

**ORDINARY MEETING**

**17 SEPTEMBER 2013**

<b>Committee:</b>	<b>COUNCIL</b>
<b>Section:</b>	General Manager
<b>Date:</b>	17 September 2013
<b>Item:</b>	<b>12.114/13 EMPLOYEE ACCOMMODATION AND HOUSING PROJECT</b>

**REPORT SUMMARY**

Council's operations are undertaken from a number of depots and administration buildings. Each of these locations are 'stand alone' facilities and consequently attribute significant financial overheads and managerial issues to the organisation.

In the interest of organisational sustainability and efficiency, Council's executive has identified the need to rationalise, consolidate and reduce the footprint of the organisation. This report provides a summary of the current operations and outline of the necessary steps to achieve consolidation and rationalisation.

**OFFICER'S RECOMMENDATION**

That:

1. Council agree to the overall concept of rationalising of staff housing as detailed in this report and endorse the undertaking of an Employee Accommodation and Housing Project to achieve the same.
2. Delegated authority be given to the General Manager to undertake a detailed planning process with a view to progressing the project as outlined.
3. A new reserve account titled "Strategic Building Reserve" be created for the purpose of consolidating funds to progress the Employee Accommodation and Housing Project.
4. All funds from the Land Development Fund be transferred to the Strategic Building Reserve.
5. The proceeds of any sale of surplus assets be remitted into the Strategic Building Reserve unless determined differently by Council.
6. A complete review of Council's current internal unrestricted reserve accounts be undertaken and reported to Council with a view of identifying any surplus funds that are not committed to current projects or by policy and with the intent of transferring these funds to the Strategic Building Reserve.

**COUNCIL RESOLUTION – 12.114/13  
(Crs Simmons/Kingsley)**

**That**

- 1. Council agree to the overall concept of rationalising of staff housing as detailed in this report and endorse the undertaking of an Employee Accommodation and Housing Project to achieve the same.**
- 2. Delegated authority be given to the General Manager to undertake a detailed planning process with a view to progressing the project as outlined.**

**ORDINARY MEETING**

**17 SEPTEMBER 2013**

3. That the General Manager provide ongoing status reports for Councils consideration throughout the development of the project.
4. A new reserve account titled “Strategic Building Reserve” be created for the purpose of consolidating funds to progress the Employee Accommodation and Housing Project.
5. All funds from the Land Development Fund be transferred to the Strategic Building Reserve.
6. The proceeds of any sale of surplus assets be remitted into the Strategic Building Reserve unless determined differently by Council.
7. A complete review of Council’s current internal unrestricted reserve accounts be undertaken and reported to Council with a view of identifying any surplus funds that are not committed to current projects or by policy and with the intent of transferring these funds to the Strategic Building Reserve.

**Voting recorded as follows:**

**For:** Councillors Williamson, Baker, Challacombe, Howe, Hughes, Kingsley, McKenna, Simmons and Toms  
**Against:** Nil

**BACKGROUND**

**Strategic Organisational Action Plan**

In April 2012, Council adopted the Strategic Organisational Action Plan (SOAP). The SOAP was prepared as a high level document and was ...*“designed to introduce new processes and change the way Council currently operates so as to the move the organisation towards its fundamental goal of sustainability and the overall meeting of its Vision.”*

The SOAP is broken into nine (9) specific areas with a five (5) year action plan for each.

Specifically, the second Objective listed under the area *Asset Management* states for council to:

*“Undertake an assessment of all physical assets with a view to identifying usage and relevance to Council requirements and to enable improved usage or potential rationalisation of under-utilised and surplus assets to occur.*

Furthermore, under the area of *Organisation Structure* the third Objective states for Council to:

*“Review work location arrangements progressively across the organisation.”*

These objectives were specifically included in the SOAP as recognition of the need to review Council’s existing workforce housing and to where possible reduce the number of work locations to achieve improved operational efficiency.

To a large extent the continuation of existing working arrangements has been a carryover from pre-amalgamation and efforts to centralise and improve operational efficiency are now apparent in light of Council’s identified long term financial projections.

## **ORDINARY MEETING**

**17 SEPTEMBER 2013**

The fragmentation of existing work arrangements directly incurs significant annual operational expenses which could be reduced substantially through consolidation. In order to achieve this outcome a proactive approach to undertaking the necessary capital works and a preparedness to fund the same is required.

The proposed actions as outlined in this report are consistent with the actions and overall intent of the SOAP.

### **Works Depots**

Council operates numerous works depots as part of its operations. These depots vary in size, geographic location, purpose and use. This variance between depot operations is quite large and causes operational inefficiencies.

#### Depot locations and function

**Maclean Depot – Pine Avenue, Townsend**

This depot houses all functions of the Works and Civil department and a supply store. This depot has received significant upgrade over the past 2 years and is the major depot for the lower Clarence area.

**Yamba Depot – Neptune Place, Yamba**

This depot houses open spaces works teams that undertake works in Yamba and Angourie.

**Koolkhan Depot – Summerland Way, Koolkhan**

This depot houses civil services works teams, a supply store and mechanical workshop.

**Grafton Depot – Bruce Street, Grafton**

This depot houses all functions of the Works and Civil department and a supply store.

This depot is surrounded by residential dwellings.

**South Grafton Depot – Schwinghammer Street, South Grafton**

This depot houses works teams from the civil services and open spaces and facilities branches. A supply store also operates from this depot.

**Weeds Depot – Lilypool Road, South Grafton**

This depot houses the noxious weeds team of the opens spaces and facilities branch of the Works and Civil department.

**Flood Plain Depot**

This depot provides storage and metal fabrication workshop facilities for flood plain operations.

The numerous depots, particularly in the Grafton area present several organisational inefficiencies such as: differing standards and work practices; multiplication of plant, services and resources (physical and human); and increased operational costs.

In order to provide efficient and effective services and reduce overhead costs, a consolidation of depots in the Grafton area must occur.

### **Office Accommodation**

As with the field based employees and their accommodation, Council's office based employees are widespread across a number of locations and buildings. This dispersed arrangement results in duplication of services and presents several operational and managerial inefficiencies. Additionally, there is a mix of tenure associated with the various locations as some buildings are owned freehold and others are rented or leased by Council. Therefore, rationalisation and consolidation of the administration footprint must occur.

## **ORDINARY MEETING**

**17 SEPTEMBER 2013**

Administration buildings currently occupied:

- Grafton Civic Centre - 2 Prince Street, Grafton
- 42 Victoria Street, Grafton
- 70 Pound Street, Grafton
- Grafton Community and Function Centre - 59 Duke Street, Grafton
- Grafton Regional Gallery - 158 Fitzroy Street, Grafton
- Clarence Regional Library - 110 Spring Street South Grafton
- Community Support Services, 91 Victoria Street
- Grafton Pound- 16 Induna Street, South Grafton
- Maclean Council Chambers - 50 River Street, Maclean
- McNaughton Place, Maclean
- 2 Short Street, Maclean
- 4 Short Street, Maclean
- 9 Stanley Street, Maclean
- 233 River Street, Maclean
- Treelands Drive, Yamba – Community Centre
- 44 Wooli Street Yamba - Library
- Micalo Street, Iluka - Library
- Cr Kerry and Tamar St Ballina – identified for closure
- Sir Earl Page Library, Pound Street, Grafton – Currently Under Construction

## **ISSUES**

### **Depot Consolidation**

A consolidated depot would be a purpose built facility which would accommodate all aspects of Council's outdoor workforce and also include an element of administration buildings to house indoor workers who support and have direct contact with the outdoor workers.

A number of options are available to Council regarding the provision of a suitable site which is of adequate size and provides ready access to the commercial centres of Grafton and South Grafton.

### Options

#### Purchase land

Approximately 3-4 ha would be required to provide an adequate sized site to allow for all operations to occur. A suitable parcel(s) of land which is accessible to the commercial centres of Grafton and South Grafton would come at significant expense.

#### Utilise existing land holdings

Council has several land holdings that could be used for this purpose. All of these holding are encumbered in some way and would require a yet to be determined sum of money to be spent to remove any existing encumbrances.

#### Makeover one of the existing sites

Whilst this is an option, none of the existing sites are of adequate size and location. Substantial cost would also accompany this proposal.

A detailed assessment of the various options would need to be undertaken to identify an appropriate site and in consideration of operational and financial constraints.

## **ORDINARY MEETING**

**17 SEPTEMBER 2013**

### **Administration Consolidation**

The completion of the Sir Earle Page Library presents an opportunity to consolidate office space and staff within the main administration buildings of 2 Prince Street (Prince St) and 42 Victoria Street (Victoria St), Grafton.

Upon the exit of the existing library, extensive construction works will be required to be undertaken within Prince St to convert the existing library space into office space suitable for occupation by Council's administration staff. Preliminary investigations reveal that the rejuvenated space within Prince St could house approximately 55 staff; this number requires further refinement through further planning and detailed design.

As advised above, with the construction of a purpose built depot, opportunity exists for the provision of administration staff facilities as part of the depot planning and subsequent build.

A number of alternatives present themselves with regard to the consolidation of administration and these will be investigated as the project progresses. All alternatives require careful planning and determination to minimise the impact upon operations whilst attempting to achieve the most effective, efficient and sustainable option.

### **PROCESS**

Detailed planning and design needs to be undertaken for both the depot and office accommodation consolidation.

Coupled with the obvious site and building planning, a comprehensive strategic plan targeting: human resource movements; building and facility execution; risk management; and financing needs to be compiled.

Detailed project plans which incorporate the above matters, accompanied by appropriate governance controls will be established for the projects. It is expected that the execution of the project will be tightly controlled by a Project Control Group with regular updates reported to Council on a periodic basis.

Due to the complexities of these projects and the specialist skills and requirements that result, a specialist project manager and associated project team will be engaged to undertake the works.

### **Depot**

The following phases will be required for the depot consolidation project:

- Development of project plan
- Review of operations and activities to determine operational needs
- Site planning
- Site identification and acquisition (if required)
- Design (including any site rehabilitation)
- Preparation of construction documentation
- Tender for construction
- Construction
- Handover and occupation
- Reclamation and disposal of redundant sites

It is envisaged that this project will take approximately 12 – 18 months. Although this timeframe is strongly influenced by planning and approval requirements, it is also directly impacted by weather. Accordingly and where possible and practical, construction will be planned for the traditional dry months of the year ie May – October.

## **ORDINARY MEETING**

**17 SEPTEMBER 2013**

### **Administration**

The following phases will be required for the administration consolidation project:

- Development of project plan
- Review of existing administration centres, associated operations and activities to determine operational needs and suitable housing locations
- Site planning and determination of sequenced movements
- Design\*
- Preparation of construction documentation\*
- Tender for construction\*
- Construction\*
- Handover and occupation\*
- Reclamation and disposal of redundant sites\*

\*Not all sites will require these phases and some movement and relocation could / may occur in advance or concurrent of these phases.

It is predicted that this project will take approximately 18 – 24 months, although the completion of the depot project does have an influence on this timeframe due to the sequenced movement of staff. In the majority of circumstances weather would not impact this program.

### **GOVERNANCE and FINANCIAL**

#### **Governance**

Coupled with the obvious site and building planning a comprehensive strategic plan targeting: human resource movements; building and facility execution; risk management; and financing needs to be compiled.

Detailed project plans which incorporate all project related matters, accompanied by appropriate governance controls will be established for the projects. It is expected that the execution of the project will be tightly controlled by a Project Control Group with regular updates reported to Council on a periodic basis.

Due to the complexities of these projects and the specialist skills and requirements that result, a specialist project manager and associated project team will be engaged to undertake the works. This project manager will report directly to the Director (Works & Civil).

#### **Finance**

Cost estimates for the proposed works are yet to be undertaken and therefore are not available at this point in time.

Proposed funding for the works is via internal funding and where possible nil or limited borrowings will be used.

Currently a complete review of Council's unrestricted internal reserve balances is being undertaken with a view to identify funds that have been accumulated but are not supported by a specific project, objective or policy and as such are surplus to Council's needs. Council currently holds a Land Development Reserve with an anticipated balance of approximately \$1.4 million at the 30<sup>th</sup> June 2014. These funds have been accumulated to date through the sale of surplus assets and it is proposed that this reserve will provide initial funding for the proposed project to commence. Any identified surplus reserve funds as well as the proceeds of other surplus assets sales will further contribute to the funding of the project. It is proposed that all available funds for the project be centralised in a new reserve titled "Strategic Building Reserve".

Financial progress of the projects will be monitored through a Project Control Group and relevant governance rules will be applied to the project. Financial progress will feature as part of the periodic reports to Council.

**ORDINARY MEETING**

**17 SEPTEMBER 2013**

**CONSULTATION**

Consultation between Council and the Executive was undertaken at a workshop held on 6 August 2013.

**OPTIONS**

1. That:

1. Council agree to the overall concept of rationalising of staff housing as detailed in this report and endorse the undertaking of an Employee Accommodation and Housing Project to achieve the same.
2. Delegated authority be given to the General Manager to undertake a detailed planning process with a view to progressing the project as outlined.
3. A new reserve account titled "Strategic Building Reserve" be created for the purpose of consolidating funds to progress the Employee Accommodation and Housing Project.
4. All funds from the Land Development Fund be transferred to the Strategic Building Reserve.
5. The proceeds of any sale of surplus assets be remitted into the Strategic Building Reserve unless determined differently by Council.
6. A complete review of Council's current internal unrestricted reserve accounts be undertaken and reported to Council with a view of identifying any surplus funds that are not committed to current projects or by policy and with the intent of transferring these funds to the Strategic Building Reserve.

2. That Council further consider the issue.

3. That Council take no action.

Scott Greensill  
GENERAL MANAGER

Prepared by staff member: Scott Greensill & Troy Anderson  
Approved/Reviewed by Manager: Scott Greensill  
Attachments: Nil

**ORDINARY MEETING**

**18 FEBRUARY 2014**

<b>Committee:</b>	<b>ENVIRONMENT, PLANNING &amp; WORKS</b>
<b>Section:</b>	Works & Civil
<b>Date:</b>	11 February 2014
<b>Item: 13.019/14</b>	<b>EMPLOYEE ACCOMMODATION AND HOUSING PROJECT – STATUS REPORT FEBRUARY 2014</b>

**ATTACHMENT**

**REPORT SUMMARY**

This report provides Council with a status update on the Employee Accommodation and Housing Project.

**OFFICER'S RECOMMENDATION**

That the status report on Employee Accommodation and Housing Project be received and its contents noted.

**RECOMMENDATION BY COMMITTEE**

Howe/Williamson

That the Officer's Recommendation be adopted.

Voting recorded as follows:

For: Howe, Hughes, McKenna, Simmons, Williamson

Against: Nil

*Cr Hughes left the Chamber at 4.50pm and returned to the Council Meeting at 4.59pm*

**COUNCIL RESOLUTION – 13.019/14  
(Crs Simmons/Williamson)**

**That**

- 1. The status report on the employee accommodation and housing project be received and its contents noted.**
- 2. Council confirms its support for this project.**
- 3. A tender evaluation report be presented to Council's March 2014 meeting for decision on appointment of the project manager, as indicated in the officer's report.**
- 4. A tender evaluation report be presented to Council's May 2014 meeting for decision on appointment of consultants as per the Milestone Schedule in the attachments for this meeting (item 13.019/14)**
- 5. A detailed budget for the project to be presented to Council for adoption no later than Council's July 2014 meeting.**
- 6. Costing/budgetary reports be presented to Council's meetings on a quarterly basis following adoption of the detailed budget.**
- 7. Funds from the sale of car park land in Centenary Drive Maclean not be allocated to the Strategic Building Reserve.**



## **ORDINARY MEETING**

**18 FEBRUARY 2014**

### **Voting recorded as follows:**

**For:** Councillors Williamson, Challacombe, Howe, Hughes, Kingsley, McKenna and Simmons

**Against:** Councillors Toms and Baker

### **BACKGROUND**

At its meeting of 17 September 2013 (Item 12.114/13), Council resolved:

*That*

- 1. Council agree to the overall concept of rationalising of staff housing as detailed in this report and endorse the undertaking of an Employee Accommodation and Housing Project to achieve the same.*
- 2. Delegated authority be given to the General Manager to undertake a detailed planning process with a view to progressing the project as outlined.*
- 3. The General Manager provide ongoing status reports for Council's consideration throughout the development of the project.*
- 4. A new reserve account titled "Strategic Building Reserve" be created for the purpose of consolidating funds to progress the Employee Accommodation and Housing Project.*
- 5. All funds from the Land Development Fund be transferred to the Strategic Building Reserve.*
- 6. The proceeds of any sale of surplus assets be remitted into the Strategic Building Reserve unless determined differently by Council.*
- 7. A complete review of Council's current internal unrestricted reserve accounts be undertaken and reported to Council with a view of identifying any surplus funds that are not committed to current projects or by policy and with the intent of transferring these funds to the Strategic Building Reserve.*

In accordance with point 3 of the resolution, this report provides a status update to Council for its February 2014 meeting.

### **ISSUES**

Council currently has a tender advertised (Tender 14-001) to obtain the services of a Project Manager for the entire project. This tender closes on 21 February 2014 and it is planned to have the tender evaluation report presented to Council's March 2014 meeting for award.

To enable definition of the project to prospective tenderers a brief for the entire project has been developed. This brief is to be expanded upon and developed further using the services of the appointed project manager.

These briefing documents are attached to this report for Councillors' reference:

- Project Services Brief – provides a broad outline of the proposed project. Section 3 (Project Definition) provides the main outline of the project.
- Project Management Services Brief – details the required services of the successful project manager.

### **OPTIONS**

That the report be received and its contents noted.

**ORDINARY MEETING**

**18 FEBRUARY 2014**

**FINANCIAL IMPLICATIONS**

To date no detailed project budget has been developed. A defined project budget will be established once further feasibility and design options are progressed. This matter will be then reported to Council for adoption.

As resolved in point 4 of Council resolution 12.114/13, a reserve account titled 'Strategic Building Reserve' has been established. The current balance of this account is \$3,642,586.98.

Troy Anderson  
DIRECTOR – WORKS & CIVIL

Prepared by staff member:	Troy Anderson
Approved/Reviewed by Manager:	
Section:	Works & Civil
Attachment:	1. Project Brief 2. Project Services Brief

**ORDINARY MEETING**

**15 APRIL 2014**

<b>Committee:</b>	<b>ENVIRONMENT, PLANNING &amp; WORKS</b>
<b>Section:</b>	Works & Civil
<b>Date:</b>	8 April 2014
<b>Item: 13.063/14</b>	<b>DEPOT AND ACCOMMODATION RATIONALISATION PROJECT – PROJECT CONTROL GROUP &amp; TIMEFRAMES</b>

**REPORT SUMMARY**

This report deals with two matters associated with the Depot and Accommodation Rationalisation Project:

1. The appointment of an elected representative as a member of the Project Control Group (PCG) and;
2. Proposed changes to dates within Council resolution 13.019/14.

**OFFICER'S RECOMMENDATION**

That:

1. the Mayor be appointed as the elected representative member of the Project Control Group for the Depot and Accommodation Rationalisation Project.
2. the dates for presentation of the tender evaluation report for the consulting team associated with the project, and the detailed project budget be June 2014 and August 2014 respectively.

**RECOMMENDATION BY COMMITTEE**

Howe/Hughes

That the Officer's Recommendation be adopted.

Voting recorded as follows:

For: Howe, Hughes, Simmons, Williamson  
Against: Nil

**MOTION**

(Crs Toms/Baker)

That:

1. the Mayor be appointed as the elected representative member of the Project Control Group for the Depot and Accommodation Rationalisation Project.
2. the dates for presentation of the tender evaluation report for the consulting team associated with the project, and the detailed project budget be June 2014 and August 2014 respectively.
3. the terms of reference for the group be reported back to Council.
4. the terms of reference include the agenda item (a) Council Budget.
5. the requirements for the minutes of each Project Control Group meeting be reported back to the Council meeting that falls after each PCG meeting.

**ORDINARY MEETING**

**15 APRIL 2014**

Voting recorded as follows:

For: Councillor Toms

Against: Councillors Williamson, Baker, Challacombe, Howe, Hughes, Kingsley, McKenna and Simmons

**The motion was LOST**

FORESHADOWED MOTION  
(Cr Williamson)

That:

1. the Mayor be appointed as the elected representative member of the Project Control Group for the depot and Accommodation Rationalisation Project.
2. the dates for presentation of the tender evaluation report for the consulting team associated with the project, and the detailed project budget be June 2014 and August 2014 respectively.

**The foreshadowed motion became the motion.**

AMENDMENT TO MOTION  
(Cr McKenna)

That:

1. the Mayor be appointed as the elected representative member of the Project Control Group for the Depot and Accommodation Rationalisation Project.
2. the dates for presentation of the tender evaluation report for the consulting team associated with the project, and the detailed project budget be June 2014 and August 2014 respectively.
3. the terms of reference as set at the PCG's first meeting be reported back to Council.

**The amendment to the motion LAPSED for want of a seconder**

**The motion was put.**

**COUNCIL RESOLUTION – 13.063/14**  
**(Crs Williamson/Kingsley)**

That:

1. **the Mayor be appointed as the elected representative member of the Project Control Group for the Depot and Accommodation Rationalisation Project.**
2. **the dates for presentation of the tender evaluation report for the consulting team associated with the project, and the detailed project budget be June 2014 and August 2014 respectively.**

Voting recorded as follows:

For: Councillors Williamson, Challacombe, Howe, Hughes, Kingsley and Simmons

Against: Councillors Toms, McKenna and Baker

## **ORDINARY MEETING**

**15 APRIL 2014**

### **FORESHADOWED MOTION (Cr Baker)**

That Council not appoint an elected representative to the Project Control Group for the Depot and Accommodation Rationalisation Project.

*The Council Meeting adjourned at 6.21pm and resumed at 6.31pm.*

### **BACKGROUND**

Council is currently undertaking a project to rationalise its depot and corporate accommodation. This project has been previously endorsed by Council at its meetings of September 2013 and February 2014.

At its meeting of March 2014 Council appointed an external project manager (Ridgemill Pty Ltd) to drive the project.

### **ISSUES**

#### **Project Control Group**

PCG's are widely recognised and used as part of contemporary and proper project governance arrangements. To enable good project governance it is recommended that a PCG be established for the Depot and Accommodation Rationalisation Project.

Expanding on the above statement - the role of the PCG is to ensure that the project continues to meet the strategic needs of the organisation and is delivered in accordance with the relevant legislation; Council policy; agreed project scope; financial constraints; and agreed timelines. Further, the PCG will, where required, discuss and resolve problems associated with the project. Terms of Reference for the group will be set at the PCG's first meeting.

It is to be noted that the PCG is not formed nor is it intended to replace proper decision making through Council with regard to required elements of the project. It is therefore appropriate that an elected representative be a member of the PCG so that guidance from a Councillor's perspective is able to be given. Given the strategic and organisational significance of the Depot and Accommodation Rationalisation Project, it is considered applicable that the Mayor be the elected representative member of the PCG.

The recommended membership of the Depot and Accommodation Rationalisation Project is:

- Mayor
- General Manager
- Director (Corporate)
- Director (Works & Civil)

#### **Proposed Changes to Dates**

Council at its February 2014 meeting resolved:

#### **COUNCIL RESOLUTION – 13.019/14**

*That*

1. *The status report on the employee accommodation and housing project be received and its contents noted.*
2. *Council confirms its support for this project.*
3. *A tender evaluation report be presented to Council's March 2014 meeting for decision on appointment of the project manager, as indicated in the officer's report.*
4. *A tender evaluation report be presented to Council's May 2014 meeting for decision on appointment of consultants as per the Milestone Schedule in the attachments for this meeting (item 13.019/14)*

## **ORDINARY MEETING**

**15 APRIL 2014**

5. *A detailed budget for the project to be presented to Council for adoption no later than Council's July 2014 meeting.*
6. *Costing/budgetary reports be presented to Council's meetings on a quarterly basis following adoption of the detailed budget.*
7. *Funds from the sale of car park land in Centenary Drive Maclean not be allocated to the Strategic Building Reserve.*

Following initial start up meetings and discussion with the project manager it has been determined that in order to satisfy legislative requirements and employ proper governance processes the months nominated in points 4 and 5 of the above resolution will not be able to be achieved.

It is proposed that the tender evaluation report for the appointment of the consulting team be presented to the June 2014 Council meeting and the detailed budget be presented to the August 2014 Council meeting.

## **CONSULTATION**

Consultation has been undertaken at the executive level and with Council's appointed project manager – Ridgemill Pty Ltd.

## **SUSTAINABILITY ASSESSMENT**

### **Summary Statement**

In order for a project to be sustainable, proper governance in a whole of project sense needs to be applied. The formation of a PCG allows this governance to be provided.

### **Ecology**

N/A

### **Economic**

Good project governance is required to provide economic sustainability.

### **Social & Cultural**

N/A

### **Human Habitat & Infrastructure**

N/A

### **Governance**

Good project governance is essential in providing quality project outcomes.

### **Guiding Sustainability Principles**

The following guiding sustainability principles are relevant to this issue:

- Taking a precautionary and anticipatory approach.
- Focusing on continuous improvement.

## **OPTIONS**

1. That the Mayor be appointed as the elected representative member of the Project Control Group for the Depot and Accommodation Rationalisation Project.
2. That Council determine another Councillor as the elected representative member of the Project Control Group for the Depot and Accommodation Rationalisation Project.
3. That the dates for presentation of the tender evaluation report for the consulting team associated with the project, and the detailed project budget be June 2014 and August 2014 respectively.

**ORDINARY MEETING**

**15 APRIL 2014**

4. That Council advises of alternate dates for the presentation of tender evaluation report and project budget.

Options 1 and 3 are recommended.

**FINANCIAL IMPLICATIONS**

There are no financial implications associated with this report.

Troy Anderson  
DIRECTOR – WORKS & CIVIL

Prepared by staff member:	Troy Anderson
Approved/Reviewed by Manager:	Scott Greensill
Section:	Works & Civil
Attachment:	Nil

**ORDINARY MEETING**

**24 JUNE 2014**

<b>Committee:</b>	<b>COUNCIL</b>
<b>Section:</b>	General Manager
<b>Date:</b>	24 June 2014
<b>Item:</b>	<b>12.012/14 TENDER 14-008 DEPOT &amp; ACCOMMODATION RATIONALISATION PROJECT – APPOINTMENT OF DESIGN CONSULTANCY SERVICES</b>

**CONFIDENTIAL ATTACHMENT**

**REPORT SUMMARY**

Council called an open tender (T14-008) for design consultancy services for the Depot and Accommodation Rationalisation Project. Evaluation of the tender was undertaken by a panel which comprised of Council staff and Council's appointed project manager.

It is recommended that the tender be awarded to Schreiber Hamilton Architecture Pty Ltd.

**OFFICER'S RECOMMENDATION**

That:

1. Council accept the tender from Schreiber Hamilton Architecture Pty Ltd for Tender 14-008 – Design Consultancy Services of Clarence Valley Council Depot and Office Rationalisation at a cost of \$745,701.00 (GST inclusive) to be funded from the Strategic Building Reserve.
2. The General Manager be authorised to approve variations totaling up to 10% of the contract award value.
3. The Council seal be affixed to any required contractual documents.

**COUNCIL RESOLUTION – 12.012/14  
(Crs Williamson/Hughes)**

That

1. **Council accept the tender from Schreiber Hamilton Architecture Pty Ltd for Tender 14-008 – Design Consultancy Services of Clarence Valley Council Depot and Office Rationalisation at a cost of \$745,701.00 (GST inclusive) to be funded from the Strategic Building Reserve.**
2. **The General Manager be authorised to approve variations totaling up to 10% of the contract award value.**
3. **The Council seal be affixed to any required contractual documents.**

**Voting recorded as follows:**

**For: Councillors Williamson, Challacombe, Howe, Hughes, Kingsley and Simmons**  
**Against: Councillors Baker and Toms**

*The Council Meeting adjourned at 5.58pm and resumed at 6.10pm.*

**BACKGROUND**

Council called tenders for Design Consultancy Services to provide all design and consultancy services to its Depot and Accommodation Rationalisation Project. Advertising for the tender commenced on 26 April 2014 and closed on 20 May 2014.

Nine (9) tender submissions were received.



## **ORDINARY MEETING**

**24 JUNE 2014**

Tenders were received from:

- Caldis Cook Group
- COMPLETE Urban
- DRA Architects
- Hill Lockart Architects
- Imagescape Design Studios
- James Cubitt Architects
- Mode Design
- Schreiber Hamilton Architecture
- Thomson Adsett

## **ISSUES**

A detailed tender evaluation report is attached as a confidential attachment.

Directors of Schreiber Hamilton Architecture Pty Ltd are:

- Mr Kevin Schreiber
- Mr Justin Hamilton

## **CONSULTATION**

Consultation has been undertaken with Council's executive

## **SUSTAINABILITY ASSESSMENT**

### **Summary Statement**

The appointment of design consultancy services for the Depot and Accommodation Rationalisation Project will enable design to commence on the project.

### **Governance**

The tendering process followed is consistent with the requirement of the Local Government Act and Regulation.

### **Guiding Sustainability Principles**

The following guiding sustainability principles are relevant to this issue:

- Taking a precautionary and anticipatory approach.
- Focusing on continuous improvement.

### **Sustainable Purchasing Policy – Supporting Local Business**

In accordance with Council's Sustainable Purchasing Policy the following processes were undertaken:

- Local suppliers, contractors and/or consultants were notified through local advertising.
- Tender specifications were structured so local suppliers and/or contractors were not excluded from being the prime supplier/contractor.
- The tender specification requested tenderers to identify the local suppliers/contractors that would be involved in delivering/constructing the project and the tender assessment included a 10% weighting of the total tender score for local supplier content.

**ORDINARY MEETING**

**24 JUNE 2014**

**OPTIONS**

1. Council accept the tender from Schreiber Hamilton Architecture Pty Ltd for insert Tender 14-008 – Design Consultancy Services of Clarence Valley Council Depot and Office Rationalisation at a cost of \$745,701.00 (GST inclusive) to be funded from the Strategic Building Reserve.
2. The General Manager be authorised to approve variations totaling up to 10% of the contract award value.
3. The Council seal be affixed to any required contractual documents.
4. That Council not award any tenders.

Options 1, 2 and 3 are recommended.

**FINANCIAL IMPLICATIONS**

The appointment is to be funded from the Strategic Building Reserve. The current balance of the Strategic Building Reserve is \$3,955,491.14.

Scott Greensill  
GENERAL MANAGER

Prepared by staff member:	Troy Anderson
Approved/Reviewed by Manager:	Scott Greensill
Section:	Works & Civil
Confidential Attachment:	Tender Evaluation

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<b>ITEM</b>	<b>20.012/14</b>	<b>DEPOT AND ACCOMMODATION RATIONALISATION PROJECT – DEPOT SITE SELECTION, CONCEPTUAL MASTER PLANS AND BUDGET</b>
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<b>Meeting</b>	Environment, Planning & Works	<i>9 September 2014</i>
<b>Directorate</b>	Works & Civil	
<b>Submitted by</b>	Director - Works & Civil (Troy Anderson)	

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COMMITTEE OF THE WHOLE RECOMMENDATION

(Crs Challacombe/Toms)

That the motion moved and carried in the Confidential Committee of the Whole be made public, being

That:

1. The site for the development of a new amalgamated Council works depot and administration building be Council's former Sewage Treatment Plant located at the corner of Rushforth Road and Tyson Street, South Grafton, described as Lot 1 on DP 557049.
2. The required site rehabilitation works and associated bulk earthworks be undertaken as part of the project and be entirely funded from the Sewer Fund at an indicative cost of \$2 million dollars subject to detailed design and cost estimate development.
3. Council purchase Lot 1 on DP 557049 from the Sewer Fund for the sum of \$80,400 to be funded from the Strategic Building Reserve upon successful completion of the rehabilitation works as detailed in point 2.
4. A planning proposal be prepared for Council's consideration to rezone the site from SP2 – Infrastructure to SP2 – Depot and Public Administration Building.
5. Council endorse Schreiber Hamilton Architecture plans SK1103 (rev B) and SK2306 as conceptual master plans for the depot at the corner of Rushforth Road and Tyson Street, South Grafton and the office accommodation at 2 Prince Street, Grafton respectively.
6. Council notify the NSW Office of Local Government of the project in accordance with its Capital Expenditure Guidelines.

Voting recorded as follows

For: Councillors Williamson, Howe, Hughes, Toms, Baker, McKenna, Kingsley, Challacombe, Simmons

Against: Nil

**COUNCIL RESOLUTION – 20.012/14**

**(Crs Williamson/Hughes)**

**That**

- 1. The site for the development of a new amalgamated Council works depot and administration building be Council's former Sewage Treatment Plant located at the corner of Rushforth Road and Tyson Street, South Grafton, described as Lot 1 on DP 557049.**
- 2. The required site rehabilitation works and associated bulk earthworks be undertaken as part of the project and be entirely funded from the Sewer Fund at an indicative cost of \$2 million dollars subject to detailed design and cost estimate development.**
- 3. Council purchase Lot 1 on DP 557049 from the Sewer Fund for the sum of \$80,400 to be funded from the Strategic Building Reserve upon successful completion of the rehabilitation works as detailed in point 2.**
- 4. A planning proposal be prepared for Council's consideration to rezone the site from SP2 – Infrastructure to SP2 – Depot and Public Administration Building.**
- 5. Council endorse Schreiber Hamilton Architecture plans SK1103 (rev B) and SK2306 as conceptual master plans for the depot at the corner of Rushforth Road and Tyson Street, South Grafton and the office accommodation at 2 Prince Street, Grafton respectively.**
- 6. Council notify the NSW Office of Local Government of the project in accordance with its Capital Expenditure Guidelines.**

**Voting recorded as follows**

**For: Councillors Williamson, Howe, Hughes, Kingsley, Challacombe**

**Against: Councillors Toms, Baker, McKenna, Simmons**

**21. CLOSE OF ORDINARY MEETING**

There being no further business the meeting closed at 10.28 pm.

<b>ITEM</b>	<b>13.214/14</b>	<b>PLANNING PROPOSAL – NEW COUNCIL DEPOT AT RUSHFORTH ROAD, SOUTH GRAFTON</b>
<b>Meeting</b>	Environment, Planning & Community	14 October 2014
<b>Directorate</b>	Environment, Planning & Community	
<b>Submitted by</b>	Director - Environment, Planning & Community (Des Schroder)	

**SUMMARY**

<i>Proponent</i>	Clarence Valley Council
<i>Owner</i>	Clarence Valley Council (Lot 1 DP 557049) South Grafton High School/Dept Education and Communities (Lot 2 DP 521320)
<i>Subject land</i>	Lot 1 DP 557049, Rushforth Road, South Grafton (item 1) Lot 2 DP 521320, Rushforth Road, South Grafton (item 2)
<i>Site area</i>	4.68ha – Lot 1 758.8 m <sup>2</sup> – Lot 2
<i>Current Zoning CVLEP 2011</i>	SP2 Infrastructure - labelled purpose on Land Zoning Map - "Sewerage treatment plant"
<i>Proposal</i>	Lot 1/Item 1 - Alter the labelled purpose of current SP2 Infrastructure zone on the Land Zoning map from "Sewerage treatment plant" to "Depot and Public administration building" to enable redevelopment of the site for the purposes of a new Council depot and office/administrative facilities associated with Council's works and operational functions. Lot 2/Item 2 - rezone from SP2 Infrastructure to R1 General Residential.

Council has embarked upon a Depot and Accommodation Rationalisation Project which forms a key part of its 2014 - 2017 Delivery Program and 2014 - 2015 Operational Plan. The now redundant South Grafton Sewerage Treatment Plant site (Lot 1 DP 557049) offers favourable attributes for the establishment of a new depot facility and associated office accommodation for works and operational staff to replace the current multiple depot site/facilities that currently service the Grafton/South Grafton operational catchment.

Council considered a report on the Depot and Accommodation Rationalisation Project at its 16 September 2014 Ordinary meeting.

The purpose of this report is to present a Planning Proposal to Council principally aimed at supporting and initiating the required rezoning process to enable redevelopment of the site for the purposes of a new Council depot and office/administrative facilities.

**OFFICER RECOMMENDATION**

That Council:

1. As the relevant planning authority, initiate the Local Environmental Plan "Gateway" process pursuant to Section 55 of the Environmental Planning and Assessment Act 1979 by endorsing the attached Planning Proposal over Lot 1 DP 557049, Rushforth Road, South Grafton to amend Clarence Valley Local Environmental Plan 2011 to enable redevelopment of the site for the purposes of a new Council depot and office/administrative facilities associated with Council's works and operational functions.
2. Forward the Planning Proposal to the Department of Planning and Environment (the Department) requesting a "Gateway" determination, pursuant to Section 56 (1) of the Environmental Planning and Assessment Act.
3. Undertake community consultation regarding the Planning Proposal, subject to the determination of the Gateway Process.

4. That Council's delegate exercise any delegation that may be specified and issued by the Gateway determination and Written Authorisation to Exercise Delegation.

**COMMITTEE RECOMMENDATION**

Williamson/McKenna

That the Officer Recommendation be adopted.

Voting recorded as follows:

For: McKenna, Williamson

Against: Baker

**COUNCIL RESOLUTION - 13.214/14**

**(Crs Williamson/Kingsley)**

**That Council:**

- 1. As the relevant planning authority, initiate the Local Environmental Plan "Gateway" process pursuant to Section 55 of the Environmental Planning and Assessment Act 1979 by endorsing the attached Planning Proposal over Lot 1 DP 557049, Rushforth Road, South Grafton to amend Clarence Valley Local Environmental Plan 2011 to enable redevelopment of the site for the purposes of a new Council depot and office/administrative facilities associated with Council's works and operational functions.**
- 2. Forward the Planning Proposal to the Department of Planning and Environment (the Department) requesting a "Gateway" determination, pursuant to Section 56 (1) of the Environmental Planning and Assessment Act.**
- 3. Undertake community consultation regarding the Planning Proposal, subject to the determination of the Gateway Process.**
- 4. That Council's delegate exercise any delegation that may be specified and issued by the Gateway determination and Written Authorisation to Exercise Delegation.**

**Voting recorded as follows**

**For: Councillors Williamson, Challacombe, Howe, Kingsley, McKenna and Simmons**

**Against: Councillors Baker and Toms**

**LINKAGE TO OUR COMMUNITY PLAN**

Theme 5 Our Leadership

Objective 5.1 We will have a strong, accountable and representative Government

Strategy 5.1.4 Provide open, accountable and transparent decision making for the community

**BACKGROUND**

Since 2010 Council has been examining future land use options for seven Sewage Treatment Plants (STPs) made redundant by the Grafton Maclean Lawrence Townsend Ilarwill sewerage scheme. Council engaged consultants GHD to assess and recommend future land use options for the redundant STPs which includes the now redundant South Grafton Sewerage Treatment Plant which comprises 2 sites including Lot 1 DP 557049, as described above.

The report entitled "*Redundant Sewer Treatment Plants at Junction Hill (3), South Grafton, Maclean, Ilarwill and Townsend - Future Land Use Assessment (GHD June 2010)*" recommended that an R1 General Residential zone was the preferred future land use zone for Lot 1 DP 557049 (site 1).

Council's organisational planning since 2010 has seen the emergence of the Council Depot and Accommodation Rationalisation Project, an outcome of which is to be the consolidation of multiple depot sites and associated infrastructure into only two (2) principal depot sites Council-wide including a new significant depot facility based around Grafton/South Grafton. Operational needs are such that the majority of Council's operational and works staff that are "non-field" staff also need to be co-located at the depot to maximise efficiencies. The number of staff requiring dedicated office accommodation at the new depot could range between 50 and 100.

On 16 September 2014 Council considered a report on the "*Depot and Accommodation Rationalisation Project – Depot Site Selection, Conceptual Master Plans and Budget*" (ITEM 20.012/14). Amongst other things Council resolved that:

1. *The site for the development of a new amalgamated Council works depot and administration building be Council's former Sewage Treatment Plant located at the corner of Rushforth Road and Tyson Street, South Grafton, described as Lot 1 on DP 557049.*
2. *A planning proposal be prepared for Council's consideration to rezone the site from SP2 – Infrastructure to SP2 – Depot and Public Administration Building.*

A draft Planning Proposal has been prepared in accordance with Council's resolution. A copy of the draft Planning Proposal is at Attachment 1. A copy of Council's full resolution (20.012/14) is at Attachment 2. The Planning Proposal also seeks to correct a minor zoning anomaly in relation to a small parcel of land (Lot 2 DP 521320) owned by South Grafton High School/Dept Education and Communities adjoining Lot 1.

## **KEY ISSUES**

### Merit issues

Key merit issues associated with Item 1 include additional traffic generation to this location and potential noise and lighting impacts. It is considered and expected that a future development application (DA) will include appropriate detail and be conditioned to address these issues as follows:

1. Preparation and submission of a traffic management plan – both construction phase and post construction operational phase.
2. Design building/structures and work areas to mitigate against potential noise impacts on residences in the neighbourhood.
3. Design any night time security lighting so as not to impact upon the amenity of the nearby residential area and upon the safety of road users in the local road system.

Other issues that will need attention in a future DA include stormwater management and adequate freeboard of critical buildings and work areas from areas of the site impacted by flooding.

### Zoning anomaly - Lot 2 DP 521320

As mentioned above the Planning Proposal also seeks to correct a minor zoning anomaly in relation to a small parcel of land (Lot 2 DP 521320) owned by South Grafton High School/Dept Education and Communities adjoining Lot 1. Lot 2 is erroneously zoned SP2 Infrastructure (Sewerage treatment plant). It should have been zoned R1 General Residential in step with the remainder of the South Grafton High School land holdings and in conformity with the infrastructure zoning convention outlined in Practice Note

PN 10 - 001 (Zoning for Infrastructure in LEPs). Both the ownership of Lot 2 and its erroneous zoning have only recently come to light during the process of examining Lot 1 as part of the Depot and Accommodation Rationalisation Project.

Other issues

Lot 1 (Item 1) is classified as “operational” land under section 26 of the Local Government Act 1993. This means that Council is not encumbered in its dealings as it would if the land was classified as “community” land under s.26. Although Council is not dealing with the land in a manner that is intended to bring financial gain or benefit to it, a “Statement of Council’s Interest” has nevertheless been prepared to accompany the public exhibition of the Planning Proposal. This has been incorporated in the draft Planning Proposal document. Refer also to **Legal and Risk Management** below.

Conclusion

This is a proposal which Council’s delegate can exercise plan making delegations, subject of course to the Gateway Determination. Council should indicate to the Department that it is prepared to accept plan making delegations should the Department issue such delegation in this instance. The Department’s “*Evaluation criteria for the delegation of plan making functions*” checklist (Attachment 4) has been completed and is at Attachment 3 to this report.

Should Council be initially supportive of the Planning Proposal the next step is to refer the Planning Proposal to the Department requesting the issue of a Gateway Determination that gives permission to exhibit the matter. That process will also determine the Gateway’s further agency consultation and any further detailed investigation/documentation requirements as well as whether or not the Plan making process will be delegated to Council.

**COUNCIL IMPLICATIONS**

**Budget/Financial**

The Planning Proposal has been prepared utilising existing in-house resources requiring no additional budget allocation at this stage. The costs associated with the Depot and Accommodation Rationalisation Project are not the subject of this report.

**Policy or Regulation**

Environmental Planning and Assessment Act 1979 (EP & A Act) – including relevant State environmental planning policies and Minister’s Section 117 Directions made under the Act.

Local Government Act 1993 (LG Act) - Lot 1 (Item 1) is classified as “operational” under section 26 of the LG Act and has been so classified since 20 June 1994.

**Consultation**

<i>Section</i>	<i>Conditions</i>
Works and Civil Directorate	Planning Proposal prepared to address recommendations of the strategic planning for Council’s assets.

Public or other external stakeholder consultation has not yet occurred and will occur following the issue of any Gateway Determination. The Planning Proposal suggests a consultation strategy at the formal consultation/public exhibition stage following the issue of a Gateway Determination.



**Legal and Risk Management**

Council may request a review of any Gateway Determination (by the Department) that states the Planning Proposal is not supported. There are no inbuilt legal appeal rights for third parties who may oppose the proposal. Although Council is not reclassifying Lot 1 (Item 1), nor discharging its interests in terms of section 30 of the LG Act, a "Statement of Council's Interest" has been prepared in order to comply with the Department's "LEPs and Council Land" Best Practice Guideline. This has been incorporated into the draft Planning Proposal document.

Prepared by staff member:	Terry Dwyer
Approved/Reviewed by Manager:	David Morrison
Section:	Strategic & Economic Planning
Attachment:	<ol style="list-style-type: none"><li>1. Draft Planning Proposal</li><li>2. Council resolution - 20.012/14</li><li>3. <i>"Evaluation criteria for the delegation of plan making functions"</i> checklist (Attachment 4)</li></ol>

<b>ITEM</b>	<b>13.009/15</b>	<b>PLANNING PROPOSAL – NEW COUNCIL DEPOT AT RUSHFORTH ROAD, SOUTH GRAFTON</b>
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<b>Meeting</b>	Environment, Planning & Community	10 February 2015
<b>Directorate</b>	Environment, Planning & Community	
<b>Submitted by</b>	Director - Environment, Planning & Community (Des Schroder)	

**SUMMARY**

<i>Applicant</i>	Clarence Valley Council
<i>Owner</i>	Clarence Valley Council (Lot 1 DP557049) South Grafton High School/Dept Education and Communities (Lot 2 DP521320)
<i>Subject land</i>	Lot 1 DP557049, Rushforth Road, South Grafton (item 1) Lot 2 DP521320, Rushforth Road, South Grafton (item 2)

On 21 October 2014 Council resolved to support a Planning Proposal to:

- (i) Lot 1 DP557049 - alter the labelled purpose of current SP2 Infrastructure zone on the Land Zoning map from “Sewerage treatment plant” to “Depot and Public administration building” to enable redevelopment of the site for the purposes of a new Council depot and office/administrative facilities associated with Council’s works and operational functions.
- (ii) Lot 2 DP521320 - rezone from SP2 Infrastructure to R1 General Residential.

Council sought and obtained a Gateway Determination from the Department of Planning and Environment. The Planning Proposal was publicly exhibited from 26 November 2014 to 14 January 2015. No submissions were received. No issues are evident that prevent this matter from proceeding to finalisation.

**OFFICER RECOMMENDATION**

That Council continue to support the Planning Proposal, as exhibited, and continue to exercise its delegated authority pursuant to section 59 of the Environmental Planning and Assessment Act 1979 to finalise the amendment to Clarence Valley LEP 2011 to:

- (i) In respect of Lot 1 DP557049 - alter the labelled purpose of current SP2 Infrastructure zone on the Land Zoning map from “Sewerage treatment plant” to “Depot and Public administration building” to enable redevelopment of the site for the purposes of a new Council depot and office/administrative facilities associated with Council’s works and operational functions.
- (ii) In respect of Lot 2 DP521320 - rezone from SP2 Infrastructure to R1 General Residential.

**COMMITTEE RECOMMENDATION**

Williamson/Howe

That the Officer Recommendation be adopted.

Voting recorded as follows:

For: Williamson, Howe, Hughes, McKenna  
 Against: Baker

**COUNCIL RESOLUTION - 13.009/15**

**(Crs McKenna/Kingsley)**

**That Council continue to support the Planning Proposal, as exhibited, and continue to exercise its delegated authority pursuant to section 59 of the Environmental Planning and Assessment Act 1979 to finalise the amendment to Clarence Valley LEP 2011 to:**

**(i) In respect of Lot 1 DP557049 - alter the labelled purpose of current SP2 Infrastructure zone on the Land Zoning map from "Sewerage treatment plant" to "Depot and Public administration building" to enable redevelopment of the site for the purposes of a new Council depot and office/administrative facilities associated with Council's works and operational functions.**

**(ii) In respect of Lot 2 DP521320 - rezone from SP2 Infrastructure to R1 General Residential.**

**Voting recorded as follows**

**For: Councillors Baker, McKenna, Howe, Toms, Williamson, Simmons, Lysaught, Hughes, Kingsley**

**Against: Nil**

**LINKAGE TO OUR COMMUNITY PLAN**

Theme 5 Our Leadership

Objective 5.1 We will have a strong, accountable and representative Government

Strategy 5.1.4 Provide open, accountable and transparent decision making for the community

**BACKGROUND**

Council sought and obtained a Gateway Determination (dated 10 November 2014) from the Department of Planning and Environment. The Minister chose to delegate the making of the LEP to Council. The Gateway Determination also specified that the Planning Proposal was to be completed by 17 August 2015.

The Planning Proposal was made publicly available in accordance with the Gateway Determination. Refer to "Consultation" below for further details relating to public exhibition and consultation. No submissions were received.

**KEY ISSUES**

All relevant issues were identified and discussed in the report considered by Council at its 21 October 2014 ordinary meeting. No additional issues have come to light as part of the exhibition and consultation process.

**COUNCIL IMPLICATIONS**

**Budget/Financial**

The Planning Proposal has been prepared utilising existing in-house resources requiring no additional budget allocation at this stage. The costs associated with the Depot and Accommodation Rationalisation Project are not the subject of this report.

**Asset Management**

N/A as this report relates only to the rezoning phase of enabling this project/facility at this stage.

**Policy or Regulation**

Environmental Planning and Assessment Act 1979 – including relevant State environmental planning policies and Minister’s Section 117 Directions made under the Act.

Local Government Act 1993 (LG Act) - Lot 1 (Item 1) is classified as “operational” under section 26 of the LG Act and has been so classified since 20 June 1994.

**Consultation**

The Planning Proposal was publicly exhibited from 26 November 2014 to 14 January 2015. It was also referred to NSW Department of Education and Communities and the South Grafton High School. Further written notice of the exhibition of the Planning Proposal was issued to the owners of residential properties within 100 metres of the boundary of the site. As reported above no submissions were received.

The exhibition and consultation process has complied with the Gateway Determination and the Department of Planning and Environment’s “A guide to preparing local environmental plans” (April 2013).

**Legal and Risk Management**

The matter has been assessed and dealt with in accordance with the framework set out in the Environmental Planning and Assessment Act 1979 and accompanying guidelines including:

- “A guide to preparing planning proposals”, October 2012; and
- “A guide to preparing local environmental plans”, April 2013.

Prepared by staff member:	Terry Dwyer/David Morrison
Approved/Reviewed by Manager:	David Morrison
Section:	Strategic & Economic Planning
Attachment:	N/A

**REPORTS**

<b>ITEM</b>	<b>14.027/15</b>	<b>DEPOT AND ACCOMMODATION RATIONALISATION PROJECT – COMPLETION OF DESIGN</b>
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<b>Meeting</b>	Corporate, Governance & Works	10 March 2015
<b>Directorate</b>	Works & Civil	
<b>Submitted by</b>	Director - Works & Civil (Troy Anderson)	

**SUMMARY**

Council previously endorsed conceptual master plans for its depot and accommodation rationalisation project. This report seeks Council approval to proceed to detailed design to allow accurate costings, suitable programming and preparation of a development application.

This report also seeks consideration of whether a dedicated Council chamber is to be built in Grafton as part of the office redevelopment.

**OFFICER RECOMMENDATION**

That

1. Council approve the completion of the design for the depot and office accommodation rationalisation project.
2. A dedicated meeting chamber not be constructed in the Grafton administration building at 2 Prince Street, Grafton.

**COMMITTEE RECOMMENDATION**

Lysaught/Simmons

That the Officer Recommendation be adopted.

Voting recorded as follows:

For: Lysaught, Simmons and Williamson  
Against: Toms and Kingsley

**MOTION**

(Crs Toms/Baker)

That

1. Council not approve the completion of the design for the depot and office accommodation rationalisation project.
2. Council staff bring back a report of a cost benefit analysis and business case for the project.

Voting recorded as follows

For: Councillors Toms and Baker  
Against: Councillors Williamson, Howe, Hughes, Kingsley, Lysaught, and Simmons

The Motion was LOST.

FORESHADOWED MOTION

(Cr Williamson)

That

1. Council approve the completion of the design for the depot and office accommodation rationalisation project.
2. A dedicated meeting chamber not be constructed in the Grafton administration building at 2 Prince Street, Grafton.
3. With a multi purpose meeting room capable of holding public meetings be included in the design brief.

The foreshadowed Motion became the Motion and was PUT.

**COUNCIL RESOLUTION - 14.027/15**

**(Crs Williamson/Lysaught)**

**That**

- 1. Council approve the completion of the design for the depot and office accommodation rationalisation project.**
- 2. A dedicated meeting chamber not be constructed in the Grafton administration building at 2 Prince Street, Grafton.**
- 3. With a multi purpose meeting room capable of holding public meetings be included in the design brief.**

**Voting recorded as follows**

**For: Councillors Williamson, Kingsley, Howe, Hughes, and Lysaught**

**Against: Councillors Toms, Simmons and Baker**

**LINKAGE TO OUR COMMUNITY PLAN**

Theme 5 Our Leadership

Objective 5.2 We will have an effective and efficient organisation

Strategy 5.2.9 Ensure Council operations are supported by the most effective internal service provision and governance structures

**BACKGROUND**

At its meeting of 16 September 2014, Council endorsed conceptual master plans for its depot and accommodation rationalisation project (resolution 20.012/14). Council approval is now sought to proceed to detailed design which will subsequently allow the project to be accurately costed, programmed and prepared for lodgement of a development application.

## **ORDINARY COUNCIL MEETING**

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### **KEY ISSUES**

Currently the design package is only a little more advanced than concept level. To enable further project work to be completed including: defined project costing; whole of life costing; staff numbers and needs; and, if required, potential staging and planning options.

Should the design progress, a project hold point at the end of the completion of design would be put in place where the project would be brought back to Council to assess the full business case of progressing to the construction phase of the project. Assessment would include but not be limited to:

- Budget and funding
- Staging of project
- Construction timeframes
- Reclamation process and sequencing
- Delivery strategy

#### Council Chamber - Design Consideration

Council currently operates and maintains 2 dedicated Council chambers, 1 each in Grafton and Maclean. The chambers are both dedicated formal meeting spaces and their layout and rigidness make them impractical for other uses. Both venues have replicated facilities in the form of furniture and information and telecommunications technology.

Given that a design process is currently occurring, consideration needs to be given as to whether a dedicated Council chamber in Grafton is required, given the duplication of services, fit out and equipment in each of these facilities.

The adopted concept master plan for the office accommodation (SK2306) identifies a new Council chamber at the north of the building – the area formerly occupied by the library.

Council and its committee meetings are generally held over 22 days per year (2 days /month x 11 months) with the meetings alternating on a monthly basis between Grafton and Maclean. In effect the Grafton chamber is used for official purposes for 11 days per year. The rooms are also used for Councillor workshops and other information sessions with Council and guests, however there is not a sustained use of the facilities. In the case that a Council meeting was required/requested to be held in Grafton, several premises with adequate space and accessible facilities exist and these could be hired on an as needs basis.

Preliminary estimates indicate that the construction of a Council chamber in the vicinity as depicted in the concept master plan will be in the order of \$500,000: \$200,000 for required external construction works (predominantly western wall) and \$300,000 for the fit out and required works within the chamber itself. Should the construction of a chamber not proceed, there would not be a direct cost saving to the project of \$500,000 as the space would be converted to office / meeting space. However substantial savings could be gained by not undertaking the building extension works and the chamber and information systems fit out required with a dedicated Council chamber.

### **COUNCIL IMPLICATIONS**

#### **Budget/Financial**

As previously resolved by Council, this project is to be funded from the Strategic Building Reserve.

Schrieber Hamilton Architecture is engaged to undertake the design works associated with this project.

**Asset Management**

This project is consistent with Council's buildings Asset Management Plan (AMP). Whilst the project was only in its infancy at the time of writing the AMP and there is not extensive detail included regarding the building and accommodation project the following is an extract from the buildings AMP.

*At the time of writing this Plan Council is undertaking an accommodation review. This will have major impact on key administration and depot buildings. The aim of the review is to consolidate Council's area of operations, reduce operating and maintenance costs and provide a framework for moving forward with major buildings.*

*Part of the review will investigate the rationalisation of administration buildings in Grafton as a new library has recently been completed that will make available additional office space within the former library area at 2 Prince Street.*

*The rationalisation of depots in the Grafton area at Bruce Street, South Grafton, Koolkhan, the Floodplain Operations depot, and Weeds depot is part of the review to occur over the next 2 years.*

**Policy or Regulation**

N/A

**Consultation**

N/A

**Legal and Risk Management**

N/A

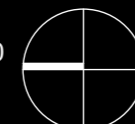
Prepared by staff member:	Troy Anderson
Approved/Reviewed by Manager:	Scott Greensill
Section:	Corporate, Governance & Works
Attachment:	N/A

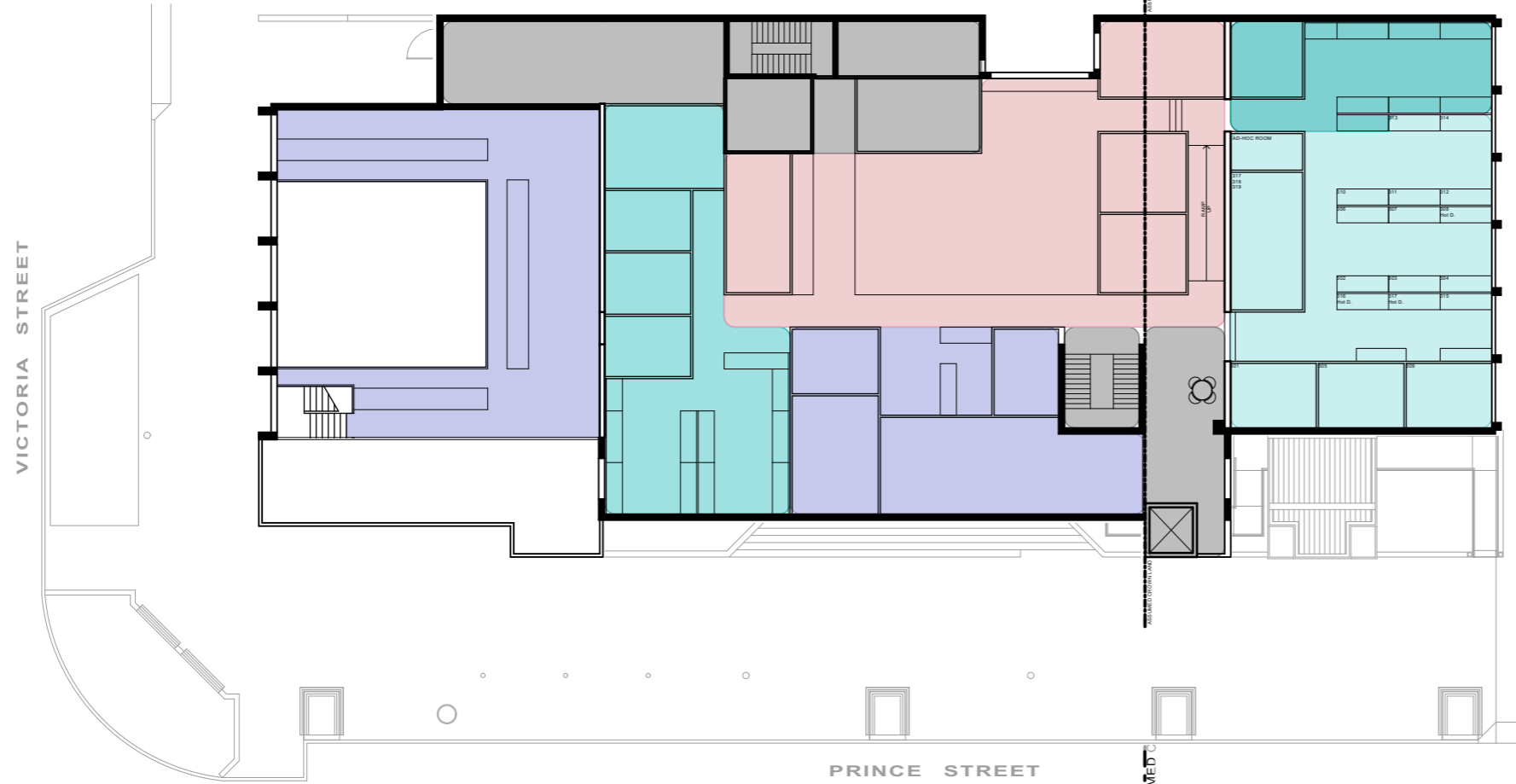




**NOTES:**

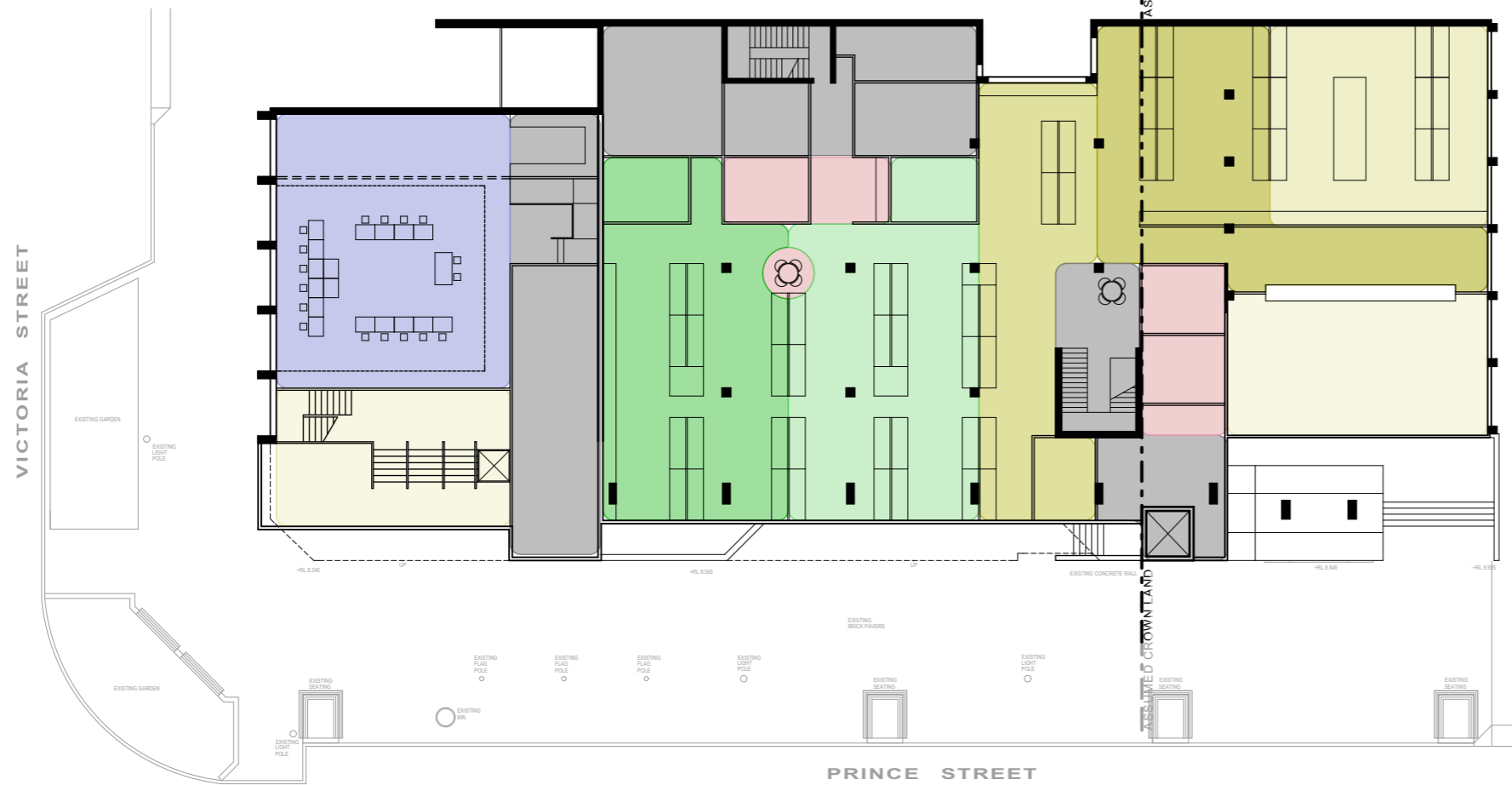
- ALTERNATIVE TO OPTION 4 TO ACCOMMODATE ADDITIONAL AREA FOR WORKS DEPARTMENTS (FLOOD PLAIN)
- WORKSHOP ROTATED TO ALLOW BETTER ACCESS TO VEHICLE BAYS. WEST FACING WALL AREA REDUCED
- ADDITIONAL AREA / FUTURE EXPANSION OF WORKSHOP LIMITED TO EAST/WEST BUT POSSIBLE ON NORTHERN SIDE



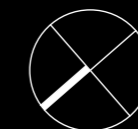


**Notes**

- PROPOSE OPENINGS TO EXISTING FACADE TO ADDRESS SHORTAGE OF NATURAL LIGHT
- COSTS ASSOCIATED WITH EXTENDING BUILDING TO NORTH TO ADDRESS PUBLIC
- LIFT OUTSIDE BASEMENT ZONE & WONT IMPEDE CAR PARKING BUT WILL IMPACT EXISTIGN FIRST FLOOR STRUCTURE.
- FIRE TRAVEL DISTANCES ADDRESSED THROUGH SHARED ZONES.
- RELOCATE COUNCIL CHAMBERS TO PROMINENT VICTORIA & PRINCE STREET JUNCTION & IN DOING SO CREATE A MULTI-PURPOSE SPACE FRO USE BY THE PUBLIC.
- DISABLED ACCESS ADDRESSED FROM STREET LEVEL ON NORTH EASTERN & WESTERN CORNERS.
- MAYORS OFFICE IS RELOCATED TO CENTRAL LOCATION WITH STREET OUTLOOK & EASY PUBLIC ACCESS.
- CREATION OF LARGE CENTRALISED STAFF LUNCH ROOM & BREAKOUT SPACES USING RELOCATED CHAMBERS FOR LARGE TRAINING ROOM.



Organisational Performance & Governance
Human Resources
Finance & Supply
Customer Services
Information Technology
Records
Public Foyer & Meeting Rooms
Strategic & Economic Planning
Environment Development & Reg. Services
Shared Facilities
Executive Staff inc. Mayor & GM
Service Zones inc. Amenities & Storage





## CAPITAL PROJECT ASSESSMENT

<b>Project Name:</b>	<b>Depot and Accommodation Rationalisation Project</b>
<b>Project Number:</b>	
<b>Road / Street:</b>	
<b>Suburb:</b>	<b>Grafton Area</b>

<b>Program Year:</b>	<b>2014/2015</b>
<b>Budget:</b>	
<b>Link to CVC Community Strategic Plan:</b>	<b>Objective 5.2 – We will have an effective and efficient organisation                  Strategy 5.2.9 – Ensure Council operations are supported by the most effective internal service provision and governance structures</b>

## Template document control

Version	Date	Description	Author	Reviewer	Approver
01	28.04.13	Initial Draft	Troy Anderson		
02	dd.mm.yy				
03	dd.mm.yy				

This template was approved by:

## Document status and approvals

Document	Version	Reason	Date approved	Approving Officer or Exec meeting at which approved	Author
<b>Concept Brief</b>	1.0	Concept final	01.09.14	Council meeting 16 Sep 14	Troy Anderson
	2.1	Concept final	dd.mm.yy		
	2.2	Concept variation	dd.mm.yy		
<b>Project Brief</b>	3.0	Project Brief draft	dd.mm.yy	N/A	
	3.1	Project Brief final	dd.mm.yy		
		Project Brief variation	dd.mm.yy		

### Approval requirements

<u>Complexity outcome</u>	<u>Approver</u>
Minor or Small / Routine	Section Manager
Medium	Director
Major / Strategic	Executive and Council if required

## Governance and contact details

Role	Name and Title	Phone	Mobile
<b>Project Owner</b>	Scott Greensill – General Manager	6643 0200	
<b>Project Manager</b>	Troy Anderson – Director (Works & Civil) – Council	6643 0200	0438 006 182
	Ridgemill Project Management	07 3368 4911	

## Background and current status

<p><b>Project description</b></p>	<p>The project is the rationalisation of Council's depots and office accommodation in the Grafton area.</p> <p>The depot is to house and accommodate all Council outdoor work activities by amalgamating Council's works depots in the Grafton area in to one purpose built depot.</p> <p>The office component of the project is to combine 3 Grafton based office buildings into the existing office and administration building at 2 Prince Street, Grafton and build a purpose built office space at the new depot.</p>
<p><b>Project history</b></p>	<p>A legacy of the 2004 amalgamation of 4 Councils and 2 County Councils to create Clarence Valley Council, a majority of work depots that existed as part of pre-amalgamation operations still exist.</p>
<p><b>It is necessary because ...</b></p>	<p>The creation of 1 depot for all Council activities is necessary due to the fact that currently Council's activities are represented multiple times within a very small geographic area. In addition to the unnecessary repeat of activities – in some instances up to 4 times, there are cultural differences between work groups which create workplace inefficiencies and noticeable differences in standards and practice.</p> <p>Additionally Council's office accommodation is spread across 3 office buildings within the Grafton area.</p>
<p><b>Current situation/status</b></p>	<p>Currently Council operates 5 work depots within the Grafton area. These depots are a legacy of the Clarence Valley Council amalgamation in 2004 and currently present operational inefficiencies, siloing of activity and unnecessary increased expenditure in the form of depot maintenance and upkeep.</p> <p>Due to the size constraints with Council's existing depot sites it is not possible to merge all of the activities into one of the existing sites.</p>

## Problem

Problems																									
Multiplication of operating costs	Currently Council operates 5 x depot facilities and 3 x administration facilities in the Grafton area. Council pays ongoing operating costs at each of these locations.																								
Evidence	<p>Operating costs – the following costs are average annual operating costs at each location for the past 3 years</p> <p>Administration offices</p> <table border="1"> <thead> <tr> <th>Building</th> <th>Average 3 yrs</th> </tr> </thead> <tbody> <tr> <td>2 Prince Street</td> <td>\$ 193,459.23</td> </tr> <tr> <td>42 Victoria St</td> <td>\$ 89,895.42</td> </tr> <tr> <td>70 Pound Street</td> <td>\$ 28,600.45</td> </tr> <tr> <td><b>Total</b></td> <td><b>\$ 311,955.10</b></td> </tr> </tbody> </table> <p>Depot Facilities</p> <table border="1"> <thead> <tr> <th>Depot</th> <th>Average 3 yrs</th> </tr> </thead> <tbody> <tr> <td>Bruce Street</td> <td>\$ 91,712.36</td> </tr> <tr> <td>Koolkahn</td> <td>\$ 35,970.64</td> </tr> <tr> <td>South Grafton</td> <td>\$ 64,914.59</td> </tr> <tr> <td>Flood Plain</td> <td>\$ 10,822.16</td> </tr> <tr> <td>Weeds</td> <td>\$ 12,986.59</td> </tr> <tr> <td><b>Total</b></td> <td><b>\$ 216,406.33</b></td> </tr> </tbody> </table>	Building	Average 3 yrs	2 Prince Street	\$ 193,459.23	42 Victoria St	\$ 89,895.42	70 Pound Street	\$ 28,600.45	<b>Total</b>	<b>\$ 311,955.10</b>	Depot	Average 3 yrs	Bruce Street	\$ 91,712.36	Koolkahn	\$ 35,970.64	South Grafton	\$ 64,914.59	Flood Plain	\$ 10,822.16	Weeds	\$ 12,986.59	<b>Total</b>	<b>\$ 216,406.33</b>
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Outcome	To achieve reduced operating cost by operating from a severely reduced footprint of 1 administration building and 1 depot.																								

Multiplication of staff undertaking the same role	Multiple staff undertaking the same role due to repeated work activity at multiple work locations
Evidence	Council currently employs 3 depot supervisors (1 x South Grafton, 1 x Bruce Street, 1 x Koolkahn); 3 x storeman (1 x South Grafton, 1 x Bruce Street, 1 x Koolkahn); 1 x workshop supervisor plus 1 x plant mechanic at South Grafton, Bruce Street and Koolkahn depots.
Outcome	With operations being undertaken at 1 location there is potential to reduce these staff numbers and associated vehicles that are currently allocated to these positions.

Divide amongst staff and areas of responsibility	In its current form Council staff currently operate in their pre-amalgamation workgroups and operate very similar to that of the former Council areas.
Evidence	This operation is due to the fact that the work teams operate out of the same depot facilities that existed prior to amalgamation and resourcing structures, plant and supervision have not changed a great deal since 2004.
Outcome	A combined depot will remove former 'boundary barriers' and promote a whole of valley approach to works where accountability and responsibility for activities is taken up by a work team and not defended away due to the depot that you work from.

Plant scheduling and utilisation	Multiple staff undertaking the same role due to repeated work activity at multiple work locations
Evidence	Council currently employs 3 depot supervisors (1 x South Grafton, 1 x Bruce Street, 1 x Koolkahn); 3 x storeman (1 x South Grafton, 1 x Bruce Street, 1 x Koolkahn); 1 x workshop

	supervisor plus 1 x plant mechanic at South Grafton, Bruce Street and Koolkahn depots.
Outcome	With operations being undertaken at 1 location there is potential to reduce these staff numbers and associated vehicles that are currently allocated to these positions.

## Benefits

Numerous benefits have been outlined below. The listed benefits are not exhaustive due to the conceptual level of design that has currently been performed. Upon detailed design and work process design detailed benefits will be further established and potential savings will be able to be calculated and modelled as part of a business transition process.

Benefit	Centralising of core activities such as stores and workshop. The centralising and consequential removal of triplication of essential services will provide reduction in: operating and overhead costs; amount of stock held; better control over held inventory and centralised supervision of staff associated with these areas.
Link to Community Strategic Plan?	Objective 5.2 – We will have an effective and efficient organisation

Benefit	All outdoor staff will be collocated in one area therefore allowing cultural and work practice changes that currently are extremely difficult to implement.
Link to Community Strategic Plan?	Objective 5.2 – We will have an effective and efficient organisation

Benefit	Removal of differing standards. Currently with staff groups working from 3 different depots and with 3 different supervisors, standards differ depending upon location and personnel.
Link to Community Strategic Plan?	Objective 5.2 – We will have an effective and efficient organisation

Benefit	Rationalisation of plant – It is expected that plant numbers can be reduced due to plant not being allocated to a particular depot and therefore limited operating within previous boundary areas.
Link to Community Strategic Plan?	Objective 5.2 – We will have an effective and efficient organisation

Benefit	Reduction in staff numbers – it is expected that staff numbers of the workforce will be able to be reduced. Some of this reduction will be due to the need to not have multiple roles due to location ie 3 x Depot Supervisors, whilst others will be made with reorganisation of work teams.
Link to Community Strategic Plan?	Objective 5.2 – We will have an effective and efficient organisation

Benefit	Reduction of operating costs for depot facilities by only operating 1 depot rather than 5. Operating costs of Council's current depots are detailed above. Due to the early stage of project design operating and whole of life costs have not been calculated due to infancy in design.
Link to Community Strategic Plan?	Objective 5.2 – We will have an effective and efficient organisation

## Timeframe

<b>Date solution is required by:</b>	<b>December 2015</b>
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## Project Complexity Review

### Complexity Scoring Template

Use the table below to select each of the listed elements of your project. In line G add the column totals and then add these scores to get a total complexity score for the project.

Complexity Score											
A	Planned project duration	≤2months	1	≤ 6 months	2	6 – 24 Months	3	> 24 months	4	Multiple Years	5
B	Total project budget \$ _____	≤\$15,000	1	\$15,000 - \$50,000	2	\$50,000 - \$150,000	3	\$150,000 - \$1.5M	5	> \$1.5M	5
C	Time Flexibility	Highly Flexible	1	Highly Flexible	1	Flexible	2	Fixed	4	Critical	5
D	Political & Community Risk	Nil	0	Minimal	2	Low – Moderate Risk	3	Moderate – High Risk	4	Catastrophic Risk	5
E	Level of Risk (WHS, Environmental)	Nil	0	No noticeable Risk	1	Some Risk	3	Damaging Risk	4	Catastrophic Risk	5
F	Ease of understanding the problem & solution	Very Routine Task	0	Routine	1	Problem is understood and solution may require some planning/design	2	Either difficult to understand problem, solution unclear or difficult to achieve	4	Both problem and solution are difficult	5
G	Column Totals										
Complexity Score		3 - 9	<input type="checkbox"/>	10-14	<input type="checkbox"/>	15-19	<input type="checkbox"/>	19-24	<input type="checkbox"/>	25-35	<input checked="" type="checkbox"/>
		Minor Project (Task)		Small / Routine Project		Medium Project		Major Project		Strategic Project	

## Stakeholders and impact

		High	Medium	High	High
		Medium	Low	Medium	High
Level of interest	Low	Low	Low	Medium	
		Low	Medium	High	
			Low	Medium	High
			Level of influence		

Entity	Name	Position/Title	Nature of interest in project	Level of interest (H, M, L)	Level of influence (H, M, L)	Potential impact (H, M, L)	Contact details
Council	Elected Council & executive	All	Major change in way the organisation conducts its business by consolidating itself from 8 operating sites to 2 major facilities.	H	H	H	
Community	All		Interest from the whole community will be in Council generating a project which will consolidate its footprint and reduce Council's accommodation costs to the ratepayer.	M	M	M	
Adjacent property owners			The South Grafton High School is the only adjoining neighbour. There are several houses on the opposite side of the road which may experience noise during construction however these houses are not directly adjacent and should benefit in the corner be activated through development.	M	L	L	
Adjacent residents	South Grafton High School		School will be adjacent neighbour to depot site. Increase in traffic movements in the general area however the majority of there are outside of school times.	M	L	L	Principal

Entity	Name	Position/Title	Nature of interest in project	Level of interest (H, M, L)	Level of influence (H, M, L)	Potential impact (H, M, L)	Contact details
Emergency Services	Several		Potential to use the depot location as Local Operations Centre (LOC) during times of emergency.	M	L	L	
other							

## Options analysis / Likely solutions

### Solution 1: Keep the status quo

Keep depot operations and administration activities occurring at the existing 5 and 3 sites respectively.

Advantages:

- No impact to current operations with regard to movement of staff and plant
- No major level of expenditure required for construction

Disadvantages:

- No change to current operations and the logistic and cultural issues that are associated with operating the same operation from multiple sites
- No reduction in expenditure for operating costs over numerous sites
- Assets at several of the sites will require major upgrades as they are approaching the end of their service life and / or have become outgrown.

Likely cost:

- No immediate capital cost required - Scoping and cost estimates required to replace / upgrade particular assets
- Current operating costs would continue - No savings able to be made by having all works functions occurring from 2 major locations rather than 8 locations

### Solution 2: Build a new depot facility including a dedicated administration building and renovate Council's existing administration building at 2 Prince Street

Proposal to build a new depot facility and decommission Council's existing works depot sites. In addition to the provision of a new depot build a administration building at the new depot site and consolidate all remaining Grafton based administration functions at 2 Prince Street, Grafton.

Advantages:

- Paradigm shift in the way Council undertakes its business
- Overcome operational, logistical and cultural issues that are associated with operations at multiple sites
- Reduction in operational expenditure of multiple sites
- Integration of administration and technical based staff with outdoor workforce

Disadvantages:

- Major expenditure required to complete activity
- Culture and process change required across organisation

Likely cost:

- Refer to below section - Budget

### Solution 3: Build a new depot facility and leave the administration activities as they currently are.

Proposal to build a new depot facility and decommission Council's existing works depot sites.

Advantages:

- Smaller footprint of site required for construction of depot site
- Less cost for build
- Overcome operational, logistical and cultural issues that are associated with outdoor workforce operations at multiple sites
- Reduction in operational expenditure of multiple sites

Disadvantages:

- No integration of technical and administration staff with outdoor workforce

- Major expenditure required to complete activity
  - Culture and process change required for relocated workers
- Likely cost:
- Refer to below section - Budget

## Preferred solution option

Option 2 of the above solution is the preferred option.

Option is preferred due to the fact that it provides the smallest footprint or Council for its future operations both from an indoor and outdoor workforce perspective. Additionally the synergies of particular workgroups and the organisation as a whole can be gathered and used to promote the organisations strategies in a collective approach rather than a siloed and individual approach that is currently undertaken.

Should budget refinement of the project not allow full development of option 2, then option 3 (in full or in part) as an interim step could be undertaken. Its envisaged that complete design would be completed for option 2 and the elements not provided could be undertaken as a future stage(s) of works.

## Cost estimate of preferred option

### Capital cost

The quantity surveyors estimate for the project (Option 2) is \$17,046,000. This figure is based upon conceptual level information as shown on SHA plans SK1105 and SK2306. The QS estimate for this option broken into 3 stages is attached.

Council currently has a reserve allocated for the construction of this project – Sustainable Building Reserve which was created following Council resolution 12.114/13

Source	Amount
Sustainable building reserve	\$ 3,610,394.53
Sewer fund - rehab	\$ 2,000,000.00
Sewer fund - diversion	\$ 200,000.00
NSW Gov for sewer rehab (28.3%)	\$ 566,000.00
Water & Sewer tenancy	\$ 1,861,525.00
Heavy fleet reserve	\$ 1,000,000.00
Air con grant	\$ 600,000.00
Baileys Estate land sales	\$ 570,000.00
Depot & Accom Asset sales	\$ 2,750,000.00
<b>Total</b>	<b>\$ 13,157,919.53</b>

<b>Depot &amp; Accom Asset sales</b>		
Bruce Street	\$	300,000.00
Sth Grafton depot	\$	700,000.00
Weeds	\$	150,000.00
Flood Plain	\$	200,000.00
70 Pound St	\$	400,000.00
42 Victoria	\$	1,000,000.00
<b>Total</b>	<b>\$</b>	<b>2,750,000.00</b>

Current sites operating costs:

Administration Buildings

<b>Building</b>	<b>Average 3 yrs</b>
2 Prince Street	\$ 193,459.23
42 Victoria St	\$ 89,895.42
70 Pound Street	\$ 28,600.45
<b>Total</b>	<b>\$ 311,955.10</b>

Depot facilities

<b>Depot</b>	<b>Average 3 yrs</b>
Bruce Street	\$ 91,712.36
Koolkhan	\$ 35,970.64
South Grafton	\$ 64,914.59
Flood Plain	\$ 10,822.16
Weeds	\$ 12,986.59
<b>Total</b>	<b>\$ 216,406.33</b>

## Estimate Accuracy

The cost estimate provided above has been prepared by a quantity surveyor and is based upon conceptual level information only. Further development of the cost estimate is required and will occur once the project progresses and where more defined cost can be provided against designs.

The current estimate includes a 10% contingency.

## Whole of Life Cost

The whole of life costing for the buildings and facilities under the project cannot currently be completed due to the fact that the design has not progressed beyond concept stage and detailed design and subsequent material and equipment scheduling and costing has not been undertaken.

## Alternatives

Renovate an existing depot site

None of the existing depot sites are of adequate size to accommodate the merging of all outdoor based activities into one location. A new site location is required to accommodate all staff and plant with a suitable area allowed for expansion.

## Capacity of Council

Council does not possess the required expertise to project manage, design or construct such facilities. As such Council has awarded the following contracts for the project:

Project Management: Ridgemill Project Management

Design: Schreiber Hamilton Architecture

Quantity Surveying: WT Partnership

A full open tender process will be undertaken for construction components.

## Risk

**Risk impact table**

<b>Consequence</b>	High	Medium	High	High
	Medium	Low	Medium	High
	Low	Low	Low	Medium
		Low	Medium	High
		<b>Likelihood</b>		

<b>Risk</b>	<b>Consequence (H, M, L)</b>	<b>Likelihood (H, M, L)</b>	<b>Impact (H, M, L)</b>	<b>Mitigation</b>
Investment – The project budget is not within Council’s financial capacity	H	H	H	Quantity surveyor is engaged to provide educated cost estimates. Project scope is refined to the point where project can either be built or staged depending upon outcome. Project Control Group is established and is operating.
Rezoning application is not approved	H	L	L	Enquiries have been made with state government representatives regarding a proposal. Keep state government representatives aware of application and continue dialogue.
Environmental	H	M	M	Environmental factors are to be managed through required development applications. All site based environmental issues will be addressed as part of contractual obligations and monitoring with the responsible contractor.



Design – Designs for facilities are either under or over designed and are not fit for purpose.	M	L	L	Project control group is established and will have oversight over project design. Staff working groups are in place to provide input into the design phase.
Construction – project is outside the scope of builders.	M	L	L	The project is to be designed as fit for purpose. Works at both sites are not of that specialist nature that a reputable builder would not be able to construct.
Work health and safety – Project does not comply with WHS requirements and creates potential for workplace injury or unsafe work practices	H	L	M	Adequate design review provisions in place with staff working groups. Designers required to certify safety in design review under provisions of WHS Act.

## Issues

Issue description	Impact (H, M, L)	Current status
Investment – refining the project design to fit within project budget	H	Currently working with the proposed concept design to establish to required space, material type and suitable staging options to develop a project that fits within a defined budget.

## Governance and Controls

A project control Group (PCG) has been established by Council, the terms of reference for the PCG are attached to this document.

Staff working groups which consist of a cross section of staff from the organisation have been formed to assist the project manager and design team in determining the required activities and operational needs and to assist in planning for the sites and the development of the design and detail of the project.

## Constraints and assumptions

The project is constrained by budget.

## Project Standards and Quality

Project standards and quality will be determined as the design of the project progresses.

## Procurement approach

All works associated with the project will be let for tender. Council does not possess the necessary skill or expertise to be able to undertake such construction.

Once detailed design work is complete, the makeup of the tender will be determined. At this point in time it is premature to decide upon an appropriate contracting model and / or the components contained within each contract.

## Related documents

<b>Title</b>	<b>Version</b>	<b>Date</b>
PCG Terms of Reference	1	
SK2306 – Office Accommodation conceptual master plan		
SK1103 – Depot conceptual site master plan	B	30.07.14
SK1105 – Conceptual layout – initial development	A	05.08.14
Quantity Surveyor Estimate	A	02.0914