

STAFF REPORT

TO: Community Services Committee
FROM: Manager Property Services
DATE: 1 February 2011
SUBJECT: **Main Office Complex Accommodation Proposals
Report – RCN11-02-08**

PURPOSE

To seek approval to proceed with the construction of additions to the Tasman District Council main office complex.

BACKGROUND

The last Council decision on this matter reads as follows:

**Moved Crs King/Borlase
CN10-06-29**

THAT the Tasman District Council resolves:

- a) **the proposed two storey extension to the Richmond main office be approved in principle and that additional funding be set aside in the Annual Plan 2010/2011; and**
- b) **additional funding of \$1,193,000 for 2010/2011 be loan funded; and**
- c) **this amount not be drawn down until at least 1 January 2011; and**
- d) **approval in principle be given to construct a second storey subject to confirmation of costings and agreements to lease the premises being entered into which adequately cover the cost of borrowing, to be loan funded with the money not to be drawn down until at least 1 January 2011; and**
- e) **report be presented to Full Council before proceeding.**

CARRIED

The report dated 31 May 2010 stated that the total amount of capital funding required was \$2.725 million.

Projections of staffing requirements for the next 8-10 years have been made and consideration has been given to the possibility of some services being contracted out and other services being brought back in-house. We have also addressed the possibility of providing a second storey. Our enquires did not identify a tenant which could provide the security required to commit to the building of an additional storey.

There is an option of providing an additional floor to serve as an Emergency Operations Centre for Civil Defence purposes but the funds set aside in the emergency management budget are insufficient to meet the additional loan payments that would be incurred. This would require a call on both Councils (Nelson and Tasman) to provide additional Civil Defence funding over and above that identified in the LTCCP. As a result, the additional storey possibility has been eliminated from the plan.

A copy of the up to date proposals are attached to this report. Subject to receiving Council approval it is intended to proceed with the design, the obtaining of consents and the calling of tenders in order that construction may start as soon as possible. We will endeavour to live within the budget of \$2.725 million as approved by the Council but this may mean that some of the renovation works which are required to the older parts of the building may have to be deferred. We will have a clearer picture of the situation after the closing of tenders. The construction sector is currently extremely competitive and it is hoped that actual prices may be surprisingly good.

The new structure will be based on modern open plan principles to maximise space and light. The Customer Services area will be located against Queen Street thus freeing up the existing Customer Services staff area and foyer for office space.

DISCUSSION

The building division of the Environment and Planning Department have been located off site for some time now with the lease due to expire on 31 August 2011. If the lease is unable to be extended, alternative accommodation will need to be found elsewhere until such time as the extensions to the main office are completed. This will be difficult and may result in the Wangapeka and Heaphy rooms having to be taken over for some months. The construction period is expected to be 12 months. The design provides a better shop window for the Council and its customers. It will provide a better focus for the public and civic areas and provides the opportunity to bring the Councillors room and Mayor's office into the secure area. Several carparks will be lost and consideration will have to be given as to how the loss of these carparks can be managed. The carpark at 25 Oxford Street for Council vehicles has proved to be successful and the acquisition of land to provide another such facility may be an option for consideration.

As part of the building project it is intended to renovate the first floor of the northern building presently occupied by Community Services, the Chief Executive and Strategic Planning. This work includes an additional toilet, relocating the kitchen and provision of a new acoustic ceiling. Work on the first floor of the southern building includes gutting it and providing new floor coverings and acoustic ceiling. With some records being moved to off site storage in Elm Street, two storerooms will become available and these may be developed as meeting spaces. The extent of the works to be carried out in these areas will depend on the value of the contract for the building additions. It is intended to use existing furnishings and no budgetary allowance has been made for furniture and fittings. However, it is the Chief Executive's preference that the building fitout be reviewed to make more efficient use

of the space and to improve working conditions which may result in additional funding being sought at some time in the future.

The works will be undertaken with a minimum of inconvenience to staff and public. There will be a loss of carparking during construction with site offices etc. Public access will be diverted to the side entrance off the carpark and access to the Civic Areas will probably have to be managed the same way. Staff will be able to continue to occupy the existing offices during construction and only two staff may be required to move as works proceed.

SIGNIFICANCE

The subject matter of this report is not regarded as significant under the Council's policy of significance. The funding has already been approved by Council.

AFFECTED PERSONS

The funding for the project has already been approved and no persons have been identified as affected by this proposal.

OPTIONS

Because the proposed two storey extension of the Richmond Main Office has been approved in principle and the funding has been set aside, the options for the Council are either to give approval for the project to proceed as a two storey extension or to decline to approve the project. The effect of declining to approve the project will result in either a loss of meeting rooms for the replacement of the lease of offices off site to accommodate existing and future staffing requirements.

RECOMMENDATION

THAT the Tasman District Council approves the two storey extension to the Richmond Main Office in accordance with the plans supplied by Redbox Architects dated January 2011 and confirms the funding of \$2.725 million.

Jim Frater
Manager Property Services