



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, 6 September 2006**            **TIME:**            **9.30 am**

**VENUE:**        **Waitakere Central, 6 Henderson Valley Road, Henderson, Waitakere**

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

4 September 2006

Audrey Chan  
**COMMITTEE SECRETARY**

Telephone (09) 836 8000 extn 8603

### MEMBERSHIP:

Councillors	RP	Dallow, QPM, JP (Chairman)
	AK	Corban, OBE, JP (Deputy Chairman)
	DQ	Battersby, JP
	JM	Clews, QSO, JP
	LA	Cooper
	C	Harding, 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 AT  
WAITAKERE CENTRAL, 6 HENDERSON VALLEY ROAD, HENDERSON,  
WAITAKERE, ON WEDNESDAY, 6 SEPTEMBER 2006,  
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 Chairman 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, 2 August 2006

**RECOMMENDATION**

That the minutes of the Meeting of the Projects Special Committee held on Wednesday, 2 August 2006, as circulated, be taken as read and now be confirmed.



4 **WAITAKERE CENTRAL TRANSPORT INTERCHANGE - CONSTRUCTION STATUS  
JULY/AUGUST 2006**

**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 Transport Interchange Project. The period for this report covers July/August 2006.

**BACKGROUND**

The Waitakere Central Transport Interchange was last reported to Projects Special Committee on 2 August 2006 in a report entitled "Waitakere Central Transport Interchange - Construction Status June/July 2006."

**DESIGN ISSUES LINK BRIDGE PROJECT**

No design issues are outstanding.

**PROGRESS LINK BRIDGE PROJECT**

**Construction Status**

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

- The escalator to the central platform has had its steel portal frames installed;
- The lift to Railside Avenue is completed and in service;
- A certificate of public use has been granted allowing the public to use the Link Bridge;
- The roof and ceiling are complete;
- Tiling to the stairs is complete. Tiling to the Link Bridge deck is progressing;
- Glazing of the Link Bridge northern side is complete;
- Glazing to the stair well is underway;
- Piling of the Railside Avenue escalator is complete;
- Handrail installation is progressing;
- Lighting installation is underway.

*A1-A6* Status of construction is further reported in the following reports attached at pages A1 to A6:

- Architect's Report No. 9 ;
- Canam Construction's report for the period to 24 August 2006.

**Timeline Status**

No formal claims for extensions of time have been received by Canam, although the Project Team believes that a claim may be forthcoming due to access problems in the rail corridor and interface requirements through opening part of the Link Bridge to public use.

The anticipated completion date of separable portion 1 has slipped to 20 October, due to late supply of the shelf glass from overseas and also due to access delays on the rail platform preventing Canam completing the escalator glazing. Despite this set back, Canam are confident that the Link Bridge can be completed by mid September except for the shelf glass and escalator glazing and so fully unhindered public access should be possible from this date.

Ontrack's contractor is working simultaneously with Canam in the rail corridor while constructing the new station platform. This work has prevented Canam from erecting steelwork and glazing over the escalator and accordingly this section of the project has slipped. It is planned by Ontrack to have most of the new platform complete by early September 2006 and it is therefore anticipated that Canam will only gain unhindered access to the escalator structure once the new platform is completed.

The Link Bridge project is unlike most of Council's other construction projects, in that Council does not own the land upon which the construction is taking place and there are significant external stakeholders, who have autonomy and influence over Council's access for construction. While Council's officers and its consultants are using their best endeavours to achieve the set timeline, ultimately Ontrack and other autonomous organisations can alter timelines at their discretion. Council's officers are working very carefully to maintain the current good working relationships with these organisations, to avoid time delays, but Council does not have the same level of control as with its other construction projects. Notwithstanding the above, Council's officers are cautiously confident that the timeframe outlined in Table 1 can be achieved, provided that the ongoing co-operation of external stakeholders is maintained.

The current timeline status is provided in Table 1 below:

<b>TIMELINE STATUS LINK BRIDGE</b>			
<b>Key contract dates / times</b>	<b>As at contract award 12 December 2005</b>	<b>Change</b>	<b>As at July / August 2006</b>
Contract Commencement Date	12 December 2005	-	-
Target Contract Completion - separable portion 1 Link Bridge structure	17 August 2006	9 weeks *	20 October 2006
Target Contract Completion - separable portion 2 escalator structure on Railside Avenue	22 December 2006	-	22 December 2006
Extensions of Time approved to date	-	-	-

**Table 1. Timeline Status**

NOTE:\* due to late supply of escalator, steelwork, interface problems with Ontrack and now also late supply of shelf glazing from overseas.

### **Financial Status**

The total expenditure on the contract to date has been \$2,860,438 including \$401,189 for this period consisting of glazing, painting, tiling, lighting, handrails and contractors preliminary and general items. The approved contract variations total \$186,422 and comprise repairs to uncharted sewer and water mains, additional water proofing measures to the glazing and minor changes to lighting, conduits, Exeloo toilets and the landscaping of Stevies Reserve.

Summarised financial status for the construction project is provided in Table 2 below.

<b>FINANCIAL STATUS LINK BRIDGE</b>			
<b>Project Costs</b>	<b>As at contract award 12 December 2005</b>	<b>Change</b>	<b>As at July 2006</b>
<b>BUDGET COMMITMENT</b>			
Contract Sum Awarded	\$4,725,228	-	\$4,725,228
Contract Variations Approved from contingency	-	\$186,422	\$186,422
Contingency Sum	\$750,000	\$186,422	\$563,578
<b>Total Construction Cost (incl. contingency)</b>	<b>\$5,475,228</b>		<b>\$5,475,228</b>
<b>EXPENDITURE TO DATE</b>			
Contract Sum		61%	\$2,860,438
Contingency		-	-
<b>Total Construction Expenditure To Date</b>			<b>\$2,860,438</b>

**Table 2. Financial Status**

### Project Risks

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

- Completion of escalator glass covering is being managed actively to commence as soon as Ontrack's contractor has completed their work on the platform, enabling Canam to regain access to construction activities in this area. A high risk exists that the escalator glazing to the central platform is not completed in time for the Prime Minister's visit to the new Civic Centre by train on 2 September 2006. In this event Canam and the Project Team are working through alternative access arrangements to achieve successful VIP entry to the Link Bridge by stairs and lift.
- Completion of all link bridge elements except the southern glazing is planned for 1 September 2006 for the gala dinner. Canam is working towards completing most of the vertical glazing in order to permit unhindered views of area, although in certain parts temporary handrails may be erected. The effect of this should be minor in nature and should not detract from the planned cocktail party to open the Council Chamber being held on the Link Bridge.
- The lift to Stevies Reserve is being monitored to ensure that no further breakdowns occur. Kone Lifts have replaced defective components and made an adjustment to the counter weight. The lift has been working fault free for the last two weeks and is now considered to be under control.
- A duplicate fibre optic cable link is being installed by Council's Information Management Department over the Link Bridge to provide a back up in case Ontrack or their Contractors damage the current link passing under the rail tracks. Damage to the existing fibre optic cable link would result in immediate loss of computer access to all of Council.

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

## STREETSCAPE, BUS STOPS, TAXI RANK AND LANDSCAPING

### Design

The design is completed and matters of a minor nature are being attended to through use of the Architects Variation Order system.

### Tender and Contract Award

Tender documents were compiled and were publicly advertised on 15 July 2006. Sixteen contractors drew documents. The tender closed on 8 August 2006 and four tenders were received. An approval to award the tender was made at a Special Meeting of the Tenders Subcommittee held on 18 August to HEB Smithbridge Limited (HEB). HEB scored highest on weighted attributes and also had the lowest tender price. HEB are currently doing other work for Council. Their work is of a high standard and they are maintaining project deadlines.

### Timeline Status

The project is split into two separable portions: portion 1 comprises the bus bay at the northern end of the streetscape and portion 2 comprises the balance of the works. The bus bay is required to be completed early in order to permit new bus services to tie up with the expected opening of the new station on 24 October 2006.

The current timeline status is provided in Table 3 below:

<b>TIMELINE STATUS RAILSIDE AVENUE STREETSCAPE</b>			
<b>Key contract dates / times</b>	<b>As at contract award 18 August 2006</b>	<b>Change</b>	<b>As at July / August 2006</b>
Contract Commencement Date	28 August 2006	-	-
Target Contract Completion - separable portion 1 northern Bus Bay	24 October 2006	-	24 October 2006
Target Contract Completion - separable portion 2 balance of the works.	31 January 2007	-	31 January 2007
Extensions of Time approved to date	-	-	-

**Table 3. Timeline Status**

## Financial Status

HEB had requested an early contract award of 18 August 2006, failing which they were unable to deliver separable portion 1 to Council by 24 October 2006. Preaward discussions with HEB indicated that a late award of 1 September 2006 would incur acceleration costs of about \$60,000 to complete separable portion 1 on time. A Special Tenders Subcommittee Meeting was held on 18 August 2006 and the award deadline was met, saving Council a sum of about \$60,000.

Summarised financial status for the construction project is provided in Table 4 below.

<b>FINANCIAL STATUS RAILSIDE AVENUE STREETSCAPE</b>			
<b>Project Costs</b>	<b>As at contract award 18 August 2006</b>	<b>Change</b>	<b>As at August 2006</b>
<b>BUDGET COMMITMENT</b>			
Contract Sum Awarded	\$1,329,960	-	\$1,329,960
Contract Variations Approved from contingency	-	-	-
Contingency, Engineering and Supervision	\$264,778	-	\$264,788
Total Construction Cost (incl. contingency)	\$1,594,738		\$1,594,738
<b>EXPENDITURE TO DATE</b>			
Contract Sum		-	-
Contingency		-	-
<b>Total Construction Expenditure To Date</b>		-	-

**Table 4. Financial Status**

## Project Risks

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

- Building consent approval has been delayed pending minor drainage changes requested by Ecowater. It is anticipated that these issues will be resolved shortly;
- Risks exist to the completion of the bus bay in time for the opening of the new central rail platform on 24 October 2006. At the contract pre start meeting held on 22 August 2006, HEB were informed of the importance of meeting this deadline which is also a condition of the contract.

## Quality

There is nothing to report at this stage due to the project start up only commencing in late August.

## Health and Safety

There is nothing to report at this stage due to the project start up only commencing in late August 2006.

## **PARK AND RIDE FACILITY WEST OF THE RAILWAY LINE**

It is planned to construct a 120 bay park and ride facility for the use of rail commuters, on the western side of the rail tracks.

As reported previously, Ontrack require this site for the rail double tracking works and until such time as this land is leased to Council, commuters will be required to park their cars in the surrounding on-street parking.

### **CONCLUSION**

The Waitakere Central Transport Interchange Project is a complex project comprising several sub-projects which have interfaces between pedestrians, bus/taxi services, railway services, railway contractors, motorised transport and stations and the new Waitakere Central: Civic Centre. Recently, good progress has been made in resolving many issues in regard to these sub-projects and Canam has been able to make good progress with the build of the new link bridge. Progress is tracking later than reported last month due to delays of the shelf glazing from overseas and due to access limitations. The scheduled completion date has slipped to a target date of 20 October 2006, although full use of the bridge should be possible by mid September 2006.

A Contract was awarded to HEB for the Roadworks and Streetscape aspects of the project, with these works expected to commence by the end of August 2006 on the bus stop so that the new bus services may be in place once the new rail platform is put in service on 24 October 2006 and full completion by the end of January 2007.

### **RECOMMENDATION**

That the Waitakere Central Transport Interchange - Construction Status July/August 2006 report be received.

Report prepared by: Alan Tresadern: Group Manager, Project Services.



## **5 WAITAKERE CENTRAL CIVIC CENTRE - CONSTRUCTION STATUS JULY/AUGUST 2006**

### **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 2006.

### **BACKGROUND**

The Waitakere Central Civic Centre construction project was last reported to Projects Special Committee on 2 August 2006 in a report entitled "Waitakere Central Civic Centre Construction Status June/July 2006."

### **DESIGN**

Design work is complete. Defects inspections and snag list preparation are under way.

A presentation on the current status of associated landscape works for the project will be made by the project's landscape co-ordinator, as part of this agenda item. This will include status updates for the Japanese Garden, Civic Square, Green Roof and site landscape works.

## **CONSTRUCTION STATUS**

Construction works for the primary contract works are complete. As previously reported, the portion of the Link Bridge works that forms part of the Civic Centre project, located between the main entrance doors on level 2 and the site boundary have been separated from the Civic Centre works and incorporated into the Link Bridge project. These works will be completed simultaneously with the Link Bridge.

Work on the staff smokers' facility is progressing according to programme and will be completed in September 2006.

Additional signage is being installed to aid both the public parking and pedestrian routes to the main entrance. In addition, during the initial stages of public use, while the public are generally unfamiliar with the new facility, 'meet and greet' concierge staff have been stationed to direct parking and pedestrians to the main entrance.

A reported issue with excessive glare from the large glazed façade on the north face of the administration wing is under review by the Architect. A number of alternative measures to control the glare on this façade are being investigated and a viable solution sought. There is a risk that this issue may attract additional cost for which an estimated amount will be provided by the Quantity Surveyor once a viable solution is established.

A defect item regarding poor adhesion of the Marmoleum floor covering in levels 1 and 6 of the administration wing has been identified and will be rectified by the Contractor as a defects liability item.

Soil tests undertaken in the rain gardens to confirm permeability properties of the topsoil have identified a defect issue with the soil properties that may require that the topsoil be replaced. This issue is currently under investigation by the Architect and remedial works will be carried out in due course. Additional colourful planting in the rain gardens is also being investigated and implemented.

## **“THE MOVE” (STAFF FURNITURE AND EQUIPMENT RELOCATION)**

The Move programme for relocation of Council's staff, furniture and equipment has been completed according to programme. Staff feedback following The Move has generally been very positive.

The Move part of this project is now complete.

## **TIMELINE STATUS**

Fit out and commissioning work has been integrated with The Move programme without disruption to Council business. During the five weekends period of The Move, non-essential deferred works items have been completed. Aside from the Link Bridge and some defect remedial works currently under way, practical completion of the balance of the works has been achieved.

Council's public business operations commenced from the new one-stop-shop at Waitakere Central Civic Centre on 24 July, as programmed.

Minor defect remedial works are in progress and are expected to be completed during September. The defects liability period for this contract is for 12 months after practical completion. During this period, all defects will be attended to as they are reported.

## FINANCIAL STATUS

While construction work has generally been completed, the Quantity Surveyor and contractor are in the process of quantifying the value of the final account, which includes final quantification of contract instructions, which have yet to be confirmed, for which interim estimated costs were provided by the quantity surveyor.

Contingency expenditure during the report period amounted to \$82,655. While practical completion of the physical works has been achieved, it is prudent to note that resolution of the final contract accounts is likely to take the quantity surveyors several weeks, during which period additional contingency amounts may be identified. The final contract account is expected to be completed by the end of September 2006.

Aside from numerous items typical of a construction project of this magnitude, the following items were reported during this report period:

- Siteworks revision (subgrade stabilisation) \$36,293
- Drainage \$28,284
- Link Bridge structural steel \$24,703

It is noted that while the provisional costs for contingent items are generally reported 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.

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 94.3% of the contingency sum. The current level of contingency expenditure amounts to 4.9% of the contract sum, which matches the 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.

Summarised financial status for the construction project is provided in Table 1 below.

<b>FINANCIAL STATUS</b>			
<b>Project Costs</b>	<b>As at contract award October 2004</b>	<b>Change</b>	<b>As at August 2006</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	\$199,479	\$399,479
Contract Variations (incl. value engineered savings)	-	\$1,685,861	\$1,685,861
<b>Contingency Sum</b>	<b>\$2,000,000</b>	<b>(\$1,885,340)</b>	<b>\$114,660</b>
<b>Total Construction Cost (incl. contingency)</b>	<b>\$38,486,199</b>		<b>\$38,486,199</b>

Table 1. 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:
  - Changes to the bridge height and window details required by Ontrack for the Link Bridge eastern portion, as well as changes to the glass edge detail for enhanced weather protection, have a spill-over impact on the western portion of the Link Bridge that is situated within the Civic Centre site. For consistency of design, changes introduced on the eastern portion of the Link Bridge must be matched on the western portion of the bridge and costs associated with these changes will be covered and reported separately under the Link Bridge contract.
- Interface with Waitakere Properties Limited's development of the adjacent property:
  - Regular co-ordination meetings are held between the professional teams to promote seamless integration between the projects.
  - A Civic Square and 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.
- At time of tender, a provisional sum 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 within the sum allowed, the price fluctuations are outside the influence of Council. However, the recent spike in fuel prices is likely to have an effect on fuel-related construction costs. At time of reporting, estimated costs are within the provisional sum allowed.
- Financial risk: A number of elements, requested by the Principal post-tender, have been absorbed into the contingency sum to date. Currently, these additional costs have not caused the actual contingency expenditure to exceed the forecast contingency expenditure, and all efforts will be made to absorb these costs within the contingency sum. However, while this appears to be the likely outcome, it is prudent to note the more significant of these elements:
  - Secondary vibration isolation measures costs exceed forecast sum;
  - Armoured security measures for the drive-by service window (staff safety due to cash receiving function);
  - Revised records storage area converted to office space and additional off-site storage facility provided;
  - Street furniture amended to align with Henderson CBD standardised pallet;
  - Enhanced mechanical equipment for computer room;
  - Addition of an IM training room;
  - Enlarged copy centre room;
  - Inclusion of a baby feeding facility for staff use;
  - Targeted saving on Link Bridge glass roof not fully realised;
  - Energy check-meter system to aid management of power consumption.
- While practical completion of the physical works has generally been achieved, considerable work is still required to complete the final quantity survey and wrap up the final payment certificate. This process is expected to take until the end of September 2006 and is normal procedure for this type of contract.

- The time lag between Rawlinsons (project quantity surveyor) estimation of costs and the confirmed pricing of Contract Instructions (CI) by Canam's quantity surveyor potentially raises a risk that the actual price of a CI may exceed the estimated cost. To date, this has not generally been the case and contingent costs have tracked within the forecast contingency expenditure. However, until the costs of all Contract Instructions have been agreed, there remains a risk against agreed prices exceeding forecast costs.
- An identified glare issue under investigation on the northern façade of the administration wing may result in additional cost for glare control measures. These measures are yet to be quantified but could impact on the contingency sum.

## 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 generally been of a high standard.

However, during this report period, a quality issue regarding subgrade subsidence on portion of the access road has been identified. Failure of the subgrade in an area to the north of the administration wing has occurred. This issue will be addressed by the Contractor as a defect repair. This issue may be associated with the landslip that occurred on the adjacent construction site or excessive weather conditions experienced and will be investigated by the Architect to verify this.

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

The value of contingent expenditure, during the report period, amounted to \$82,655. This makes the total amount of contingency expended to date \$1,885,340 equating to 4.9% of the contract sum, which matches forecast expenditure levels.

The current status of the project at completion, but subject to confirmation of the final account, is that approximately 94.3% 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, may be less. It is noted that all costs reported to date have been accommodated within the contingency sum, including additional costs for secondary vibration isolation measures and a number of client initiated changes.

An identified glare issue on the northern façade of the administration wing may require additional glare control measures, which could impact on the contingency sum.

The combined results of the value engineering programme together with the positive and co-operative relations among the Contractor, Architect, Quantity Surveyor and the Council's officers means that the project costs are within the budget, subject to confirmation of the final contract accounts.

## **RECOMMENDATION**

That the Waitakere Central Civic Centre - Construction Status July/August 2006 report be received.

Report prepared by: John Schermbrucker, Special Projects Manager.



## **6 CIVIL DEFENCE EMERGENCY MANAGEMENT – NEW EMERGENCY OPERATIONS CENTRE, PROJECT STATUS SEPTEMBER 2006**

### **PURPOSE OF THE REPORT**

The purpose of this report is to provide the Projects Special Committee with an update on the progress of the Civil Defence Emergency Management – New Emergency Operations Centre (EOC).

### **BACKGROUND**

The progress of the Civil Defence Emergency Management – New Emergency Operations Centre (EOC) project was last reported to Projects Special Committee on 5 July 2006 in a report entitled “Civil Defence Emergency Management – New Emergency Operations Centre, Project Status July 2006.”

At that meeting, it was resolved:

- “2. *That approval to proceed to the detailed design stage of the project be provided.*
3. *That an array of photovoltaic cells at an approximate cost of \$16,500 be included in the design for the Emergency Operations Centre, and that if additional budget is required to fund this item, a report be submitted through the six-monthly budget review process recommending provision of additional funding.”*

1324/2006

Since that time Architectus have been working on the detailed design and, whilst it is expected that the detailed design plans will be issued on time (i.e. by the end of August 2006), at the time of writing this report neither the final detailed design plans, nor the detailed design cost estimate from Rider Hunt had been submitted. As such, a verbal update and the latest plans will be provided to the Committee at the meeting.

### **STRATEGIC CONTEXT**

Civil Defence Emergency Management is a responsibility of Council under the Civil Defence Emergency Management Act 2002. Civil Defence Emergency Management forms part of Council’s strategic framework in that it contributes to community well being and building strong communities by increasing community readiness for and resilience to emergency events, reducing exposure to such events, and providing for emergency response in the case of such events. The requirement for local planning and coordination is essential to meeting these requirements. An effectively functioning Emergency Operating Centre is key in allowing appropriate planning, response and recovery activities to occur.

Council's Rural Fire activities contribute to the green network platform through protection of rural forest areas and strong communities through its volunteer programme, supporting communities to help meet their own emergency needs. Rural Fire Activities also operate from the Emergency Operating Centre.

## ISSUES

### Estimated cost increases

As outlined above, the detailed design cost estimate had not been received at the time of writing this report. However, through the detailed design process, several design issues have arisen that are expected to impact on the estimated construction cost. These issues include:

- **Mechanical services layout** – In order to deliver maximum flexibility to the Emergency Operating Centre and to better cope with a possible future use as a group Emergency Operating Centre, the mechanical services layout has been altered through the detailed design process. This alteration is expected to increase the estimated construction cost by approximately \$13,000.
- **Security services** – At developed design stage, the security services included in the cost plan amounted to approx. \$35,000, however the cost of the detailed design has been quoted at approx. \$49,000 meaning an estimated construction cost increase of approximately \$14,000.
- **Generator noise** – Civil Defence staff have recently taken ownership of the back up generator formerly utilised by EcoWater because it is a significantly larger/better model than the existing generator. This generator became available when EcoWater moved to Waitakere Central. The generator needs to be housed within the Emergency Operating Centre building and, whilst this was anticipated to some degree at developed design stage, the extent of acoustic measures required to comply with the resource consent requirements were not. Hence additional costs are expected. At the time of writing this report, these costs had not been quantified.
- **Access platform lift** – the type of lift allowed for in the developed design was a higher specification than that included in the detailed design, and as such this is expected to **reduce** the estimated construction cost by approximately \$16,000.

Given that the detailed design cost estimate had not been received at the time of writing this report, the overall impact of these (and other) changes on the estimated construction cost cannot be quantified within this report.

A verbal update on the estimated construction cost will therefore be provided to the Committee at the meeting. However, even if the estimated construction cost is greater than the current construction estimate contained within the approved budget, it is recommended that the project still proceed to tender.

By proceeding to tender, the market will have an opportunity to provide an actual cost for the construction. Then, if the tenders received are greater than the available budget, a value management process can be carried out in order to reduce the cost to an acceptable level, or Council can have the opportunity to review design items and/or budget. The envisaged value management process could potentially include input from the preferred contractor.

### Building Layout

Whilst there have been minor changes to the building layout during the detailed design phase, the overall layout remains unchanged from that previously reported to the Committee at the end of the developed design stage.

## Risk

During the preliminary design process a risk analysis workshop was conducted. This workshop involved all members of the project team, as well as the Director: Quality Assurance. A hazard matrix has subsequently been produced and this matrix has been considered throughout the design process in order to ensure that the building is designed to operate effectively during an emergency situation. This risk matrix will be reviewed when the detailed design is reviewed by the Project Control Group.

## Developed Design Review

By the time of the Projects Special Committee meeting the Project Control Group will have reviewed the detailed design and verbal confirmation will be provided to the Committee that the design is suitable to meet Council's operational requirements.

## Project Budget

The project budget that was reported to Projects Special Committee in July 2006 amounted to \$2,511,132. This budget is still considered adequate in order to deliver the project.

An up-to-date breakdown of the project budget will be provided to the Committee at the meeting.

## Timeframe

A list of the key target dates, and those achieved, is shown in table 2 below:

Stage	Timeframe	Status
Preliminary design	Dec 05 – Apr 06	Completed on time
Preliminary design approval	Apr 06	Completed on time
Developed design	Apr 06 – Jun 06	Completed on time
Developed design approval	Jul 06	Completed on time
Resource consent process	Jul 06 – Sep 06	Consent lodged August 06
Detailed design	Jul 06 – Aug 06	Completed on time
Building consent process	Aug 06 – Sep 06	Consent will be lodged September 2006
Tender process	Aug 06 – Oct 06	Commenced on time
Construction & commissioning	Nov 06 – May 07	On target
Building handover	Jun 07	On target

**Table 2 – Key Target Dates**

## RESOURCES

Adequate resourcing for the project is incorporated in the Council's Long Term Council Community Plan.

## CONCLUSION

At the time of writing this report neither the final detailed design plans, nor the detailed design cost estimate, had been provided to Council. Therefore a verbal update and the latest plans will be provided to the Committee at the meeting.

## **RECOMMENDATION**

That the Civil Defence Emergency Management – New Emergency Operations Centre, Project Status September 2006 report be received.

Report prepared by: Peter Sewell, Special Projects Engineer.



## **7 YOUTH FACILITY CONCEPT**

### **PURPOSE OF THE REPORT**

The purpose of this report is to:

- Detail the Youth Facility (Facility) concept, as indicated by the youth surveys carried out by Council, and to seek the Committee's endorsement on that concept;
- Seek endorsement of the recommended organisations and approve officers entering into detailed negotiations from a "Request for Proposals" process held over August 2006, for the service provision of the Facility; and
- Recommend that Council's Information Management project team be relocated on the top level of the Facility and that remedial work required to make the space suitable be approved.

### **BACKGROUND**

A7-A8

In May 2006 a report was presented to the Projects Special Committee proposing to retrofit the former Henderson Library building, instead of redeveloping the adjacent Recreation Centre. The report discussed the delivery model through the use of a service provider and established the roles of the Project Advisory Group and the Project Control Group. The report also provided the design elements to be included into the Facility, and these are included in pages A7 to A8.

The Projects Special Committee resolved at the May 2006 meeting:

1. *That the Youth Facility Update report be received.*
2. *That the Projects Special Committee endorses the concept of retro-fitting the former Henderson Library space for a Youth Facility.*
3. *That the Projects Special Committee endorses the delivery model of a Council owned Youth Facility fitted out and managed by a service supplier.*
4. *That the Projects Special Committee recommends to the Long Term Council Community Plan and Annual Plan Special Committee that \$200,000 be allocated in 2006/2007 for modernising the West Wave Recreation Centre.*
5. *That the Projects Special Committee recommends to the Long Term Council Community Plan and Annual Plan Special Committee that \$500,000 be allocated in 2009/2010 for renewal funding for the West Wave Recreation Centre.*

6. *That the Projects Special Committee endorses the consequential relocation of Council's Information Management Project Team by January 2007 to allow a Youth Facility to be developed on the lower level of the former Henderson Library site, and recommends to the Long Term Council Community Plan and Annual Plan Special Committee that appropriate provisions be made within the 2006-2016 Long Term Council Community Plan for relocation and operational costs.*
7. *That the Projects Special Committee recommends to the Long Term Council Community Plan and Annual Plan Special Committee to advance \$250,000 allocated in 2008/2009, \$600,000 allocated in 2009/2010, \$500,000 allocated in 2013/2014 and \$500,000 allocated in 2014/2015, to 2006/2007.*
8. *That the Projects Special Committee recommends to the Long Term Council Community Plan and Annual Plan Special Committee to advance \$50,000 from 2008/2009 to the 2007/2008 year for stage two of a Youth Facility.*
9. *That the Projects Special Committee recommends to the Long Term Council Community Plan and Annual Plan Special Committee that the operational costs for each year from 2007/2008 – 2015/2016 be brought forward one year and as a consequence an additional amount of \$150,000 be allocated into the 2015/2016 year.*
10. *That the Youth Advocacy and Advisory Group be thanked for their contribution in scoping a Youth Facility and that the Youth Advocacy and Advisory Group be disbanded.*
11. *That the Project Special Committee confirms the Project Advisory Group membership as:*
  - *Cr Penny Hulse - as Chairperson;*
  - *Chairperson of Projects Special Committee - Cr Ross Dallow;*
  - *Child and Youth Advocate - Cr Cooper;*
  - *Director: City Services;*
  - *Group Manager: Planning and Community Services;*
  - *Group Manager: Service Management;*
  - *Leisure Services Manager;*
  - *Project Manager;*
  - *A representative from Property Services;*
  - *Chairperson of the Youth Council - Andrew Wadsworth.*
12. *That Corban Revell be advised that there will be no extension to their lease at Alderman Drive beyond their current term of lease being either 14 July 2007, or the date at which they relocate to a building at the Waitakere Central complex should they commit on or before 14 October 2006 to moving to Waitakere Central."*

922/2006

Subsequent to this the Long Term Council Community Plan and Annual Plan Special Committee approved the transfer of funds to provide for a budget of \$2.5m.

## STRATEGIC CONTEXT

Overall, the proposed Facility project primarily seeks to advance the Council's strategic priority of **First Call for Children** by giving consideration to the needs and rights of young people in Council activities and planning. Council advocates and supports the wellbeing of young people, and achieves community outcomes through the following strategic platforms:

- **Strong Communities:** People are active, informed, healthy and content. They feel safe and there is a strong sense of community. Our city is a great place for children and youth. We enjoy our diversity of lifestyles and people.

- **Urban and Rural Villages:** Town Centres are thriving places, providing exciting options for people to live, work and play. Public facilities, places and spaces teem with people; the streets are alive and busy.

An additional strategic priority is “Lifelong Learning”. Its vision is “A city where everyone can access flexible, creative, inspirational and affordable learning and participate in city life.

It may also have an indirect application to the Strong Innovative Economy to which these promising and talented young people might contribute through the creative and entertainment industries.

## ISSUES

The Facility is directed towards those who are willing to participate in social and cultural activities and events such as dance, music and creativity programmes and who find a focal meeting area for their community.

The key focus areas include:

- Audio engineering and sound production;
- Popular music and performance.

### Audio Engineering and Sound Production

The recording and reproduction of music, sound effects and dialoguing; skills are required in the fields of film, television, radio, theatre, corporate functions, promotions and of course music.

An increase in the number of recordings being made outside the professional recording studio, and growth in the demand for better quality audio, have led to a surge in employment opportunities for recording and sound production engineers with particular emphasis on production, editing, recording and mixing.

### Popular Music and Performance

Recognition of the opportunity, value and potential for growth and development of contemporary music talent is stronger than ever. With an increase in music talent comes a corresponding increase in the competitiveness of prospective artists.

Young people are encouraged to explore their creative talents through song writing, musical arrangement, improvisation, and performance for stage and audio. Budding musicians are able to apply their talents and abilities practically through a variety of projects including participation in performance evenings and showcase concerts.

The Facility will provide the following requisite accommodation (excluding the infrastructure and equipment – the responsibility of the service provider):

- Audio production and recording facilities;
- Music recording studios;
- Rehearsal rooms;
- Digital MIDI (musical instrument digital interface – computer music) suites;
- Social interactive areas;
- Performance stage and hall / auditorium.

Apart from music and entertainment performances, the Facility has a strong social aspect to it and thus designed accordingly. The desired outcomes for the youth include social cohesion and inter-cultural building, and enriching the lives of young people.

This concept has been established by the findings of the survey undertaken and, more importantly, is strongly supported by the Youth Council.

### **What the Facility is Not**

#### Youth Detention Centre

There is no expectation that the Facility will be a focus point for delinquent youths, and it is not the intention to specifically market to this group. It is hoped that the Facility may inspire some youth to focus their energies and attention into the activities being on offer, in particular music, rather than legal infringements. However, in order for this to happen, focus will go to marketing the virtues of the Facility, particularly through schools, and ensuring the service provider continues to deliver in the direction of Council's goals.

It is envisaged that the service provider will not run the Facility through a tough regime of discipline as this will not achieve the desired outcomes that the youth have communicated to Council.

#### An Exclusive Club

It is proposed that the Facility be open to age groups of 13 to 18 years. Apart from restrictions to some areas due to extensive hardware and equipment the Facility should be open to all people within those age bands.

#### Cost Prohibitive

Whilst some areas particularly in the music recording area may require a charge it is not the intention to create commercial profits and therefore charges will be kept to a minimum to cover costs.

### **Risks and Perceptions**

#### Security Risk

The Facility should be a safe environment for youth to congregate and as stated earlier it is preferable to have as wider access as possible to the equipment within the Facility. Whilst it is noted above, the Facility will not be an exclusive club, it is necessary to be able to control access by some individuals in order to make the Facility a safe environment for the majority. In order to achieve the objectives of a safe environment and also to ensure protection of the assets, the following mitigation factors are envisaged:

1. Site lines – where possible site lines will be as long as possible to ensure that foul play can be detected.
2. Vigilance on behalf of the service provider. This needs to be enforced as part of the contract.
3. Possible membership and restricted access to some areas particularly those that contain high value equipment.

#### Youth Congregating

It is more than likely that after an event there will be numbers of youth congregating in the area. It is unlikely that they will just disperse as they'll want to discuss with friends etc. These will also be in a night time situation and may generate some noise and congestion.

White Elephant Project

The inability on the part of the service provider to deliver the contracted services to the young people of Waitakere could place the Council's reputation with the community at risk. There is also a risk that the Facility might not appeal to the young people and fulfil their expectations on music engineering and creative arts, which could potentially become a white elephant resulting in wasteful and fruitless expenditure. This risk should be mitigated by the fact that there has been extensive survey work undertaken with the youth as to their needs, and rigour will be provided to the procurement of the service provider in order to ensure that we have a reputable organisation that is capable on delivering Council's vision.

**Service Provider**

At the May 2006 Projects Special Committee meeting it was resolved:

*“3. That the Projects Special Committee endorses the delivery model of a Council owned Youth Facility fitted out and managed by a service supplier.”*

922/2006

Since then the Project Advisory Group and Project Control Group have been working on the criteria for the selection of an appropriate service provider. Both groups agreed the best method would be to conduct a process similar to that of a public tender. In early August 2006 advertisements were placed in the New Zealand Herald and Western Leader asking for interested parties to submit a proposal.

A9

Proposals were measured against the following criteria (the full criteria and attributes are listed at page A9):

<b>Attribute</b>	<b>Weighting</b>
Experience in the operation of music/recording studios	25%
General Experience	20%
Track Record & Management	20%
Methodology of Delivery	20%
Financial	20%

Proposals provided organisations with five options for involvement in a partnership.

**Option A**

A partnership for the operation of the entire Facility, including Council's community objectives. One organisation to use the Facility for their own use during the day and able to enter into a management agreement for the delivery of Council's community outcomes such as youth events.

**Option B**

A partnership for the use of Facility during the day (approximately Monday-Friday 9am-3pm) for their own operation.

**Option C**

A partnership for the provision of youth activities in the evenings and weekends to meet Council's community objectives only.

### Option D

A proposal for a joint venture (two organisations) jointly present a proposal to Council, an interested party applying in their own name or as a joint venture with another organisation to cover the entire management of the Facility. For example an interested party who wishes to only use the Facility during the day may approach another youth provider for the management of the evening and weekend community provision and put in a joint proposal.

### Option E

A partnership with Council for one management contract for the entire Facility, subcontracting Council's community objectives organisations interested in utilising the Facility during the day and sub-contracting the delivery of certain parts of the community delivery. For example this may involve hiring an events company to run youth events or a specialist company to run recording studio sessions.

Proposals closed on Monday, 21 August 2006. Organisations were given 3 weeks to prepare the documents. Five Proposal documents were submitted (The YMCA, Primal Youth Trust, Unitec, Zeal and Merlin Studio).

### Youth Council Feedback

On Monday, 21 August a workshop was held with the Youth Council. The Youth Council were asked to comment on various organisations and proposals. Due to sensitivity some parts of the Proposal documents were removed before distribution. Before seeing the Proposals the Youth Council was asked to vote on their preferred service provider based on their current knowledge. The Youth Council voted unanimously for Zeal as their preferred service provider to run the entire Facility. The justification being that they have experience, they know the target market and are already working successfully on similar projects. The runner up was an educational provider such as Unitec. Eight people voted in support of an educational institute to run the overall operation of the Facility, 1 person voted against and 3 voted as a subcontractor only.

The Youth Council then broke into seven groups and were asked to review the Proposals based on the criteria mentioned above (with the exception of the fifth criteria of financial ability). The results were:

Organisation	Ranking
Zeal	1
Primal Youth Trust	2
Unitec	3
Merlin Studios	4

NOTE:\* the YMCA submission was not available for the workshop.

### Project Control Group Feedback

The Project Control Group felt that no one Proposal met the attributes listed above to a sufficient standard for the service provision of the Facility. It was therefore inappropriate to make a decision about the management of the Facility. The Project Control Group is recommending that officers enter into further discussions with Unitec, Zeal, Primal Youth and the YMCA to obtain further information for a recommendation to be made. Merlin Studio identified that they were interested in being involved in the Facility but not in the management of the Facility. Their proposal was not substantive enough to warrant further discussions and therefore Merlin Studio will be notified that Council will not be taking their proposal any further.

There were aspects of the Proposals that need to be discussed further and the parties would need to be given time to further expand on their ideas. It is also likely that more than one organisation will be chosen for the service provision and the next stage will focus on the combination of organisations' ability to meet Council's objectives.

The next process will be to determine the criteria for these stage two negotiations and to arrange interviews with the possible contenders.

While this process may cause delays to the detailed design it is important that the correct service provider/s be chosen and that time is allowed to follow due process.

### **Information Management**

Currently Information Management's Project Team is located in the former library space, Alderman Drive. Information Management moved into the space in April 2006 on the basis of effective use of Council resources and prior to the Library site being identified as a desirable site for the Facility.

In a report presented to the Special Projects Committee in May 2006 the Committee resolved:

- "6. That the Projects Special Committee endorses the consequential relocation of Council's Information Management Project Team by January 2007 to allow a Youth Facility to be developed on the lower level of the former Henderson Library site, and recommends to the Long Term Council Community Plan and Annual Plan Special Committee that appropriate provisions be made within the 2006-2016 Long Term Council Community Plan for relocation and operational costs."*

922/2006

Officers have been seeking alternative accommodation for the relocation of Information Management. However, the requirement to connect any premises to Waitakere Central via a fibre optic cable (something already in place at the Library) or a high speed Telco provided data line with an ongoing operational costs of \$150,000 per annum (lease costs and additional Telco charges) has concluded that the preferred and cost effective option is for Information Management to retro fit the top level of the Alderman Drive building once Corban Revell relocate.

Regardless of the use of the top level there will be some requirements to bring the current building up to today's building code standards for example ensuring disability access via a lift. These costs would be incurred whether Information Management relocate or not. These costs are included in the budget for the relocation of Information Management and will not be from the Facility project budget.

Officers do not envisage the top level of the building will be required for the fit out of the Youth Centre as the ground floor covers 1300m<sup>2</sup>. Issues related to the co-location of a Youth Centre and an office space such as noise leakage and the migration of youth have been discussed with the Information Management manager and the Project Controller, both believe these issues can be minimised.

If Corban Revell do not relocate until July 2007 (they have informally mentioned they may relocate sooner however their lease does not expire until July 2007) there is a risk that by relocating the Information Management's Project Team upstairs this will cause delays to the start of the Facility. Officers believe the likelihood of this occurring is minimal. The work required to relocate Information Management's Project Team is required prior to the commencement of the Facility. At this stage it is envisaged that the work could be carried out in March/April 2007 and the start of physical works for the Facility could commence in May/June 2007.

## **Milestones**

A10

The attachment at page A10 details a list of the key project milestones and approximate times. However, these may change throughout the course of the project.

## **RESOURCES**

The construction of the Facility has a budget in the Long Term Council Community Plan of \$2.5m. The fit-out of the top level at the current Corban Revell site for Information Management is included in the Information Management budget.

## **CONCLUSION**

The Facility is being built to provide for the needs of youth in Waitakere City. Following the surveys carried out there is a strong music influence in addition to a place where youth can "hang out". It is not intended that the culture of this Facility be a tough, disciplined environment for young delinquents.

A tender process was held over August 2006 for the service provision of the Facility following a decision by the Projects Special Committee at their May 2006 meeting to contract out the delivery of the Facility.

Five tenders were received and evaluated against five key attributes. No one Proposal meet all of Council's objectives. It is likely that the management of the Facility will be a combination of two organisations working together. Officers are recommending second stage negotiations with YMCA, Primal Youth, Unitec and Zeal.

Concurrently officers have been seeking alternative accommodation for Council's Information Management Project Team and are recommending they be located on the top level of the Facility.

## **RECOMMENDATIONS**

1. That the Youth Facility Concept report be received.
2. That the concept of providing for youth in the Youth Facility a place that is accessible by as many young people as possible, who are willing to participate in social and cultural activities and events such as dance music and creativity programmes, and also those who find a focal meeting area for their community be approved.
3. That officers conduct a second stage of negotiations and interviews with the YMCA, Primal Youth Trust, Unitec and Zeal for the service provision of the Youth Facility.
4. That officers notify Merlin Studio that they would not be taking their Proposal for the service provision of the Youth Facility further at this stage.
5. That the results from negotiations with YMCA, Primal Youth Trust, Unitec and Zeal for the service provision of the Youth Facility be brought back to the Tenders Subcommittee for their approval.
6. That the results from negotiations with YMCA, Primal Youth Trust, Unitec and Zeal for the service provision of the Youth Facility be brought back to the Youth Council for their feedback.

7. That the Projects Special Committee endorses the relocation of the Information Management Project Team to the upper level of the former Henderson Library and approve the subsequent retrofitting of the upper level.

Report prepared by: Clare Dwyer, Leisure Planner and Stephen Drumm, Group Manager: Service Management.



## 8 HOUSING FOR OLDER ADULTS REDEVELOPMENT UPDATE

### PURPOSE OF THE REPORT

The purpose of this report is to update the Committee on planning for the Housing for Older Adults Redevelopment and to obtain approval for the sequence of village upgrades.

### BACKGROUND

This report covers the revitalisation of the Housing for Older Adults villages excluding Wilsher Village, which is being carried out as a separate project.

The housing portfolio is aging and suffers from problems associated with deferred maintenance, obsolete design, construction, village style layout and facilities. There are problems concerning physical design and layout, mobility around the village, poor wheelchair or disabled access, impractical sized rooms, and unsuitable communal laundry areas. All villages experience these problems to differing degrees.

There is support amongst the public for an improved housing service. Housing is one of the services that members of the public would like to see the Council spending more on according to the results of the 2005 Levels of Service survey. Of just under 3,000 residents, the vast majority (69%) support the idea of Council providing a higher service level for the Housing for Older Adults than is currently being offered and at an additional cost to ratepayers. Housing appeared to be a priority service. This proportion wanting an improved housing service was the highest for all 20 of the Council services that were included in the survey (above that of wastewater, roading and public transport.)

At a national level, there are significant challenges in the housing arena, with increasing demand for low-cost affordable housing, as evidenced by growing waiting lists in the Auckland region for state houses. Waitakere is part of the area which has the longest waiting list in the country for state housing. This is partly the result of falling rates in home ownership as houses and land becomes less affordable. Central Government is seeking to address these issues by, for example, working more collaboratively with local Councils and setting out its long-term plans through the New Zealand Housing Strategy (2005), published by Housing New Zealand Corporation.

At the City Development Committee meeting, 6 April 2006, it was resolved:

- “1. *That the Housing for Older Adults: Operations, Levels of Service and Governance report be received.*
2. *That the City Development Committee endorses the following principles about the operation of the Housing for Older Adults portfolio:*
  - a) *That there is a commitment to deliver a quality service to tenants by improving the standard of the units, the grounds and extending the role of tenancy services;*

- b) *That the current number of units are maintained; and*
- c) *That rents are to be set to maximise return and maximise affordability without compromising the status of 'social housing'.*
3. *That Scenario 2 for management of the Housing for Older Adults, which includes the following:*
  - a) *That the units in the eleven villages be upgraded to the standard of threshold 3 together with some size modifications for twenty units;*
  - b) *That the Housing for Older Adults portfolio continues to be governed and managed in house; and*
  - c) *That the rental levels be moved to 70% of the market rent with annual reviews providing that the accommodation supplement provides for the majority of this increase, be endorsed in principle, for consultation with tenants and other key stakeholders.*
4. *That it be recommended to the Long Term Council Community Plan and Annual Plan Special Committee to include the financial adjustments for Scenario 2 in relation to the Housing for Older Adults portfolio, amounting to a net \$11,915 per annum.*
5. *That a further report be presented in June 2006 to the City Development Committee, to include the following:*
  - a) *Views of key stakeholders, particularly the tenants about the proposals for the Housing for Older Adults service;*
  - b) *Final recommendations of the review of the Housing for Older Adults portfolio;*
  - c) *Draft social housing policy to outline strategic goals and key principles;*
  - d) *Draft capital renewal programme for the villages; and*
  - e) *A partnership plan to develop and strengthen Waitakere City Council's relationship with agencies and organisations relevant to the Housing for Older Adults portfolio.*
6. *That Council officers lodge an application for funding to Local Government Housing Fund."*

520/2006

## **STRATEGIC CONTEXT**

The Council's strategic priorities that are of particular relevance to the housing arena include 'sustainable development' and 'safe city'. Of further strategic importance when considering Council's provision for housing in the City, are the following platforms: 'urban and rural villages', 'integrated transport and communication' by ensuring people have choices in housing and have accessibility to transport and communication links, and 'strong communities' by supporting the health and wellbeing of the community.

## **ISSUES**

### **Management Structure for Project Delivery**

A steering group has been formed from Council staff. The role of the steering group is to ensure that the project is adequately planned and delivered. This group will recommend significant decisions to the Project Advisory Group for confirmation.

It is envisaged that the existing Project Advisory Group utilised in the development of the Housing for Older Adults policy will continue. This consists of the following Councillors:

- Councillor Clews;
- Councillor Cooper;
- Councillor Hulse.

The role of the Project Advisory Group will be to confirm issues and solutions identified through the Steering Group and to provide advice to the project at an operational level.

The project itself will be delivered by Councils property team who have dedicated a project manager for this purpose. This project will be more difficult to manage than some others from the point of view that there are existing tenants in the units making communication, precise project timing and tenancy liaison and logistics vital components to the success of this project.

### **Application for Funding Update**

Phase one of the application has been completed. This phase required providing information on Council's policies and a high level work programme. The final phase of the application will be submitted in late September 2006 and will involve submitting detailed plans for the first group of four villages. Village upgrades will be staggered to match project management capacity and cash flow.

It is anticipated that there will be close liaison with Housing New Zealand Corporation throughout the project not just for the funding application but also to leverage off their expertise in concept design and tenant logistics.

### **Upgrade Standards**

Council officers are currently working to establish the minimum design standards for the refurbishment of the village units.

The minimum design standards will be created using the following categories to ensure the units are refurbished to a minimum accepted criterion.

- Healthy home – good ventilation, insulation etc;
- Safe home – sufficient power points, smoke detectors, quality pathways etc;
- Secure home – good security, lighting, locks etc;
- Well designed home – storage, efficient use of space etc;
- State of repair – condition grading etc.

These will become the guidelines, which will be brought back to this Committee for approval and will become the minimum design standards that will direct the extent of the renewal.

In these upgrades there will be a focus on sustainability, and opportunity's to source external funding for this part of the project will be expected.

Site density and possible intensification will be considered for those villages around the town centres and the main transport nodes, where this will be in line with the Council's strategic direction. These aspects will be reported on separately later in the project.

### **Sequence of Operations**

As this project is expected to be undertaken over a period of four years, there is a need to identify the order in which the refurbishment will be completed.

The Council is considering two factors in its decision making process to include:

- Council strategic direction in relation to town planning, and
- Current condition of the villages.

The order we expect to carry out the village refurbishments is as follows:

- Of high importance is the Kaumatua village which is in extremely poor condition as well as being too small for the inhabitants (units 1-20);
- Jack Smyth would be second on the priority list, as it has unsafe grounds around the villages and a lack of car parking. The inside of these units require a medium level of refurbishment;
- Flagstaff is third on the priority list in as it requires a medium level of internal refurbishment, a small number of additional carparks and minor grounds maintenance works.

A11 A copy of the stock take of Housing for Older Adults villages is attached at page A11.

A12 A copy of the location of the Council's Housing for Older Adults is attached at page A12.

### Project Timetable

	Year 1	Year 2	Year 3	Year 4
Funding Application – Phase 1	August / September 2006	-	-	-
Minimum Standards Defined	Mid September 2006	-	-	-
Sequence of operation	Mid September 2006	-	-	-
Design, Specs and costing	End of November 2006	End of February 2007	End of February 2008	End of February 2009
Funding Application – phase 2	End of December 2006	End of March 2007	End of March 2008	End of March 2009
Contract Prepared and sent out for tender	End of December 2006	End of March 2007	End of March 2008	End of March 2009
Tender Awarded	End of January 2007	End of April 2007	End of April 2008	End of April 2009
Works Commence	Mid February 2007	1 July 2007	1 July 2008	1 July 2009
Works Completed	31 June 2007	30 June 2008	30 June 2009	30 June 2010

Costing and timetable still needs to be prepared in detail. This and any implications will be brought back to the Committee at a later date. In addition, Council Officers will also be considering contingency courses of action if the funding from Housing New Zealand Corporation is not made available.

## RESOURCES

Capital funding has been provided in the Long Term Council Community Plan totalling \$2 million. In addition, Council is applying to Housing New Zealand Corporation for a further \$1.5 million. The funding from Housing New Zealand Corporation is interest free on condition that Council's current decision to retain its existing numbers of housing unit continues.

As reported to this Committee in April, borrowing costs of Council's contribution together with operating and depreciation costs will be funded through increased rentals leaving a ratepayer contribution of \$11,915 which has been approved in the Long Term Council Community Plan.

The rental increases will be mainly subsidised by Work and Income New Zealand under their current policies, leaving on average an additional \$6 per week for a superannuate to be provided by the tenants themselves. There could also be potential savings accruing to residents as a result of improving sustainability features of the housing, e.g. solar panelling.

## CONCLUSION

This project, once underway, is expected to be a four year ongoing project to upgrade and refurbish the Village units for the City's older adults.

As part of this project, Council's staff are developing detailed minimum design standards that will put in place criteria on how each unit is to be developed/ refurbished. This will not only be useful for this project but also for projects and development in the future.

The expected sequence of operations for the first year is to begin with Kaumatua, followed by Jack Smyth and finishing with Flagstaff. The order of refurbishment has been decided with regards to the priority of the level of work to be completed.

## RECOMMENDATIONS

1. That the Housing for Older Adults Redevelopment update report be received.
2. That the membership of the Project Advisory Group utilised in the Housing for Older Adults policy consisting of Councillors Hulse, Cooper, and Clews be retained for the planning and implementation phase of the Housing for Older Adults Redevelopment project.
3. That the Housing for Older Adults Redevelopment begin with the revitalisation of the following villages: Kaumatua (units 1-20), Jack Smyth and Flagstaff.

Report prepared by: Tina Hemsworth, Manager: Property Assets and Stephen Drumm, Group Manager: Service Management.

