUGUST 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 July/August 2005.

BACKGROUND

The Waitakere Central Civic Centre construction project was last reported to Projects Special Committee on 17 August 2005 in a report entitled "Waitakere Central Civic Centre Construction Status Report June/July 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;
- Design work and documentation for the kitchens is complete;
- Car park lighting design;
- Drive-by service facility security;
- Detailed design work on the stormwater outfall pipeline is complete;
- Extension of Council's fibre optic cable link between the Aquatic Centre, Waitakere Central Library and Civic Centre is in progress;
- Cabinetry preliminary designs complete;
- 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 nearing completion;
- Link area superstructure has commenced;
- Precasting panel production progressing with over 169 on-site panels completed including 3-D curved beams for the civic gallery;
- Exposed aggregate precast panel production is ongoing off-site to programme;

- Level 6 structure on the administration wing is complete and the roof has commenced;
- 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 1-3;
- The first windows have been fitted in the administration wing;
- First-fix services installations have commenced on levels 1 and 2 of the civic wing and levels 1-3 on the administration wing;
- Main on-site drainage works and the rainwater storage tank are complete. 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. 8;
- Canam Construction's report for the period to 18 August 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 2 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 2 below:

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

Table 1. Timeline Status

FINANCIAL STATUS

Contingency expenditure during the report period amounted to \$82,243 which is considered to be reasonable for a project of this scale. 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.

- Piped gas supply to kitchens \$ 22,412
- IR automatic water efficient faucets to all bathrooms \$ 25,964
- Energy use monitoring check meters \$ 5,120
- L6 gutter detail revision \$ 24,004
- Alternative partitioning system: Saving not taken due to inferior quality and performance issues \$ 42,497

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 32% of the contingency sum.

The current level of contingency expenditure amounts to 1.75% 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.

FINANCIAL STATUS			
Project Costs	As at contract award 10/04	Change	As at July/Aug 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	\$199,715	\$399,715
Contract Variations	-	\$1,061,396	\$1,061,396
Value Engineered Savings	-	(\$625,826)	(\$625,826)
Contingency Sum	\$2,000,000	(\$635,285)	\$1,364,715
Total Construction Cost (incl. contingency)	\$38,486,199		\$38,486,199

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 are underway with Ontrack for approval to install Council's fibre optic cable link across the rail corridor. Ongoing discussions with key Ontrack and Council staff are required to ensure timely approval by Ontrack to achieve activation of this link prior to the planned operational move date. Responses from Ontrack in this matter have been slow and higher level communications will be introduced in order to ensure timely approvals are achieved.
- 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: Several instances of graffiti attacks on parts of the structure have been reported. Advice from the Tag-Out-Trust was obtained and an independent tag control service has been retained by Canam Construction for the duration of the construction contract. Expert advice has been taken and appropriate anti-graffiti coatings have been applied to high-risk areas. Council will continue this service after completion through its ongoing contract with the Tag-Out-Trust. Since mitigation measures were implemented during the last fortnight, no further significant attacks have been reported.

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 a minor health and safety incident was reported where a falling connector deflected off scaffolding and impacted on a workman's ear resulting in stitches and a half-day off work. Appropriate remedial action was taken by the contractor and the incident was reported and managed in an appropriate manner.

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 \$82,243. This makes the total amount of contingency expended to date \$635,285 which amounts to 1.75% of the contract sum and is well within forecast limits.

The current status of the project as the structural building works continue through levels 1-6 is that approximately 32% 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 July/August 2005 be received.

Report prepared by: John Schermbrucker, Special Projects Manager.



6 **NEW LYNN LIBRARY AND MEMORIAL SQUARE - CONSTRUCTION STATUS REPORT JULY/AUGUST 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 Ltd (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 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

A12-A19

A copy of the project status report dated 16 August 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 skylights;
- Completion of the soffit linings;
- Completion of the data cabling along McCrae Way;
- Continuation of the remedial works to the art wall;
- Continuation of installation of aluminium joinery;
- Continuation of western car park works.

The target practical completion date for the library has been revised to 20 September 2005. Watts and Hughes have lodged an extension of time claim, which is currently being assessed by the Engineer to the contract. If this extension of time is granted then the actual practical completion date would be 30 September 2005, however, the contractor is targeting 20 September 2005 as the completion date. Even if practical completion is not achieved until 30 September 2005, the library is still on track for opening on 18 October 2005, as shown in the table below:

TIMELINE STATUS		
Key contract dates / times	As at contract award November 2004	As at July 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)	-	19 working days
Due Date for Completion (Practical Completion)	10 August 2005	6 September 2005
Pending EOT 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
Public Opening	-	18 October 2005

Table 1. Timeline Status

FINANCIAL

Value Management

During this report period, some minor savings have been identified and so the savings total has increased by approximately \$10,000 to \$147,189. The opportunity for identifying further savings is steadily diminishing as the project nears completion and therefore the savings total is not expected to change any further.

Contingent Expenditure

Consultant Contingent Expenditure

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

Construction Contingent Expenditure

Extension of time claim - Watts and Hughes have lodged an extension of time claim for 22 days. Watts and Hughes are claiming that they were delayed on site because of the length of time taken by the design team to resolve various design issues. The claim is currently being reviewed by the Engineer to the Contract and it is expected that the claim will be reduced. However, at this stage the full cost allowance of \$25,960 has been included in the financial report.

Ventilation and power to lift room - due to a design omission the ventilation and power supply to the lift room was not included in the original documentation and therefore the inclusion of these necessary items will result in approximately \$15,000 of additional cost to the project. (Note: this figure differs from the previously reported figure of \$12,000.)

Entry foyer tiling - the design of the library allowed for the foyer area and meeting room corridor to be polished concrete. However, given the negative experiences at the Massey and Glen Eden libraries with this type of surface, the area will now be tiled. This will result in additional cost of \$6,642 to the project.

Book return chute - the book return chute was omitted from the original design and schedule of quantities and therefore will result in additional cost of \$3,000 to the project.

Chimney - the initial price submitted by the contractor for the 'chimney' is \$12,000 greater than the provisional sum included in the contract, therefore this could be an additional cost to the project. This cost is being reviewed by the quantity surveyor.

Financial Status

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

FINANCIAL STATUS			
Project Costs	As at contract award 11/04	Change	As at July 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)	(\$97,189)	(\$147,189)
Plus anticipated additional cost (incl. in tender report)	\$70,000	(\$21,334)	\$48,666
Additional costs (post contract award)	-	\$287,593	\$287,593
Plus Contingency	\$157,000	(\$101,714)	\$55,286
Total Construction Cost	\$3,578,222	\$67,356	\$3,645,578
Project Contingency	\$3,643	(\$3,643)	\$0
Total Construction Budget	\$3,581,865	\$63,713	\$3,645,578

Table 2. Financial Status

During this report period the additional costs have increased by \$60,138 but, as can be seen from the table above, there is still \$55,286 of construction contingency remaining. The risk of unforeseen contingent expenditure is rapidly decreasing as the project nears completion and therefore the risk of over-expenditure on this project is considered to be very low.

QUALITY

Ongoing site quality audits are being conducted by the architect, structural engineer and project managers, and remedial works are currently being carried out to the painting of the art wall (along McRae Way) and to the acoustic ceiling.

HEALTH AND SAFETY

One lost time injury has been recorded. This was due to an electrician spraining his ankle.

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 \$55,286. However, this remaining contingency is considered a significant amount given the remaining works to be completed and the risk of over-expenditure for the project is still considered to be very low.

RECOMMENDATION

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

Report prepared by: Peter Sewell, Special Projects Engineer.



PUBLIC EXCLUDED MATTER

7 WAITAKERE CENTRAL LIBRARY/UNITEC - CONSTRUCTION STATUS REPORT JULY/AUGUST 2005

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 whole of the proceedings of this meeting, Waitakere Central Library/Unitec - Construction Status Report July/August 2005.

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 July/August 2005. 	<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 ability to conduct negotiations and Council's future access of commercial information from parties concerned.*

