



<b>PROJECT</b>	<b>Rebuild Council Office Building</b>
<b>PROJECT SPONSOR</b>	Judy Campbell
<b>PROJECT MANAGER</b>	Matt Feist
<b>DOCUMENT</b>	Project Initiation
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## 1. Background

As part of asset management planning for Council's Fitzherbert Street administrative centre and budgeting for the Ten Year Plan, a seismic assessment of the original two-storey part of the structure, built in 1954, was carried out.

The building is identified as earthquake prone under the Building Act 2004 and is classified as a post disaster critical building, level 4. This gives the building a greater requirement of strength capacity as it is deemed to be critical in response to a civil defence emergency or similar.

The building was firstly assessed using the Initial Evaluation Procedure (IEP) method. This gave an approximate percentage against the New Building Standard (NBS) of 19%. With such a low percentage of NBS, an engineer's report was commissioned to further examine the structure.

The resulting report has confirmed the IEP assessment at 19% NBS.

It should also be noted that the building would not comply if it was deemed to be a level 3 building, equivalent with an average office block, and would meet approximately 25-30% of the NBS at this level.

A notice to strengthen has been issued by Council's building services section with a time limit of five years. **Improvements are to be completed by 12 October 2016**

## 2. Proposed Solution

The options available to Council to maintain the current levels of service are to:

- Seismic strengthen the current structure
- Demolish and build a new building to meet current earthquake standards and levels of service.
- Re-evaluate current space requirements and modify the affected structure and structurally sound parts of the building to suit.

## **2.1 Seismic Strengthen of current building – 800 m<sup>2</sup>**

An engineering design has been sought on the strengthening option. Due to the column and beam design of the building, support for the beams is required to stop any lateral or twisting movement during a seismic event.

The preferred strengthening option is to install shear walls in between columns to give the support required to the structure. The downside of this approach is significant internal disruption with a resultant change of layout and replacement to allow for an efficient use of the new spaces. A reduction in the available space will result due to the limitations of the new floor plate layout.

Further provision of office space would also need to be built to cater for the current activities.

External strengthening options have been assessed. However, due to the building strength capacity being so far below that required, the strengthening required is substantial. This option alone will not provide enough support without significantly altering the external structure. Further work would also be required internally to brace the internal columns.

The structural design life of the building would be extended. However, this would not address parts of the building that have been surpassed by current design and building standards or items that will require replacing in the near future, such as the roof, lift and windows.

It should be noted that this option has construction risks associated. These stem mainly from the unknowns to do with the building foundation performance and hidden beam and column connections. The current condition of these items will not be known until the invasive repair has started unless invasive deconstructive investigation is carried out.

While indicative pricing has allowed for a higher level of contingency due to these factors, no extra foundation work or repair has been expressly allowed for.

## **2.2 New Build – 1,200 m<sup>2</sup>**

The new build option presented takes into account current needs with the added ability to increase the floor space to 1,200 m<sup>2</sup> and create an improved link and use of space through the customer service area of Council.

The increased size of the floor plate and versatile nature of the new build would allow greater flexibility to changes in the internal office layout.

With a design life of 80 years this allows for a replacement of the current building with a building designed to modern standards that also takes advantage of "green" building enhancements.

While the cost exceeds the strengthening option and depending on the scope of the final project, a new build option allows for a significant improvement to the current facility.

The following benefits would be gained with the provision of a new building:

- Increased space (approx. 50%).
- Flexibility of layout.
- Improved efficiencies across energy use with improvements to building design (approximately \$30k per year).
- An extended design life (80 years) past the end use of an earthquake strengthened building.
- Option to look at current front of facility issues, improved customer experience and flow, less space replication and wastage.

## 2.3 Re-evaluate and renovate

The third option is to re-evaluate Councils current administration centre needs and internal levels of service.

Council's administration functions and front office services have not ever had a full design with the intention to look at working relationships and actual working spaces required. The disjointed nature of the building is testament to the ad hoc nature of developments over time and is a mixture of amalgamation and long term working relationships/habits rather than a specifically designed cohesive operational approach.

A full re-evaluation of current work spaces and areas as well as council meeting activities would yield an increase of useable floor space over the structurally sound parts of the Fitzherbert street administration centre. There would also be the added advantage of providing fit for purpose work spaces in appropriate areas of the building, plus providing consistency of work spaces across the different age classes of structures following renovation.

As research into this option is likely to reduce the extra space required in any strengthen or build option, it would be advisable to complete this part of the project first before a decision is made on the final construction option.

Due to the decreased structural requirements of this option, it is envisaged to be the cheaper option due to less upfront capital costs as well as long term running costs over a reduced floor space.

### Possible options

Options	Advantages	Disadvantages	Comment
<b>Do nothing (Option 1)</b>			
Option 2 - Strengthen	<ul style="list-style-type: none"> <li>- cheaper than a full rebuild</li> <li>- Inclusion of emergency management</li> </ul>	<ul style="list-style-type: none"> <li>- Higher financial risk due to unknown condition of foundation and structure connections</li> <li>- Little improvement to current lay out issues and front of house customer entry etc</li> <li>- Little improvement to building energy dynamics and ongoing costs</li> <li>- Will add to current design life but not as much as a new build</li> <li>- There will be a reduction in the current available internal space by approximately 20-30% due to the extra structure required within the building</li> </ul>	Financial risk could be mitigated by destructive investigation of the structural joints and foundations. Due the invasive nature of this work, certain parts of the building would need to be vacated to allow this work to be completed
Option 3 – New build	<ul style="list-style-type: none"> <li>- improved layout</li> <li>- Inclusion of emergency management</li> <li>- Possible dedicated IT hub to allow for business continuance</li> <li>- Modern energy efficient design</li> <li>- Improved work flow dynamics' with in the building e.g. team structures and modern design</li> <li>- Extended design life</li> <li>- Improved general layout and possible modernisation of out of date spaces e.g. chambers and committee room structure</li> <li>- Inclusion of emergency management</li> </ul>	<ul style="list-style-type: none"> <li>- Higher cost option</li> <li>- Possibly Politically sensitive</li> <li>- May end up with more space than required due to unforeseen changes in local government</li> </ul>	

Options	Advantages	Disadvantages	Comment
Option 4 – Re-evaluate needs and renovate to suit	<ul style="list-style-type: none"> <li>- Possibly cheaper than the previous two options due to less structural work required</li> <li>- End result would be a more cohesive building with modern work spaces</li> <li>- Long term renewals in the 1981 part of the building completed as part of the upgrade</li> <li>- Less long term operational cost due to decrease in overall floor space</li> <li>- Inclusion of emergency management</li> </ul>	<ul style="list-style-type: none"> <li>- less space for expansion with in the building</li> <li>- Change to current perceived levels of service and subsequent management e.g. Chambers instant accessibility, movement of council services internal and external.</li> </ul>	

### Recommendation

It is recommended that a re-evaluation of the Council administration centre and its activities and required levels of service takes place before a decision is made on the preferred construction option.

Following the re-evaluations findings, an appropriate solution to the current earthquake prone building should be built and/or renovations made to satisfy Councils current and future accommodation needs.

### 3. Benefits & Impacts

#### Benefits:

- Following the recommendation above will provide an accurate solution for Councils current and future accommodation requirements.
- Less financial input may be required in regards to the immediate Capital input, longer term costs reductions will be found if less space is required to accommodate Council activities.
- Closer working relationships and less of a "silo" mentality will result from a consistent quality of accommodation across the building.
- Older building components could be replaced with efficient modern components.
- Modern and cohesive working environment across teams.
- Politically acceptable solution and result.

#### Impacts:

- Possible wider facility disruption and change to current perceived levels of service. Eg onsite meetings spaces and usage of chambers.
- A stronger focus on staff and customer consultation and notifications will be required to ensure that the benefit message is delivered.

### 4. Scope

For the purposes of this project the scope has been split into two parts.

**Part 1:** Conduct an evaluation of current and future needs of the Fitzherbert Administration centre and develop a solution that best meets the financial, operational and civic nature of the complex. Obtain an appropriate resolution from Council to allow any reconstruction to take place following the needs evaluation.

**Part 2:** Construct an appropriate building via renovation and/or new build to adequately house council's administrative and operational needs for the foreseeable future.

### In Scope for both parts 1 and 2

- Re-evaluate needs of Council administration centre and associated levels of service
- Whole of new build process including staff movement due to displacement
- Customer services area
- Entrance and Chambers, Committee room and supper room modernisation
- Inclusion of emergency management from exterior building
- Corporate library
- New entrance way
- Re-housing of senior management and mayor during build and post
- Change to PA operations
- Possible car park realignment exit/entrance
- Gardens and landscaping
- IT Business continuance hub
- Long term site scope and broad future plan
- Removal/strengthening of existing building to existing entranceway including old lift
- New lift (if required)
- "green" building enhancements over and above current building standards
- 80 year design life
- Building to meet current earthquake standards
- Disability access requirements
- Possible Rose room upgrade (if required)
- An early exit strategy, ready for the council meeting in November
- Appropriate staff showering facilities and change area.

### Out of Scope for both parts 1 and 2

- Facilities outside of Council, unless internal movement forces changes elsewhere.

## 5. Outputs & Outcomes

- Allow a governance decision to be made based on a politically acceptable scope and cost
- Make changes to Councils Fitzherbert Street administration centre that allows efficient housing of Council operations and maintaining current levels of service plus allow for appropriate operational versatility in the future.
- Support increased productivity and engagement levels for staff to support an changed and improved culture.

## 6. Milestones

The table below sets out the timeframes for the project delivery milestones.

Milestone	Description	Person Responsible	Due Date
Council decision	Following a completed evaluation process, a Politically acceptable decision to proceed with an appropriate construction project		
Complete scope/Tender design	Complete design tender process including initial specification, and scope		
Council decision	Accept design tender		
Complete design/tender construction	Complete construction specification, building consent and further design details e.g. foundation		

Milestone	Description	Person Responsible	Due Date
	design and tender Construction		
Council decision	Accept construction tender		
Complete temporary staff relocation	Fit out and move staff to appropriate location by construction commencement date		
Commence construction	Hand site over to construction company		
Complete construction	Receive completed build project from Construction company, including staff repatriation		

## 7. Estimated Business Resources Required

The table below details the estimated staff resources required for the project and approximate timeframes.

Business Unit	When	What for	Contact
Special projects	Throughout build	General support/guidance and fit with other major projects	Peter M
Information services	Scope and specification as well as staff movement and completion	IT continuance plus specification with in the new building.	Simon Jeune
Communications	Throughout build	Project communication plan and implementation	Toni Lexmond
Records	Throughout build	Retention of documents and improved storage of information	Heather Mckay

In addition to the above, input will be required from the finance team in developing the business case and providing the long term budget forecasts plus the building services team for small projects and the movement of teams.

## 8. Financial Costs and Budget

There may be costs involved during this project. These may include:

Project Activity	Item of Expenditure	Estimated Cost
Investigation and Design		172,000
Building consent		48,000
Construction and fit out		3,277,000

## 9. Assumptions & Constraints

The following assumptions have been made subject to the outcome of the building evaluation:

- There will be an acceptable design and construction tender
- No work outside of the initial scope will be included following the design phase
- Council will agree to construction starting mid 2013
- Budget is constrained

The following constraints may impact on the ability to deliver the project objectives within the timeframe set out in this project plan:

- Lack of decision by Council
- Skipping project steps
- Incomplete specification
- Inadequate design process or designer

## 10. Links and Dependencies

This project is important in the context of the total workings of Council; it is important to take into account various teams work loads and projects through the changes in accommodation and working arrangements.

Notice periods for Council meetings and changes will need to be advised

## 11. Identification of Major Risks

The key risks for this project are:

- Untimely political decision making
- Weather events
- Scope/specification “blowout”
- Un-cooperative staff/councillors regarding internal movements
- Budget blowout
- Incomplete IT plans for upgrade
- Civil defence activation
- Poor planning and preparation
- Relocation and accommodation during any construction phase
- Communication failures
- Significant work interruptions

## 12. Key Stakeholders

The key stakeholders for this project are:

- Councillors
- Council staff both direct and indirectly affected
- Senior Management
- The Mayor
- Council customers of effected sections
- Ratepayers

To ensure that stakeholders are engaged in a timely, effective and relevant manner, a Stakeholder Engagement Plan will be developed as part of the Planning phase.

## 13. Project Team

Role	Member
Project Sponsor	Judy Campbell
Project Manager	Matt Feisst
Project Team	Peter McConnell, Cr Graeme Thompson, Peter Higgs, Mike Drummond, Ian Petty, Eileen Cronin, Heather McKay

## 14. Monitoring, Tracking and Reporting

A weekly project status report will be provided to the Project Sponsor from the Project Manager.

In addition, reports will be provided to CMT and Council as required.

## 15. Authority

This work is linked to the Council Outcomes/Strategic Challenges as follows:

**Challenge number 4, Major Projects:** Providing the district with the major community facility and infrastructure projects that are needed or desired.

**Outcome:** The right projects are delivered at the right place, right price and the right time.

(Strategic Challenge or Council Outcome link)

Signed:



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Judy Campbell  
**Project Sponsor**