

# STAFF REPORT

**TO:** Chairman and Members of the Enterprise Committee  
**FROM:** Manager Property  
**DATE:** 14 February 2006  
**SUBJECT:** Property Project Update

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## RICHMOND LIBRARY

The Environment and Planning staff located on the first floor of the District Library building at Richmond are due to be relocated to the Main Office during June 2006. As previously reported, the process of appointing an architect for this project was postponed during 2005. This has now been reactivated and the library requirements reviewed. Part of the brief will be a requirement to optimise the commercial viability of the lettable space in conjunction with the growth needs of the library. The successful architect should be identified by the end of March 2006.

## TAKAKA LIBRARY

A meeting is to be held on 20 February 2006 to consider the architect's preliminary designs for the new Takaka Library. Councillors will recall that this project was approved for inclusion in the 2005/2006 Annual Plan but as with the District Library was deferred due to the lack of resources. Carver Architects have been engaged to design a new library with the expectation that the project would be ready to go to tender in July 2006. In the meantime enquiries have been received regarding the prospect of leasing the existing library building and enquiries are being made to ascertain its likely rental value.

## MAIN OFFICE, RICHMOND

This project is still on time and within the approved budget. The Subcommittee may recall that the tender from Ian McCully Builders was accepted by the Council on 3 February 2005. For your information the following is an extract from the report which was included on that agenda.

### Budget

The budget submitted to the 29 July 2004 Council meeting provided an estimate of \$3.548 million for this project.

The revised budget based on the preferred tender is as follows:

Contract – Ian McCully Builders	\$2,965,885.57
Additional work identified for existing building	40,000.00

Professional fees	110,000.00
Relocation costs	60,000.00
Consents	50,000.00
Contingency	82,114.43
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<b>Sub total</b> GST)	\$3,308,000.00 (plus
Costs to 31 December 2004	240,000.00
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<b>Total</b>	\$3,548,000.00
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An updated financial project report is attached.

An additional sum of \$250,000.00 was allocated in the 2005/2006 Annual Plan for furniture and fittings and about 60% of this has been committed to date. The balance is expected to be used to provide window treatments, furniture for meeting rooms, interview rooms and the Councillor's lounge. It is pleasing to note that this, the biggest building project undertaken by the Council, has proceeded to date as scheduled and with a minimal disruption to service.

The resource consent for the project required the provision of additional parking spaces which were identified on the land owned by Council at 3 Wensley Road. During the next few months a decision will need to be made as to whether the building at 3 Wensley Road is removed and the area converted to car parking or whether it should be sold and the proceeds utilised to purchase car parking elsewhere in the vicinity. A separate report on this will be prepared for a future meeting of the Enterprise Subcommittee.

The building which was relocated into the car park at the start of the project has been sold for \$19,000.00 plus GST and is due to be removed by the end of February 2006. This will free up a number of car parks and highlight the current main entranceway.

The funding summary for the project is as follows.

### **Budget**

Operational Budget 2004/2005	\$140,000.00
Port Nelson Dividend	3,000,000.00
Interest on Port Nelson Investment	400,000.00
Operational Budget 2005/2006	250,000.00
Sale of relocated building	19,000.00
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	\$3,809,000.00
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## Spent from 2004 to 2006

Contract	2,844,231.00
Balance remaining to spend	964,769.00
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	\$3,809,000.00
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Councillors may note a variation of \$111,000.00 between this and the RDT Pacific Report for payments made to date. This is a timing issue with the preparation of the reports.

## RECOMMENDATION

That this report be received.

J K Frater  
Manager Property

<http://tdctoday:82/shared documents/meetings/council/committees and subcommittees/council enterprises subcommittee/reports/2006/rcn060222 report property project update.doc>