



LATE ITEMS
BUSINESS PAPER

ORDINARY MEETING OF COUNCIL

To be held on

Wednesday, 26 July 2017
9am

at

Guyra Council Chambers

Members

Administrator, Dr Ian Tiley

SUPPLEMENTARY AGENDA

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7.3 Our Infrastructure

7.3.4 FOR INFORMATION: Armidale War Memorial Library Project Status Report3

Item:	7.3.4	Ref: AINT/2017/12989
Title:	FOR INFORMATION: Armidale War Memorial Library Project Status Report	Container: ARC16/1442
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Attachments:	Nil	

RECOMMENDATION:

The Armidale War Memorial Library Project Status Report is noted.

Background:

A new library has been high on the list of priorities for the region for some years with Council working to deliberate the best course of action for the community. A report to Council in 2012 estimated the total construction cost to be \$10m for the DA-approved library adjacent to the Council Chambers and this did not include fitout. Whilst a new library has been identified as a high priority in a number of Community Strategic Plans, the means of funding the \$10-13m had been a major obstacle with delivery of the project expected in the 2020/21 financial year.

Following the merge of the former Armidale Dumaresq and Guyra Shire councils in May 2016, the Administrator received representations from the community and has sought senior management briefings in regard to a new library facility. The Administrator also met with members of the former Civic Precinct Committee and the Friends of the Armidale War Memorial Library.

In considering the representations, the previous considerations and numerous reports, the Administrator sought further advice in regard to three specific options other than the new DA-approved library and the upgrade of the current library. Advice has also been sought and considered from the Local Representative Advisory Committee (LRAC) established following the merge of the former Armidale Dumaresq and Guyra Shire councils.

On 26 October 2016 a report tabled to Council presented five final options out of an original 13 presented in a report in 2015. A decision was made at the 2016 meeting to finally move forward with the purchase 182 Rusden Street Armidale for a new Armidale War Memorial Library. The project objective was to relocate the existing library's collection to a fully refurbished building. Details in the design and delivery of the new library was to take inspiration from newly design type library projects, the recommendations of the NSW State Library People Places, community needs and aspirations, provision of energy efficiency and locally built using local resources.

The initial indicative budget or Rough Order of Magnitude (ROM) estimate of up to \$3.74m was identified included the purchase of the premises and the construction and refurbishment costs of the proposed library project. An accelerated program was adopted to initiate design of the new facility in December 2016 with construction commencing in January 2017 and completion planned for April 2017.

Key Issues and Risks

The short timeframe for commencement of the project in January 2017 and completion by April 2017 required that the project be undertaken as a Design and Construct Project (DCP). Design for the library was initiated in December 2016 with an estimate of cost based on a generic library fit out. Demolition of internal fittings was completed in January 2017 with construction initiated in February 2017. Following an accelerated 3 month build the new state-of-the-art library was opened to the community at the start of May 2017.

Council's objective was to provide an optimum library floor area that met a forecasted 10 year population period to an estimated LGA population of 34,850 people. By using the State Library of NSW population benchmark approach, the required optimum floor area was determined to be approximately 1800m². This extensive increase in floor area, in comparison to the current available floor space resulted in cost increases during the construction design. These included new features such as additional mezzanine areas and the need to provide higher rated insulation and upgrading to the fire and air conditioning systems.

Overall these changes represented additional costs of approximately 16% over the indicative budget or Rough Order of Magnitude (ROM) estimate which is within risk tolerances for Design and Construct Project (DCP) where a 32% overrun can be expected in the broader construction industry. At the close of financial year 2016/17 the library project costs were \$4.168m.

A number of decisions were made through the project to minimise "whole of life" costs for the library. The additional expenditure on 'state of the art service' infrastructure within the new library will however have a net positive effect on the annual operational cost of the Library. Energy costs are a major part of the libraries annual expenditure and improvement in energy consumption will result in an ongoing saving in operating costs.

Energy saving Infrastructure included LED lighting throughout which is expected to have a saving in a building the size of the new library of up to 75% of the energy costs. Upgraded wall and ceiling insulation is anticipated to achieve a 40% reduction in the heating and cooling costs. The new climate controlled air-conditioning is estimated to be 15% to 20% more efficient than the previous system in the building.

In the construction of the facility the use of local trades people and suppliers and in-house project management had the benefit of keeping the invested funds within the Armidale Region and removed the normal profit and on-costs associated with contract building work. The estimated proportions of the project costs were 62% locally sourced with only 38% being sourced from outside the Armidale region. Use of local people and suppliers also engendered a pride in the provision of the project not often seen in public infrastructure projects.

Integrated Planning and Reporting Framework

Contained within the former Armidale Dumaresq Community Strategic Plan is the goal of completing a new library facility by 2018. The amended Long Term Financial Plan identified the construction of the proposed new DA-approved library (\$10-13 million) in the 2020/21 budget year. The delivery of the Armidale War Memorial Library at 182 Rusden Street enabled the new Armidale Regional Council to meet its commitment to a new library prior to September 2017.

Financial Implications

The Chief Financial Officer has undertaken the necessary modelling required to appreciate implications of this project on the long term financial sustainability of Armidale Regional Council and the impact on its ratepayers.

Next Steps

Community feedback will be monitored for improvements and engagement sought around the future augmentation of services offered in the facility including the Makers Lab. The savings in energy costs will also be monitored over a 12 month period and benchmarked against industry standards.

PROJECT DETAILS & MILESTONES

- 1. October 2016, Purchase**
 - i. Purchase building 1/182 Rusden Street, Armidale
 - ii. Indicative estimate provided of \$850K - \$1.1M
- 2. November 2016, Concept Design**
 - i. Concept design and DA approval procedures commence
- 3. December 2016, Provisional Design**
 - i. Provisional design incorporating extended floor area to equal a total floor area of 1880m²
 - ii. Structural Engineer design of mezzanine floor areas
- 4. January 2017, Demolition & Construction Design**
 - i. Demolition of existing services, fittings and partitions
 - ii. Design Documentation, including services design.
- 5. February 2017, Construction - Structural**
 - i. Manufacture & installation of external glazing
 - ii. Construction of partitions
 - iii. Construction of structural steel
- 6. March 2017, Construction & Services**
 - i. Internal rough-out of electrical, mechanical and hydraulic services
 - ii. Erect Structural Steel and Mezzanine Floors
 - iii. Erect bulk heads to Ground floor
 - iv. Manufacture & installation of mechanical ducting
 - v. Internal linings
- 7. April 2017, Construction – Fit-out**
 - i. Stairs
 - ii. Plastering
 - iii. Painting
 - iv. Floor coverings
 - v. Joinery
 - vi. Fit-off services
- 8. May 2017, Completion**
 - i. Relocation
 - ii. Opening